

# G4S SRI Update

**June 2014**



Securing Your World



# Agenda

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- Background
  - *Introductions*
  - *CSR committee*
  - *G4S values*
  - *Focused on what matters*
- Campaigns
- Safeguarding our integrity
  - *Business ethics and anti-corruption*
  - *Human rights framework*
  - *Risk management*
  - *Audit and compliance*
  - *Whistleblowing*
- Securing our employees
  - *Health and safety*
  - *Employee engagement*
  - *Diversity and inclusion*
- Securing our environment
- Securing our communities
- Q&A

# Background:

## Introductions

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**Irene Cowden**  
Group HR Director



**Clare Spottiswoode**  
Non-Exec Director  
& CSR Committee Chair



**Debbie Walker**  
Group Communications Director



**Helen Parris**  
Director of  
Investor Relations



**Nigel Lockwood**  
CSR Manager



**Phil Summerton**  
Head of Internal Audit

# Background:

## CSR Committee

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Clare Spottiswoode  
Non-Exec Director  
& CSR Committee Chair



Winnie Fok  
Non-Exec Director



Paul Spence  
Non-Exec Director

### Regular Attendees:

- Debbie Walker, Group Communications Director
- Irene Cowden, Group HR Director
- Grahame Gibson, Regional CEO, North America
- Phil Summerton, Head of Internal Audit
- Nigel Lockwood, CSR Manager

### Example Agenda Items:

- Business ethics compliance
- Reports on whistleblowing issues
- Health and safety reports & programmes
- Implementation of human rights framework
- Review of proposed country entries
- Results of employee engagement surveys
- Benchmarking G4S CSR practices

# Background:

## G4S Values

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### **Performance:**

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

### **Teamwork & Collaboration:**

We collaborate for the benefit of our customers and G4S

### **Best People:**

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

### **Safety First:**

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

### **Expertise:**

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

### **Customer Focus:**

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

### **Integrity:**

We can always be trusted to do the right thing

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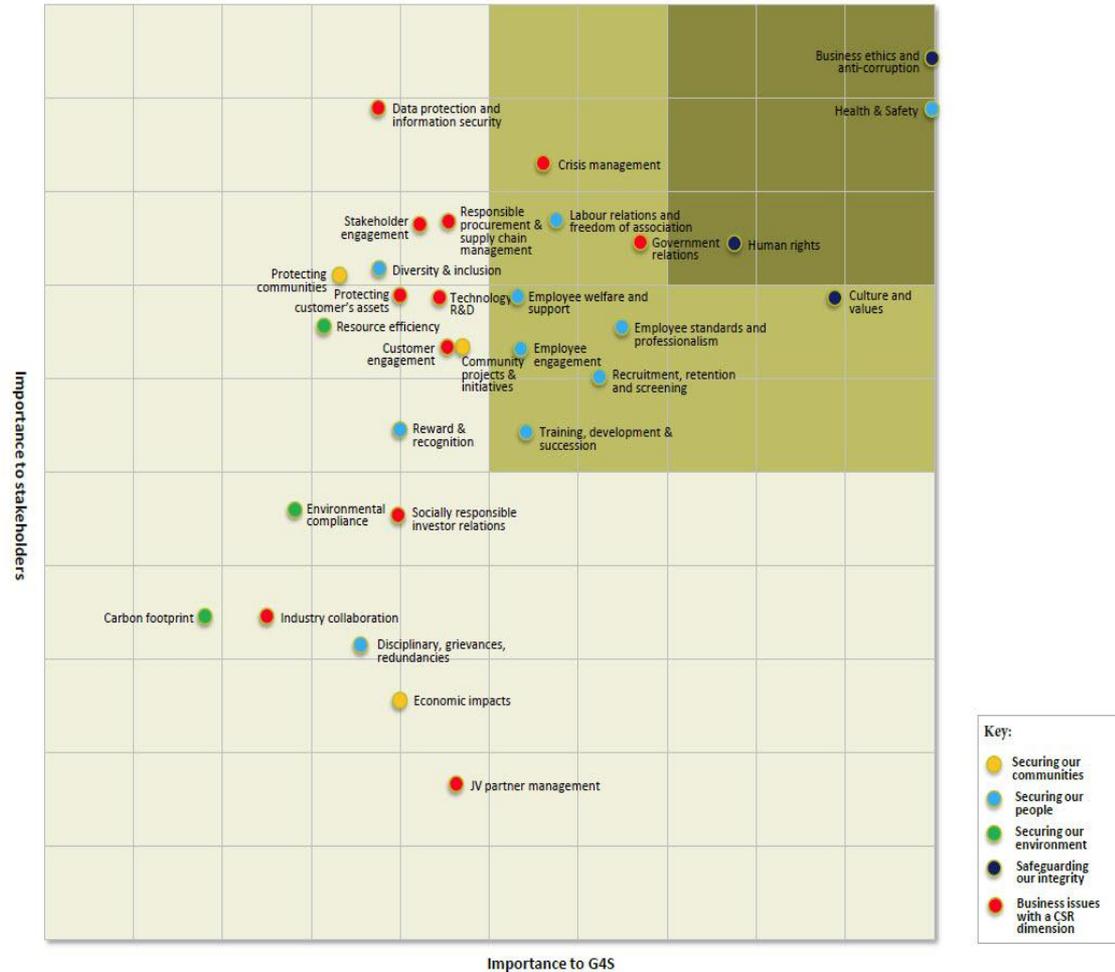
# Background:

## Focused on what matters

Regular reviews to define material issues

Development of CSR strategy and reporting

Stakeholder engagement



# Background:

## Focused on what matters

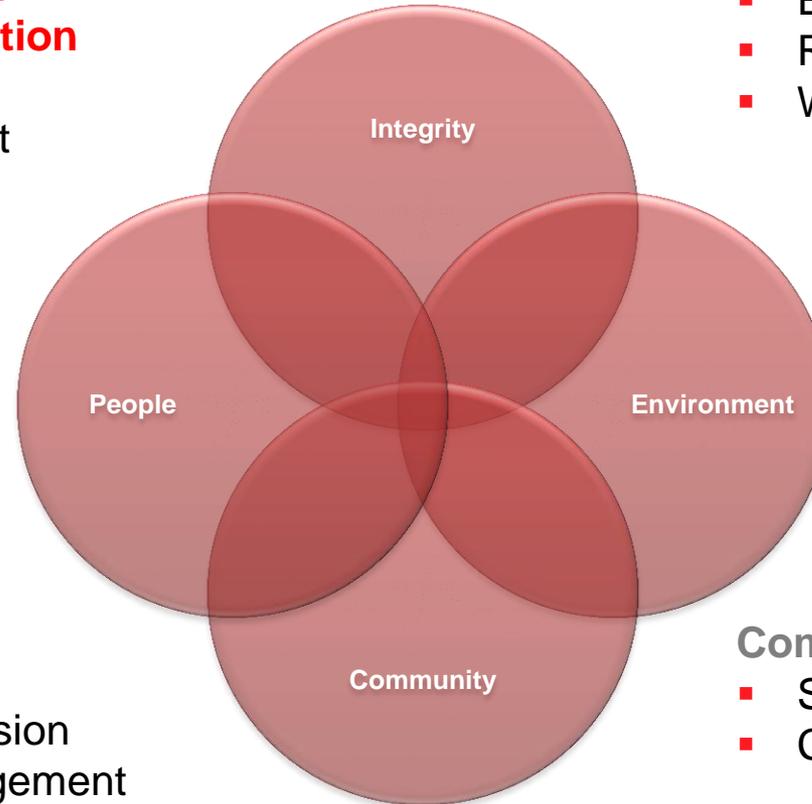
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### Integrity:

- **Business ethics and anti-corruption**
- **Human rights**
- Risk assessment
- Internal audit
- Whistleblowing & reporting

### Environment:

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



### People:

- **Health & safety**
- Diversity & inclusion
- Employee engagement
- Training & development

### Community:

- Social & economic impact
- Community investment

# Campaigns:

## Key achievements In 2013

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### Integrity

- Launch of our **human rights framework** for all G4S businesses, based upon the UN Guiding Principles
- Established a board Risk Committee and a separate **risk management** function for the group
- Updated risk assessment of the group's anti-bribery policies and controls

### People

- Completion of three further critical country reviews of **health and safety**
- **Driving Force Rules safety campaign** developed and piloted in seven countries
- Completion of third **global employee engagement survey**, in which 380,000 employees shared their views
- Roll out of enhanced incident reporting and investigation processes

### Environment

- Achieved a 23.5% **reduction in carbon intensity** between 2009 and 2013 against a target of 20%

### Community

- Conducted an academic study of the **social and economic impacts** of G4S within the UK
- Invested around **£2 million in charitable community programmes and welfare of employees** facing health or financial hardships in developing countries

# Campaigns:

## Progress so far in 2014

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### Integrity

- Refresh and relaunch of **group values** across all business practices and programmes
- Update and relaunch of **business ethics** policy and compliance programme
- Development of a systemic **risk assessment process** for new contracts and business partnerships, incorporating business ethics and human rights criteria
- Established **whistleblowing** project board to ensure whistleblowing process is in line with current best practice
- Conducted 19 **human rights self-assessments** of G4S businesses operating within higher risk country environments

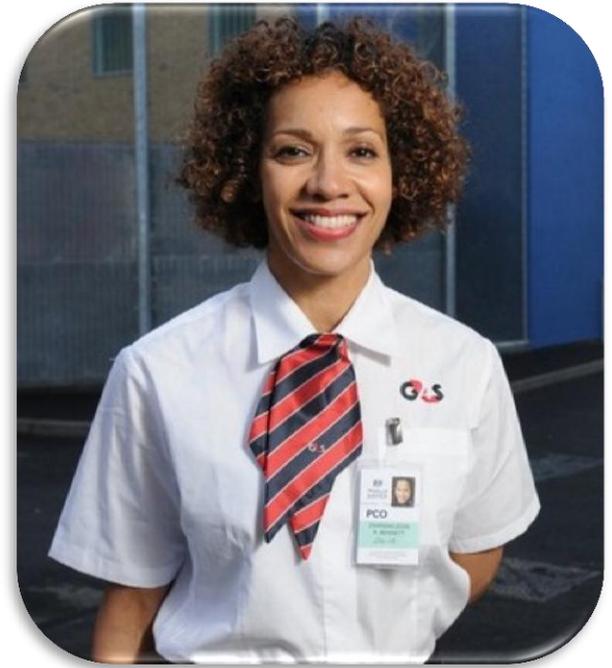
### People

- Established a new group value – **Safety First**
- Introduced **performance related objectives** linked to health and safety for our global leadership
- Enhanced **health and safety reporting processes** to increase visibility of issues to Group Executive Committee
- Completion of 4 further critical country reviews of **health and safety**
- Development of further materials in preparation for the roll out of **Driving Force Rules safety campaign** across group

### Community

- Commissioned an academic study of the **social and economic impacts** of G4S within Brazil

# Safeguarding our Integrity



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# Safeguarding our integrity

## Business ethics & anti-corruption

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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

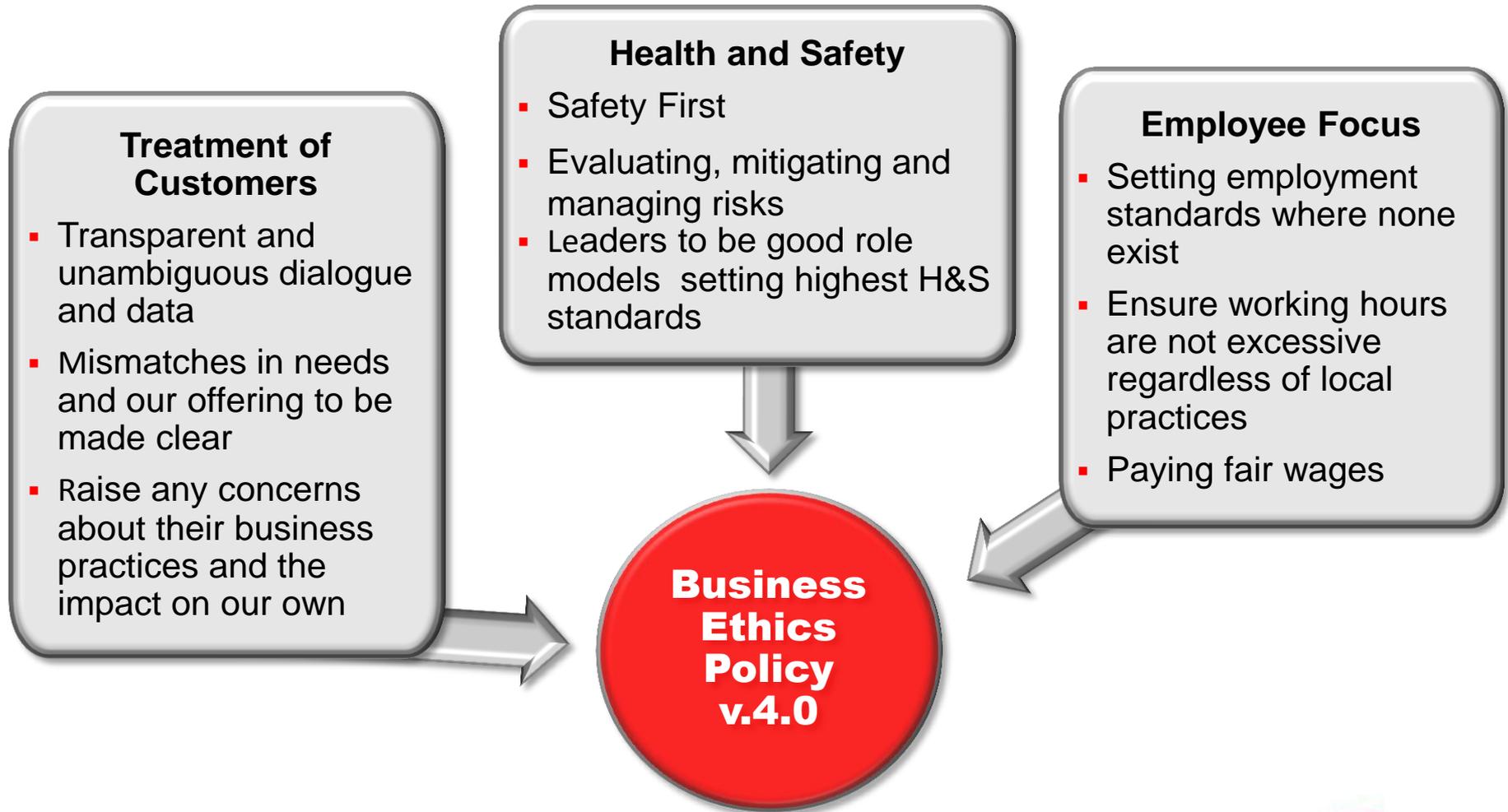
- Showing respect and consideration for others
- Treating people fairly
- Considering our local communities
- Thinking about the environment

### Being professional and proud

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

# Safeguarding our integrity

## Business ethics & anti-corruption



# Safeguarding our integrity

## Human Rights: policy and guidance



The human rights framework was launched in April 2013

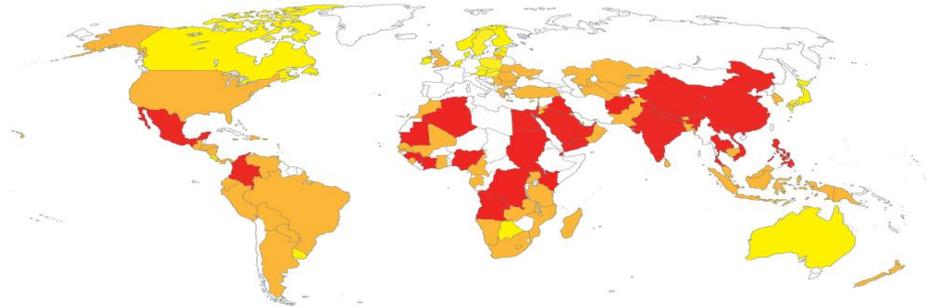
The G4S human rights policy and framework is designed to integrate the UN Guiding Principles on Business & Human Rights into our business – helping to safeguard the rights of our employees, support the communities in which we operate, and ensure that our operational practices enable us to identify and mitigate against human rights risks

# Safeguarding our integrity

## Human rights: risk assessment and due-diligence

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- Every year managers are asked to confirm their understanding and commitment to upholding the G4S business ethics policy and human rights standards
- A due-diligence framework provides additional guidance to G4S managers enabling them to review their operations against standards in human rights policy
- A human rights risk assessment of country environments (“heatmap”) is updated each year by the CSR manager
- Businesses in “high risk” countries carry out a self-assessment based on the due-diligence framework
- Areas of concern are followed up by the CSR manager and a responsible person within the regional senior management team – they can be escalated to the group executive if necessary



# Safeguarding our integrity

## Human rights: country entry risk assessment

**CSR & Human Rights Analysis: TUNISIA**

Area	Comments	Assessment
Civil & Political Rights	Tunisia is considered to be "partly free" – due to its first free and fair elections held in October 2011 which created an elected government. There are also increased freedoms of speech, press, assembly and religious expression.	
Human Rights	The military have taken on additional responsibility for humanitarian response under the new government.	
Corruption	Some score: corrup	
Labour	Has rat Associa abuse countr	
Poverty	No (3) unemp	
Commercial	The Et suppl There there gener Africa There portio recent repres the hu portio	
Conclusions	Since1 devel countr which countr Whilst the po appri bribes resear propo	

**CSR & Human Rights Analysis: LIBERIA**

Area	Comments	Assessment
Civil & Political Rights	Political situation improved, but remains volatile – OECD states "fragile political situation which should be handled with care". Lack of confidence in the political system – lack of judicial resources and poor rigour in judicial processes. Death penalty recently reinstated by Government. Prison conditions "deplorable" – lack of food, water, sanitation. Increasing levels of crime and violence. Restricted freedom of the press.	
Human Rights	Legislation passed in 2005 (Independent National Committee on Human Rights Act), but not fully implemented – attracting criticism from Amnesty International.	
Corruption	High risk of corruption (Corruption index score of 3.2 out of 10 – where 1 is the highest likelihood of corruption and 10 is the lowest). Law enforcement lacks resources and sometimes ability to pay staff which leads to extensive corruption and abuse against citizens.	
Labour	Has ratified the relevant ILO Conventions (Freedom of Association & Right to Organise). Child labour an issue.	
Poverty	Extreme poverty and poor life expectancy – considered a fragile state by the World Bank. The UN states that "Liberia still faces formidable reconstruction and development challenges"	
Commercial	No treaties or trade exclusions exist. World Bank says "outdated laws and high levels of corruption impede investment and undermine potential economic growth."	
Conclusions	Biggest concerns would be the fragility of the state, violence and corruption – concerned that we would not legitimately be able to operate in the country without bribery and corruption which is extensive. Market entry should only be supported if GAS is working there on humanitarian grounds for NGO's or organisations such as the UN or for specific, approved multi-nationals on a project basis only with low asset risk and a review of the strategy within 12 months.	

New country entry human rights and CSR risk assessments are now embedded in the organisation

We will continue to use this process to assess market entries and new services to make recommendations for Group Executive Committee and CSR Committee review

# Safeguarding our integrity

## Human rights: audit and compliance

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### Human rights matters being integrated into our standard audit programme

- Implementation of policies and procedures
- Employee training and awareness
- Confirmation of compliance with standards
- Implementation of confidential whistleblowing processes
- Review of self-assessments and due-diligence checklists where required

### High risk countries will be subject to detailed human rights audits

- Test management controls and monitor compliance with detailed standards

# Safeguarding our integrity

## Human rights: implementation

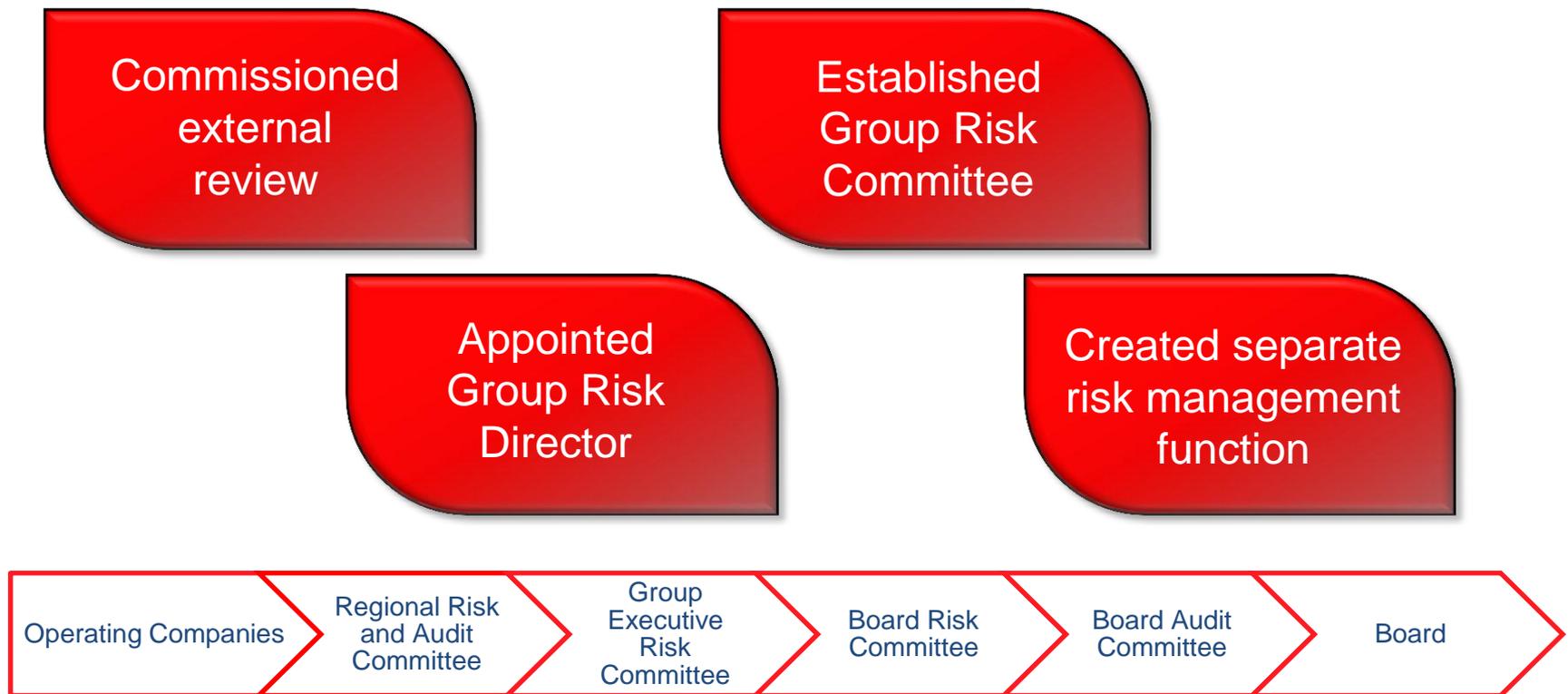
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- Policy & guidance framework > **Launched**
- 2013 high risk “heatmap” > **Launched**
- Self-assessment checklist > **Launched**
- Due-diligence checklist > **Launched**
- Human rights audits > **Implementing (launched Q1. 2014)**
- Risk assessment > **Embedding systematic processes (on-going)**
- Review of human rights gap analysis amongst managers > **Communications and training will be developed to fill any gaps in knowledge or understanding**
- Legal and Human Rights review concluded into G4S business in Israel

# Safeguarding our integrity

## Risk management

We are committed to operating a **risk management** and assurance framework which evaluates all areas of how we do business

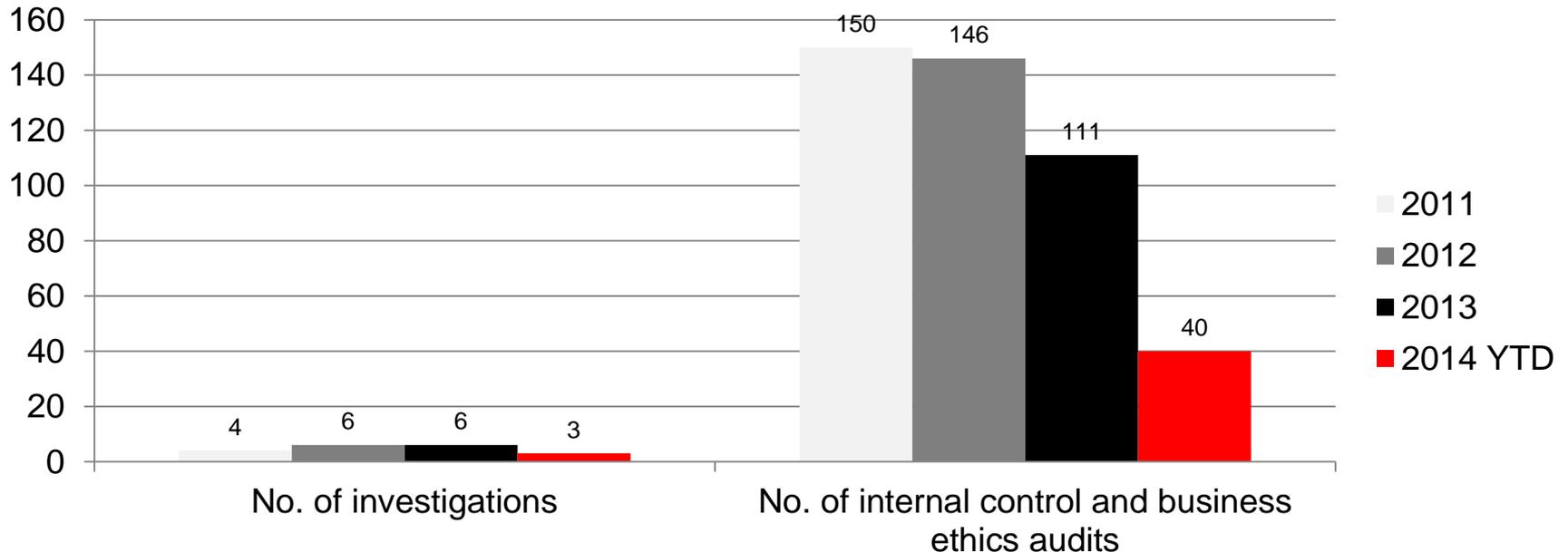


# Safeguarding our integrity

## Audit and compliance

Internal audit is a cornerstone of ensuring high standards of social, financial and ethical compliance

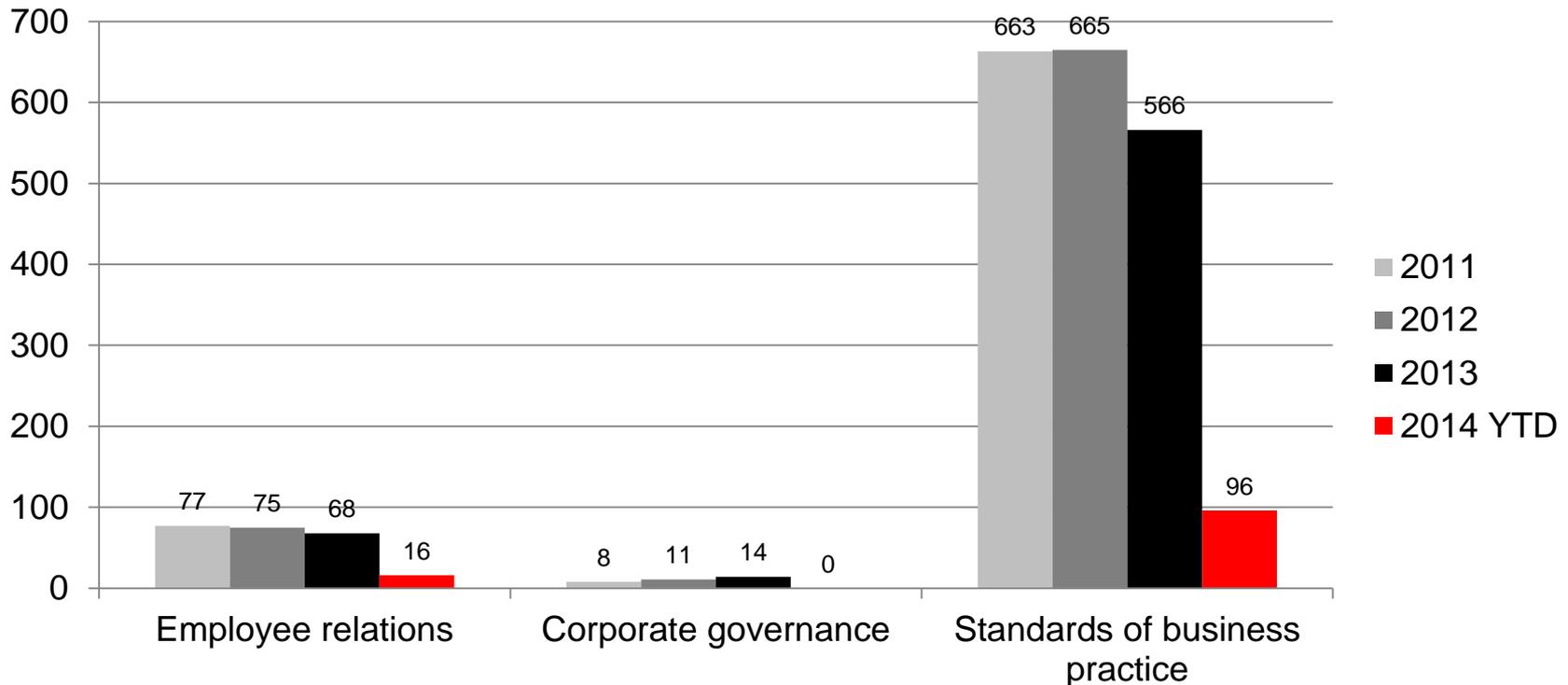
### Number of internal audits and reviews



# Safeguarding our integrity

## Audit and compliance

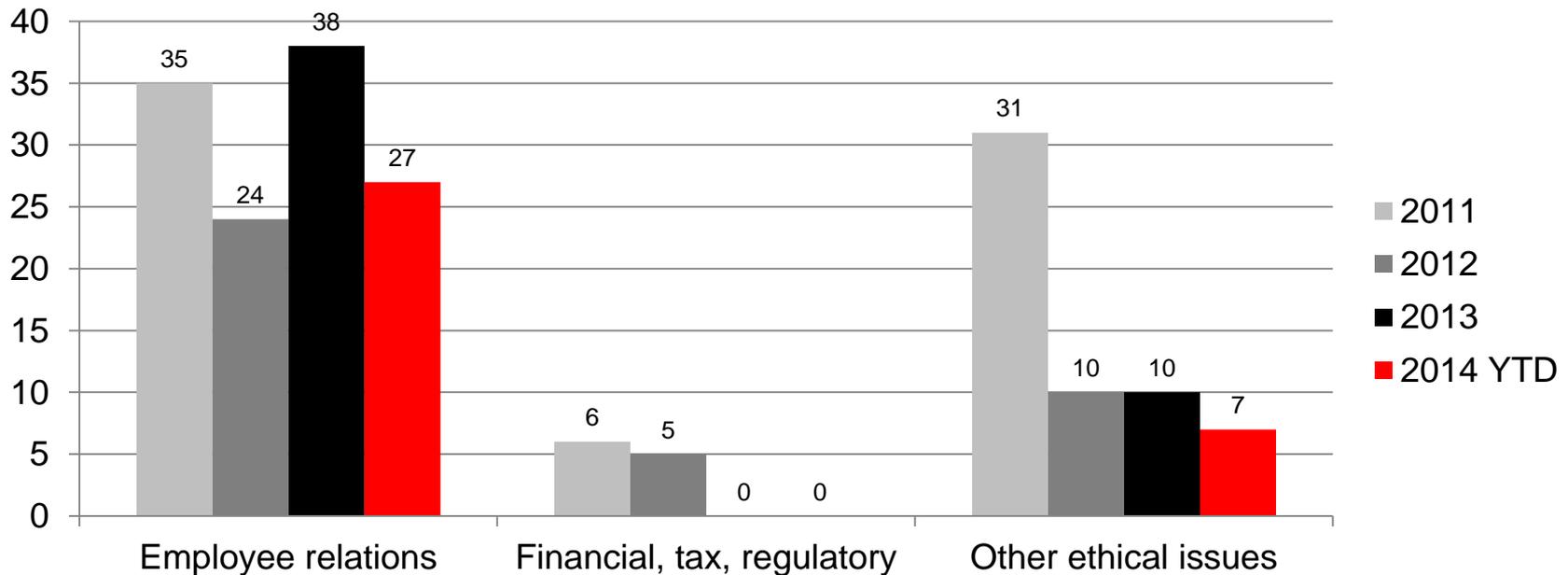
### Number of issues raised during internal audits



# Safeguarding our integrity

## Whistleblowing

### Analysis of whistle-blowing concerns



# Safeguarding our integrity

## Whistleblowing

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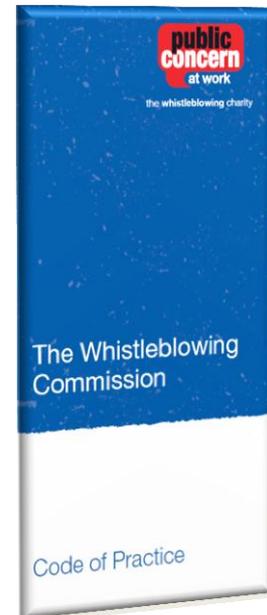
As part of G4S' strategy to re-invigorate the group's values, we have undertaken a review of the group's whistleblowing processes and practices.

### Phase 1

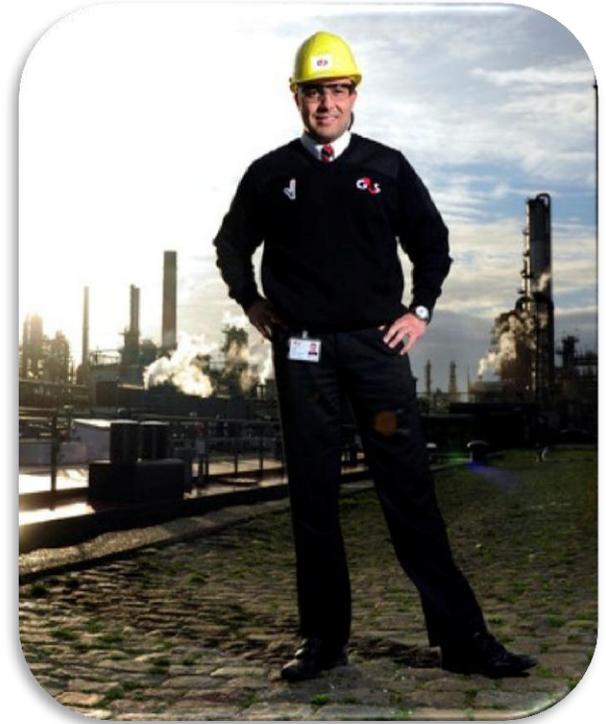
- Publish updated whistleblowing policy, based on the principles of Whistleblowing Commission's Code of Practice

### Phase 2

- Partner with a single case management provider
- Relaunch and communicate new process and tools



# Securing our employees



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# Securing our people

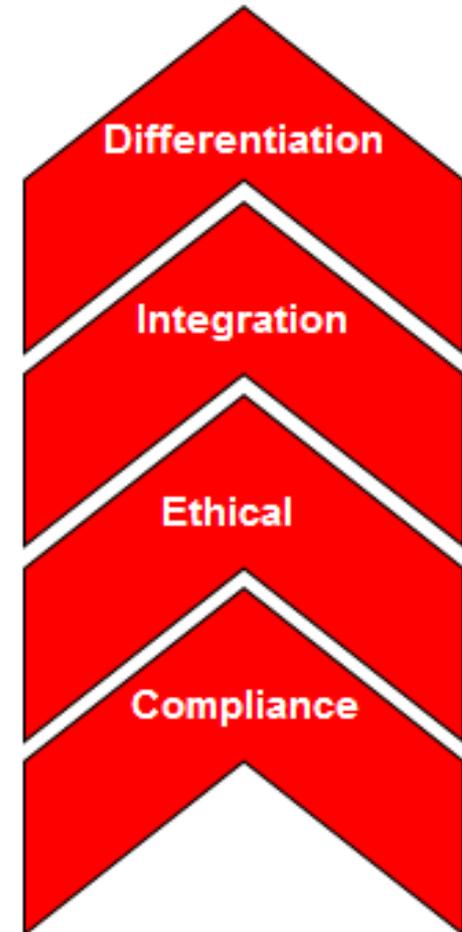
## Health and safety

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### 2014 Update

- Established a new group value – ‘Safety First’
- Developed health and safety management system
- Introduced performance related objectives linked to health and safety for global leadership
- Completing 6 further Critical Country Reviews (CCR’s)
- Roll out of Driving Force Rules safety campaign across group

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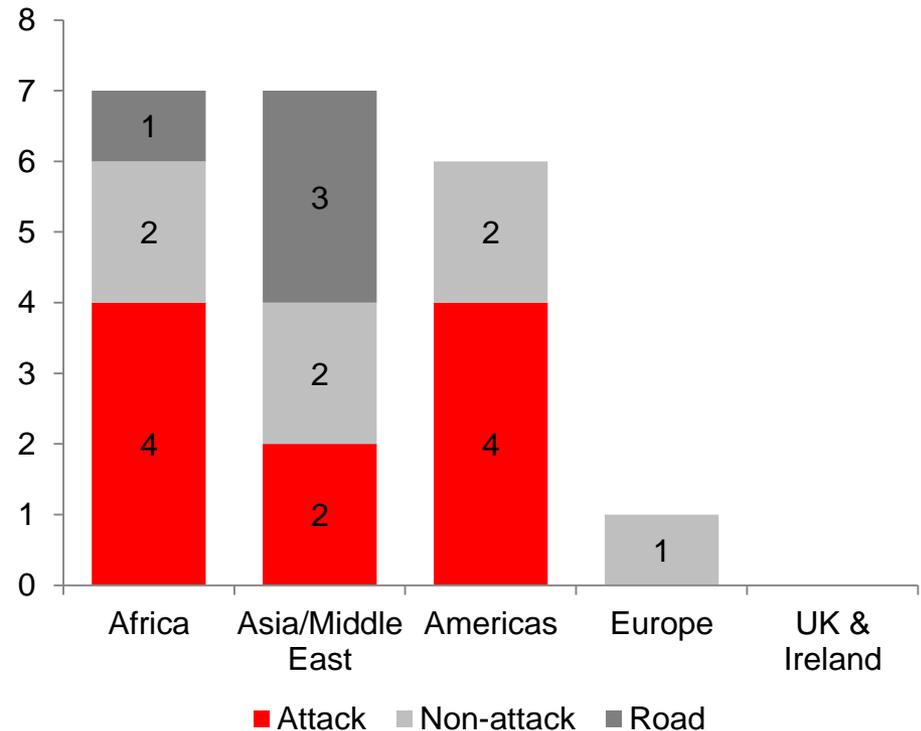
# Securing our people

## Health and safety

### Work-related fatalities

	Attack-related incidents	Non-attack related incidents	Road traffic incident
2011	28	18	30
2012	18	20	21
2013	17	17	21
2014	10	7	4

### Work-related fatalities to June 2014



# Securing our people

## Health and safety: Hazard recognition



The following **Golden Rules** have the greatest potential for preventing serious injury or death

- Review all risks associated with each task before starting
- Understand your safety responsibilities and report all unsafe acts and conditions
- Use appropriate Personal Protective Equipment (PPE)
- Obtain authorisation before entering a confined space
- Treat every firearm as loaded
- Check your vehicle before driving
- Always wear a seatbelt
- Always wear a helmet and high visibility equipment when riding a motorcycle
- Do not speed
- Never use a handheld mobile telephone whilst driving
- Do not drive under the influence of alcohol or drugs
- Take a short break if required

# Securing our people

## Health and safety: Road safety

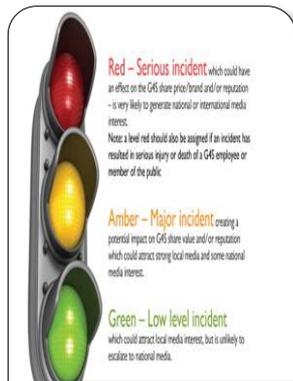


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# Securing our people

## Health and safety: Reporting & investigating



### Crisis Communications

- As soon as possible after the incident
- Sent to everyone on the 'Incident' distribution list



### Incident Report Forms

- Within 24 hours
- Sent to Group
- 2 versions – RTI and attack and non-attack



### Investigation Report Forms

- Completed within 1 month of incident
- Sent to Group
- 2 versions – RTI and attack and non-attack
- Reviewed by Group HRD
- Feedback and close out within 3 months



### Critical Country Review (CCR)

- Used for any country where there are serious H&S concerns
- Standard template report
- Sent to Group and agreed distribution

# Securing our people

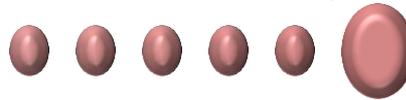
## Health and safety: Lost time incidents (LTI)

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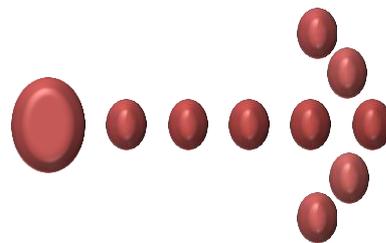
Sum of incidents = 4,151



Sum of headcount = 618,714



Number of countries = 120+



0.32 incidents per  
100,000 hours  
(0.33 in 2013)

# Securing our people

## Knowledge management system (KMS)

**G4S** Global Health and Safety - Community of Practice - Home  
Knowledge sharing and collaboration site

G4S Global Health and Safety - Community of Practice    RESTRICTED    All Sites

**Libraries**  
Knowledge Sharing  
H&S Knowledge Wiki

**Lists**  
Certifications  
Online Resources  
H&S Community  
Contacts

**Discussions**  
Community Discussion

**Pictures**  
Images

**Sites**  
Health and Safety Blog

**KMS Home**  
KMS User Guide

Recycle Bin  
All Site Content

**G4S** Global Health and Safety - Community of Practice

Click here for latest H&S News Headlines

**Dear Colleagues**

G4S is fully committed to ensuring the health, safety and welfare of its employees across all of its businesses

Our "Community of Practice" is an online knowledge sharing portal that we can use to discuss matters of relevance to H&S practitioners and to share policies, training materials, etc. Knowledge management is key to the success of the Health and Safety Community. I hope you will use our Community of Practice to contribute, search and discover information.

**Important note about Information and Security**

Information is one of our greatest assets but we must be mindful of HOW we manage it, WHERE we place it and how we wish to SHARE it. If you place any information in this Community of Practice site it will be visible to all G4S Knowledge Management users, with the exception of any restricted areas.

For support contact your Community Champion/Super User

- Jo Johnston (Group): jo.johnston@g4s.com
- Sandra Anderson (Europe): sandra.anderson@uk.g4s.com
- Patricia Beveridge (AME): patricia.beveridge@ame.g4s.com
- Jonathan Boucher (Africa): jonathan.boucher@afrika.g4s.com
- Edith Morales (USA): edith.morales@usa.g4s.com
- Frank Knapfel (USA): frank.knapfel@usa.g4s.com
- John Klimowicz (USA): john.klimowicz@usa.g4s.com

For technical support contact knowledge@g4s.com

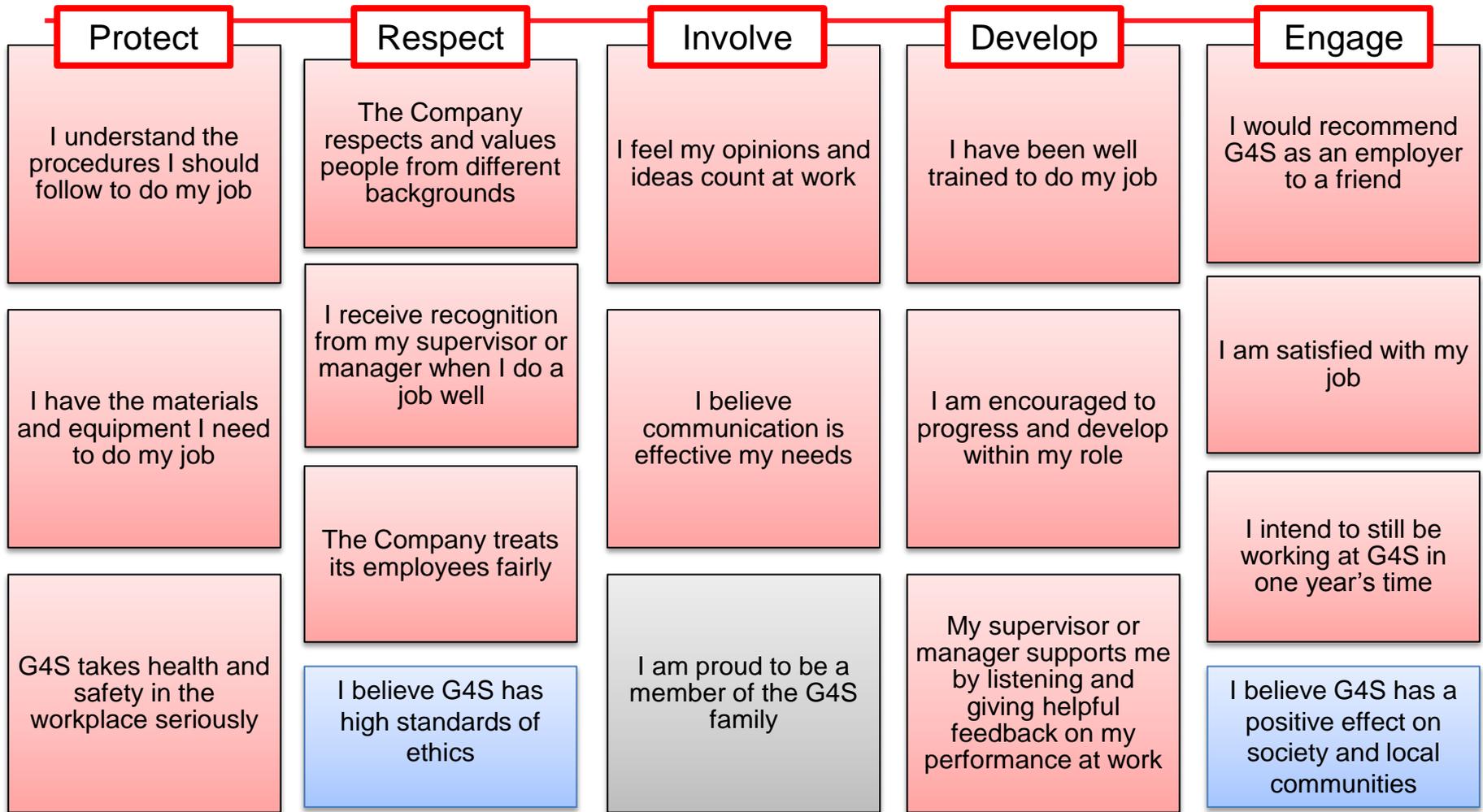
Theresa White  
Head of Employee Relations, Diversity and Inclusion

**Announcements**

<input type="checkbox"/>	@	Title	Modified
<input type="checkbox"/>		New LaTâm H&S Manager	12/11/2013 9:18 AM
<input type="checkbox"/>		H&S changes in G4S Ireland	11/12/2013 4:36 PM
<input type="checkbox"/>		UK: RIDDOR regulations updated 1/10/13	10/7/2013 10:34 AM

# Securing our people

## Employee engagement: Survey questions



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### Key



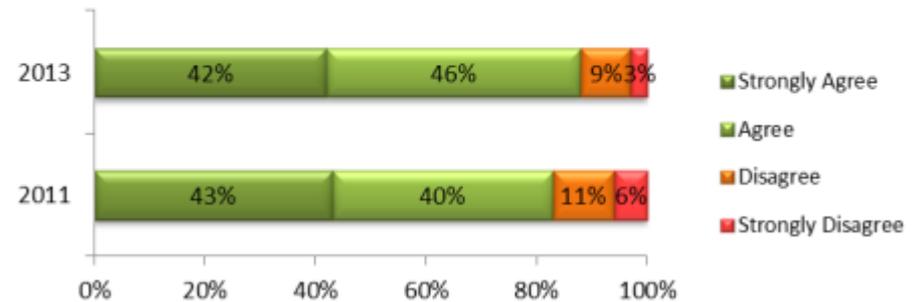
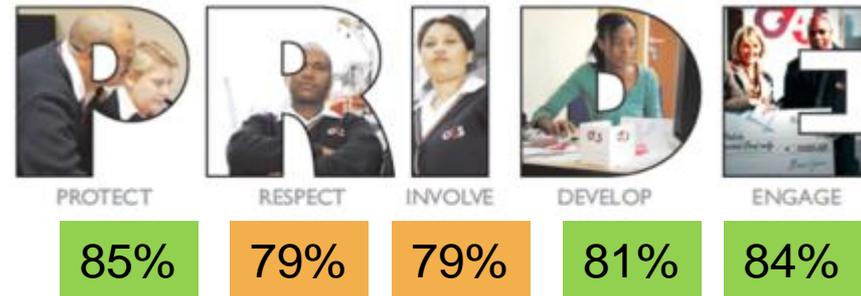
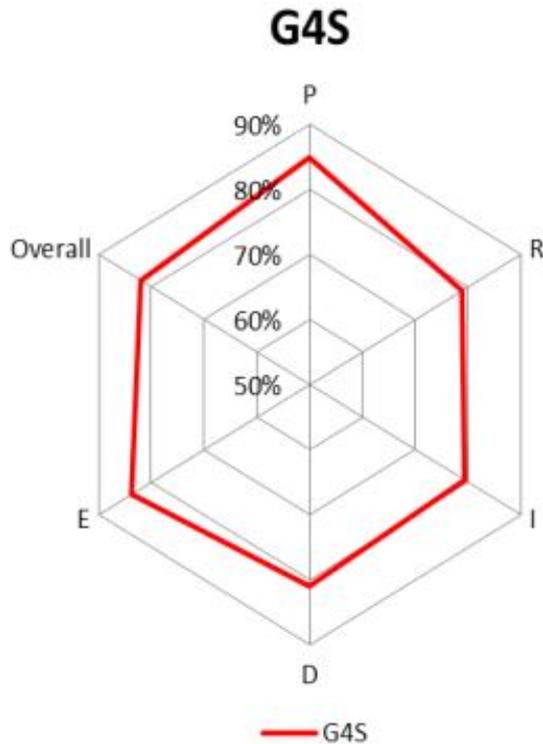
# Securing our people

## Employee engagement: Favourable responses



# Securing our people

## Employee engagement: PRIDE summary



- 50% reduction in employees responding with strongly disagree since 2011 survey

# Securing our people

## Employee engagement: Priorities

Region	PRIDE	Question
Africa	Protect	<ul style="list-style-type: none"> <li>G4S takes health and safety in the workplace seriously</li> <li>I have the materials and equipment I need to do my job</li> </ul>
	Involve	<ul style="list-style-type: none"> <li>I believe communication in the company is effective for my needs</li> </ul>
	Respect	<ul style="list-style-type: none"> <li>The company treats its employees fairly</li> </ul>
AME	Protect	<ul style="list-style-type: none"> <li>G4S takes health and safety in the workplace seriously</li> </ul>
	Involve	<ul style="list-style-type: none"> <li>I feel my opinions and ideas count at work</li> <li>I believe communication in the company is effective for my needs</li> </ul>
	Respect	<ul style="list-style-type: none"> <li>The company treats its employees fairly</li> </ul>
Americas	Involve	<ul style="list-style-type: none"> <li>I believe communication in the company is effective for my needs</li> <li>I feel my opinions and ideas count at work</li> </ul>
	Respect	<ul style="list-style-type: none"> <li>The company treats its employees fairly</li> </ul>
	Develop	<ul style="list-style-type: none"> <li>I am encouraged to progress and develop within my role *</li> </ul>
Europe	Involve	<ul style="list-style-type: none"> <li>I believe communication in the company is effective for my needs</li> <li>I feel my opinions and ideas count at work</li> </ul>
	Develop	<ul style="list-style-type: none"> <li>I am encouraged to progress and develop within my role</li> </ul>
UK & Ireland	Respect	<ul style="list-style-type: none"> <li>The company treats its employees fairly</li> <li>I believe G4S has high standards of ethics</li> </ul>

# Securing our people

## Employee engagement: Examples of actions

### Africa

- Enhancing H&S leadership through the communication of the 12 Golden Rules and the development of H&S improvement programmes
- Developing and embedding H&S through various training initiatives
- Increased internal comms – Africa Link, Focus on Africa and local newsletters

### AME

- Implementation of various incentive and recognition schemes at country level
- Implementation of H&S accident investigations, training and CCR's
- Implementation of various communication initiatives

### Americas

- Roll out of the 'Dignity and Respect' programme across the US
- Launch of the Americas leadership programme
- On-line training resources being implemented for employees in all countries

### Europe

- Providing support for language courses where appropriate
- Extending the use of first line management workbooks
- Introduce employee 'compliment cards' based on G4S values

### UK & Ireland

- Implementation of values based leadership programmes piloted in central Government Services
- Heightened focus on health and safety, clinical governance and risk management at senior management levels

# Securing our people

## Employee engagement: Union relations

### Positive employee relations climate

Over a third of our employees are covered by collective agreements

Long established relationships with trade unions in many countries

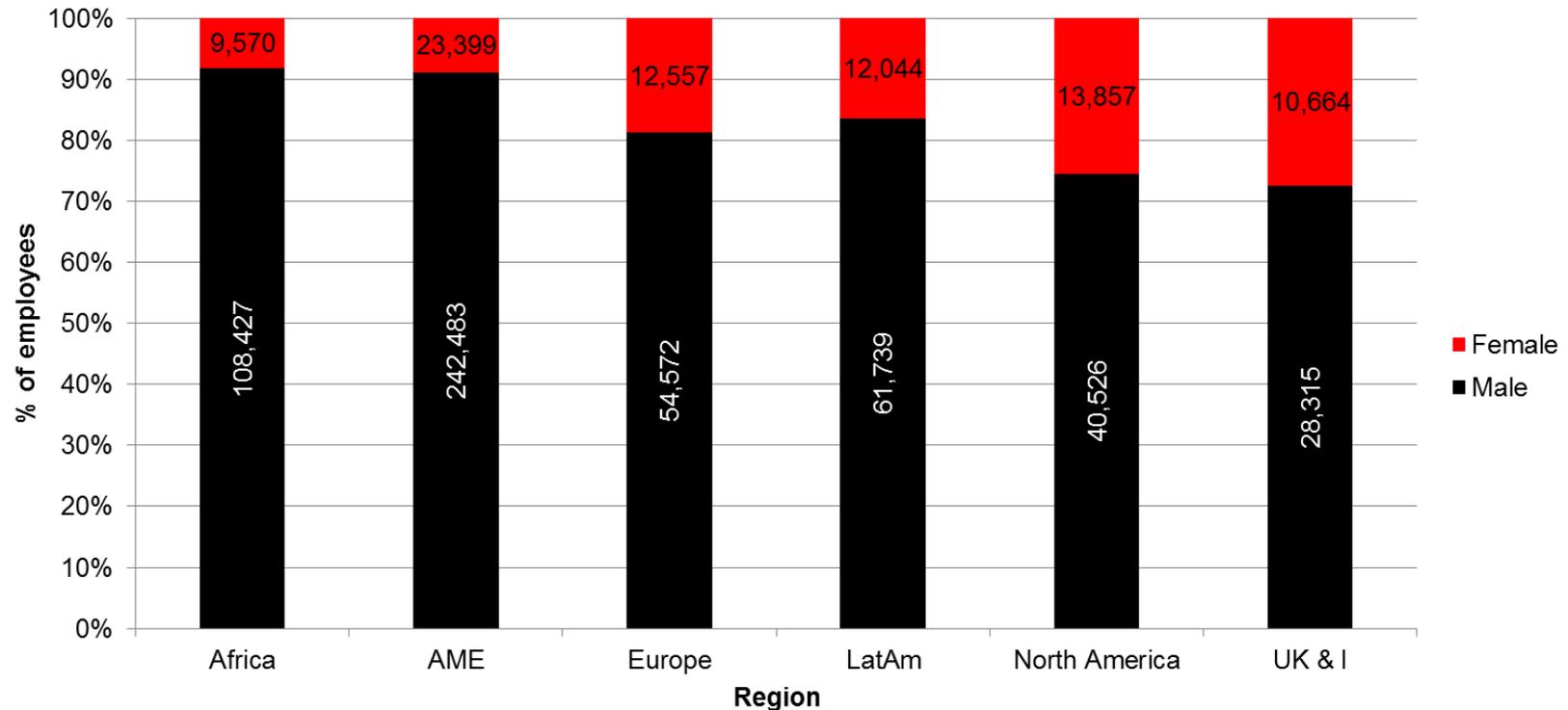
Formal works council arrangements at business unit and European level

Global framework EEP Agreement with UNI and GMB union

# Securing our people

## Diversity and inclusion

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



- Overall **13%** of employees are female (12% 2013)
- Continue to work with specific businesses to improve **representation of women** in supervisory positions and the talent pipeline
- Continue to use **cultural awareness** training tool

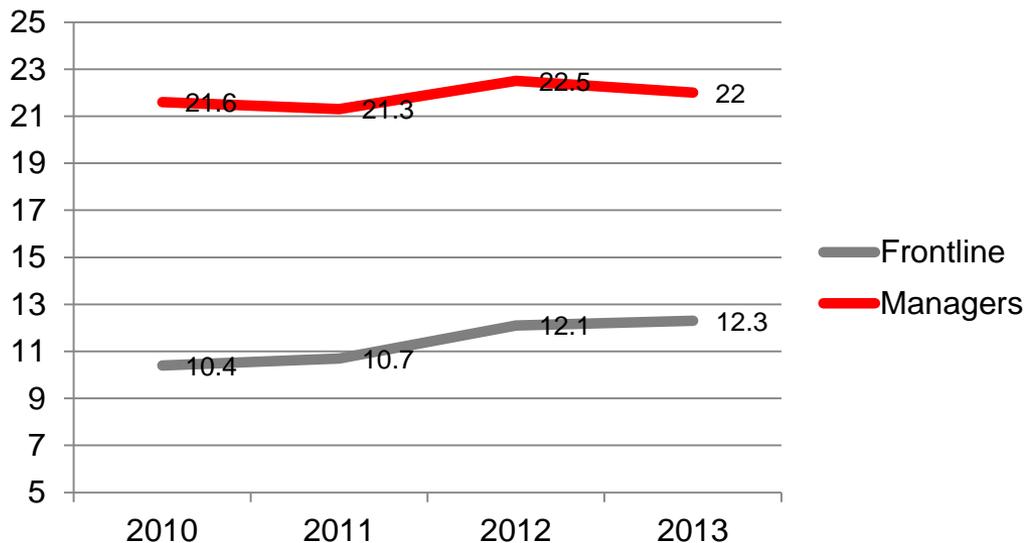
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# Securing our people

## Diversity and inclusion

### Proportion of females in the workforce



Regional Diversity and Inclusion actions have included:

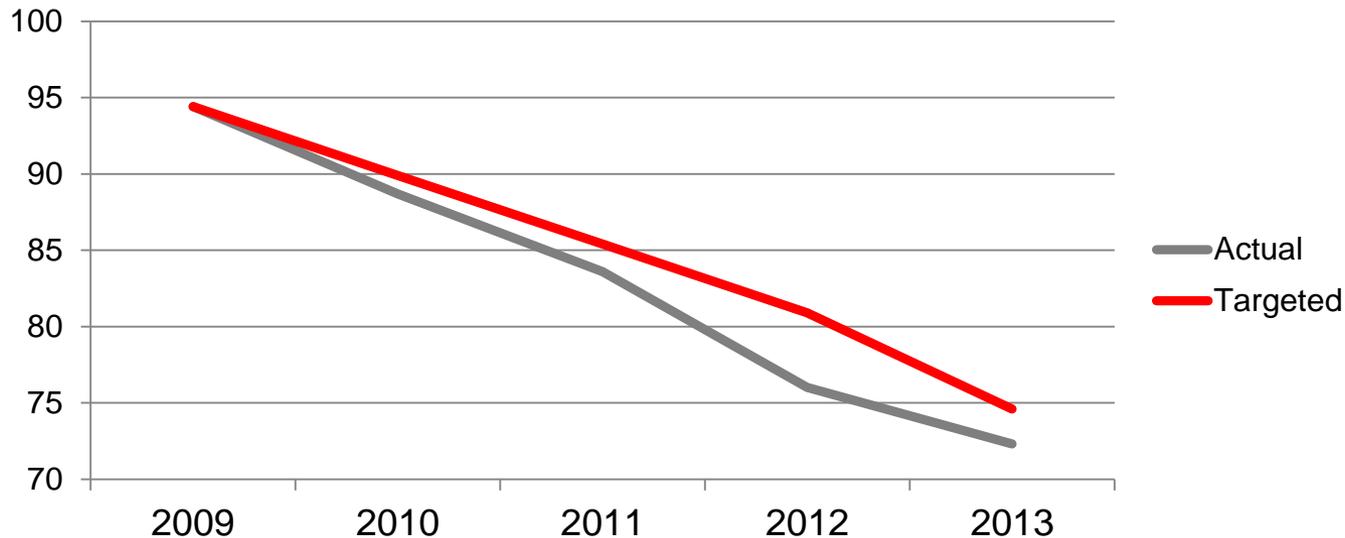
- ✓ Developing partnerships with organisations that can assist in sourcing diverse candidates
- ✓ Running focus groups to identify any potential barriers to inclusion
- ✓ Promoting cultural understanding using Culturewizard
- ✓ Supporting communication programmes to raise awareness of the importance of diversity and inclusion

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

# Securing our environment

## Climate action programme

Group carbon intensity (t/CO2e per £m turnover)



**TARGET**  
**20%**  
reduction in  
carbon intensity  
(2009 – 2013)

**ACHIEVED**  
**23.5%**  
reduction in  
carbon intensity  
(2009 – 2013)

**1.9% reduction in carbon emissions** between 2009 and 2013  
(against 24.4% growth in business)

**10% reduction in fuel emissions** between 2009 and 2013

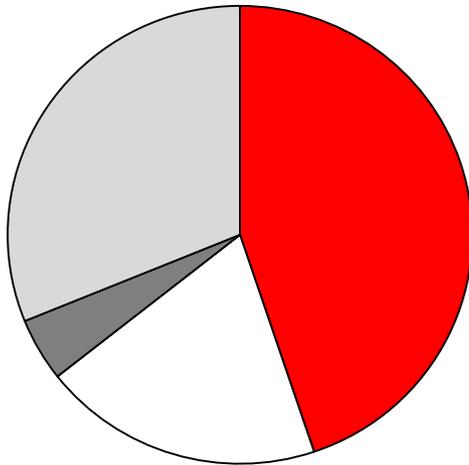
**15.9% reduction in CO2e per average employee** between 2009 and 2013

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# Securing our communities

## Donations 2013



- Corporate donations of money (\*)
- Corporate donations of goods and services
- Employee & thirdparty donations facilitated by G4S
- Employee welfare & development

Invested over **£2,000,000** in community good causes and welfare of employees facing health difficulties or financial hardship in developing markets.

**26,000** hours of employee volunteered time



Over **400** charities and good causes provided with support

Academic study of G4S' **economic impacts** in UK identified direct and indirect support of 68,000 jobs and total £1.95bn GVA.

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# Questions

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# G4S SRI Update

**June 2014**



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