

G4S Update to SRI Analysts

July 2011

Securing Your World



Introductions



Mark Elliot
Non-Executive Director
& CSR Committee Chairman



Irene Cowden
Group HR Director



Debbie McGrath
Group Communications
Director



Helen Parris
Director of Investor Relations



Mike Clarke
Director of Public Affairs

Agenda

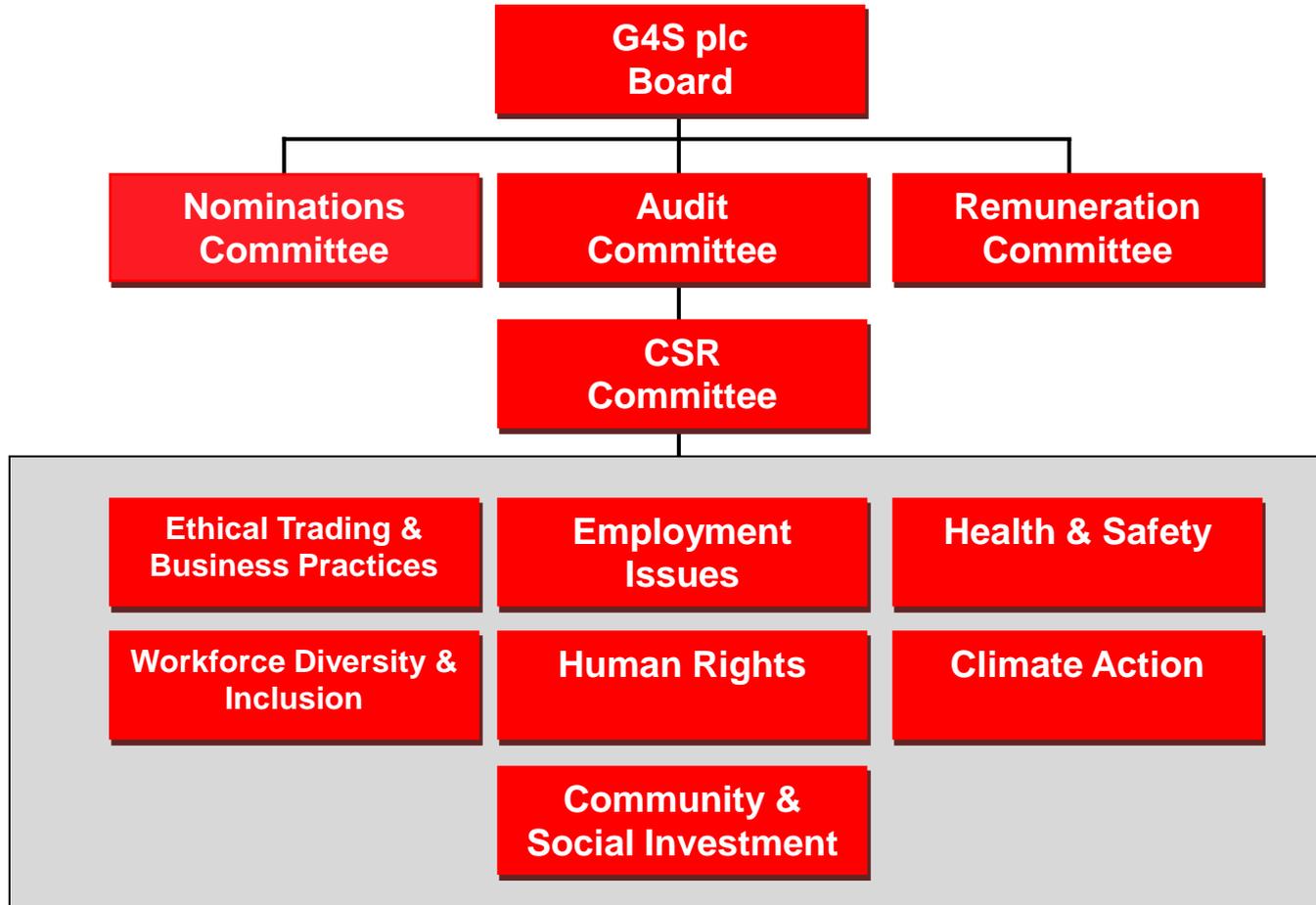
- CSR Committee Development
- Stakeholder Engagement
- Key achievements and issues in 2010
- CSR Focus for 2011
- Summary and Q&A

CSR Committee Development

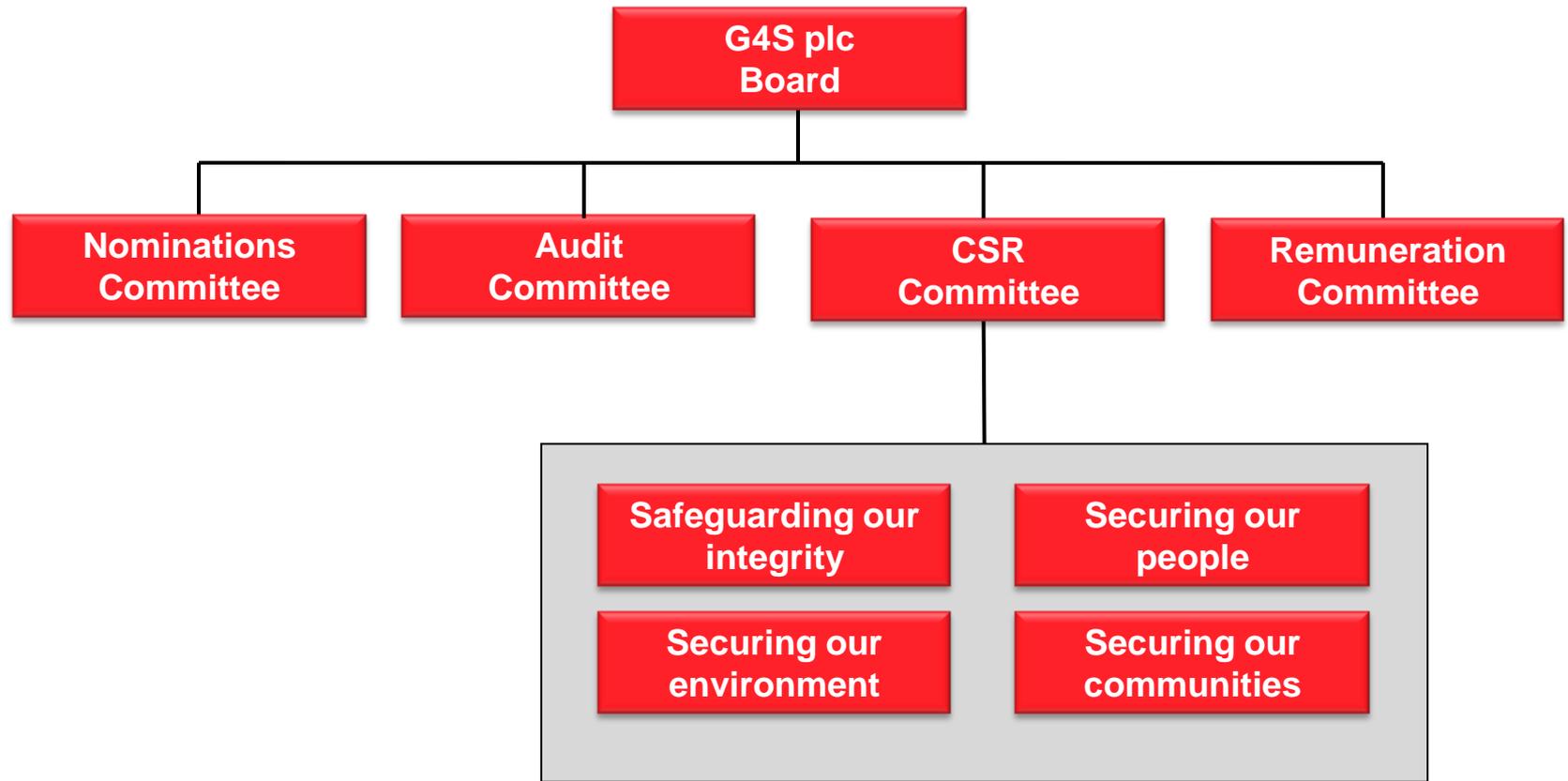
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CSR Committee 2010 - 2011



CSR Committee 2012



CSR Committee 2012

- Full Board Committee status
- Terms of reference under development
- Implemented in H2 2011
- Broader non-Executive membership
- Meeting schedule to be determined

Stakeholder Engagement

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Stakeholder Engagement

Customers

- Global major customer survey
- Net promoter analysis
- Local customer surveys
- Account Management
- Operational reviews

Investors

- SRI analyst briefings
- Consultation with SRI representatives on specific issues

Industry Bodies

- Active role in international and national industry bodies
- Industry-wide code of conduct for “complex environments”

Stakeholder Engagement

Governments & Legislators

- Customers and regulators
- Participation in relevant consultations

Employees & Representatives

- Global management survey
- World's largest front line employee survey
- Active union and works council engagement

Experts

- International Organisation of Employers
- Environmental specialists

CSR Achievements & Issues

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Safeguarding our integrity

G4S in Israel

2002

- Group 4 Falck stated the company would “exit the West Bank”
- The company exited settlement protection services

March 2011

- G4S legal review of ongoing operations in the region
- G4S ethical review of ongoing operations in the region
- G4S consultation with stakeholders
- Concluded that commercial contracts for traditional security services are not controversial
- Decided to attempt to exit certain other contracts
- Began customer dialogue

July 2011

- Customer dialogue continues
- New guidelines under development for future contract bidding and contract renewals

Safeguarding our integrity

CSR Checklist

Political	Economic	Social
Technological	Environmental	Legal

- Internal checklist used to evaluate new market entries and major investments through the Capex Committee process
- Review can lead to approval, decline or request for further (usually independent) verification
- Reviews to date have included:
 - Zimbabwe
 - Libya
 - South Korea
 - South Sudan
 - Ukraine
 - Ethiopia

Safeguarding our integrity

International Code of Conduct & UN Global Compact



- Code of Conduct for security companies in “complex environments”, often carrying firearms
- Multi-stakeholder initiative involving civil society and governments
- Aim: minimise risk of human rights harm to third parties affected by our operations
- G4S founder signatory: member of steering committee developing oversight and compliance mechanism for Code
- UN Global Compact: G4S joined in February 2011
- G4S policies and procedures already compliant with Compact
- Pleased to make explicit our support for aims of Compact
- Annual CSR report will act as our Communication on Progress

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Business Ethics

One of G4S's values is **Integrity**, which means we can always be trusted to do the right thing. This Code therefore sets out how we expect all our employees to behave in order to live this core value.

Being safe and secure

- Putting health & safety first
- Protecting the security of our customers and the public
- Carefully following company rules and procedures

Being honest and trustworthy

- Always following the law
- Reporting any wrongdoing
- Never offering or taking a bribe
- Avoiding any conflict of interest

Being fair and considerate

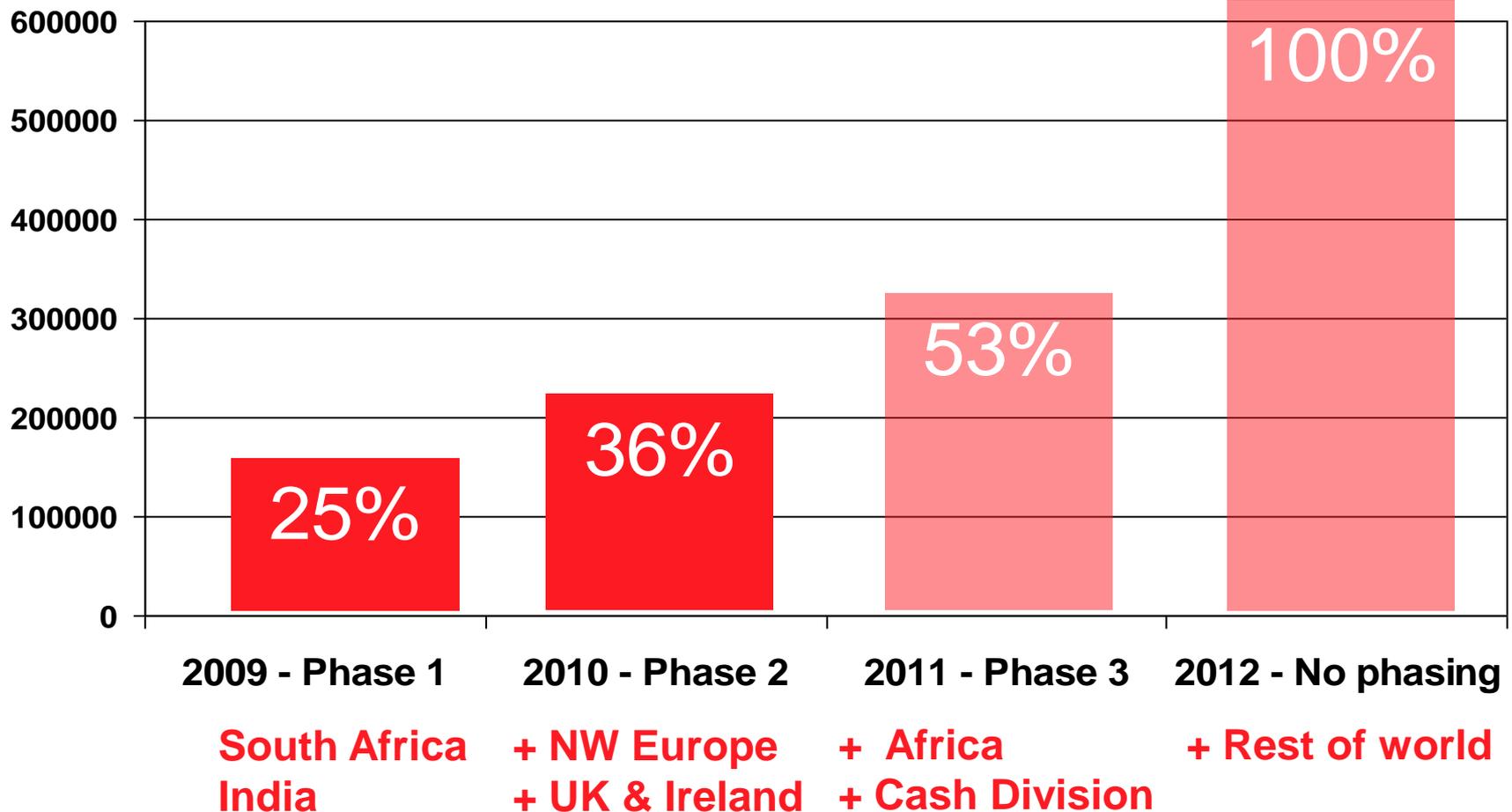
- Showing respect and consideration for others
- Treating people fairly
- Considering our local communities
- Thinking about the environment

Being professional and proud

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

Securing our people

Ethical Employment Partnership



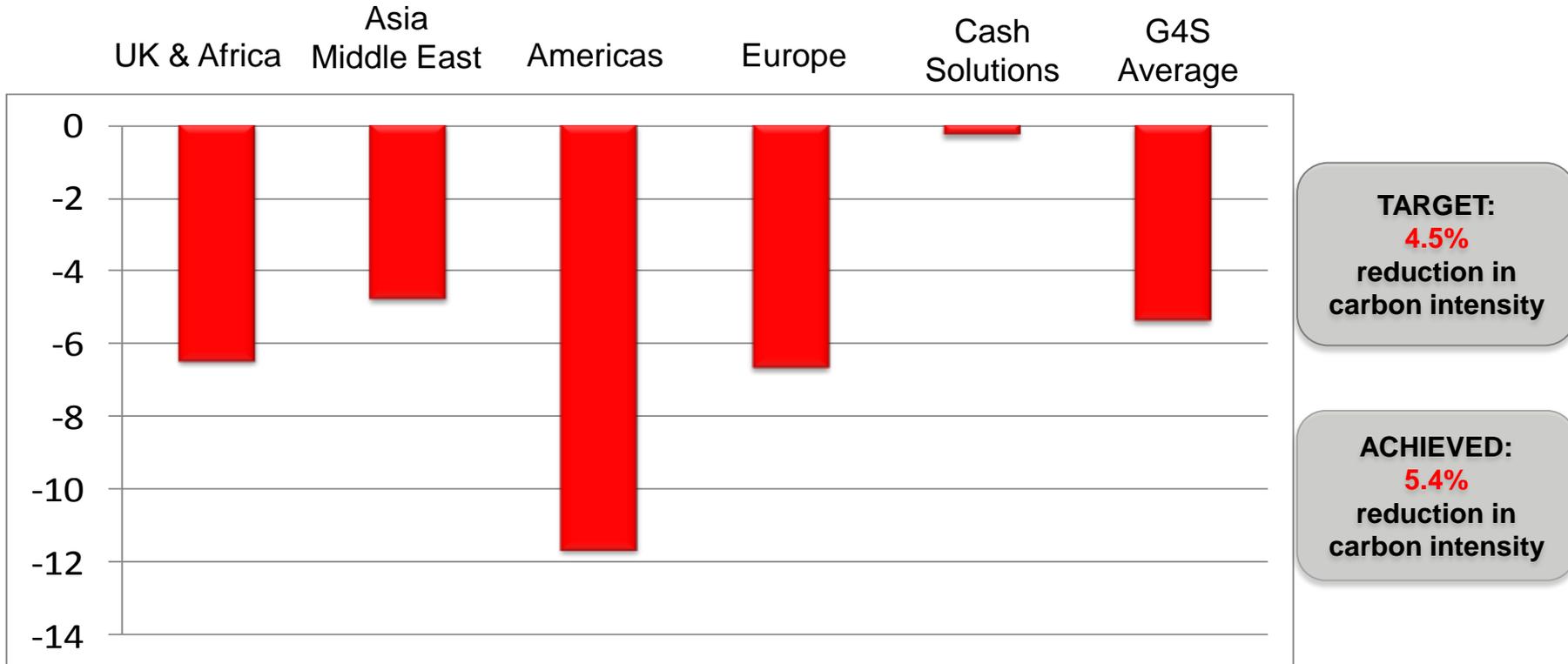
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Securing our environment

2009 vs 2010

Percentage change in carbon intensity (t/CO₂e per £m turnover)



2009 – 87.5 tCO₂e per £1m revenue
2010 – 82.8 tCO₂e per £1m revenue

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Securing our communities

63 community

investment programmes
across the group



Touched the lives of

22,500

adults & children



Involved in projects

across **32** countries



£654,000

invested in local
community projects

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Additional CSR Focus for 2011

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Safeguarding our integrity

Human Rights

Review of Best Practice

Analysis of Human Rights requirements and best practice, including:

- UN – John Ruggie
- OECD
- Danish Human Rights Institute
- Advocacy & Human Rights NGO's
- Multi-nationals & industry standards
- Industry peers

G4S Analysis

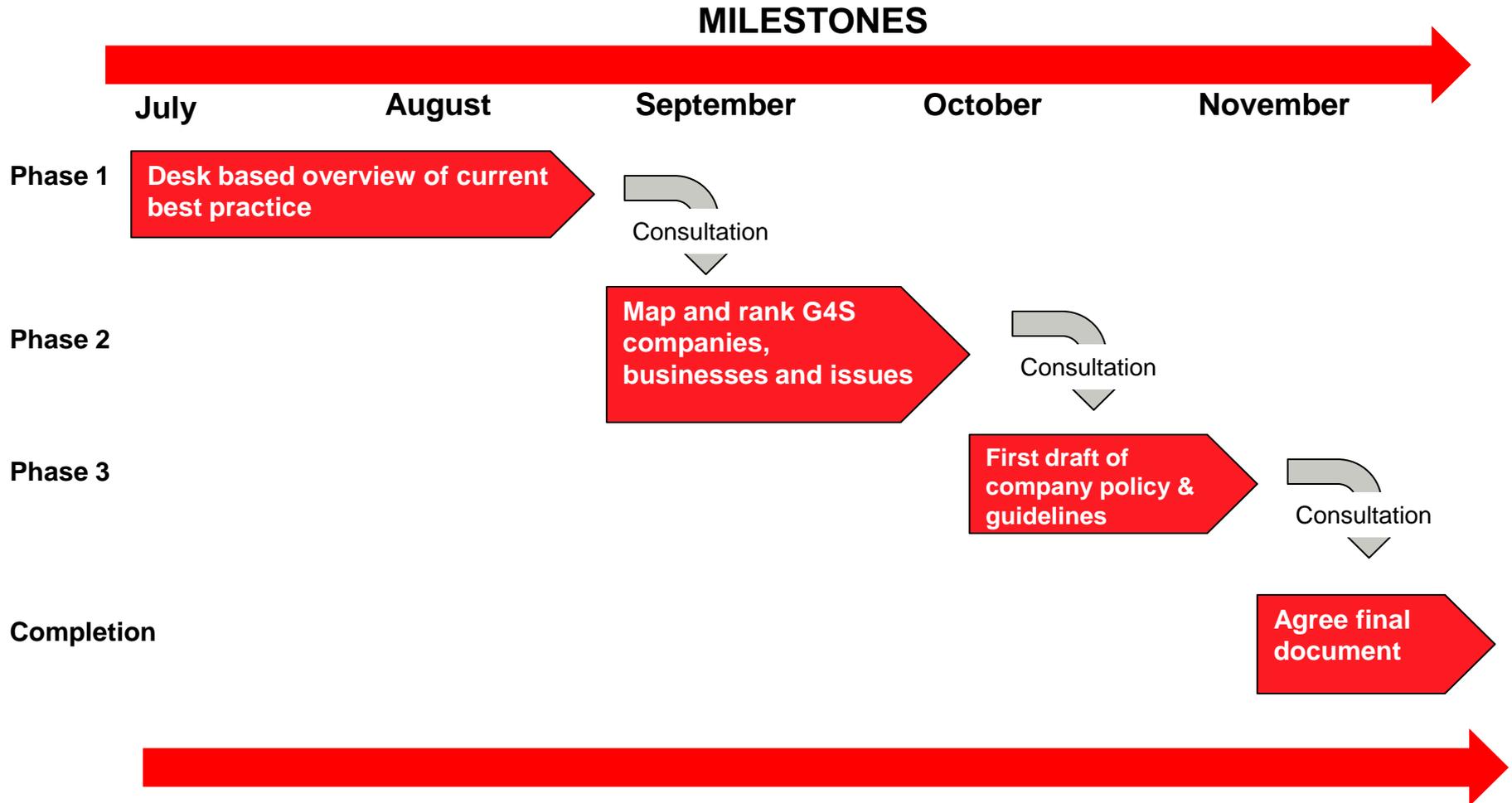
Review, map, categorise & rank G4S countries, operating contexts and business into Human Rights priority areas

Human Rights Guidelines

Develop G4S Human Rights policy, guidelines and measure for implementation across the group

Safeguarding our integrity

Human Rights



Safeguarding our integrity

Bribery Act

- The UK Bribery Act was adopted in April 2010
- After consultation on Guidance and further Cabinet review the law became effective
1 July 2011
- Global implementation of adequate procedures covers key areas:
 1. Policy review and addition of new policies
 2. Training
 3. Confidential reporting hotlines
 4. Audit programme



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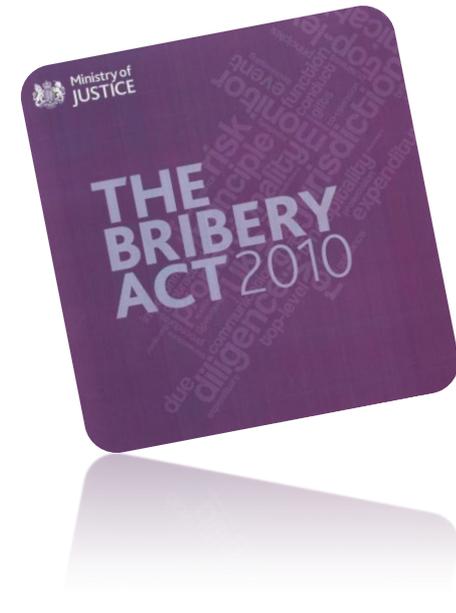
Bribery Act

Policy Review

Confidential
Hotline

Training &
Communication

Audit
Programme



- **60,000** employees to be trained
- In **45** languages
- Over **3** months

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Global Employee Survey – improvement trend

- All questions in 2011 showed improvement since 2009 survey
- G4S respects & values diversity – most improved (up 9% to 79%)
- 3% increase in employees willing to recommend G4S (81%)
- Average favourable score – 80%



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Securing our communities

- **Community Impact**
 - More robust measurement processes in place to monitor community impact
- **Economic Impact Assessments**
 - South Africa, Chile, India
 - Understanding in detail, the impact G4S has on societies
 - Further analysis required on existing assessments
 - Broader assessments on additional countries



G4S CASE STUDY | SOUTH AFRICA



G4S IN SOUTH AFRICA TODAY

DIRECT ECONOMIC IMPACT
As one of the largest providers of security services in South Africa, G4S has an important and unique role to play in creating a prosperous and stable South Africa.

The business has a range of significant and far-reaching economic impacts - directly benefiting its many employees and suppliers through the salaries, benefits and payments it makes for goods and services and indirectly supporting even more companies and local communities as suppliers and employees make purchases and generate further economic activity through their spending.

G4S South Africa Statistics
G4S employs 13,400 people in South Africa, who serve around 23,000 customers. G4S pays over £100 million in salaries and benefits to employees and invests around £70 million on goods and services, procured locally from South African suppliers. G4S also pays around £24 million in taxes to the South African government.

13,400 employees	50 offices	£70 million on goods & services	23,000 customers	£100 million in salaries	£24 million in taxes
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Government | Private Energy & Utilities | Transport & Logistics | Ports & Airports | Leisure & Tourism | Financial Institutions | Major Corporates & Industrials | Retail

the South African Government as Previously Disadvantaged Groups. Beyond basic salary, G4S South Africa also offers a range of benefits such as a pension fund and medical aid. Pension contributions range from 7.5% to 14.53% of salary, and through the SOUTH AFRICA

This structure ensures that dividends directly benefit the local community. In 2010, G4S SA contributed a total of £66,000 (R 143,000) to community activities, from the profits it earned, through

employees' children. G4S SA also provided three volunteer vocational trainers to deliver hand skills training such as leather work, book making and paper craft to a further 225 students.

programme is provided when they first arrive at the centre, annual refresher training is offered to inmates by the health care professionals on site.

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Summary

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CSR Strategy Summary

- Board level commitment to CSR Strategy
- Full Board Committee status for CSR Committee
- Ongoing stakeholder engagement
- Continuous development and improvement of mainstream CSR activities
- Additional focus in 2011
 - Bribery Act
 - Human Rights
 - Economic and community Impact
- Significant progress made in three years – expect it to continue

Q&A

and feedback

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