INTEGRATED REPORT AND ACCOUNTS 2019 – CSR EXTRACT

Securing your world

G4S

Our purpose – securing your world

Who we are

G4S is the world's leading global, integrated security company. We offer a broad range of security services delivered on a single, multi-service or integrated basis across six continents. We have been investing in technology, software and systems. The Group's technology-related security revenues were over £3 billion* in 2019 (2018: £2.8 billion).

What we do

G4S plays a valuable and important role in society. As a major global employer we make a difference by helping people to live and work in safe and secure environments. G4S takes a fully integrated approach to its strategy and Corporate Social Responsibility (CSR). See page 12 for more information on our CSR approach and impact on society.

Our Values

We act with..
INTEGRITY AND **RESPECT**

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

We achieve this through...
INNOVATION AND **TEAMWORK**

Our 558,000 people and our values underpin everything we do.

Table of content

The Sustainable Development Goals (SDGs) call upon businesses to advance sustainable development through the investments they make, the solutions they develop and the practices they adopt. In this report, we have mapped case studies against the SDGs to highlight examples where G4S is helping to advance the Goals through our programmes and operations. For more information about the social and economic areas where G4S supports the realisation of the Goals and makes a positive difference to society and communities around the world, see page 13.

A more focused business

The sale of the majority of our conventional cash businesses (see page 4) enables G4S to be a more focused business, developing innovative industry-leading solutions that integrate consulting, technology, people and data analytics to deliver solutions that are relevant, valuable and effective for our customers.

Secure Solutions

92%*

Secure Solutions – focused on security and security technology

G4S is a global market leader in security, providing both established and new technology-enabled security solutions across six continents. Following agreement for the sale of the majority of the Group's conventional cash businesses, 92% of Group revenues will be from Secure Solutions.

Security is a growing service industry and we believe that G4S has the expertise and global footprint to grow revenues at 4-6% per annum. As a result of our investment in technology we are deriving an increasing proportion of revenues from higher growth and higher margin technology-enabled solutions.

This creates additional security and efficiency benefits for customers and increases our ability to differentiate G4S's offering in the security market.

During 2019, the Group announced it would be managing for value or exiting a number of additional businesses.

Cash Solutions

4%* Conventional Cash

4%* Retail Technology Solutions

Cash Solutions - focused on cash management and cash technology

In February 2020, G4S announced it had reached agreement to sell the majority of its conventional cash businesses. Post the transaction, Cash Solutions will be around 8% of Group revenues, with our market-leading and fast-growth retail technology solutions such as Retail Cash Solutions, Cash360, G4S Pay and SA-Deposita accounting for around half of that.

* Proforma 2019 underlying revenues post the sale of the majority of the Group's conventional cash businesses.

CEO introduction

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

Reshaping the Group for long-term growth

2019 was a year of significant progress, both in terms of revenue growth, up 4.7% compared with 2018, and the subsequent announcement of the sale of the majority of our conventional cash businesses (the "Transaction").

This Transaction, which is now around 71% complete, is a major milestone in the execution of our corporate strategy, greatly enhancing our strategic, commercial and operational focus and strengthening our financial position. Our clear aim is to capitalise on this focus to strengthen our position as the industry-leading global security company.

Our investment in technology solutions is delivering clear benefits to our customers and has driven growth in key markets. We plan to deepen and extend these capabilities further in order to support our goal of accelerating profitable growth. In the short term, our priority is to take appropriate action to protect employees, customers and the company in light of the Covid-19 pandemic.

People, Culture & Values

Achievement of our strategic goals relies upon our 558,000 colleagues delivering high-quality service to customers across a wide range of geographic markets and industry sectors across the world.

In order to achieve this in a safe, ethical and sustainable way, it is critical to the success of G4S that we embed the right culture across the company. Our values underpin our culture and are fundamental tools in setting, communicating and implementing our standards across the Group in order to shape the way that we work. For further information on how our values are embedded in the organisation, see page 19.

Our regular management and employee engagement surveys demonstrate that employees positively identify with these G4S values. With 90% of the c.450,000 employees who responded to the most recent survey confirming that the company's values have been clearly communicated to them and 82% of employees saying that they feel able to speak up if they notice unethical behaviour (see page 26). Employee fatalities have reduced significantly over the past seven years and we continue to invest in people, training and systems to enhance the group's health and safety performance and to focus on our goal of zero harm. In addition to our people, culture and values and the health, safety and protection of employees and people under G4S care, our other corporate social responsibility priority areas are focused on human rights and anti-bribery and corruption. A summary of our performance and policies can be found on pages 28 and 29.

COVID-19

G4S has taken a number of actions since the start of the pandemic including:

- Implementing enhanced health and safety procedures, including the use of personal protective equipment, increased hygiene resources, social distancing and other measures to support the safe delivery of our services.
- Using an employee welfare fund to assist employees in greatest need of support.
- Offering additional services to support customers.
- The Executive Directors and certain senior executives will not be paid bonuses for 2019, and are suspending their participation in the 2020 bonus programme and 2020 annual salary increases.
- Reducing LTIP awards for 2020 by 25%.

I would like to thank all of our 558,000 colleagues for their continued hard work and customer service in 2019. I am particularly proud and grateful for their outstanding response to the Covid-19 pandemic.

Ashley Almanza
Group Chief Executive Officer

The CSR Committee

As a major global employer, we believe our 558,000 employees make a difference by helping millions of people to live and work in safe and secure environments. With such a wide geographic footprint, scale and diverse workforce, our first priority is of course the safety of all our employees and those in our care. This is particularly true in light of the devastating impact of the Covid-19 pandemic on communities around the world. In 2019, sadly 20 of our colleagues lost their lives. We remain firmly committed to achieving our goal of zero harm through our continued drive to improve health and safety. We sometimes operate in difficult and demanding places where the political, social and human rights environment is challenging and we need to ensure our values which illustrate our corporate culture are well understood and lived with across the entire Group. Monitoring our progress and areas to improve on values through our global employee engagement survey, which received c.450,000 responses, is a relentless focus to ensure the integrity of our organisation, the safety and well being of our people and those in our care.

ELISABETH FLEURIOT
CSR COMMITTEE CHAIR

Responsibilities

The Group takes a holistic approach to corporate and social responsibility and is mindful of its societal impact. 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. The committee's responsibility is to ensure that the Group's approach is promoted and embedded in its culture and values throughout the organisation. During 2019, the committee reviewed and updated its terms of reference to align with the new Code and provide greater focus on promoting a culture of integrity and openness, which values diversity and responsiveness to stakeholders' views. The committee's remit now also includes monitoring cultural and ethical trends identified through engagement channels, in particular the whistleblowing arrangements.
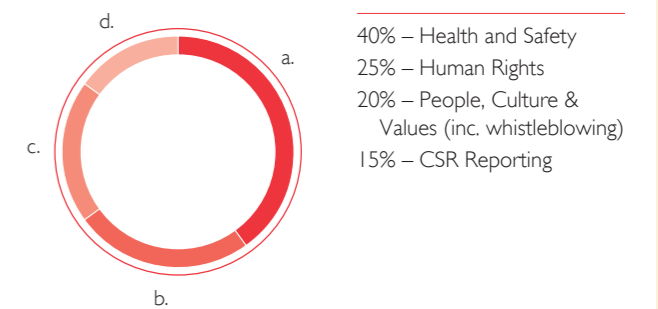
Committee membership during 2019

	Member since
Elisabeth Fleuriot (Chair)	June 2018
Winnie Kin Wah Fok	January 2012
John Ramsay	January 2018
Paul Spence[a]	January 2013

Paul Spence retired from the board and as a member of the CSR Committee on 31 March 2020.

Other regular attendees include the Regional President for the Africa region, the Group Corporate Affairs Director, the Group HR Director and the Director of Risk and Internal Audit.

There were four scheduled meetings during 2019.

Main activities (%)

- 40% – Health and Safety
- 25% – Human Rights
- 20% – People, Culture & Values (inc. whistleblowing)
- 15% – CSR Reporting

Link to strategic priorities

People, culture & values

Growth

Profitability

Further details of the committee's responsibilities can be found in the committee's terms of reference which are available at g4s.com/investors.

Health and safety

The safety of all our 558,000 employees and those in our care is of paramount importance. The CSR Committee is fully committed to supporting the achievement of the Group's goal of zero harm. However sadly, in 2019, 20 employees (24 in 2018) lost their lives in work-related incidents. As part of its normal cycle of work, the committee received regular health and safety reports, including updates regarding on-going initiatives, details of future plans and summaries of incidents. During the year under review, the committee monitored the global programmes raising awareness across the spectrum of health and safety risks as well as those focused on specific initiatives.

Following the attack on a G4S base in Afghanistan, in November 2018, which sadly resulted in a number of fatalities, including five G4S employees, the committee invited the Managing Director of the relevant business to discuss the challenges faced by those who secure the safety of our customers in hostile environments. As part of this session, the committee reviewed actions being taken to provide support to those involved in the incident.

During 2019, as part of the health and safety team's continued efforts to reduce road traffic incidents and related fatalities, the committee received regular reports on initiatives being implemented across the Group. Such initiatives included driver training conducted in Colombia, Peru and Brazil, as part of a programme aiming to reduce high potential incidents and the creation of a motorcycle safety video for Thailand, which, owing to its success, is being translated for use across other regions. 2019 was the first year with zero motorcycle fatalities across the globe.

The committee also received a presentation from the Regional President of the Africa region on challenges faced and initiatives being implemented in the region. During 2020, the CSR Committee will be provided with an update on progress in the Africa region. The committee will also focus on deep-dive updates of high-risk countries provided by the management of those businesses. In light of the Covid-19 pandemic and its devastating effects on the communities the Group serves, the committee has added the review of the Group's initiatives and health and safety response as a key area of focus.

Human rights

Everyone at G4S, whether a director or frontline supervisor, has a responsibility to respect and protect the human rights of the company's employees and those in our care and we invest to ensure that our employment policies and practices are consistent with international conventions. The CSR Committee receives regular updates on major human rights audit findings or incidents. In certain countries, the Group relies on migrant workers to deliver a range of services to its customers. We recognise that being far from home, migrant workers are potentially vulnerable, therefore we need to ensure that group policies to safeguard their well-being are adhered to by all involved. Following, the Norwegian Council on Ethics for the Government Pension Fund Global making public some concerns over the Group's approach to migrant workers in the Middle East, the programme to assess the Group's migrant worker policy and practices, which was underway, was accelerated. Management has provided updates to both the Audit Committee and the CSR Committee on the results of the assessment carried out and changes being implemented to the recruitment process, management of the migrant workers programme with the appointment of a coordinator based in the Middle East and engagement directly with the migrant worker population. In 2020 the CSR Committee will continue to monitor progress.

Mitigating the risks of modern slavery in our supply chain is also an area of focus for the committee, which reviews the company's modern slavery act statement every year. In 2019, the committee oversaw the launch of the supplier due diligence programme in the UK, run by EcoVadis, the sustainability ratings agency, to ensure our supplier code of conduct promoting health and safety, respect of human rights and business ethics in line with our values, is embedded and applied. Over the coming two to three years, the programme will be implemented globally starting with Europe and the Middle East.

People, culture and values

Our values are integral to everything we do. The biennial employee survey conducted across the entire Group's employees, which is underpinned by the G4S values and therefore provides an useful tool for the committee to monitor the culture of the Group and in particular how well these values are understood and applied.

In addition, the committee has been keen to gain a better understanding of the Group's policy and objectives on diversity and inclusion, to attract, recruit and retain diverse talent, to harness the great diversity of thinking to generate new ideas for a sustainable future and to be recognised as an ethical employer that promotes the right behaviours through employees, supply chains and community activities.

Through regular updates and presentations the committee is able to monitor and ensure that our culture and values are consistently reflected in behaviours and actions in all parts of our business and to support management initiatives to enhance the application of our culture and values. In 2019, the CSR Committee received a presentation on the results of our biennial global employee engagement survey to which c.450,000 employees responded with 84% favourable answers globally.

Whistleblowing arrangements

Another important tool for monitoring corporate culture is provided by the Group's whilstleblowing arrangements. The CSR Committee receives regular updates and reviews key indicators to ensure that cultural and ethical trends can be identified and addressed. The committee was also recently provided with an update from the chair of the Group Ethics Steering Committee, the executive committee tasked with overseeing ethical matters across the Group, who highlighted its work in relation to overseeing the company's policies and procedures for the identification, assessment, management and reporting of ethical risks and in leading the review of the Group's existing anti-bribery and corruption programme and existing mechanisms for employees to raise ethical concerns in confidence. A review of the Group's global whistleblowing arrangements and case management tools, undertaken by Protect, a whistleblowing charity, overseen by the committee will take place during 2020.

Specific issues

Brook House

Over 2018 and 2019, the committee oversaw the independent review carried out by Verita, a specialist consultancy, into allegations regarding the conduct and behaviour of a number of staff at Brook House Immigration Removal Centre. The committee also oversaw the implementation of the operational improvement programme at the facility. The committee noted the positive conclusions of the comprehensive inspection of Brook House, carried out over three weeks in May and June 2019 by HM Chief Inspector of Prisons. An important aspect of the committee's work has been to ensure that lessons learned from the review were shared across the estate of G4S-run custody and rehabilitation facilities. The management team reported on initiatives being implemented, which included staff workshops, at one of the committee meetings.

HM Prison Birmingham

Following continuing challenges in returning to normal operation following a major disturbance that took place in December 2016, in August 2018, G4S agreed with the UK Ministry of Justice (MoJ) that Her Majesty's Prison and Probation Service (HMPPS) would "step-in" and take over the management of HM Prison Birmingham. By mutual agreement with the MoJ, G4S permanently transferred the management of the prison to HMPPS, with effect from 1 July 2019.

In 2018, the CSR Committee led an internal independent review to assess the factors which led to the situation at the prison and identify any lessons that could be learned and shared across the broader G4S custodial estate. During 2019, the committee oversaw management's programme of actions and initiatives designed to ensure lessons learned were fully implemented, with the managing director of G4S Custodial and Detention Services providing an update on learnings from Brook House and HMP Birmingham to the committee during the year. These learnings have been shared by management across the entire business.

Committee performance

The assessment of the committee's performance, conducted as part of the overall board review process with assistance from Lintstock, concluded that the CSR Committee continued to be effective, with the composition and leadership of the committee as well as the collaboration with the executive team identified as strengths.

In 2020, the committee will oversee the review of the Group's global whistleblowing arrangements and case management tools. The committee will also review the progress being made to enhance the protection of migrant workers across the Group and, in particular, the Middle East, as well as initiatives focused on our supply chain risks. Health and Safety deep-dives in high-risk markets will also provide the committee with a more granular level of understanding of the specific challenges faced by some of the businesses and how they respond.

8 DECENT WORK AND ECONOMIC GROWTH

Focus on motorcycle safety

Over the past 18 months, strong focus was placed on improving defensive driving and riding. Motorcycle safety training was reinforced across the Group, through various initiatives including a video to help employees visualise key messages and best practice.

The health and safety audit work also included this particular area of focus and as a result, the health and safety team conducted targeted assurance and audit work on motorcycle safety controls in specific countries during the year.

2019 was the first year that none of our colleagues lost their life in a motorcycle accident.

Our Governance Framework

Governance framework

The board oversees the Group's governance framework, reviews and approves the strategy, monitors management's performance against agreed targets and ensures appropriate controls are in place and operating effectively. The board ensures leadership through effective oversight and review. Executive decisions, and development and implementation of strategy are delegated to management.

The board fulfils a number of its responsibilities directly (see the list of matters reserved to the board) and others through its committees.

Board responsibilities
- Review and approve the company's strategy
- Monitor management's performance against agreed targets
- Review its own performance on a yearly basis

Matters reserved to the board

The board is responsible for a number of specific matters in the following areas:

- Strategy and management
- Structure and capital
- Financial reporting and controls
- Risk appetite, risk management and internal controls
- Material contracts
- Major acquisitions and disposals
- Communication with shareholders
- Board membership and other appointments
- Delegation of authority
- Corporate governance matters
- Tax and treasury policies
- Other matters – such as settling material litigation

Board committees

The work of the board's committees is described further in this report and in the terms of reference of each of the committees are available on the company's website at g4s.com/investors.

Nomination Committee
Reviews board composition, leads the process for new board and committee appointments and reviews board succession.

Corporate Social Responsibility Committee
Reviews and approves the company's CSR strategy, monitors compliance with CSR policies throughout the Group.

Risk Committee
Advises the Audit Committee and the board on the Group's overall risk appetite and tolerance, oversees the company's risk management framework and reviews its effectiveness and also reviews major projects.

Audit Committee
Oversees the financial reporting process and ensures the integrity of the company's financial statements, monitors internal audit, approves external audit scope and fee, reviews and monitors external auditor's independence.

Remuneration Committee
Approves remuneration of the chairman, executive directors, other members of the group executive committee and the company secretary.

Monitors level and structure of remuneration of senior management of the Group.

Reviews policies on workforce remuneration and ensures they align with the company's culture.

Executive Committees
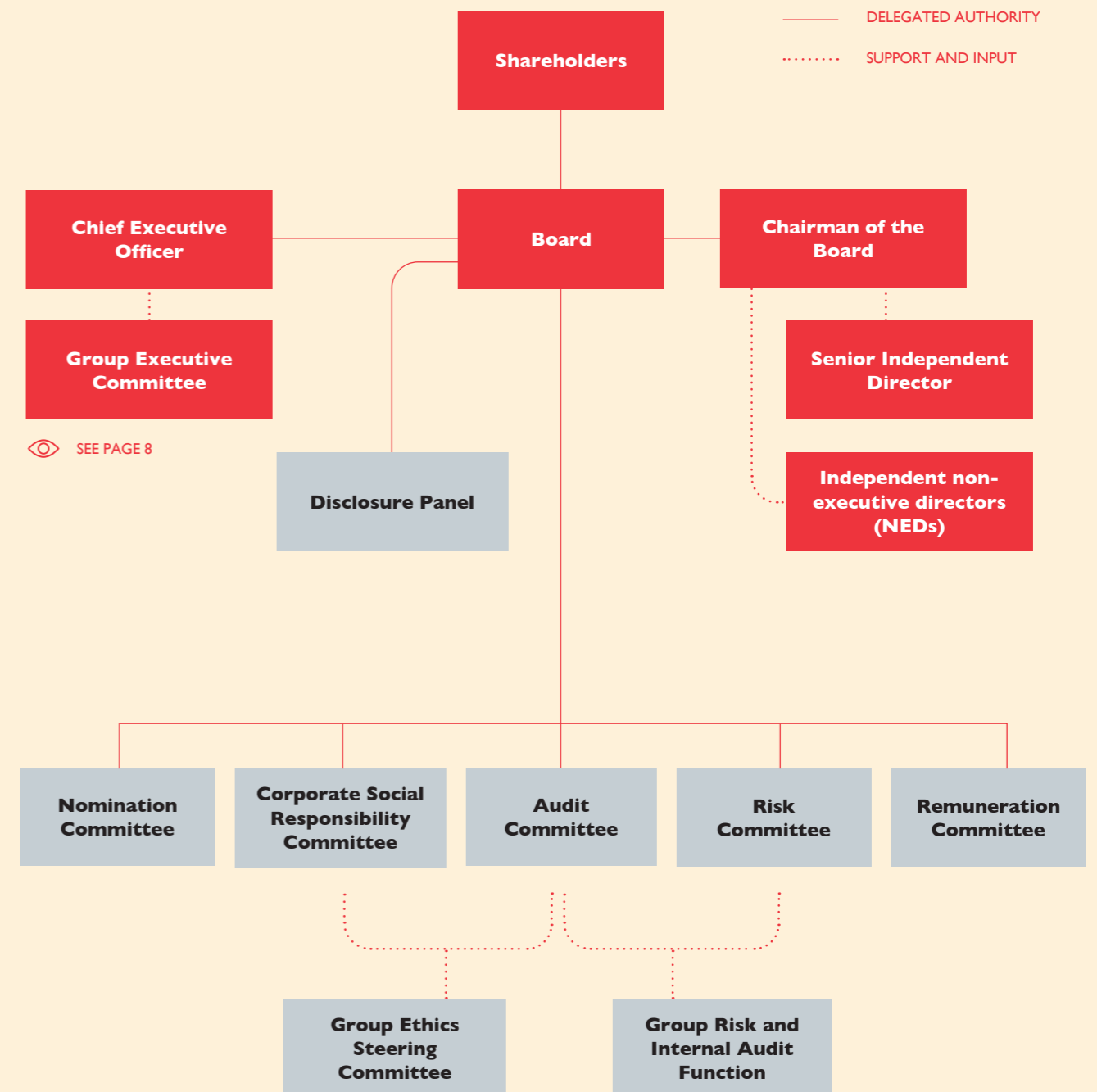
Group Executive Committee
Led by the CEO, delivers the Group's strategy and responsible for day-to-day management of the Group's operations.

Disclosure Panel
Deals with all matters concerning inside information relating to the company and the fulfilment of its obligations under the Market Abuse Regulation and the FCA's Listing Rules and Disclosure Guidance and Transparency Rules.

Group Ethics Steering Committee
Develops Group strategy and policy on ethical matters, the Group's anti-bribery and corruption framework as well as whistleblowing arrangements and advises on steps to promote a culture of integrity and honesty across the Group.

SEE PAGE 8

Governance framework diagram: DELEGATED AUTHORITY / SUPPORT AND INPUT. Shareholders → Board. Chief Executive Officer and Group Executive Committee; Chairman of the Board, Senior Independent Director, Independent non-executive directors (NEDs); Disclosure Panel; Nomination Committee, Corporate Social Responsibility Committee, Audit Committee, Risk Committee, Remuneration Committee; Group Ethics Steering Committee, Group Risk and Internal Audit Function.

Engaging to deliver value

Engagement with stakeholders is essential for G4S, given our role in society, the global nature of our business and our substantial workforce.

Understanding stakeholders' interests helps us define our strategic priorities, and guide our initiatives and remuneration policies. We undertake a formal exercise every two years to identify our material CSR priorities (see page 12).

The board's consideration of all stakeholders during the decision to sell the majority of our conventional cash businesses can be found on page 96 of the 2019 Integrated Report and Accounts.

Links to strategy

Strategic pillars

People, culture & values

Growth

Profitability

Financial discipline

Remuneration policy

Annual bonus scheme – financial performance measures and personal/ non-financial measures

Long term incentive plan – based on EPS, free cash flow and total shareholder returns

CSR policies

PLEASE SEE PAGE 28

Society

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 (see page 12)
- Community engagement programmes
- Substantial tax and economic contributions
- Government relationships and parliamentary engagement
- NGO and UN agency engagement
- Industry forums

Key areas of interest

- Ethical and sustainable business practice including:
  - People, culture and values
  - Health and safety
  - Human rights
  - Anti-bribery & corruption

Our response and KPIs

- Slavery and Human Trafficking Statement
- UN Global Compact: Communication on Progress
- UK socio-economic impact assessment identifying an economic impact of £1.7bn
- Global employee engagement survey with c.450,000 employees taking part in 2019
- Values awareness and training programmes
- Engagement with UK parliamentary committees and MPs, including site visits to custodial detention facilities
- Industry forums including: International Security Ligue, International Code of Conduct Association, British Security Industry Association, Confederation of British Industry

Customers

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

How we engage

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

Key areas of interest

- Quality and price of service delivery
- Expertise and innovation
- Health and safety
- Business ethics

Our response and KPIs

- 4.7% underlying revenue growth in 2019 (2018: 1.0%)
- Around 50,700 customer surveys completed using net promoter score in 2019 with positive results in all markets (2018: 49,000)
- Feedback from unsuccessful contract bids

Shareholders

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

How we engage

- 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
- Governance meetings with the Chairman
- Shareholder consultation with Chair of the Remuneration Committee on the Remuneration Policy
- CSR updates with the Chair of the CSR Committee
- Annual General Meeting

Key areas of interest

- Financial performance
- Strategic direction and coherence
- Governance and risk management

Our response and KPIs

- CEO and CFO met with shareholders representing over 63% of the share register and 171 institutions
- 4.7% underlying revenue growth in 2019
- £501m underlying Adjusted PBITA in 2019, unchanged from 2018
- £633m underlying operating cash flow in 2019 +8.8%
- The board did not recommend payment of the final 2019 dividend due to the uncertain impact of the Covid-19 virus on economic activity in our key markets

Employees

With 558,000 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.

How we engage

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

Key areas of interest

- Company performance and plans
- Compensation and benefits
- Training and career development
- Health and safety
- Human rights
- Diversity and inclusion
- Values, CSR and recognition

Our response and KPIs

- Implementing plans based on responses from c.450,000 employees through the 2019 global engagement survey
- Maintained overall favourable survey responses at 84% from 2017 to 2019
- Feedback from consultation committees and works councils
- Reduction in staff turnover from 24.7% in 2018 to 23.7% in 2019
- High potential incidents down 21% in 2019

Suppliers

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

How we engage

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

Key areas of interest

- Supplier performance – service delivery and product quality
- Payment terms
- SME engagement
- Business ethics
- Human rights

Our response and KPIs

- Rationalised suppliers
- Global approach to procurement
- Launched enhanced vetting and screening process with EcoVadis to help prevent modern slavery in our supply chain
- Commitment to the UK Prompt Payment Code
- Member of the UK Government Contract Finder portal to promote use of SME businesses

Managing our material issues

To ensure that G4S's approach to sustainability remains focused on the areas that are most relevant to the business and to its stakeholders, we regularly undertake a materiality assessment of ethical and sustainability issues.
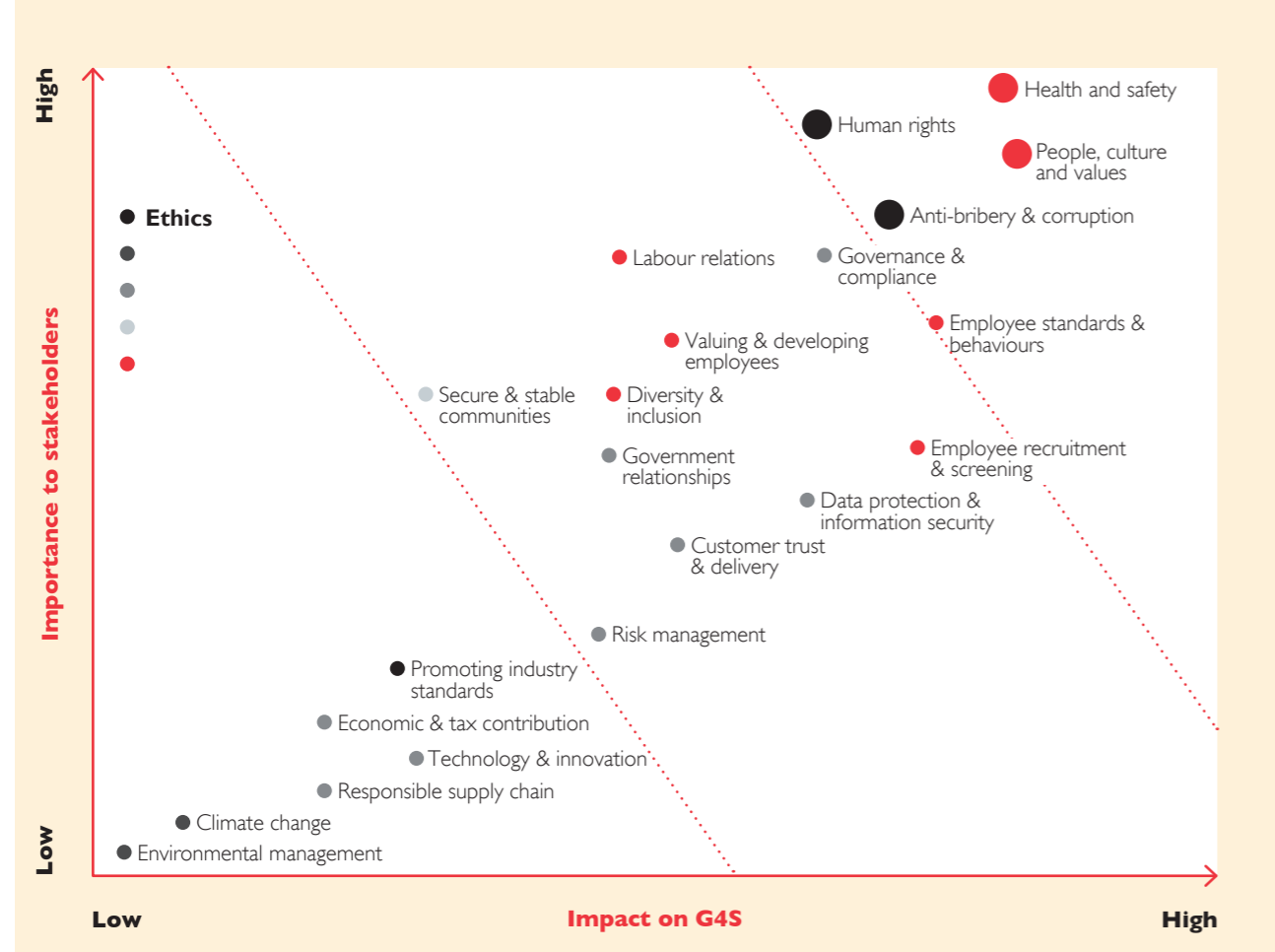
Our CSR priority areas

Based upon the feedback from a broad range of parties, including the executive and non-executive members of G4S's senior management, sustainability analysts, industry bodies, customers, suppliers and NGOs – our current assessment, confirms four core CSR priority areas:

- Health, safety and protection of employees and people under G4S's care
- Human rights
- Anti-bribery and corruption
- People, culture and values

The findings reinforce the importance that G4S's ethics, culture and values, and our employees' personal standards and behaviour have in preventing issues and non-compliance across the core priorities and other CSR matters.

In 2020 we will conduct a new assessment of the CSR issues most relevant to G4S and its stakeholders. This assessment has been postponed from 2019 to allow for organisational changes and potentially different issues and priorities following the disposal of the majority of our conventional cash businesses.

CSR priority areas

We touch the lives of millions of people every day, providing employment to hundreds of thousands around the world, and delivering crucial services to help keep society safe and secure.

Sustainable Development Goals

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

Health and Safety

PLEASE SEE PAGE 20

Human Rights

PLEASE SEE PAGE 25

Anti-Bribery and Corruption

PLEASE SEE PAGE 26

Underpinned by People, culture and values

PLEASE SEE PAGE 18

Zero harm

CONTRIBUTING TO THE REALISATION OF SDG 8.8.
The safety of our employees and those in our care is our first priority. Our goal is zero harm.

While we recognise that we still have a long way to go in order to achieve our goal, since the launch of our safety programmes in 2013, the number of work-related fatalities has reduced by 57%.

Ethical Employment Partnership (EEP)

CONTRIBUTING TO THE REALISATION OF SDG 8.5 AND 8.8.
Signed in 2008, G4S's Ethical Employment Partnership with UNI, the global union federation, helps to protect labour rights and promotes safe and secure working environments for G4S' 558,000 employees.

SEE G4S.COM/EEP FOR MORE DETAILS

Affordable and clean energy

CONTRIBUTING TO THE REALISATION OF SDG 7.2.
By securing facilities and other infrastructure producing clean energy, G4S is helping companies such as EDF and Lake Turkana Wind Power to increase the share of clean energy in the global energy mix.

Securing Your World

CONTRIBUTING TO THE REALISATION OF SDG 16.1.
G4S helps millions of people around the world to live and work in safe and secure environments. Through the protection of people and property, we support the reduction of injuries and violence-related deaths.

FIND OUT MORE ABOUT OUR SUPPORT OF THE SUSTAINABLE DEVELOPMENT GOALS AT G4S.COM/SDG

Landmines and unexploded ordnance

CONTRIBUTING TO THE REALISATION OF SDG 16.1.
Over the past two decades, our specialist teams have located and destroyed more than 20 million landmines and other items of unexploded ordnance from sites around the world.

Our work has returned almost 1,500km^2 of land to productive use, allowing communities to rebuild their shops, farms, hospitals and schools.

Industry, innovation and infrastructure

CONTRIBUTING TO THE REALISATION OF SDG 9.1.
G4S is helping its customers to implement resilient infrastructure and support economic development. For example, in Belgium, G4S is transforming the concept of truck parking with a pioneering secure facility for overnight parking.

SEE G4S.COM/KALKEN

Strategic priorities and performance overview

The combination of a growing integrated security business with an established global footprint and a unique and high-growth cash and payment technology business, strengthens the Group's growth prospects and margin profile for each business.

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 four material priorities: health and safety, human rights, anti-bribery and corruption and people, culture and values which are covered in detail on page 12.

Strategic priorities

Underpinned by corporate culture based on group values and commitment to CSR.

Key risks

See Emerging and Principal risks on pages 33 to 39.

KPIs

See pages 28 to 29 for more detail and the progress in the Group's non-financial KPIs and how they link to the Group's strategic priorities.

People, culture & values

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

Strategic priorities
- Embed the right culture; promote our G4S values and sustain strong employee identification with those values
- Embed and reinforce correct health and safety behaviours
- Focus on talent acquisition, development and succession planning
- Engage to ensure best performance
- Incentivise and recognise success
- Harness and extend the diversity of our workforce and foster an inclusive workplace

Key risks
- Our trained and skilled people are hired by competitors or other companies or do not behave in line with the Group's values, resulting in adverse impact on customer service or those in our care
- Negative impacts on our employees' health and safety
- G4S managers not applying standards

KPI

84%

EMPLOYEES GAVE AN OVERALL FAVOURABLE RESPONSE IN 2019 EMPLOYEE SURVEY WITH C.450,000 RESPONSES

Growth

Customer excellence

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

Strategic priorities
- Positive demand for security services driving revenue growth
- Investment in risk consulting expertise to lead initial customer engagement and develop excellent service and solution design
- Investment in technical and project management capability
- Investment in sales, marketing, account management teams, SalesForce CRM, embed G4S way of selling and contract retention programmes

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

KPI

£1.5bn

ANNUAL CONTRACT VALUE OF NEW BUSINESS WON IN 2019 (2018: £1.4BN)

Technology, innovation and data analytics

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

Strategic priorities
- We continue to invest in the resources, skills and capabilities to develop and deliver technology-enabled security and cash management solutions:
  - Secure Solutions – expand and upgrade technology-integration capability
  - Cash Solutions – further develop our market leading and fast growing payment and cash technology

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

KPI

47%

TECHNOLOGY-ENABLED SECURITY REVENUES IN 2019 (2018: 45%)

Profitability

We have a growing proportion of revenues from higher growth and higher margin services and safe, secure, reliable and efficient operations

Strategic priorities
- The conventional cash transaction facilitates the creation of a simplified group and provides the opportunity to reduce overheads by an annualised £15-20m through 2020-2021
- Operational excellence and efficiency: implement lean, automated processes
- Continue to improve health and safety awareness and performance

Key risks
- Failure to comply with our standards results in harm, loss of expertise or investments failing to deliver benefit

KPI

-21%

REDUCTION IN HIGH POTENTIAL INCIDENTS IN 2019 COMPARED WITH 2018

Financial discipline

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

Strategic priorities
- Driving improved cash flow
- New commitment to maintain net debt/ Adjusted EBITDA between 2.0x and 2.5x over the medium term
- Improved risk management, including contract risk management
- Established and embedded rigorous capital investment appraisal processes
- Manage for value or exit a number of non-core businesses to increase further our strategic, commercial and operational focus and efficiency

Key risks
- Inefficient capital management and failure to comply with group risk management standards

KPI

+8.8%

INCREASE IN UNDERLYING OPERATING CASH FLOW IN 2019

Our culture, values and commitment to corporate social responsibility underpin our strategy

People, culture & values

INDIA
Using biometrics to transport Information Technology (I.T.) employees safely

From contract award in 2018, it took just three weeks for G4S to successfully deploy to all the sites in India for one of the world's largest I.T. companies. This is a considerable achievement given the scale of the solution and implementation of technology. This included carrying out verification on the 3,500 subcontracted drivers and G4S security escorts and training them under the scope of the new solution.

The vehicles use cloud-based technology and biometric fingerprint scanners to ensure that the identity of every driver, and every security escort, is authenticated before each journey.

In addition to drivers and security escorts, G4S also provides over 1,500 campus security officers at the customer's sites across India. These security officers are trained to provide full support during medical emergencies, fire and evacuations, and patrol the premises and secure the entrances and exits to each site. The campuses are secured with G4S's award winning AMAG access control systems, giving complete control over who is allowed to enter sites to ensure the safety of employees, visitors, assets and buildings.

LINK TO SDGs:

USING BIOMETRIC TECHNOLOGY, EACH DAY, EMPLOYEES WORKING FOR ONE OF THE WORLD'S LARGEST I.T. COMPANIES KNOW THAT THEY WILL GET A G4S DRIVER AND A G4S SECURITY ESCORT RESPONSIBLE FOR ENSURING THEIR SAFETY DURING THEIR ENTIRE TRIP FROM HOME TO OFFICE AND BACK.

1,500

IN ADDITION TO DRIVERS AND SECURITY ESCORTS, G4S PROVIDES 1,500 CAMPUS SECURITY OFFICERS AT A GLOBAL I.T. COMPANY'S SITES ACROSS INDIA

People, culture & values

With 558,000 G4S employees working around the world, the standards we set and the way in which colleagues conduct themselves are fundamental to the success of the Group and are underpinned by the way we attract, develop and engage with our people.

Our approach *to both human resources (HR) and wider human rights matters is based upon accepted international standards, including the ILO Core Labour Conventions and the UN Guiding Principles on Business and Human Rights.*

We recognise the importance of our people to the company's long-term success, and have a comprehensive HR strategy that is structured around six HR work streams.

The execution of the HR strategy is facilitated by establishing industry leading employment practices such as:

Our Ethical Employment Partnership with UNI, the global union federation, which has been in place since 2008 to enable G4S and UNI to work together to raise employment standards in G4S and throughout the wider market.

Our global employee survey had an 84% favourable score in 2019, with responses from over c.450,000 employees. This valuable employee feedback is used to inform local engagement plans in addition to group-wide initiatives.

Our health and safety policy has been supplemented by additional expert resources, provision of training, and establishment of additional policies and guidance to help mitigate the risks particular to our industry.

Our values are reinforced through on-going communications and training, as well as embedding them in our management incentives to help drive the right behaviours.

Performance through people

Human Resources Work Streams

ORGANISE
Are we organised as efficiently and effectively as possible?

ACQUIRE
Do we have the right people in the right places?

PROTECT
Do we put the safety of our employees and those in our care first?

DEVELOP
Do our employees have the capability to deliver?

ENGAGE
Are our employees committed to doing a good job?

REWARD
Do our incentives support sustainable performance?

ORGANISE

Embedding our values and creating the right organisational culture

Our aim is to be the employer of choice for people in our industry and the supplier of choice for our customers. Our values help us to achieve this. Always acting with integrity and respect, being passionate about safety, security and service excellence and achieving success through teamwork and innovation, help to set us apart from many of our competitors in the marketplace.

We work hard to ensure these values are not just words on a page and have invested in initiatives to bring them to life, so that everyone understands them and knows why they are important. Regardless of where they work, what they do, and how long they have worked with G4S, we want our people to always behave in line with our values.

To achieve that we constantly reinforce our values with a range of bespoke online training and hard copy materials used at all levels of the organisation and all stages of the employee lifecycle.

We have aligned our global survey and recognition schemes so that they check for understanding of our values and reinforce the behaviours that demonstrate them. In 2020, we will refresh and extend our training programmes and materials, including the introduction of a new values-based calendar showcasing the behaviours that underpin them. We also plan to assess how successful our efforts to embed our values have been.

We act with..
INTEGRITY AND **RESPECT**

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

We achieve this through...
INNOVATION AND **TEAMWORK**

Our Values

Our people and values underpin everything we do.

Actions for 2020

Organise
- Continue to measure progress on embedding the G4S values
- Board to complete G4S values training
- Launch values-based calendar for all employees which showcases our values and the behaviours that underpin them
- Sponsor initiatives to support further embedding of Integrity values across G4S
- Evaluate methods of engaging with 35,000 supervisors globally to embed the values, encourage best practice and further improve confidence in reporting behaviour which does not meet our standards

HINKLEY POINT C

The elite training and education keeping thousands of workers safe at Hinkley Point C, UK

Hinkley Point C is the first nuclear power station to be built in the UK in a generation. G4S has a multi-year contract to secure the construction site using an integrated security offering and Enhanced Security Officers (ESOs) – some of the most well-trained and well-equipped in the world.

The ESOs are put through a course that spans three months, during which time they are exposed to all the areas and elements of a site the size of a small town. They are taught the language to use over radio, real-time reporting, conflict management, how to manage a situation with protesters, and more.

The approach has improved staff morale and retention. The UK security industry has an average annual staff turnover of roughly 30%, but at Hinkley Point the team's turnover rate is just 2% and those who become ESOs continue to learn. Every year, each of the four teams of officers complete an off-site refresher course over two days that boosts their Incident Management, Physical Intervention, and Trespass and Protest Scenarios skills.

LINK TO SDGS:

ACQUIRE

Attracting, recruiting and retaining the best people

Ensuring we recruit the right people is a responsibility shared by the hiring manager and the relevant HR team member. Selection processes vary according to the level and type of role, and in accordance with the specific customer or contract requirements. As well as interviews, a range of psychometric tests are available to assess personality and abilities to ensure that new hires are equipped to consistently perform to the high standards we expect, and include bespoke reports for participants and managers on how the individuals' responses align with the G4S values.

We are constantly looking to streamline our recruitment processes. We have updated our careers centres and applicant tracking systems as well as our links with external agencies to help us target our sourcing and support people through the application process. Utilising the latest technology, future plans include the use of digital assistants and artificial intelligence to help candidates through the recruitment and onboarding journey.

We look beyond people's disabilities and seek to make reasonable adjustments to our workplaces and working patterns to accommodate applicants and existing employees who become disabled during their career with G4S. We are proud of the work we do and our commitment to removing the complex barriers people with disabilities can face in securing employment, training and promotion.

Screening

Our employee selection process is underpinned by G4S' global screening policy which defines the standards required to confirm the applicant's identity, personal history, licence requirements and their suitability to work in a position of great trust and responsibility. The policy extends to subcontractors as well as direct employees. We regularly take the opportunity to assess whether the policy is appropriate, safeguarding against the risks while ensuring that we have a strong applicant pool of qualified candidates.

Employees by region
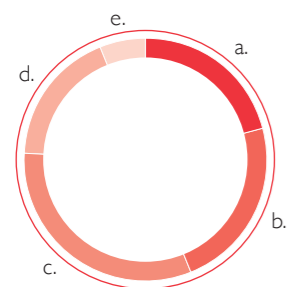
21% – Africa (120,000)
23% – Americas (126,000)
32% – Asia (178,000)
18% – Europe & Middle East (102,000)
6% – Cash (32,000)

Employee turnover

For the third successive year we have achieved a reduction in our labour turnover rate (2019: 23.7%) as a result of our continued focus in this area, high levels of employee engagement and our continued commitment to employee development and competitive pay. Nevertheless, we are still recruiting around 200,000 employees each year, which is a significant task.

We use a number of mechanisms to reach the widest talent pools and generate interest about our people, our products and services. In 2019, our social media campaign ExploreG4S commenced, offering weekly insights on over 20 countries where we operate, with employees sharing their stories about the amazing work that they do to help attract others to follow in their footsteps. The campaign will continue into 2020.

> ### Actions for 2020
>
> **Acquire**
> ▪ Complete review of our screening policy and practices and update accordingly
> ▪ Undertake a review of the G4S onboarding programme to ensure culture, values and ethics are appropriately emphasised

PROTECT

Putting safety first (CSR PRIORITY AREA)

The safety of our people and those in our care continues to be our first priority. We pursue our goal of zero harm with relentless focus throughout the organisation, embedding safety in everything we do, from inducting new employees, to tracking business performance. Our passion for safety has also inspired others who are following our lead as we drive safety improvements across the wider security industry.

Our safety journey starts with our business leaders who all commit to annual safety improvement plans using our health and safety standards as the baseline. These standards reflect the key risks in our industry, and are reviewed and updated as we learn lessons and share experiences. Detailed investigations and post incident safety briefings provide important insights and help us to prevent recurrence, providing protection to our colleagues and customers where it is most needed. Specific deepdives and general oversight by the CSR Committee, frequent executive discussions and regular audits all contribute to the robust governance we apply to safety matters.

In our 2019 employee engagement survey, 82% of respondents felt that G4S takes health and safety in the workplace seriously.

Sadly, during 2019, 20 of our colleagues and one subcontractor lost their lives in work related incidents. These losses are widely felt and our thoughts are with their families and friends at such difficult times. While it represents a reduction from 24 fatalities in 2018, the loss of 20 colleagues means we have no cause to celebrate and we will continue to focus our efforts on achieving our goal of zero harm.

Thankfully, all four health and safety indicators suggest that our sustained focus on safety in 2019 and improved controls relating to attacks on employees are resulting in improvements with a reduction in the number of high potential incidents of 21%. This translated into a reduction in the number of attack-related fatalities to nine (2018: 14). For the fourth year running, there was a reduction in the number of our colleagues injured at work.

During 2019, the Group's lost time injury incidence rate was 5.7 per 1,000 employees (2018: 6.6). The change reflects improvements in Latin America and the Cash Solutions division. However, the seven road-traffic related fatalities (2018: seven) and four fatalities due to workplace incidents (2018: three) remind us that, although additional training on road safety has been introduced, there is still more work to do on both this and in reinforcing safe operating procedures.

There were two non-natural deaths in G4S custody in 2019 which were due to self-harm. All deaths in custody are investigated by the relevant authorities to determine the cause of death.

Since the start of 2020, our focus progressively shifted to managing the impact of the Covid-19 pandemic. In addition to following the advice of the local health authorities, we have introduced mandatory controls in all businesses. Work practices are being adjusted in consultation with our customers.

> ### Actions for 2020
>
> **Protect**
> ▪ Coordinate the response to the Covid-19 pandemic
> ▪ Review controls for road safety in high-risk countries
> ▪ Improve safety risk management in non-traditional services
> ▪ Review firearms policy

Keeping the Dutch railways safe

Every year, 10,000 employees of Dutch railway company Nederlandse Spoorwegen (NS) go through rigorous emergency first aid, fire and evacuation safety training courses tailor-made and delivered by G4S, so they are ready to meet the safety needs of millions of train users every day.

For NS, it is essential that their employees know how to respond in a variety of emergency scenarios to keep passengers and themselves safe, so they teamed up with our Dutch business – the Netherland's leading safety training provider – to design and deliver tailor-made training courses, unique to each job role.

LINK TO SDGS:

DEVELOP

Building a capable workforce

Our goal is to support our employees to grow in confidence and develop their capabilities at every stage of their career. We want them to progress within G4S, to share their journey and to inspire others to do the same. While investing in building their technological skills and the systems understanding required for our security businesses in the future, we are also encouraging our people to take responsibility for their own development and career advancement.

Our learning and development programmes are designed to do two things. Firstly, they give our front-line employees, many of whom may be new to security or just embarking on their careers, the confidence, base knowledge, skills and understanding to meet customer needs and satisfy the rigorous regulatory requirements. All of them will complete mandatory induction training on topics which include health and safety and our values. This is followed up with more bespoke training on customer and site requirements specific to each contract they are working on. Overall, the training builds confidence and ensures our people are equipped to do their jobs safely and well.

Secondly, there are programmes offering a wealth of self-managed learning on a vast array of topics. To encourage everyone to make the most of these tools and the opportunities to develop, they are available in a mixture of easily digestible and readily accessible formats. Our online, cloud-based learning platform enables us to host, share and record training completed and enables people to manage their own learning wherever and whenever suits them best.

Some notable learning and development achievements in 2019 include the continued success of the regional leadership programme with 106 delegates graduating. The programme has been fully reviewed and refreshed ready for re-launch as the G4S leadership programme early in 2020. Additionally, the materials utilised during a 16 week development programme in 2018 were refreshed and are now available in a structured online management development course. Promotion of the "learning at work" week in May provided great opportunities to showcase the tools and materials that are available and to encourage people to make the most of them.

Our UK based apprenticeship programme is flourishing. 65 employees completed their apprenticeship programmes in 2019 and 12 have completed so far this year. There are currently 420 apprenticeships scheduled to finish in 2020. With our employees undertaking more than 20 different apprenticeships there is plenty of choice for people looking to embark on a career with the company. Although we are well supported by a number of different apprenticeship providers, our longer-term plan is to co-facilitate apprenticeships using existing G4S learning and development specialists who already have the technical expertise and knowledge. Not only will this provide new development opportunities for the specialists, it will enable us to increase the volume of apprenticeships offered using the additional resources available.

2020 has started with a focus on employees affected by Covid-19, with the launch of additional learning in relevant areas such as leading remote teams and supporting employee wellbeing. Throughout the year we will continue to invest in a number of learning and development initiatives to support our business objectives and address any talent and skills gaps in our succession planning. As well as extending our apprenticeship programme, there are plans for a new onboarding course to ensure our culture and values are appropriately emphasised. Additionally, the anti-bribery and corruption training will be refreshed with updated scenarios and new unconscious bias training will be introduced for all delegates on leadership development programmes. A values-based 360 feedback review process, which complements the existing values based behavioural framework, is also planned.

> **Actions for 2020**
>
> *Engage*
> - Communicate employee engagement results to all relevant stakeholder groups. Including employees, trade unions, customers and investors
> - Develop and implement action plans for each business which take account of employee comments, demographics and trends

ENGAGE

Creating an inclusive and engaging workplace

Employee engagement survey

Evidence from our global employee engagement survey, which we believe is one of, if not the largest of its kind, indicates that our employees are highly engaged. This is good for our business, good for our customers and good for our brand. More importantly, it is good for employees. Being motivated, feeling a sense of belonging and pride in what you do at work is important for people's happiness and long-term wellbeing. Feedback from the survey and our improving retention rates suggest our colleagues want to stay working for G4S and continue to care passionately about the work that they do.

In 2019, over 84% (c.450,000) of our employees responded to our voluntary global survey, based on the average number of employees during the survey period. With 84% of them doing so favourably. The increase in response rate from 2017 (73%) was positive given the logistical challenges of reaching employees working remotely with no access to a mobile phone and limited internet connectivity. Managers across the business worked hard to ensure that all colleagues had the chance to participate and have their voice heard and our employees responded by taking the time and making the effort to share their views. Over 200,000 colleagues added suggestions, ideas and feedback as additional commentary on what they think and feel about working for G4S.

Not only did the results indicate high levels of employee engagement, they also indicated an overall increase in the favourable responses to questions on health and safety,

which was reassuring given the priority placed on this by all our businesses. Combining these results with those from other survey questions on fairness and being listened to, will help guide our plans on employee wellbeing which is another area of focus for the next year.

Utilising the global survey, and a smaller management survey also conducted in 2019, we were able to identify areas for development across the organisation, enabling us to address concerns raised by employees. The Group Executive Committee and individual business leaders are committed to responding to the results and have taken responsibility for action to address the areas where the feedback indicates there is room to improve.

Diversity and inclusion

Our diversity and inclusion strategy recognises the importance of diversity and inclusion to our longer-term business success because the skills and talents needed to lead, develop and grow a global business are found in people from a diverse range of backgrounds. Whilst our brand and the benefits offered may be attractive to people from a diverse background, the nature of our work and the environments in which we operate are sometimes less so. To counter this, we are working hard to promote diversity in all that we do and ensure our working environment is an inclusive one.

In April 2019, we published our second UK gender pay gap report in which we confirmed that our average gender pay gap for the nine legal entities in scope was 1.3%, with an average bonus gap of 12.5%. Whilst the figures compare favourably with the national average of 17.9% and many other companies, we are not complacent and have set out our plans for increasing female representation at all levels of the organisation. For more information please see our UK gender pay gap report for 2018 at g4s.com/genderpaygap.

We have achieved the boardroom target set out in the Hampton Alexander Review with 40% female representation and have turned our attention to the leadership and management recruitment pipelines to ensure that we build on this success, not just for gender but for people from black, Asian and minority ethnic groups too who are also under-represented in these populations. Based on our current data (see charts
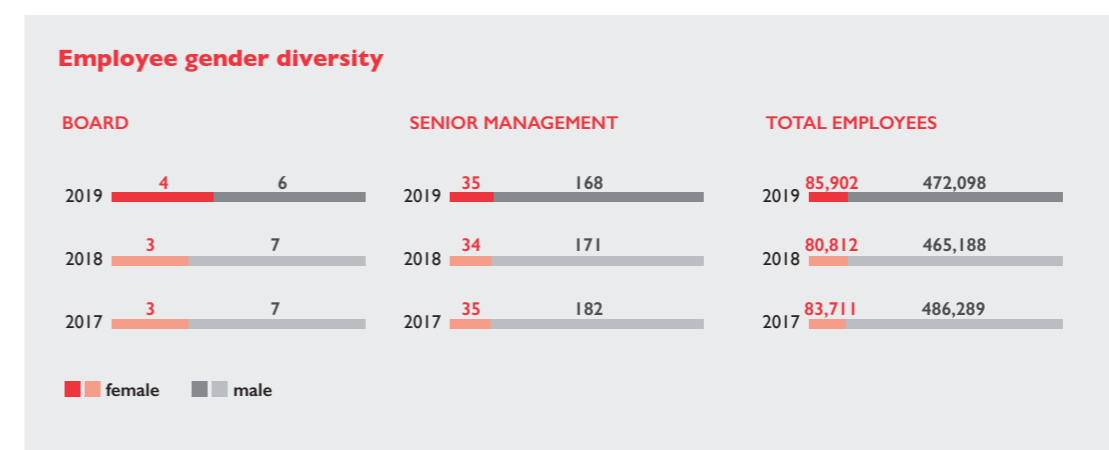
below) we know that women comprise 17% of our senior leadership population and a smaller percentage identify themselves as a person of colour. In 2020, we will be setting some long-term targets to address the imbalances in this population.

In 2019, we launched a pilot sponsorship programme, which, if successful, will be extended to a wider population in 2020. To help broaden the reach of our diversity and inclusion strategy, we have also set our plans for an Inclusion Council which will enable us to gather more data and use it to tackle some of the barriers to inclusion that we know exist. In parallel with the work of the Council, we will continue other efforts to raise awareness of the strategy and the importance of creating an environment where all employees are inspired to do their best. Initiatives we started in 2019, such as our global celebration of Inclusion Week and the introduction of unconscious bias training will continue.

Employee engagement and representation

Keeping all of our employees updated during times of significant business change is always a priority. Throughout 2019 and in early 2020, news about the proposed separation and subsequent sale of our traditional cash businesses was regularly cascaded by the Group CEO, leadership teams and employee representatives. All available channels were used to ensure people were aware of the latest situation and had the opportunity to ask questions and raise concerns about the potential impact of this decision. This continues to be the case as the sale of the cash businesses is fully implemented.

With around 30% of our employees covered by collective agreements, the trade unions we work with via our Ethical Employment Partnership, the European Works Council and local recognition agreements provide important communication channels. Through them we receive insights and feedback on the company's performance and constructive challenge on potential decisions which may impact our employees, such as the company's approach to safeguarding our employees in the context of Covid-19. Based on their feedback, we have sought to establish a better rhythm and regularity for our communications via emails, newsletters and conference calls to bring certainty and clarity where we can at such a time of change.

Employee gender diversity

	BOARD		SENIOR MANAGEMENT		TOTAL EMPLOYEES	
2019	4	6	35	168	85,902	472,098
2018	3	7	34	171	80,812	465,188
2017	3	7	35	182	83,711	486,289

■ female ■ male

Ordnance clearance

For almost a quarter of a century, specialists from G4S ordnance management have successfully delivered clearance and security operations, training and mentoring local people in over 35 countries. So far, this has resulted in the clearance of almost 1,500 square kilometres of land and over 20 million items of unexploded ordnance.

G4S has held contracts in South Sudan since 2006, with teams delivering humanitarian mine action services in up to 20 locations across the country. As well as ensuring safety through clearing unexploded ordnance, their work is about restoring confidence within the community and empowering men, women and children to play an active part in driving change.

By clearing explosives and other forms of ordnance left behind from two decades of civil conflict, and by providing mine risk education, G4S helps keep communities and NGO workers safe so that local residents can continue rebuilding their lives.

In this way, G4S supports the achievement of the United Nations' (UN) Sustainable Development Goals, such as economic growth, no poverty, zero hunger, access to quality education, reduced inequalities and, especially, peaceful and inclusive societies.

👁 FURTHER INFORMATION CAN BE FOUND AT
WWW.G4S.COM/ORDNANCECLEARANCE

LINK TO SDGS:

REWARD
Incentivising and recognising success

Our aim is to recognise and reward employees' contributions to the success of G4S. Every day thousands of our colleagues do a fantastic job, keeping our customers, their assets and the people in their care safe and secure, sometimes putting their own lives on the line to achieve it. Historically, businesses have used their own mechanisms for recognising exceptional contributions in line with local practices.

At the end of 2019, we launched an additional scheme via an employee values recognition app, Awardforce. The scheme gives employees, at all levels in the organisation, the ability to nominate colleagues whose actions exemplify our values – those who really stand out from the crowd and deserve to be recognised for their actions. Exceptional nominees are being recognised by the Group CEO. In 2020, with the help of a community of values coordinators, the values recognition scheme will be brought to life with stories of how our people have demonstrated our values.

For all employees we provide fair and competitive pay and benefits, and are always looking at ways to enhance packages in areas which can make a meaningful difference. We regularly benchmark our pay rates to ensure they remain market competitive and offer flexibility in working patterns where we can to enable employees to meet the conflicting demands they face.

For those who participate in an annual bonus plan, the objectives set are tied to the achievement of financial performance underpinned by behaviours in line with our values. Regular updates about any factors affecting this business performance are vital in achieving common awareness and on-going motivation. Information on company performance is cascaded via the leadership population and also through our network of employee representatives.

During the first quarter of 2020, the Chair of the Remuneration Committee consulted with the Group's largest shareholders on proposed changes to the Remuneration Policy.

Respecting human rights (CSR PRIORITY AREA)

Our ethos is based upon fairness and respect for human rights. We are proud of the role G4S and its employees play in society and the positive contribution that they make each day to the protection of human rights around the world.

We are also clear that we have a responsibility to ensure that we are not at risk of violating human rights through the services we provide, the customers with whom we work, the suppliers we use, or through the treatment of our colleagues and others in our care.

Everyone at G4S has a responsibility to respect and protect human rights and any abuse is completely unacceptable under any circumstances.

G4S's human rights policy and its related framework are based upon the UN Guiding Principles for Business and Human Rights. In parallel with our values, the framework reinforces the continued development of a business which supports the realisation of the UN Sustainable Development Goals through the creation of decent employment, the global improvement of industry standards and by helping to create secure and stable communities around the world (see page 13).

In 2018, we reviewed our human rights heat-map, identifying countries in which human rights may be at higher risk. Informed by this review, we have carried out 23 human rights control self-assessments during 2019. The feedback from these assessments highlights areas where more guidance or support may be required and is incorporated into our internal audit programme.

Respecting human rights in the supply chain

During 2019, we partnered with EcoVadis, a sustainability ratings agency, to design an international programme which will help us to ensure that our suppliers in high-risk categories, such as uniform manufacture, are meeting the ethical standards of our Supplier Code of Conduct.

The programme requires in-scope suppliers to complete an EcoVadis assessment tailored to their industry, size and location. EcoVadis analyses the assessment, providing both the supplier and G4S with a detailed report setting out the supplier's CSR performance. Where their performance does not meet the required levels, a corrective action plan must be submitted to address the shortcoming.

The programme has been implemented across our UK businesses, with 73 EcoVadis assessments being completed by December 2019. We aim to utilise this experience to apply the process internationally between 2020 and 2023, focussing on our top 15 highest spending businesses to cover 85% of G4S's total procurement spend.

Enhancing the protection of migrant workers

We have utilised a range of information sources to help us identify potential modern slavery risk areas, and as a result have focused our efforts on mitigating these risks in our supply chain and the employment of migrant workers. In May 2019, we published our third slavery and human trafficking statement, setting out the actions we have taken to help reduce these risks.

Since then, as well as implementing our supply chain due-diligence programme, we have taken additional steps to enhance our protection of migrant workers in the Middle East and Asia.

- Continuing to improve our migrant worker policy and code of conduct for migrant worker recruitment agencies:
  - Among the standards set by this policy and code is the prohibition of withholding an employee's passport or placing other restrictions on their freedom of movement that may prevent them from moving to another employer or returning home
  - The policy and code also set out G4S's requirements that all employees be provided with clear terms and conditions, in a language they understand, prior to employment
  - We have concluded detailed analysis of migrant worker recruitment fees and associated costs. Following this, G4S has committed to applying the standards adopted by the Leadership Group for Responsible Recruitment, including the 'Employer Pays' principle, in all group companies
- Created a new team of migrant worker coordinators to conduct a range of checks in both candidates' home and destination countries. By March 2020, they had completed more than 1,600 direct surveys with staff in the UAE and Saudi Arabia, to confirm their experience during the recruitment process was consistent with our standards
- Appointed new health and safety officers and welfare officers
- Launched modern slavery training for senior management and key functional roles, such as HR and Procurement departments

Actions for 2020

Respecting human rights

- Commence the implementation of the Employer Pays Principle throughout G4S businesses and migrant worker recruitment supply chain
- Establish a Modern Slavery Steering Group to advise members of the Group Executive Committee on best practices to combat all forms of modern slavery
- Embed an improved approach to risk assessment and due-diligence of suppliers across our global top 15 businesses, in partnership with EcoVadis
- Continue to build awareness of human rights responsibilities
- Conduct human rights control self-assessments in all businesses operating in high-risk countries and continue with our programme of internal audits

- Continued our engagement with the Council on Ethics for the Norwegian Government Pension Fund and other interested stakeholders, such as UNI, the global union federation, under our EEP to improve collective representation in the Middle East
- And, in the past two years, we have reviewed accommodation for migrant workers and made a number of changes to enhance the facilities

To ensure we are proactive and support commitments to prevent modern slavery, we are establishing a Modern Slavery Steering Group. Comprised of a cross-functional team of subject matter experts from G4S, the Steering Group will be charged with advising the Group Executive on best practices to combat all forms of modern slavery.

Anti-bribery and corruption (CSR PRIORITY AREA)

Business ethics

Living our values starts at the top of the organisation and extends to everything we do, whether it is securing a high profile sporting event being watched by millions of people around the world or keeping an individual who is vulnerable and existing on the margins of our society safe and well cared for.

We have a responsibility to all our customers, to the communities we serve and to the people we employ to follow our values and the standards we set for ourselves. Our Business Ethics Policy is central to this. The policy makes explicit reference to our commitments to the ILO Declaration and human rights as well as to our zero tolerance for any form of bribery and corruption. It is underpinned by anti-bribery and corruption training and issued with links to more detailed guidance on related matters such as commercial sponsorship, gifts and entertainment.

We publish the policy externally for transparency and distribute it widely internally, requiring all managers to commit to the ethical standards expressed within it and to ensure the wider application in their G4S businesses or departments. Both the policy and our anti-bribery training are due for review and refresh in 2020, ensuring that they remain consistent with the emerging risks and reinforce the culture and behaviours we expect.

Whistleblowing

A critical part of our Integrity value is ensuring that the company has an effective whistleblowing process in place and that colleagues know how to raise concerns and feel confident in doing so. Where there is any suggestion that our standards are not being met, we encourage employees to use Speak Out, our global whistleblowing channel, to report their concern.

Speak Out can be used by any employee, in confidence, in multiple languages, at any time of the day or night. We continue to promote Speak Out to employees across the Group, and in 2019, 555 cases were raised by colleagues (2018: 519).

The majority of matters raised via Speak Out are HR grievances, which are managed by the local HR team. Where appropriate, concerns regarding operational

Actions for 2020

Anti-bribery and corruption
- Undertake a review of our Business Ethics Policy and guidelines and relaunch a refreshed policy and framework
- Refresh anti-bribery and corruption training with new scenarios

Whistleblowing
- Review, update and re-launch whistleblowing policy
- Evaluate and re-design whistleblowing case management, investigation and close out process
- Conduct end-to-end independent review of whistleblowing service by third-party experts, the charity Protect, and implement suggested improvements across the Group
- Refresh all whistleblowing promotional materials across the Group to raise the profile and confidence of the Speak Out service
- Conduct a review of the Group's external whistleblowing system provider

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.

G4S

Securing Your World

procedures are investigated by local management to ensure that relevant standards are being followed. Internal audit and other assurance functions may also assess operational compliance.

Matters which are classified as being of a serious nature are investigated at a senior and independent level, with 69% of investigations being completed during 2019. Work continues to complete the remainder in 2020.

The Group Ethics Steering Committee continues to oversee implementation of our whistleblowing policy and conducts regular reviews of serious cases, investigation progress and resulting actions. This year, G4S will carry out a review of its whistleblowing policy and practices and has commissioned the charity, Protect, to conduct an independent review of the company's whistleblowing process and its effectiveness.

Total number of whistleblowing cases

Year	Cases
15*	158
16	402
17	300
18	519
19	555
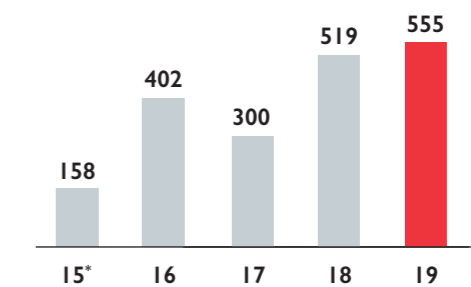
* Speak Out launched

2019 Progress against sustainability actions	Engage	Status
	Conduct a sixth global employee engagement survey using the previous response rates and favourable scores as a benchmark	Complete (see page 22 and CSR KPI on page 28)
	Implement actions arising from the employee research conducted on diversity and inclusion	On-going (see page 23)
	Develop	**Status**
	Review and refresh the regional leadership programme and extend the offering of development materials to a wider internal audience	On-going (see page 22)
	Protect (CSR PRIORITY AREA)	**Status**
	Improve health, safety and security risk assessments process	Complete (see page 20)
	Conduct a thematic review of High Potential Incidents in high priority businesses	Complete (see page 21)
	Improve controls related to attacks on employees	On-going (see page 21 and CSR KPI on page 28)
	Improve additional training on road safety	Complete (see page 21 and CSR KPI on page 28)
	Anti-bribery & corruption (CSR PRIORITY AREA)	**Status**
	Continue to increase awareness of Speak Out and increase the confidence of employees to raise concerns through available channels	On-going (see page 26 and CSR KPI on page 29)
	Human rights (CSR PRIORITY AREA)	**Status**
	Continue to build awareness of human rights responsibilities across the Group	On-going (see page 25 and CSR KPI on page 29)
	Conduct human rights control self-assessments in all businesses operating in high-risk countries and continue with programme of internal audits	Complete (see page 25 and CSR KPI on page 29)
	Complete implementation of enhanced supplier code of conduct risk assessment and due-diligence approach in the UK	Complete (see page 24)

Non-financial information statement

Our progress on sustainability.

Employees pages 18-27

KPI	Goal	2019	2018	2017	2016
Number of employees	–	558,000	546,000	570,000	585,000
Percentage of female managers	Increase the number of female managers in the Group	23.0%	22.5%	22.8%	25.5%
Percentage of front-line female employees	–	14.9%	14.3%	14.2%	13.6%
Coverage by collective agreements	–	30%	33%	31%	32%
Voluntary turnover	Reduce global levels of employee turnover	23.7%	24.7%	25.3%	27.6%
Employee engagement	Increase response rate to the global employee survey*	84%	N/A	73%	N/A
	Increase overall favourable score in global employee survey	84%	N/A	84%	N/A
Migrant workers	Achieve assurance survey responses from at least 10% of migrant workers	>10% (UAE)	N/A	N/A	N/A

* Based on an average number of employees during the survey period.

Relevant policies	Our impact and related principal risks	Page
• Business Ethics Policy – g4s.com/ethics	• Stakeholder Engagement	10
• Ethical Employment Partnership – g4s.com/EEP	• People, culture and values	18
• Gender Pay Gap Report (UK) – g4s.com/genderpaygap	• CSR Materiality Assessment	12
• HR Core Standards – g4s.com/HRstandards, including:	• Covid-19 (Emerging Risk)	33
	• Health and Safety (Principal Risk)	35
• Migrant Worker Policy	• Culture & Values (Principal Risk)	34
• Diversity and Inclusion Policy	• People (Principal Risk)	37
	• Geopolitical (Principal Risk)	36
	• CSR Committee	5

Safety pages 20-21

KPI	Goal	2019	2018	2017	2016
LTI rate per 1k employees	Reduction in the LTI rate	5.7	6.6	6.7	7.7
Work related fatalities	Zero harm	20	24	25	47
Attack		9	14	8	20
Non-attack		4	3	6	12
Road traffic incident		7	7	11	17
Non-natural deaths in custody (UK & Australia)		2	9	3	9

Relevant policies	Our impact and related principal risks	Page
• Business Ethics Policy	• People, culture and values	18
• HR Core Standards, including:	• CSR Materiality Assessment	12
• Health and Safety Policies	• Health and Safety (Principal Risk)	35

Human rights pages 25-26

KPI	Goal	2019	2018	2017	2016
Human rights control self-assessment	Assess all businesses operating in high-risk countries	22	48	65	54
Human rights audits in high-risk countries	–	–	15	37	N/A
Supply chain due-diligence assessments	Implement an improved approach to risk assessment and due-diligence of suppliers across top 15 of our highest spending businesses	73 (UK)	N/A	N/A	N/A

Policies	Our impact	Page
• Business Ethics Policy	• People, culture and values	18
• Human Rights Policy	• CSR Materiality Assessment	12
• Slavery and Human Trafficking Statement	• Laws & Regulations (Principal Risk)	35
• Supplier Code of Conduct – g4s.com/suppliercode	• Culture & Values (Principal Risk)	34
	• Geopolitical (Principal Risk)	36
	• CSR Committee	5

Speak Out: Whistleblowing pages 26-27

KPI	Goal	2019	2018	2017	2016
Employees "feel able to speak up on unethical behaviour"	Increase confidence of employees to raise concerns through available channels	83%	N/A	84%	N/A
Number of cases raised via Speak Out		555	519	300	402

Policies	Our impact	Page
• Business Ethics Policy	• People, culture and values	18
• Whistleblowing Policy – g4s.com/whistleblowing	• CSR Materiality Assessment	12
	• Laws & Regulations (Principal Risk)	35
• Human Rights Policy	• Culture & Values (Principal Risk)	34

Environmental page 40

KPI	Goal	2019	2018	2017	2016
GHG emissions per £m revenue (t/CO_2e)	3.5% reduction in carbon intensity (t/CO_2e per £m)	50.4	54.7	56.6	56.4
Total GHG emissions (t/CO_2e)	Decrease in total carbon emissions	422,461	444,556	470,727	479,191
Scope 1 t/CO_2e		246,910	263,703	260,688	253,350
Scope 2 t/CO_2e		95,502	98,948	112,003	115,927
Scope 3 t/CO_2e		15,338	14,354	15,446	15,045

Relevant policies	Our impact and related principal risks	Page
• Environmental Policy – g4s.com/environment	• CSR Materiality Assessment	12
• Business Ethics Policy	• Greenhouse Gas Emissions	38
• Supplier Code of Conduct		

Social matters

KPIs /Relevant policies	Our impact and related principal risks	Page
• Business Ethics Policy	• Stakeholder Engagement	10
• Supplier Code of Conduct	• People, culture and values	18
• Tax Strategy – g4s.com/tax	• CSR Materiality Assessment	12
• Whistleblowing Policy	• Laws & Regulations (Principal Risk)	35
	• Geopolitical (Principal Risk)	36
	• CSR Committee	5
	• Group Ethics Committee	8

Risk management and our principal risks

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.

A global risk environment

G4S operates in around 90 countries across the world. The risk landscape is dynamic, changing with the global trends facing businesses today. Shifts in economic power, technology advancement, climate change, demographic profiles and rapid urbanisation have an impact on how we do business. Political uncertainty, terrorism, weakening economies and cyber warfare are just a few of the factors influencing the risk environment.

These factors have created risks and opportunities for the security industry. G4S continues to face the operational and health and safety risks often particular to the security industry, along with financial and commercial risks common to all multinational companies. Regulations continue to be tightened with high penalties for non-compliance.

We continue to monitor global emerging risks through our risk and governance framework.

The UK's decision to leave the EU creates risk around the uncertainty over the terms of the UK's exit and the shape of any future trading relationship. It is also possible that the continuing uncertainty will have an adverse impact on economic growth in the UK and Europe, further affecting both our customers and our competitors. Our global business does provide a natural hedge to this particular risk.

The coronavirus pandemic is a global emerging risk that is still evolving, and demands intense management attention. G4S has a large workforce internationally and it is their health and safety that is our priority focus during this pandemic. We discuss the risk and our plans for mitigation on page 33.

What we did in 2019

Progress continued to be made on increasing risk awareness and accountability for risk management on the part of business management teams. The Group's mandated control standards have been further enhanced to ensure they address our key risks, with appropriate training and challenge to facilitate their effective implementation. Control self-assessments in a number of financial and operational areas were completed by all businesses. These were reviewed, challenged and best practice shared by region and group functional experts, with compliance tested through internal audits. Our quarterly Regional Audit Committees continued to focus on financial judgments, adherence to internal control standards and addressing internal and external audit findings, which has enabled further improvement in internal control awareness and effective performance of risk mitigating controls.

What we will do in 2020

The focus on internal control effectiveness will be enhanced through a number of measures, namely: improved understanding of our standards, policies and internal controls; rigorous challenge of our control self-assessment process; and refining controls to meet the needs of the changing control environment. We will review the effectiveness of our three lines of defence model, and enhance the model to suit the effective operation of the system of internal control. Our IT estate continues to be upgraded to enable more effective preventative and detective controls.

Regional Audit Committees will continue to review, challenge and direct improvements in the performance of control standards, financial judgments and reporting. Through continued engagement and review by country, region and group management, we will enhance the quality and timeliness of the identification of our principal and emerging risks and the delivery of mitigating actions. Our detailed actions as a result of the coronavirus pandemic is an example of this.

After a review of separation options of our Secure Solutions and Cash Solutions businesses to establish two independent businesses, a trade sale of the majority of our conventional cash businesses is taking place. The sale introduces new challenges and opportunities to G4S in the short term. These include: risks associated with a carve-out of parts of the business; distracting management attention from delivering results in the remaining business; disruption to existing transformation projects; and reduced focus on continual improvement in control and risk mitigation. We will continue to focus direct management attention on mitigating the risks arising as a result of the completion of the sale process.

Risk management and appetite

We have undertaken a bottom-up review of major risks and mitigation actions with each business completing their own assessment. These reviews require management teams to identify the key controls needed to mitigate high inherent risks to acceptable residual risk levels, in line with the Group's risk appetite, further encouraging effective compliance with the Group's core standards and controls. These risk assessments are reviewed, challenged and amended as necessary by regional teams, who are also responsible for monitoring delivery of required improvements.

We also conduct a top-down review led by group functional leaders, to ensure that the risks captured are complete, have consistency and clarity in their description, and are appropriately assessed. The risks are then summarised and presented to the Risk Committee for consideration before being presented to the board for review. The resulting principal risks, with explanations and mitigating actions, are outlined in the following pages 33-39. The Group's risk appetite continues to be monitored, discussed and adjusted as appropriate by the Risk Committee and the board during the year.

G4S operates in high-risk areas of business, in which our core competence and value-add to customers is managing those risks effectively. We have a higher risk appetite for growing and transforming our businesses where we have the expertise to deliver and to achieve a good commercial return for the risk we are accepting.

We have a low to very low risk appetite for non-compliance with laws and regulations, appropriate culture and values, health and safety and people risks, as these are priority areas for our stakeholders and failure in these key risk areas could have a material impact on our business.
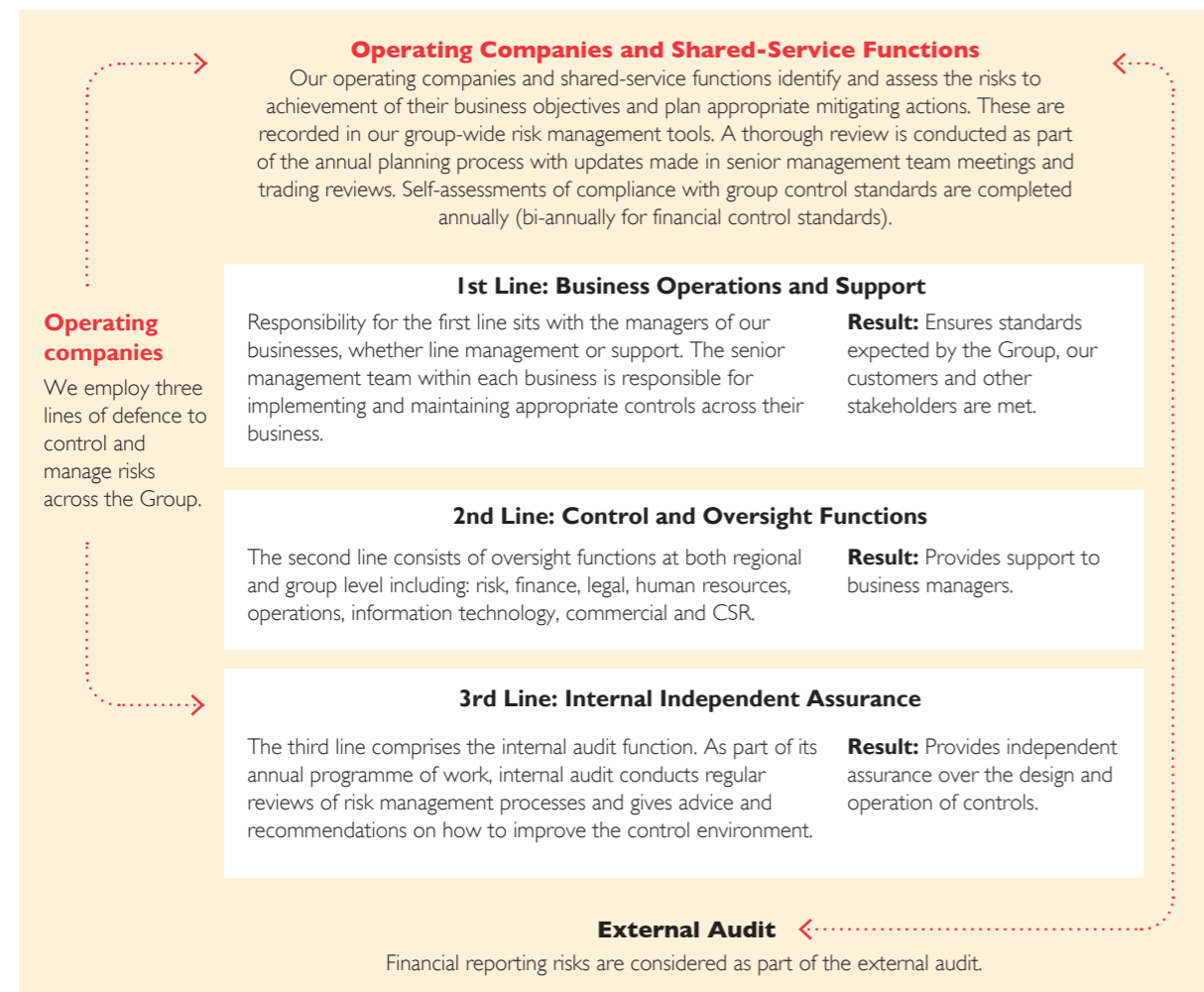

E-BIKES ARE INCREASINGLY POPULAR BUT VULNERABLE TO THEFT – G4S IS HELPING MITIGATE THAT RISK IN PLACES SUCH AS THE NETHERLANDS USING A NEW TRACK AND TRACE SYSTEM. LEARN MORE ABOUT THIS SERVICE AT WWW.G4S.COM/EBIKES

Links to strategy

- People, culture & values
- Growth
- Profitability
- Financial discipline

Enterprise risk management governance model

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

Risk Committee	**Audit Committee**
The Risk Committee meets four times per year and reviews the Group's risk appetite, assesses the Group's principal risks and assesses the overall enterprise risk management process.	The Audit Committee meets four times per year and ensures the Group's control framework is operating effectively.

Group Executive Committee	**Regional Audit Committees**
The Group Executive Committee oversees the management of the Group's principal risks.	The committees, also attended by the external auditor, meet four times a year 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 achievement of 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. 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.

Emerging risk

Covid-19

Link to strategy

Risk

The global coronavirus pandemic involving the spread of Covid-19 presents a number of different risks to the business. The spread is rapid and the global economic outlook uncertain. We have a large workforce and operate in a wide range of business sectors in over 90 countries. It follows that the risks of adverse health and safety, operational and financial impacts arising from the pandemic and the associated governmental responses in the markets where we operate could be significant.

The safety of our employees and those in our care is our first priority and is at the forefront of our response to the pandemic.

The counter measures adopted by governments around the world as they seek to mitigate the impact of the pandemic, the resultant disruption and economic effect in the countries where we operate and the actions taken by our customers in response will impact on our operations and financial results leading to potential decreases in revenue, increases in costs and adverse effects on profits and cash flows.

The most material immediate reductions in demand for our services as a result of pandemic-related restrictions have arisen in the ports & airports, transport & logistics and leisure & tourism sectors, which, together, represent around 6% of our annual revenues and in respect of our retained traditional cash businesses which represent around 4% of our annual revenues. There may be further demand reductions in other sectors driven by the economic effect of governmental restrictions, although this is likely to vary substantially from market-to-market and, in some cases, we are seeing increased demand in other sectors (for example in healthcare-related services in the Americas and Europe & Middle East regions). Increased operating costs are also likely to result from additional investment in personal protective equipment, increased workforce sickness levels and the need to furlough staff, although, in a number of geographies the impact of this is being mitigated by government financial support arrangements.

Risk mitigation

G4S has taken action across a wide range of fronts in mitigation of the risks presented by the pandemic. We have instituted protective measures for staff in the "frontline", which in some cases included wearing protective equipment and guidelines to follow in certain security situations.

All our regions have rolled out agreed Business Continuity Plans to ensure we are actively managing the disruption presented by this pandemic. We provide essential services for our customers and the continuation of these services is a key priority.

Contingency plans have been implemented in consultation with our customers on whose sites we operate and we are implementing a range of measures to mitigate operational and commercial risks as they emerge.

We are working closely with customers to understand their actions in response to the pandemic, in some cases requiring extra security services, in some reducing or suspending services. We are working diligently on redeploying and supporting our employees being affected by the change in demand from customers and ensuring we understand, and engage, the help and support available from various governments.

From a funding perspective, we are adopting a prudent stance in relation to our liquid resources. We have a favourable debt maturity profile and a strong liquidity position, which has been further enhanced by the sale of the conventional cash businesses. The Board has not recommended payment of the 2019 final dividend and we have implemented strict cost and cash flow management measures to ensure we protect the Group's financial position.

Mitigation priorities for 2020

We are responding dynamically to the rapidly changing situation that the Coronavirus pandemic has created. We will continue with our current focused management approach to protect the company and its key stakeholders until the impact of Covid-19 abates.

Our priorities remain the health and safety of our staff, customer service, financial discipline and business continuity.

Links to strategy

People, culture & values

Growth

Profitability

Financial discipline

Principal risk

Culture and values

Link to strategy

Risk

G4S operates in around 90 countries, and provides security for people, premises and valuable assets. Inevitably, our employees, customers and services are impacted by many different cultures that this scenario brings. Furthermore, we operate security services and solutions in environments involving detainees, victims of crime, people needing assistance, and other members of the public. Having an appropriate set of values strongly embedded as our corporate culture is very important to ensure employees 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. In some cases, this could impact the Group's performance, have an adverse effect on the Group's reputation and lead to penalties or criminal action.

Risk mitigation

Our values, detailed on page 19, are continually reinforced to all employees through a variety of key processes including recruitment, induction training, and recognition schemes as well as communications materials. Our values-based training materials have been 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 (most recently conducted in 2019). There are HR controls in place to ensure that the way we organise, acquire, protect, develop, engage and reward our employees is in line with our values, our expectations and applicable laws and regulations. Values ambassadors in businesses are helping to cascade values-related communications. For managers, the enhanced competency framework has helped guide the development of mandatory on-line training, which uses realistic scenarios to guide participants to make values-based decisions from a range of options in order to achieve the right outcomes in real situations. We continue to build awareness of the importance of living our values in our day to day activities and reward and recognition schemes continue to be aligned to 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 living up to our values.

In 2019, we received 555 reports through Speak Out (2018: 519). All matters are reviewed and follow a standard process of consideration and potential investigation. Those of a serious nature are investigated at a senior and independent level. We have finalised our investigations in respect of 69% of those cases opened in the year, and will work to complete the remainder in 2020.

Mitigation priorities for 2020

During 2020, we will embark on a review and refresh of our policies around employee screening and vetting, our G4S onboarding programme, our bribery and corruption awareness training programme and our whistleblowing programme, including our investigation and close-out procedures. We aim to pursue a best-practice approach to business ethics, and to driving the appropriate behaviours in a global workforce. Specific actions relating to these programmes are covered throughout this report. We will devise methodologies and processes to measure our success in embedding the G4S values.

Links to strategy

People, culture & values
Growth
Profitability
Financial discipline

Principal risk

Health and safety (H&S)

Link to strategy

Risk

The provision of security services to protect people and valuable assets, presents a unique mix of health and safety risks. The main categories are armed attacks, road safety, accidents on customer sites and firearms management. In addition to the potential to harm individuals, a breach of H&S regulations or not meeting customers' standards could disrupt the Group's business, have a negative impact on our reputation and lead to financial and regulatory costs. In 2019, 20 (2018: 24) employees lost their lives in work-related incidents, of which 9 (2018: 14) were as a result of armed attacks and 7 (2018: 7) were road-traffic incidents. There were 2 (2018: 9) non-natural deaths of people in our custody and one work-related death of a subcontractor.

Risk mitigation

Our goal is Zero Harm and we prioritise safety management to protect the health and well-being of our colleagues and those around us. Our controls reflect the risk profile of our industry and lessons from investigating incidents, including standards for road safety and firearm management.

We have minimum requirements for H&S and firearms training, including bespoke modules for front-line staff. Performance is measured retrospectively through injury rates and more proactively through high potential incidents and compliance scores. All sites are inspected prior to deploying security officers to ensure the risks do not exceed our risk appetite.

All businesses are expected to have workplace audits and inspections in place, and business leaders complete statements of compliance to G4S standards for H&S and firearms where applicable. Targeted reviews and support are provided by the corporate H&S function. Key controls are included in the scope of Internal Audit.

During 2019 we continued to refine our controls such as the process of assessing site risks as well as training on road safety. We have utilised lessons learned from serious incidents to drive actions to prevent reoccurance, conducted mandatory induction training, firearm safety awareness training and conducted targeted reviews of high priority businesses.

Mitigation priorities for 2020

Since the start of 2020, our focus has progressively shifted to managing the impact of the Covid-19 pandemic (see page 33). In addition to following the advice of local authorities, we have introduced mandatory controls in all businesses. Work practices are being adjusted in consultation with our customers.

Where possible we will continue to focus on our workplace inspections. We will strengthen our risk assessment processes for service lines which represent a different risk profile to our core manned guarding and cash services.

We will investigate every serious H&S incident and strive to continuously refine our standards, policies, controls and training materials where we see an opportunity to reduce H&S risks further, using lessons learned from serious incidents to drive actions to prevent reoccurance.

Principal risk

Laws and regulations

Link to strategy

Risk

G4S operates under many complex and diverse regulatory frameworks, some of which have extraterritorial reach and many where regulations change frequently. Risks include: new or changed restrictions on foreign ownership; difficulties obtaining 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.

The investigation opened by the Serious Fraud Office (SFO) in 2013 in the UK, in respect of the Group's Electronic Monitoring contract remains on-going and we are unable to predict the outcome with certainty. The Group continues to engage and co-operate fully with the SFO investigation, however based on currently available information and the broad range of possible adverse outcomes (including any one or a combination of the SFO prosecuting individuals and/or the G4S Group companies involved and ultimately if convicted, the imposition of significant financial penalties, possible debarment from future UK Government contracts, or the entering into a deferred prosecution agreement between the SFO and relevant G4S entities, with the potential, in certain circumstances, should a G4S entity or one or more of the Group's current or former employees face criminal charges, to allow the Ministry of Justice to reopen the £108.9m settlement agreed and paid in 2014), the Group is unable to make a reasonable determination and a reliable estimate of the outcome of the on-going process.

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. We continue to conduct compliance reviews to enhance our understanding and compliance with legislation, including Human Rights legislation, ethical practices and codes of conduct.

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 2020

Given the complexity and impact of non-compliance in respect of this risk, the board and Executive team will focus on the enhancement of compliance with laws and regulations across all jurisdictions we operate in. We have enhanced our compliance structures to improve our three lines of defence in managing and monitoring the associated risk. This will include direct enquiry and oversight by group and region of local management to ensure these risks are fully understood and ensure that concerns are addressed appropriately with mitigation plans implemented promptly.
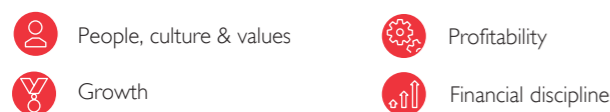
Principal risk

Geopolitical

Link to strategy

Risk

We operate in many countries across the world, with wide-ranging government and political structures, different cultures with varying degrees of compliance with laws and human rights, particularly within conflict and post-conflict zones. We operate in varying and often volatile political environments, doing difficult and dangerous work for high profile customers. At the strategic level we acknowledge these risks as a part of the business we are in, and ensure we carefully assess the risks before entering a new country and keep the situation in high risk countries under review. At an operational level we deploy our expertise, take great care to monitor the situation and respond to threats appropriately, and employ effective operational controls to protect our business and our employees. 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 protect our financial performance.

Risk mitigation

In markets where potential policy or trade agreements have a significant impact on our ability to trade we 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 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. Our G4S Risk Management business has particular expertise in providing secure solutions in very high risk, low infrastructure environments.

We have a clear commitment to respect human rights, which all businesses must comply with. All business units are required to annually self assess their compliance with human rights standards which are reviewed by group management and included in internal audits for the higher risk countries. We have also built awareness of human rights responsibilities across the business and

our partners and are increasing engagement with suppliers to ensure they are also complying with international human rights standards. This is governed by a mandatory supplier code of conduct which includes anti-bribery and modern slavery requirements. A set of HR core standards which businesses have to confirm compliance with each year, include explicit reference to HR policies on screening, migrant workers (including their recruitment and accommodation) and practices which underpin the fair treatment of employees such as redundancy, grievances, and discrimination.

Mitigation priorities for 2020

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 continue to monitor the results of human rights control self-assessments providing support with training and guidance where needed to further embed awareness and understanding of expectations. We will also continue to increase engagement with suppliers to ensure their compliance with human rights standards.

Principal risk

People

Link to strategy

Risk

As one of the world's largest employers, we recognise that there are challenges in attracting and retaining employees in such a diverse range of regions and countries. We face 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 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. 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. Compliance is self-assessed annually and reviewed by local, regional and group teams. Additionally, key HR controls are tested by internal audit during visits to the businesses. The HR Screening Policy has been revised and implemented and forms part of the assessment process for 2020. The performance and potential of managers across the Group is reviewed to identify development needs and build succession plans. We also deliver leadership programmes to nurture talented individuals early in their careers, and help them develop into more senior roles as they move through the organisation. Feedback from our global employee survey is used to develop initiatives which support employee engagement and development at all levels of the organisation.

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 24.7% in 2018 to 23.7% in 2019.

Mitigation priorities for 2020

Compliance with our Core HR Standards will again be self-assessed during 2020 and reviewed by local, regional and group teams as well as tested by internal audit. Particular focus will be placed on the revised Screening and Vetting Policy, as well as reviews of in-country labour supply, laws and regulations. Direct support will be provided as necessary to enhance compliance with our standards. More detailed training is being prepared to ensure HR teams have a really good understanding of the core standards, why they are important and what actions they need to take to ensure compliance if there are any gaps.

Principal risk

Information security

Link to strategy

Risk

Information Security remains a focal point for many organisations. 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, drive risk 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

The IT function is centrally managed to control the way our systems are supported and run. We have "defence-in-depth" technologies (i.e. multiple layers of defence) in key systems to protect information entrusted to us. This helps to ensure policies and standards are applied consistently across all operating businesses. We are in Phase 3 of our cyber defence investment programme, which involves moving to a managed cloud platform, upgrading our operating systems and endpoint computing structures, further enhancing the security of our IT systems and infrastructure. We continue to manage cyber security threats through the use of managed cyber security products, centralised

infrastructure management tools and cyber vulnerability assessments. We maintain and monitor our use of information security standards and guidance to ensure compliance with General Data Protection Regulation (GDPR) across the UK and Europe.

Mitigation priorities for 2020

We are more than halfway through the final phase of our Cyber Investment strategy, which is due to complete in Q2 2020. We are confident of achieving our objectives on a timely basis, enabling a more effective and agile cyber defence programme.

We have developed a G4S Cyber Risk Assessment methodology enabled by a set of powerful tools that assess the enterprise risks caused by PC's and user behaviour in real time. We will further develop and embed this methodology in 2020.

Links to strategy

👤 People, culture & values

⚙️ Profitability

🏆 Growth

📊 Financial discipline
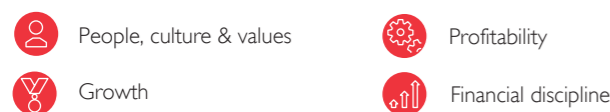
Greenhouse gas emissions

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

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

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

The businesses that reported data in the 2019 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 2019, extrapolated to 100% of the business equates to some 422,461 t/CO_2e. These emissions, generated by services which our customers have outsourced to G4S, have decreased by 5.0% since 2018. Alongside our energy and fuel efficiency measures, during this period, a number of higher intensity operations were divested or drew to a close, contributing to the decrease in emissions during the year.

In 2020, we will continue to implement efficiency strategies with the aim of reducing carbon intensity by at least 3.5% per annum.

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

* World Business Council for Sustainable Development
** World Resources Institute

GHG emissions (t/CO_2e)
(Based on 90% measurement)

	2019	2018
Vehicles (inc. refrigerants)	224,912	235,162
Total buildings (inc. refrigerants)	117,501	127,489
Including electricity emissions of	95,502	98,948
Air travel	15,338	14,354

	Carbon intensity	
	2019	2018
Tonnes CO_2e per £m turnover	50.4	54.7

Consumption (Includes building and vehicle consumption)
(Based on 90% measurement)

Period	Consumption (Kwh)
2018	1,106,362,441
2019	1,058,602,081

Reporting framework

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 on human rights, labour, environment and anti-corruption 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 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 2019.

Ecovadis

G4S is regularly assessed by EcoVadis, an independent organisation that provides evidence-based social responsibility ratings, covering labour and human rights, business ethics, supply chain, and environmental matters.

In 2019, G4S was awarded a silver rating which recognised the Group's ethical and sustainability performance.

FTSE4GOOD

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

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

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 CDP performance score of (B) against an industry average of (C).

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

UN Global Compact: Communication on Progress Index

	Integrated Report	CSR Extract	Online
Statement of Continued Support by the CEO	–	4	www.g4s.com/csr
Human Rights: Principles 1 & 2	22-23, 26, 33-34, 50-51, 83-84, 110-111, 122	6-7, 12-13, 18, 25, 26-29, 35-36	www.g4s.com/humanrights
Labour: Principles 3, 4, 5 & 6	18, 20-23, 50-51, 81-87, 110	6, 10-13, 28-29, 33-39	www.g4s.com/people www.g4s.com/humanrights
Environment: Principles 7, 8 & 9	22, 50-51, 150	12, 28-29, 40	www.g4s.com/environment
Anti-Corruption: Principle 10	20-22, 34, 50-51, 83	10-12, 26, 28-29, 35	www.g4s.com/ethics

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