



# Securing Your World

**G4S plc**  
Corporate  
Social Responsibility  
Report 2012



## Inside this report

### Overview

1	Performance highlights
2	Chief Executive's interview
4	G4S around the world
6	Who we are and what we do
8	How we do it
9	Where we do it
10	Our business characteristics
12	Interview with Mark Elliott – Our CSR strategy
14	In focus: The importance of human rights

### Safeguarding our integrity

19	Key achievements in 2012
19	Priorities for 2013
20	Material issues and actions

### Securing our people

25	Key achievements in 2012
25	Priorities for 2013
26	Material issues and actions

### Securing our environment

32	Key achievements in 2012
32	Priorities for 2013
32	Material issues and actions

### Securing our communities

35	Key achievements in 2012
35	Priorities for 2013
35	Material issues and actions

### Supporting data

38	Safeguarding our integrity
39	Securing our employees
40	Securing our environment
41	Securing our communities
44	Voluntary standards

### Cover image

G4S 4teen athlete Mariana Pajón, from Colombia, plays table tennis with children at Sabio Caldas School on the outskirts of Bogota. Having won her country's only gold medal at the London 2012 Olympic Games, Mariana visited the school as part of G4S's ongoing commitment to helping young people from disadvantaged areas to fulfil their potential.

G4S is the world's leading international security solutions group.

G4S plays an important role in society. We make a difference by helping people to operate in a safe and secure environment where they can thrive and prosper and we believe this role can only grow in importance.

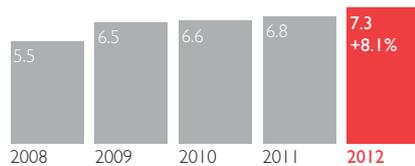
G4S is the largest employer on the London Stock Exchange, with operations in more than 125 countries and over 620,000 employees.

In this report we feature the important work carried out by our employees across our 125 countries. We are proud of the role they play in securing your world.

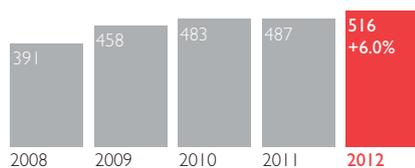
# Performance highlights

## Performance highlights

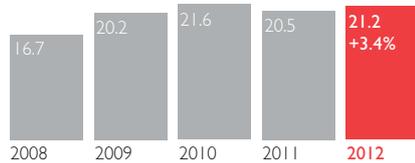
Group turnover\* £7.3bn



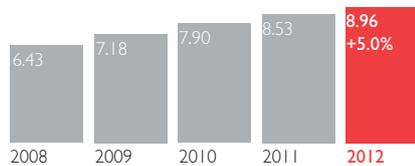
PBITA\*\* £516m



Adjusted EPS+ 21.2p



Dividend 8.96p



Operating cash flow\*\*\* £492m

95% of PBITA

Organic turnover growth\* 6.9%

(2011: 5.1%)

## CSR performance in 2012

### Strategic development

- Increased membership of the CSR Committee
- Development of a new human rights policy and guidance framework for all G4S businesses and employees, based upon the UN Guiding Principles on Business & Human Rights
- Active commitment to the Principles of the UN Global Compact and alignment of both our CSR and UN Global Compact "Communication on Progress" reporting requirements
- Continued participation in the development of the International Code of Conduct for Private Security Providers

### Safeguarding our integrity

- Performed 150 business risk assessments and 146 on-site internal risk control audits
- Following implementation of anti-bribery controls, we have completed 37 country audits to measure business ethics compliance
- Completed implementation of "Safe2Say", the group's global 24-hour freephone whistle-blowing hotline

### Securing our people

- Reduced work-related fatalities by 22% from 76 to 59
- Made good progress in the implementation of the action plans from Critical Country Reviews of health and safety
- Formation of a road safety steering group and development of an action plan to reduce accidents
- Representation of women in management increased from 21% to 22.5% and in front line roles from 10.7% to 12.1%
- Development of new induction, training and appraisal tools to improve engagement with employees and provide better feedback to managers

### Securing our environment

- The G4S 2012 total carbon footprint in 2012 was 612,000 t/CO<sub>2</sub>e
- Achieved overall reduction in carbon intensity of 4.3% in 2012
- Achieved a 16% reduction in carbon intensity between 2009 and 2012 against a target of 13%

### Securing our communities

- Invested over £2 million in charitable community programmes and welfare of employees, facing health or financial hardship
- Through the G4S 4teen programme, G4S successfully helped five young athletes to achieve their ambition of competing at the London 2012 Olympic Games

\* 2011 and 2012 at constant (2012) exchange rates, adjusted for disposals and discontinued businesses and ex Olympics contract. 2008–2010 as reported

\*\* PBITA is defined as profit before interest, taxation, amortisation of acquisition-related intangible assets, acquisition-related costs and exceptional items

\*\*\* As defined by management

+ 2011 and 2012 at constant (2012) exchange rates, adjusted for disposals and discontinued businesses and excluding Olympics contract. 2008–2010 as reported. EPS attributable to equity shareholders of G4S plc was 3.4p in 2012 and 12.9p in 2011. For 2012 EPS attributable to equity shareholders includes items of £88m related to the Olympic Games contract, £45m of restructuring costs and a £63m loss related to discontinued items. For a full reconciliation, see page 104 of the G4S Annual Report and Accounts 2012.

# Chief Executive's interview

## Securing our future



### Why is CSR important to G4S?

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G4S is one of the world's largest private employers and the nature of the business we are in and the countries and markets in which we operate mean that we form an important part of many societies and impact the lives of millions of people all over the world – it is our responsibility to make sure that the impact we have is a positive one.

There are many benefits of having an embedded CSR strategy and operating to high ethical and other standards – it enables us to do better business. It helps to attract and retain staff, it helps to win business in a competitive environment where we need to stand out from others, it helps to attract investment to support the growth and development of the company and, most of all, it helps to generate pride in the company from everyone connected to it.

### What are the material CSR issues which are relevant to the group?

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Having such an important role in many societies brings with it some key responsibilities which are at the heart of our CSR strategy. Operating ethically and without tolerating any form of corruption is essential for our business and differentiates us from less reputable companies in a number of markets.

Taking care of our staff and ensuring their safety is also key – we have a responsibility not just to them, but to their wider families to ensure they can work in a safe and secure environment. Sadly, in our business, our employees can be subject to attack by criminals, but we make sure we do everything we can to keep them safe and to protect them from harm both within G4S premises and when they are representing the company elsewhere.

As well as having a large number of employees across the world, our business brings us into contact with many other people – whether they are held within a G4S-managed facility (such as a prison) or whether they are a member of the public – making sure that the way we interact with people and take care of those within our responsibility in terms of protecting and realising their human rights is very important. We have focused significantly on human rights during 2012 and have developed new policies and extensive guidelines for our businesses, based on the Guiding Principles on Business and Human Rights developed by the UN Special Representative, John Ruggie.

➤ See pages 14 to 17 for more details

Of course, whilst these are the most material CSR issues for the group, our CSR strategy is far more wide-ranging and incorporates a broad range of topics including supporting local communities, workforce diversity, recycling, carbon reduction and many other issues. We regularly assess the materiality of these issues to ensure that our CSR strategy remains focused on the key priorities for the group.

### What are the biggest challenges to achieving your CSR objectives?

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One of our biggest challenges is the continual drive to reduce staff injuries and fatalities of those staff who work in difficult environments where they can be subject to attack or through other causes, such as road traffic accidents. We also face challenges in ensuring that everyone within the group understands what we mean by CSR, why it is important to the group and their role in ensuring we live up to our CSR standards and commitments.

➤ See pages 25 to 30 for more details

## How do you make sure that everyone understands the importance of CSR and their role in achieving the company's goals?

Communicating with and educating managers and front line staff on CSR is a big challenge in an organisation of our size and complexity, but our practical and flexible approach means that it works well. New employees are introduced to many aspects of business ethics and CSR during their recruitment, induction and training processes.

Where specific training is required, for example to prevent bribery or corruption, we establish tailored training and assessment programmes to suit all relevant levels of the workforce which are delivered in multiple languages and through a variety of methods – whether it is online, by DVD, in the classroom or simply through a written workbook.

Our business ethics policy, which summarises many aspects of the group's approach to CSR matters, is reviewed every year to make sure it contains the very latest and most important issues which are relevant to the group and its operations. Managers are asked to sign up to the policy every year to demonstrate their own compliance with its content and to confirm the compliance of those people within their specific area of responsibility.

We have in place strong audit and compliance programmes to test awareness of key policies and their practical use within the business. We also have global and local whistle-blowing hotlines where non-compliance can be reported and acted on.

## How would you sum up the group's CSR performance in 2012?

I am pleased to say that our CSR performance continues to improve significantly every year and we have made substantial progress in a number of areas.

One of our most significant steps forward this year has been in terms of developing and launching a new human rights policy and guidance for managers. We felt that it was important to be clear about our expectations of employees and other stakeholders in relation to human rights issues and to ensure that other group policies and procedures were aligned to a clear, G4S-wide, position on human rights matters.

The good news is that, having assessed our human rights practices, we already had many safeguards in place to ensure that we comply with human rights requirements and in many ways contribute to a more positive human rights environment. Our new policy and guidelines provide a more systematic approach to human rights and provide practical guidance to managers to help with decision-making around human rights issues.

A core focus of our CSR strategy during 2012 was to continue to reduce the level of work-related fatalities, particularly related to road traffic incidents. We are implementing a number of strategies to help prevent

serious injury or fatality while on duty and, while our aim is to eliminate all fatalities within our business, I am pleased to note that during 2012 our efforts have contributed to a 22% reduction in work-related fatalities.

Following the enactment of the UK Bribery Act in 2011, our internal audit team completed a full programme of Bribery Act compliance audits across 37 countries. These visits were made in addition to the standard internal audit programme.

In 2009, we set ourselves the challenging objective to reduce our carbon intensity by 13% by the end of 2012. Utilising a combination of employee engagement and training, technology replacement programmes and renewable energy solutions, we have worked to increase the energy efficiency of our group and I am pleased to report that we have achieved an overall reduction in carbon intensity of 16% over the three year period.

➤ See pages 32 to 33 for more details

G4S plc became a signatory of the United Nations Global Compact in 2011 and we submitted our first 'Communication on Progress' early last year. The ten principles of the Global Compact continue to be reflected in our business ethics policy and I am pleased to reaffirm our commitment to the principles as they help to shape our CSR strategy.

➤ See page 44 for more details

## What targets or goals are you setting on CSR for 2013?

Our number one goal is to continue to reduce the number of fatalities and injuries to our staff across the world and we have a number of programmes in place to achieve this.

Our internal audit team play a vital role with this during their visits to our businesses around the world. They can provide assurance that the policies and guidelines are being followed effectively, but they can also advise and facilitate sharing best practice.

Having recently launched our human rights policy and guidelines, we need to make sure that everyone understands their role in living up to the requirements of the policy and ensuring that we have the right monitoring and measurement processes in place so that, if the standards are not being met, we are quickly made aware of it and action can be taken.

Our Climate Action Programme has helped G4S to reduce its carbon intensity significantly since 2009. We want to keep up that progress and so aim to achieve an overall reduction of at least 20% by the end of 2015.

Overall, we need to maintain the great momentum we have developed on CSR matters and to ensure we continue to build on the good progress we have made in this area in recent years.

**Nick Buckles**  
Chief executive officer

# G4S around the world

With operations in 125 countries and over 620,000 employees, the reach of our CSR activities are truly global. Here is a snapshot of some of our key achievements in 2012.

## Canada

Since 2009, G4S Canada has achieved a 20% reduction in carbon intensity through our Climate Action Programme.



## Colombia

Supported by the G4S 4teen programme, BMX rider Mariana Pajon achieved her ambition of winning gold for her country at the London 2012 Olympics.



## United Kingdom

The G4S UK fleet utilises satellite tracking to enable real-time monitoring and feedback on driver behaviour, reducing traffic accidents and increasing fuel efficiency.



## Africa

In Africa our increased focus on Critical Country Reviews of health and safety have helped reduce work related fatalities by 19% between 2011 and 2012.



● Countries in which G4S operates

**Greece**

With support from G4S, the Ark of the World project in Athens helps to provide a safe environment for over 200 children and their families.



Number of worldwide operations

125+

Number of employees

620,500

**Thailand**

The G4S Employee's Trust granted more than £260,000 to employees who suffered loss during the recent devastating floods.



**Africa**

In the countries where HIV and AIDS are most prevalent, G4S provides awareness and prevention training for its employees, as well as voluntary testing and counselling.



**India**

In 2012, we completed the implementation of our Indian whistle-blowing hotline, serving over 129,000 employees across the country.



**Australia**

Since 2009 we've saved over 540,000 litres of drinking water at Port Phillip Prison as part of the G4S Climate Action Programme and our ongoing commitment to reducing water usage.



# Who we are and what we do

## Our business

G4S is the world's leading international security solutions group, specialising in outsourcing in countries and secure sectors where security and safety risks are considered a strategic threat.

G4S plays an important role in society. We make a difference by helping people to operate in safe and secure environments where they can thrive and prosper and we believe this role can only grow in importance.

G4S is the largest employer on the London Stock Exchange, with operations in more than 125 countries and over 620,000 employees.

**Group turnover in 2012**  
(2011: £6.7bn\*) **£7.3bn**

**Group PBITA in 2012**  
(2011: £490m\*) **£516m**

**Employees**  
(2011: 657,000) **620,500\*\***

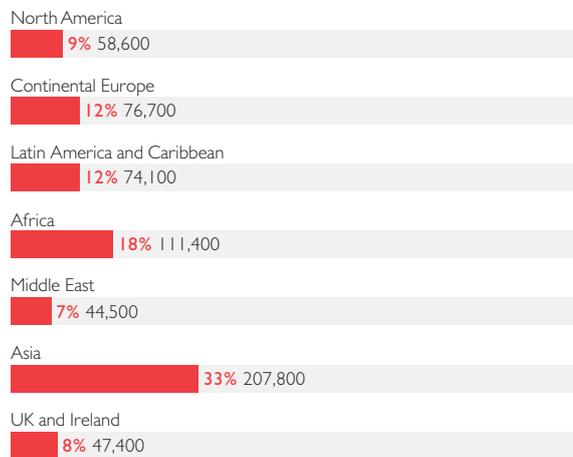
**Revenues from developing markets**  
(2011: 31%) **33%**

\* At constant exchange rates adjusted for disposals and discontinued businesses and excluding Olympic contract  
\*\* Reclassification of seasonal workers in India means they are no longer included in the headcount

## Shape of the organisation

G4S employs over 620,000 people making it one of the world's largest private employers.

### Employees by geographical segment



**Total average number of employees 100% 620,500**

The global employee headcount has reduced from 657,000 to 620,500 as a result of number of divestments made in 2012 such as businesses in Poland and Pakistan and the reclassification of seasonal workers in India who have not worked for certain periods.

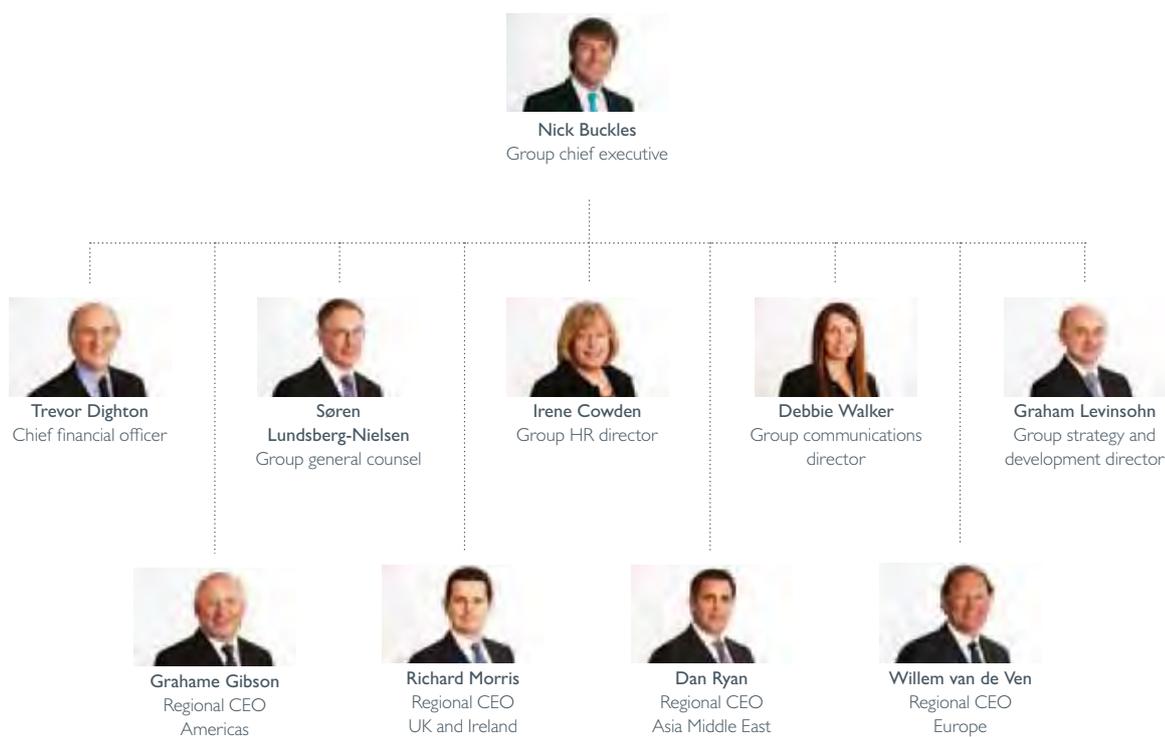
Our Asia Middle East region continues to be the largest region with over 252,300 employees whilst the headcount in the Americas region has increased to 132,700: 58,600 in North America and 74,100 in Latin America and the Caribbean due mainly to acquisitions in Brazil.

### G4S employees by role



## Our structure

G4S is managed through a regional structure led by four regional CEOs and a regional president. The regional CEOs are members of the Group Executive team, along with a number of key functional directors.



# How we do it

## Our vision

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Our vision is to be **recognised** as the **global leader** in providing **secure outsourcing solutions**, to help customers achieve their own strategic goals and to deliver sustainable growth for G4S and long-term value for shareholders.

## Our business objectives

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Our strategy for growth consists of the following key components.



## Our values

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We are proud of our distinctive culture and strong values that are cascaded through the organisation. These values guide how we conduct our business and develop positive relationships with all stakeholders.

- Customer focus**  
We have close, open relationships with our customers that generate trust and we work in partnership for the mutual benefit of our organisations.
- Expertise**  
We develop and demonstrate our expertise through our innovative and leading-edge approach to creating and delivering the right solution.
- Performance**  
We challenge ourselves to improve performance year-on-year and to create long-term sustainability.
- Best people**  
We always take care to employ the best people, develop their competence, provide opportunities and inspire them to live our values.
- Integrity**  
We can always be trusted to do the right thing.
- Teamwork and collaboration**  
We collaborate for the benefit of G4S as a whole.

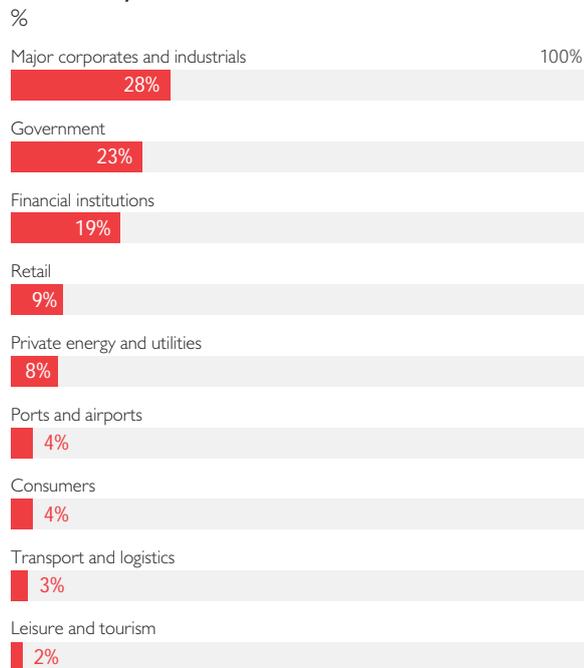
# Where we do it

## Our key sectors and customers

Our two key customer groups are commercial businesses and governments. In the commercial sector we have a broad customer base with thousands of commercial customers ranging from small local companies to large multinational corporations.

The duration of customer contracts vary, from high-profile annual contracts for securing sporting or entertainment events to 25-year government contracts for the construction and management of prisons. In practice, many of our customer relationships are long-term and result in contracts being renewed regularly, resulting in high customer retention rates that are above 90% averaged across the group annually.

### Turnover by sector 2012\*

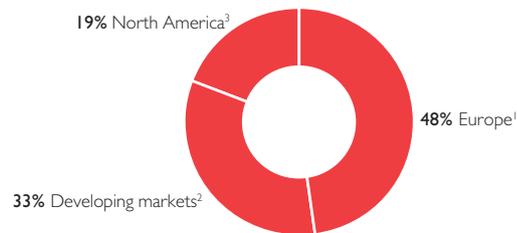


\* excluding Olympic Games contract

## Our geographic reach

G4S has a unique global footprint with operations in over 125 countries, including a strong presence in higher growth developing markets.

### Turnover by region 2012\*



\* Excluding Olympic Games contract and adjusted for disposals and discontinued businesses

<sup>1</sup> UK, Ireland and Continental Europe

<sup>2</sup> Middle East and Gulf States, Latin America and the Caribbean, Africa, South Asia and Asia Pacific

<sup>3</sup> USA and Canada

# Our business characteristics

## Our key strengths

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Our key strengths are what differentiate us in the market:

### Integrated security solutions

G4S is able to design and manage security solutions that bring together its capabilities in project management, risk consultancy, secure facilities management, physical security, intelligent systems and high quality security-trained personnel to address the security challenges faced by a broad range of customers around the world.

### Strong developing markets presence

G4S's global presence, market share and experience of working in developing markets constitute key strengths. Relatively high levels of GDP growth in certain developing markets, increasing demand for security services and G4S's ability to export its experience from its operations in more developed markets drive positive revenue and margin trends for the group in developing markets.

### Cash solutions expertise

Understanding and managing cash cycles is one of the group's core skills. Central banks, commercial banks and retailers outsource their cash management to G4S as the group has the capability and experience to drive substantial efficiencies in the system and achieve better returns for our customers over the longer term.

### Solutions approach

Each individual area of the business is a driver of value for the group. But it is when they come together that they truly make a difference. Exporting G4S's government expertise to new countries, leveraging its cash solutions model across developing markets and using its global risk management and security capabilities to protect some of the world's best known brands across international markets, drive even greater value for the group.

### Government partnerships

Government outsourcing is a strong, long-term source of growth as public sector spending remains under pressure and governments turn to the private sector to provide a number of outsourced services. Government contracts, which represented approximately 23% of group revenues for the year ended 31 December 2012, tend to be long-term strategic partnerships, with recurring revenues.

## Our investment attributes

G4S creates shareholder value as a result of a number of core investment attributes.

### Growth

- Organic revenue growth
- Developing markets exposure
- Major position in UK Government outsourcing
- A GDP + growth business
- Disciplined M&A

G4S has delivered strong organic growth since its creation in 2004, performing well above global GDP growth despite recent pressure on the economic environment. We are able to do this as a result of our significant and increasing exposure to higher growth developing markets and leading market positions in key growth markets such as the UK Government outsourcing sector, where growth is strong and expected to continue. Organic growth is supplemented by disciplined re-investment of free cash flow in acquisitions focused on extending our developing markets presence in key growth countries and adding capability to help address the needs of customers in growing sectors.



### Resilience

- Well diversified business
- Defensive services
- Structural growth through the cycle
- High customer retention and visibility of earnings

Our business is well diversified across more than 125 countries and numerous customer sectors, with no over-reliance on any single area. Security is at the core of our service proposition and is one of the areas on which governments and commercial customers focus for cost-savings and reductions during economically challenging times, creating opportunities for outsourcing. We have a growing number of long-term contracts coupled with excellent customer relationships and a customer service culture which result in strong customer retention rates and good earnings visibility.



### Strong financial disciplines

- Operational efficiency and margin expansion
- Free cash flow generation/ cash conversion
- Disciplined and coherent M&A/ capital return policy

Our track record of delivery has been achieved within a framework of strong financial discipline focusing on operational efficiency to drive margin expansion and a continual focus on high levels of cash generation. We look to achieve an appropriate balance in our capital structure between investment in acquisitions and investment returns through a progressive dividend policy.

These attributes, combined with the growing reputation of G4S as the world's leading security solutions provider, should result in superior returns for our investors over the longer term.

# Interview with Mark Elliott

## Our CSR strategy



### How is CSR managed within the group?

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Given the nature of our business and the countries in which we operate, CSR matters are at the heart of the strategy and are key to the overall success of the business. Therefore, they are part of the every-day workings of the group. The delivery of the CSR strategy is fundamentally the responsibility of the line management, from the CEO right through to the country heads and operational and functional managers throughout the group.

At a group level, functional or subject matter experts take responsibility for co-ordination of specific areas of the strategy. For example, matters relating to areas such as health & safety, employee engagement, talent management, and diversity are co-ordinated by the senior Human Resources teams. Issues concerning anti-corruption, audit and compliance are part of the group's overall focus on risk management.

Managers everywhere are encouraged to get involved in industry associations and trade bodies and specific individuals take responsibility for leading the way on issues such as human rights, climate action and community investment. These roles do not exist just to satisfy a CSR requirement, they are fundamental to ensuring the quality and reliability of G4S services all over the world, across every service line – contributing to the overall sustainability and success of the group.

The CSR Committee, which comprises four other non-executive G4S plc board directors, Winnie Fok, Clare Spottiswoode, Bo Lerenius and Paul Spence, in addition

to the chairman role, provides an essential oversight role to review and agree the company's CSR strategy to ensure it remains an integral part of the group's overall strategy and that CSR objectives are aligned to the overall business performance. The CSR Committee also monitors compliance with the group's policies and practices and ensures that CSR-related issues are considered thoroughly during business decision-making processes. We regularly receive specific feedback on material CSR matters for consideration and review decisions taken by the Group Executive team to make sure they align with our CSR goals and practices.

### How do you prioritise your CSR activities?

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Last year, we conducted a CSR materiality exercise to assess the views of senior managers within G4S and those of external stakeholders to ensure that we focus on the most important issues for the group. Given the nature of our business, our large workforce and our geographic diversity, it was no surprise that the exercise highlighted human rights, employee engagement, health & safety, business ethics and anti-corruption as priorities for the group – these are the areas that would have the most material effect on the business's performance or reputation if they were not managed carefully.

Our CSR strategy includes a much broader range of topics, but these are the areas where management and the CSR Committee focus the majority of their efforts. The CSR committee will review these priorities regularly in the light of changing business circumstances or environments.

## Who are the main CSR-related stakeholders and how do you engage with them?

For us, the most important stakeholder group must be our employees and their representatives – they are the face of the company and are key to the success of the business.

It is essential that they understand their role in service delivery, have the appropriate training and resources to do their jobs, are rewarded appropriately, feel motivated to work in sometimes complex or challenging environments and have the ability to raise issues confidentially if they have any concerns about their area of the business.

We use a variety of methods of employee engagement which are delivered locally and in a way which is appropriate for the local culture and environment. One of the most important of those methods is an employee survey which takes place every two years, targeting the entire workforce. Historically, the response rate to this survey has been excellent, with responses from over 245,000 colleagues from across the world and it provides extremely valuable feedback on employee views and issues. The next survey is due to take place in the first half of 2013 and we will report on its findings in our next CSR report.

Elsewhere we regularly engage with customers through account management, surveys and operational reviews. We have strong relationships with the investor community which includes CSR meetings targeted specifically at Socially Responsible Investment advisors and fund managers which provide essential feedback and help to shape our CSR strategy. We also encourage engagement and participation with governments and regulators, industry bodies, and relevant experts where we feel their expertise can help to improve our CSR plans and business strategies.

➤ For more information on G4S stakeholder engagement and industry participation, please visit [www.g4s.com/stakeholders](http://www.g4s.com/stakeholders)

## How much oversight does the CSR Committee and the Board have of CSR matters?

We have a very comprehensive oversight of the material CSR matters. For example, last year we introduced an enhanced methodology for assessing significant acquisitions and new country entries, taking into account specific CSR matters and external human rights and anti-corruption benchmarks. In 2012, we reviewed proposed new activities in nine countries across Asia, the Middle East and Africa and were able to ratify recommendations made by the Group Executive on supporting country entries, declining or postponing country entries in countries with major challenges or limiting our activity to specific types of contracts in support of NGO or UN operations in some environments. This has proven to be a very useful exercise in assessing such geographic expansion.

We have also had detailed involvement in the development of human rights policies and practices and have reviewed materials and discussed implementation challenges for the company within the CSR Committee. On a regular basis we review reports, materials and assessments provided by different contributors to CSR matters and help to make sure that the group's CSR activities remain on track.

## How do you feel the CSR strategy is progressing?

I am delighted with how the CSR strategy has developed within the group to become a core part of the business strategy and service delivery. I believe that it differentiates G4S from other companies within its key sectors and brings other benefits such as attracting and retaining staff and winning new business.

It's an important part of the culture of the company and I have been proud to be associated with its development through the CSR Committee.

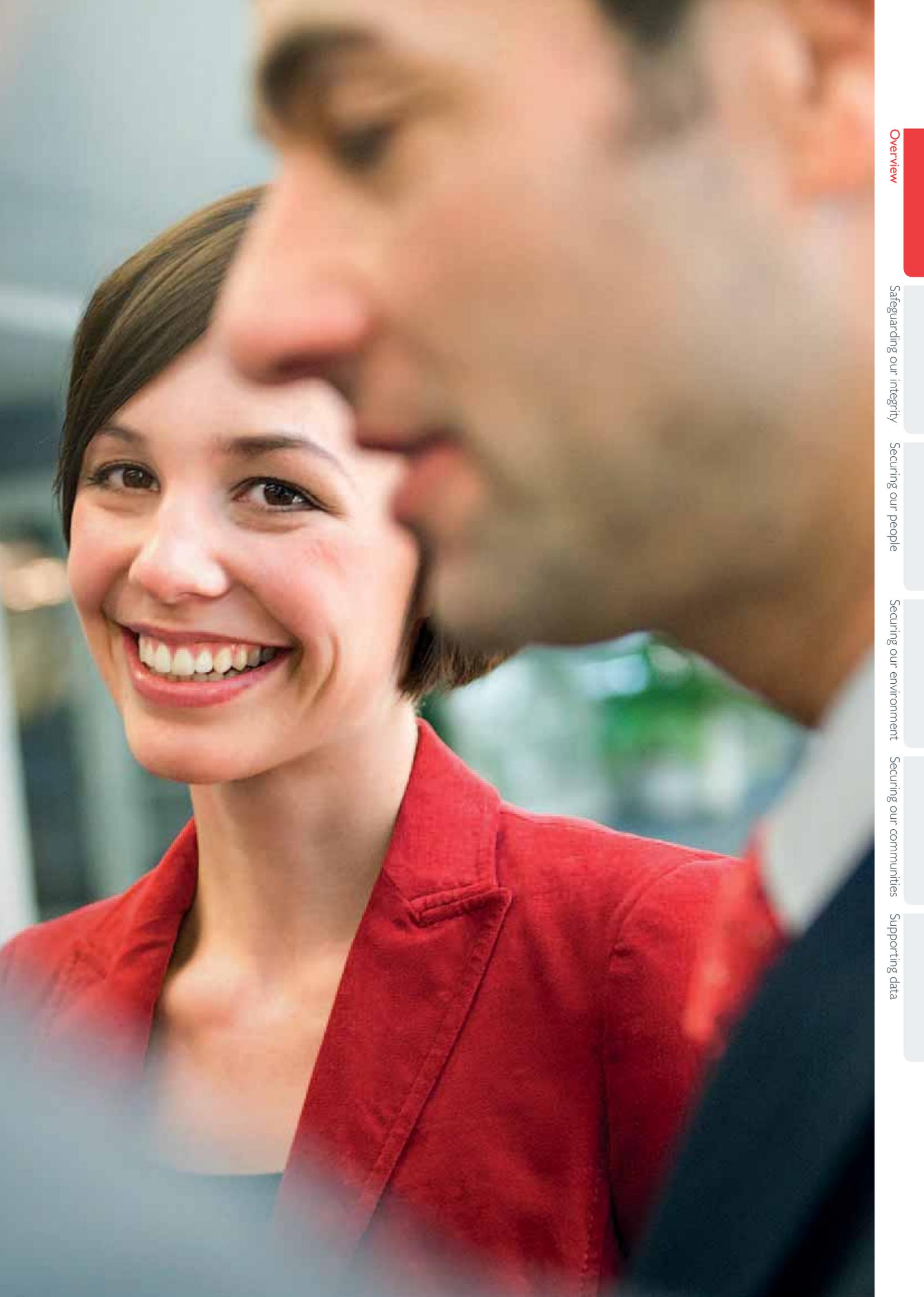
**Mark Elliott**

Non-executive director and chairman of the CSR Committee

## In focus

# The importance of human rights

We recognise that G4S can play a positive and negative role in respecting human rights around the world. Our businesses can contribute positively to the realisation of human rights by the range of services we offer to protect people and enable them to enjoy their rights. We also recognise that we have a duty to ensure that we are not at risk of violating human rights through the services we provide, the customers we work with, and the suppliers we use and through the fair and appropriate treatment of our own employees and others who are in our care.



Overview

Safeguarding our integrity

Securing our people

Securing our environment

Securing our communities

Supporting data

## Overview

In focus: The importance of Human Rights *continued*

G4S plays a key role in societies all over the world and has developed a broad culture of high ethical standards and operational practices. Many existing G4S policies and procedures already take great care to ensure that we respect human rights. Our employment policies, professional standards and the due diligence we carry out to assess the suitability of new markets, products, business partners, and customers, ensure respect for human rights.

Increasingly, customers and other stakeholders are looking to companies such as G4S to demonstrate specific actions and practices which are aligned to internationally recognised human rights standards so they can be judged on a level playing field. Our human rights project seeks to bring G4S existing practices into line with these standards and introduce new guidelines in areas which are not covered by existing policies and practices.

These standards support one of the group's core values – integrity: we can always be trusted to do the right thing, but it goes further than just being the right thing to do – having such high standards of human rights differentiates us from other companies and helps to create a sustainable, long term successful business which in turn improves standards, creates jobs, supports communities and maximises the impact on societies around the world.

### Project overview

Last year we began a project to evaluate the human rights landscape in relation to the G4S businesses and to develop a policy and guidance for managers which set out clearly the group's expectations of managers and employees in upholding human rights standards.

The first phase of the project was to map the human rights landscape and to define which areas should be a key focus for the group – this helped us to identify the core human rights which are relevant in our line of business. This was a complex task taking into account our presence in more than 125 countries and the range of complex services and wide range of stakeholders with which G4S comes into contact.

The second phase was to analyse the group's operations to determine human rights risks and challenges against internationally recognised human rights standards in order to identify current good practice and areas for improvement. This enabled us to create a "heatmap" of higher risk areas and a series of key issues on which to focus.

The third and most time-consuming phase was to develop and test a human rights policy and guidance for managers to implement across the group. During this process we sought input and feedback from a number of external sources such as Dr Hugo Slim, Senior Research Fellow at the Oxford Institute for Ethics, Law and Armed Conflict, as well as leading SRI analysts and human rights NGOs to supplement our own understanding and ideas.

### Policy framework

As a result of our extensive research and analysis, we have developed a new human rights policy which is based on the UN Guiding Principles on Business and Human Rights (2011) which affirms the four international standards which have achieved broad international consensus as a human rights baseline for all businesses:

- The Universal Declaration of Human Rights (1947)
- The International Covenant on Civil and Political Rights (1966)
- The International Convention on Economic, Social and Cultural Rights (1966)
- The International Labour Organisation Declaration on Fundamental Rights at Work (1998)

This G4S "Human Rights Policy" demonstrates our commitment to respect human rights and embodies our particular understanding of their significance for a global security company of our scale and diversity. It recognises that we sometimes work in complex environments and that the role that security plays in society means that we have to be aware of the potential challenges to human rights issues and to our ability to uphold the standards that we have set ourselves. It also sets our expectations for the conduct of all companies in the group, our employees and those with whom we do business.

The G4S "Human Rights Guidance for Managers" aims to provide managers with detailed guidance on the group's expectations along with practical guidance for ensuring that the area of the business within their responsibility complies with the relevant standards. It references both internal and external sources and provides simple human rights due diligence checklists for managers to use in a variety of circumstances. We have tried to ensure that a complex subject matter is explained clearly to managers and that they have a practical sense of what is required of them and those within their area of responsibility.

## Current status

Following extensive internal and external consultation, we completed the new human rights policy and guidance for managers and launched them earlier this year as part of our annual process of renewing and refreshing our business ethics policy. Managers are asked to sign up to the business ethics and associated policies each year to demonstrate their understanding of their content and commitment to complying with the policies across their area of responsibility.

The policy is available online and can be accessed via the Social Responsibility section of our website at [www.g4s.com/csr](http://www.g4s.com/csr).

## Next steps

Looking forward, our next challenge is to ensure that the policy and guidance for managers is embedded across the organisation at every level and becomes an everyday part of doing business. During our project work, we have identified that many G4S processes and practices already focus on key human rights matters, so we are keen not to create additional burdensome reporting and auditing of our businesses, but we will make sure that all elements of the policy and guidelines are understood and acted upon either through existing means or by introducing new methods where gaps have been identified.

During the implementation phase of the project in 2013, there are a number of areas that we will focus on:

- Introduction of an awareness programme to make sure everyone is aware of the key human rights issues and their responsibility for upholding the G4S standards
- Introduction of a systematic approach to human rights analysis and due diligence – this is already in place for monitoring new country entry and major contract proposals, but could be extended to other business practices. For example, building human rights requirements into our supplier code of conduct
- Ensuring that existing policies and processes have the relevant human rights elements within them and that they are understood by employees
- Further developing our internal audit process and programme to monitor human rights awareness, understanding and policy compliance
- Ensuring that if any breaches of the policy are identified appropriate action is taken and that we can learn from our growing knowledge of human rights matters
- Continue to seek advice from external human rights experts to ensure that the group's policies and processes reflect best practice

In 2012, G4S has continued to work on integrating the UN Guidelines on Business and Human Rights into its many businesses around the world. Senior management and the board's CSR Committee have now agreed the company's first human rights policy and elaborated a simple guidance framework for managers throughout the G4S group.

The human rights policy was launched recently and is publicly available. It puts human rights due diligence at the centre of the company's approach to responsible business. A series of internal guidance documents introduce the UN framework, explain how best to carry out human rights due diligence, and sets out an obligatory human rights checklist for high risk countries.

I have advised on this work and also consulted NGO experts in the process. The people I have worked with at G4S have shown real intent to produce a meaningful policy that will reduce the risk of any form of company involvement in human rights violations. The G4S team has also produced appropriate staff guidance that will encourage: greater awareness of human rights across all G4S businesses; improve human rights due diligence, and begin the process of specific reporting on the company's impact on human rights.

With a policy and guidance now in place, the priority for 2013 must be to embed the company's new approach to human rights. This will require a comprehensive programme of communication and staff training. This needs to be accompanied by demanding leadership from company executives and the CSR Committee which has taken responsibility for G4S' overall accountability on human rights.

Shareholders, NGOs and members of the public now have a public policy that sets out G4S' commitment on human rights. I hope they will use it constructively to build an increasingly sophisticated dialogue with the company about the many different roles it plays to protect people and ensure their security around the world.

**Dr Hugo Slim**  
Senior research fellow  
Oxford institute of ethics,  
law and armed conflict



Diego  
Bogota, Colombia

I've carried out audits in 30 countries around the world making a positive difference to audit ratings and improving control and compliance with our standards and procedures. We are proud to be safeguarding our integrity.

# Safeguarding our integrity

G4S plays an important role in society. We make a difference by helping people to operate in a safe and secure environment where they can thrive and prosper. Our size and scale means we touch the lives of millions of people across the globe and we have a duty and desire to ensure the influence we have makes a positive impact on the people and communities in which we work.

Key achievements in 2012	Priorities for 2013
<p><b>Risk assessment</b></p> <ul style="list-style-type: none"> <li>• 150 business-completed risk assessments</li> </ul>	<ul style="list-style-type: none"> <li>• Establish Risk Committee as a full board committee with strengthened mechanisms for reviewing risk</li> <li>• Ensure effective follow up to issues raised in risk assessments</li> <li>• Critically review risk assessment process to ensure it continues to meet our requirements</li> </ul>
<p><b>Internal audit</b></p> <ul style="list-style-type: none"> <li>• Completed 146 on-site internal risk control audits</li> <li>• Conducted external extended assurance work on financial controls in six of our UK businesses</li> <li>• Completed 37 country audits to measure compliance with G4S business ethics controls</li> <li>• Carried out six investigations resulting from whistle-blowing</li> </ul>	<ul style="list-style-type: none"> <li>• Improve overall co-ordination of corporate audit with local and other auditors across the group</li> <li>• Further enhance reporting of combined audit and assurance activities to management</li> <li>• To implement any additional audit requirements in relation to new human rights policy and guidelines</li> </ul>
<p><b>Whistle-blowing</b></p> <ul style="list-style-type: none"> <li>• Completed implementation of "Safe2Say" the group's global whistle-blowing hotline</li> <li>• Implemented local hotline in India serving 129,300 employees across the country</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to promote whistle-blowing facilities to all staff through multiple channels</li> <li>• Introduce grading system for calls received and ensure they are investigated appropriately</li> </ul>

## Context and trends

Integrity is one of the group's core values – it is an integral part of our strategy and forms an essential foundation on which we carry out our business. In our view, ethical business is not just a solution to the challenges of legislation or legal compliance, but a means of doing business which provides customers, employees, partners and communities the confidence that they are working with an ethical organisation which is not prepared to compromise on its integrity just to achieve its objectives or make money.

To us, ethical conduct is a positive differentiator, particularly when operating in less developed countries and when dealing with issues relating to security.

In G4S we have a strong and pervasive top down anti-corruption culture. Our senior management team are totally committed to our business ethics policy and living G4S's anti-corruption values. We have an anti-corruption culture supported by a robust compliance regime.

## Our policies and principles

We have a strong Employee Ethics Code which sets out how employees should behave in order to demonstrate our "integrity" value and it is based on four key areas:

- Being safe and secure
- Being honest and trustworthy
- Being fair and considerate
- Being professional and proud

This is supplemented with a Business Ethics Policy which provides more detailed guidance for managers on the standards we expect them to demonstrate personally and which should be reflected in all aspects of the business. Each year, managers are required to sign up to playing their part in ensuring compliance with the policy within their area of responsibility.

The importance of ethical behaviour is reinforced through employee induction, employment contracts, staff handbooks, general training and communications practices.

For a more detailed look at our business ethics policy, please visit [www.g4s.com/ethics](http://www.g4s.com/ethics)

## Monitoring and measurement

### Risk Assessment

To ensure compliance with our business ethics code and policies we ask businesses, as part of the G4S risk assessment process, to assess and report on their business ethics risks and compliance with the ethics policy. This is a comprehensive process with businesses required to respond to 94 questions covering risk assessment and adequate procedures compliance.

Each business entity has a quantified risk score based on a combination of the country Transparency International corruption index and the responses to the questionnaire. The risk scores assist to focus attention on businesses that potentially pose more concern.

The risk assessment allows management to self-certify their compliance with the group's policies and thereby provide assurance to all our stakeholders. A key requirement for 2012 was for local managers to ensure that the group's anti-bribery and corruption policies and controls were fully implemented in their businesses.

In addition to the specific business ethics risk assessment process, G4S has in place a well-developed general business risk assessment approach. A key feature is the requirement for our businesses to routinely assess and report on their risks, including the actions they are taking to mitigate these risks to an acceptable level.

This risk assessment covers a wide range of business risks that are relevant to G4S from various aspects including macroeconomic trends, marketplace, product and key focus areas identified by executive management.

Risk committees exist at country, regional and group level to review risk assessments and to ensure that appropriate actions have been taken to prevent or mitigate risks faced by the businesses.

### Internal Audit

Internal audit is one of the cornerstones of ensuring high standards of social as well as financial and corporate responsibility by monitoring business compliance with our business ethics policy throughout the group.

In G4S we have internal audit and assurance functions at region and company level in our major businesses. These functions report directly into regional and company management.

In excess of 200 employees across the group provide independent assurance on cash reconciliations and operational security controls. In addition over 150 employees carry out internal audits on general business controls including key areas such as financial controls, operational and contract compliance, health & safety and quality (ISO) assurance.

Financial reviews continue to be completed by our group and regional finance teams with improved coverage of the smaller entities in the group. These reviews ensure that individual businesses receive a visit during the calendar year with a thorough examination of the balance sheet to ensure that the group's accounting policies and standards are adhered to. These give management assurance that financial exposures and risks are properly identified and recognised.

As well as internal audit and assurance we also have external audits including:

- External auditors, KPMG, who audit our annual financial accounts and provide reports on any control weaknesses noted.
- Government audits where there are outsourced contracts (e.g. justice services businesses)

At a group level we have a core team of auditors based in strategic locations around the world who report directly to the group CFO and Audit Committee. The role and scope of the group internal audit team is briefly described below.

The risk-based group audit plan ensures that all our businesses, in all the countries in which we operate – including those in small and remote locations – receive at least one visit during a three-year period.

The managers of each business are given assurance on their compliance with group standards and any remedial action to be taken is identified. The group sets and continually enhances standards which all business units must achieve. Current standards cover a wide range of essential business activities including human resources, health & safety, business ethics, finance, procurement, IT, legal & insurance, customer contracts and operations.

Strict reporting lines ensure that all issues encountered, whether classified as control related, financial or ethical are brought to the attention of local and regional management. Serious issues are escalated to the group executive management team and the Audit Committee.

All businesses are required to meet group standards and hence smaller businesses operating in more challenging environments and with more limited resources can find this difficult to achieve. The audits help to identify this situation and make sure that the necessary support is provided to ensure these businesses can operate in line with the required standards.

There is a thorough follow-up process to each audit where we ensure that items raised during the process are addressed and resolved in a timely manner. Businesses are required to provide written updates on the implementation of actions. In serious cases, the business will be revisited after six months to ensure all audit points have been addressed.

#### Whistle-blowing

To ensure compliance with our business ethics code and policies we provide whistle-blowing facilities so that any practices which do not comply with these standards can be reported confidentially and investigated thoroughly

G4S requires all businesses to provide employees with a facility to report concerns locally to a senior manager. These might include fraud, theft, harassment, discrimination or non-compliance with regulations, legislation, policies or procedures.

Employees who have concerns about behaviour which is contrary to the group standards are advised to raise their concerns, anonymously if they wish, with their local human resources or finance director in the first instance. Alternatively they can raise concerns through the local business telephone hotline or email address which all businesses had in place by the end of 2011.

Employees can also report serious concerns at a corporate level through the global employee hotline service (Safe2Say). The Safe2Say service is 24-hour confidential hotline with toll free calls, dedicated multi-language capability and an internet-based case tool for the effective investigation and response to employee concerns.

All concerns reported via Safe2Say or received through other means at a corporate level are reviewed directly by the head of internal audit. Where our investigations reveal evidence of unethical conduct, disciplinary action is taken which may range from a formal reprimand to termination of employment.

## Our achievements in 2012

### Risk assessment

During 2012 a risk assessment was completed by over 150 business entities. The results showed a high level of compliance with the group's ethics policy. Where there were gaps in compliance, management identified corrective actions which will be followed up to ensure completion.

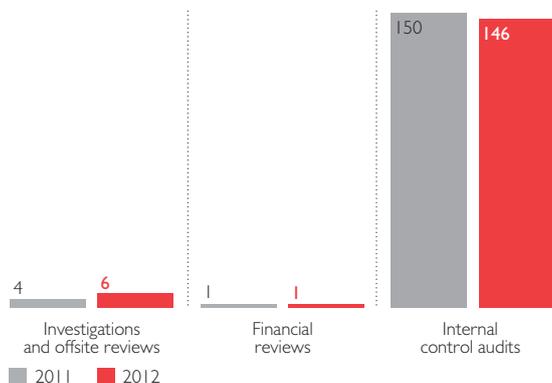
### Internal audit

In 2012, the Internal Audit team performed 146 on-site internal control audits.

This is slightly less than 2011, however our external auditors, KPMG, have conducted extended assurance work on financial controls in six of our UK businesses on behalf of the group internal audit department.

The chart below shows the internal audit activity during the last two years (2011–2012) in terms of assignments completed in different areas:

### Internal audit activity



Included in the 146 on-site internal control audits are 37 country audits of the group's business ethics controls. These audits resulted in 95% of the businesses audited receiving a positive rating. The two businesses with a negative rating had issues relating to the full application of mandated controls and, in common with all other anti-bribery audits, there was no evidence of any actual cases of bribery or corruption.

Where improvements in compliance have been noted, these are actively followed up to ensure that they are implemented.

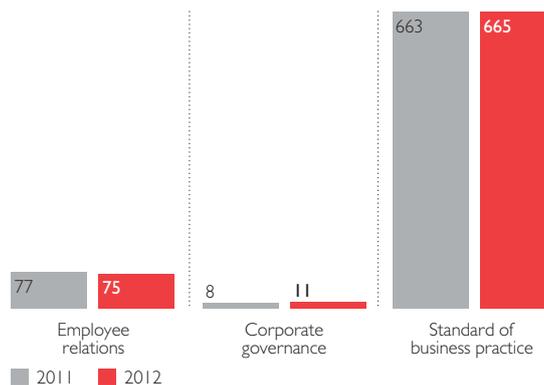
During 2012 the internal audit function carried out six investigations into issues raised through whistle-blowing. Other investigations are carried out by regional management with the results shared with the head of internal audit.

Types of issues investigated and actions resulting include:

- Staff grievances and concerns including pay and conditions and management behaviour. Investigations are made with regional HR management to ensure valid grievances are addressed and improvements made.
- Unethical behaviour by management including abuse of position. All issues are investigated and in proven cases action taken against management including disciplinary action and dismissal.
- Concerns regarding operational procedures. Investigations with regional management to ensure that G4S standards are being followed properly. Examples reported during the year include screening of sub-contract staff and training arrangements.

The chart below shows an analysis of the issues raised in relation to business practice standards, corporate governance and employee relations during internal control audits in 2011 and 2012.

### Analysis of issues raised



In 2012, there was an average of five issues raised per audit. This is at a similar level to 2011 which was at a lower level than in prior years.

The numbers of issues raised in the different categories (standards of business practice, corporate governance & employee relations) are broadly in line with 2011.

Following the implementation of our strengthened anti-bribery and corruption processes in 2011, we have now trained more than 25,000 employees, identified as having the ability to make a bribe, in anti-corruption identification and prevention techniques and integrated the same ethos into our employee induction programme.

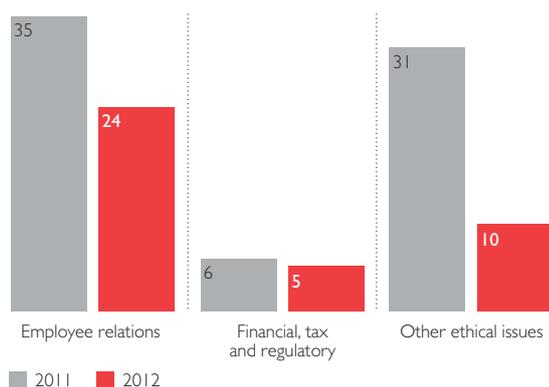
### Whistle-blowing

The priority for 2012 was to ensure that the whistle-blowing reporting operates fully at both a local and corporate level. The numbers of calls received has been monitored and the focus has been on ensuring that all employees are aware of the hotline facilities and information on their appropriate use. Steps have been taken to promote the group Safe2Say hotline as well as the local hotlines.

We have also improved the reporting and investigation of serious issues raised by ensuring that these are routinely provided to the head of internal audit.

The chart below shows an analysis of the whistle-blowing concerns raised at group level over the last two years.

#### Analysis of whistle-blowing concerns



In 2012 there was a 46% decrease in issues raised by employees through whistle-blowing at a corporate level. Over 60% of the calls relate to HR issues with the remainder relating to ethical or financial, tax or regulatory issues. Over 95% of the issues raised during 2012 have to date been investigated and, where required, action taken.

The reduction in whistle-blowing at a corporate level reflects the full year operation of local business telephone hotline/email services which receive and deal with less serious employee calls. In many cases the calls are of a routine nature, such as requesting information. This is particularly the case in our Asia Middle East Region where our India business, which employs over 120,000 staff, set up a new state of the art employee welfare hotline call centre in August 2011. This is a highly professional call centre with six full time agents and a quality manager who handle and follow-up concerns with a clear escalation process.

## Our priorities for 2013

### Risk Assessment

In 2013, there are a number of areas of focus in relation to risk assessment.

Firstly, to ensure that the remaining actions arising from the risk assessment exercise are fully implemented by the relevant businesses.

Secondly, to critically review the risk assessment process to ensure that it continues to meet the group's needs for ongoing assurance on compliance with business ethics policies and controls. This will take into account changes in the business ethics regulatory environment affecting our businesses. Any improvements will be made in time for the 2013 risk assessment update.

In 2012, the board carried out an extensive review of the issues related to our delivery of the security workforce for the Olympic Games. As a result of this review, we are in the process of establishing a board level risk committee to better assess certain risks faced by the group (in particular contract risks). This increased focus on risk management will be the responsibility of the newly-created chief operating officer role, for which an appointment is expected in the first half of 2013.

### Internal Audit

In 2013 our internal audit priorities are to:

- Improve the overall coordination of our corporate audit function with the internal and compliance auditors in our businesses. This will assist us in ensuring that there are no material gaps in our audit coverage of the key business risks and activities.
- Further enhance the reporting of the combined audit and assurance activities to management.
- Ensure that any additional audit requirements resulting from the group's new Human Rights Policy and Guidelines are built into the overall risk assessment programme.

### Whistle-blowing

In terms of whistle-blowing, in 2013 we plan to:

- Further enhance the promotion of hotline services to employees
- Introduce a grading system so that it is easier to identify the importance of calls received and ensure that they are appropriately investigated and reported.



**Jonathan**  
**Johannesburg, South Africa**

Our increased focus on health and safety and the series of comprehensive action plans originating from our Critical Country Reviews, has helped to reduce the number of work-related fatalities across our Africa region by 19%. We are proud to be securing our people.

# Securing our people

As one of the world's largest private employers, our approach to people management has a material impact on our business and is a key focus for our management.

## Key achievements in 2012

## Priorities for 2013

<p><b>Health and safety</b></p> <ul style="list-style-type: none"> <li>• A 22% reduction in work-related fatalities from 76 in 2011 to 59</li> <li>• Establishment of online forum for health and safety practitioners to gather knowledge, share information and develop best practices</li> <li>• Good progress with the implementation of the action plans from Critical Country Reviews (CCRs) of health and safety</li> <li>• A reduction in work related fatalities in eight of the 13 countries where CCRs have been conducted</li> <li>• Formation of a road safety steering group and development of an action plan to reduce accidents</li> </ul>	<ul style="list-style-type: none"> <li>• Gathering of lost time incident data to identify and respond more proactively to potential health and safety risks</li> <li>• Further Health and Safety Critical Country Reviews and monitoring of the action plans to ensure continued reduction of work related fatalities and sharing best practice H&amp;S approaches</li> <li>• Implementation of the road safety action plan in priority countries</li> <li>• Continued monitoring of health and safety globally</li> </ul>
<p><b>Talent and succession</b></p> <ul style="list-style-type: none"> <li>• An increase in the number of senior management vacancies filled through internal promotion to over 50%</li> <li>• A 10% increase in the population included in talent pools for leadership positions</li> </ul>	<ul style="list-style-type: none"> <li>• Further develop succession plans for key management roles</li> <li>• Review of training content and methodology for middle managers</li> </ul>
<p><b>Diversity and inclusion</b></p> <ul style="list-style-type: none"> <li>• Improvements in the representation levels of women in management from 21% to 22.5% and in front line roles from 10.7% to 12.1%</li> </ul>	<ul style="list-style-type: none"> <li>• Work with specific businesses to improve representation of women in supervisory positions and the talent pipeline</li> <li>• Continued implementation of cultural awareness training</li> </ul>
<p><b>Employee engagement</b></p> <ul style="list-style-type: none"> <li>• Induction DVD launched for all front line employees focused on ethics and values</li> <li>• More training tools for front-line managers to help them engage employees</li> <li>• Improvements in employee appraisal tools to provide better feedback to managers</li> <li>• Maintenance of an employee stability rate of 72%</li> </ul>	<ul style="list-style-type: none"> <li>• Third global employee engagement survey to be completed</li> <li>• Launch of revised management "on-boarding" tool</li> <li>• Continue to develop constructive union relationships across our businesses</li> </ul>

## Context and trends

Only with the expertise and commitment of our people will we be able to meet our customers' expectations and deliver on our organisational goals. To secure this commitment we focus on the areas set out in the HR standards below which we believe have the greatest impact. By doing this we believe we stand the best chance of attracting, recruiting, engaging and retaining the best people.

Our HR standards have been in place for a number of years and are recognised as setting the framework for good employment practices across the whole group. These standards are aligned to the HR strategy and cover:

- Acquisition of best people
- Employee engagement
- Health and safety
- Learning and development
- Diversity and inclusion
- Performance and remuneration

## Our policies and principles

### Health and safety

The protection of our people remains our paramount concern. Employees on the front line often face risks to their health and wellbeing which we are constantly seeking to reduce, remove or regulate.

Setting high standards for health and safety helps us demonstrate our commitment to our employees to safeguard their wellbeing and in turn encourages them to do the same. Although the diversity of our services and the geography of our businesses present some particular health and safety challenges, we still require the same compliance with minimum health and safety standards in all countries as we believe these are the basis for good health and safety practices. The standards include having appropriate policies, resources, accurate and timely reporting and follow up of any incidents to prevent recurrence.

### Talent management

We continue to invest in the development of our people and in particular the talent pipeline to build their skills, knowledge and behaviours and to ensure that we have succession plans in place, primarily sourced internally. We aim, in time, to have at least 70% of our senior management vacancies filled internally.

### Diversity and inclusion

We recognise that being a diverse and inclusive employer helps us attract, recruit and retain people who want to realise their potential and work in an environment where their contributions are sought and valued. Since we already have a diverse geographic footprint with employees from almost all nationalities, our diversity and inclusion strategy focuses on harnessing this great diversity by improving levels of cultural understanding across the organisation.

Building a talent pipeline with people from diverse backgrounds whose experiences, knowledge and ideas will help us grow the organisation in the future is a long term objective. Key to the achievement of this objective is the diversity of existing employees since, wherever possible, we want to ensure that our next generation of leaders is developed internally.

### Employee engagement

Having engaged employees helps us improve service delivery for our customers and in turn increases opportunities for business growth. To increase levels of employee engagement we continue to align our efforts to the PRIDE model.

- Protect their basic needs
- Respect them as individuals
- Involve them in the business
- Develop their skills and potential
- Engage them fully

Policies and procedures linked to this model are intended to set clear parameters for action, ensure that the tools and training required to deliver these actions are available and provide for regular feedback on performance and development opportunities in the role.

### Monitoring and measurement

Each year all G4S businesses confirm their compliance with our HR standards and KPIs, which are amended in line with any significant operational or legal changes. In 2012 the standards were updated to reflect the UK Bribery Act. Ensuring there is widespread understanding and compliance with this legislation so that our business is conducted in an open and honest manner is critical, so the revised standards link closely to the training of employees about their responsibilities under the Act.

In addition to an annual review, each month businesses report on key metrics such as recruitment, turnover rates and health and safety. From this data we are able to monitor how well we are delivering on our promises to attract, recruit and retain the best people.

Metrics on health and safety performance are gathered and reviewed at all levels of the organisation via health and safety committees in businesses and countries, regional forums and the group health and safety network. compliance against group standards is assessed annually by each business with follow up during normal group internal audits. In addition, critical country reviews, carried out by independent health and safety experts from different G4S businesses, are completed in countries where health and safety concerns are identified.

**Talent management**

To track how we are building and investing in our talent pipeline, we review, annually, the pipeline of high performers who have the potential to progress to roles of increasing complexity. From this we are able to assess whether a succession plan is in place for key and critical roles and whether there are any specific gaps in our succession plans which need to be addressed.

To ensure that we support the development of the pipeline and prepare them for other roles, employees have an annual appraisal with their line manager as a minimum requirement and a structured development plan, outlining necessary training and development, is recorded/maintained.

**Diversity and inclusion**

Progress on diversity and inclusion is measured in both the workforce and in the workplace. Different businesses record their own diversity metrics in accordance with local legislation. Across G4S the only workforce metric captured consistently on diversity is the number of women represented at different organisational levels. Reviews of these metrics has led to increased scrutiny and targeted support for businesses.

Use of the diversity and inclusion assessment tool which was developed internally, continues to help businesses assess progress and develop action plans to embed good diversity and inclusion practices in the workplace.

**Employee engagement**

The employee engagement survey is a vital tool in monitoring engagement levels. At the end of 2013 we will have data from three global surveys to compare and contrast. The data provides a rich source of employee feedback on areas for improvement and helps us to focus our engagement strategy where it will have most impact in driving business performance.

**Our achievements in 2012**

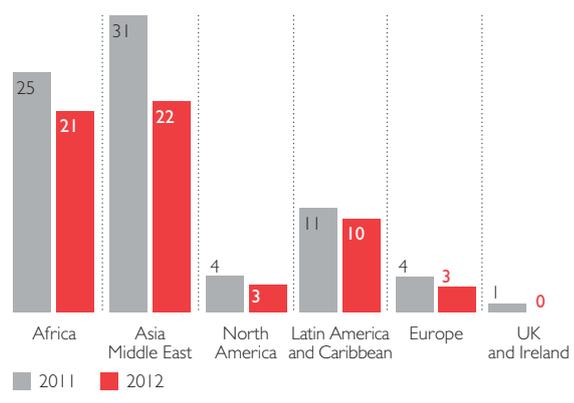
**Health and safety**

The most prevalent risks to the health and safety of our employees continue to be from work related attacks and road traffic incidents. Although the total number of work related fatalities resulting from attacks and road traffic incidents has reduced from 58 in 2011 to 39 in 2012, our aim is to eliminate work related fatalities altogether.

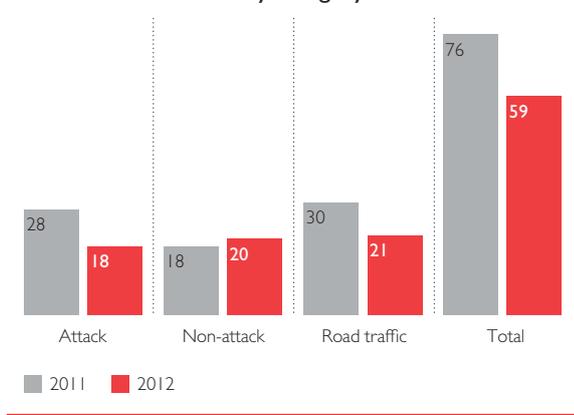
The charts below show the total number of work related fatalities by region for 2011 and 2012 and the breakdown of the causes of the fatalities for the same two periods.

**Fatalities by region**

**Work related fatalities in 2011 and 2012**



**Work-related fatalities by category**



We believe tackling road traffic fatalities requires not only robust vehicle safety procedures, but also embedding a culture of road safety awareness, especially in countries where this may not be the norm. With road traffic accidents continuing to be a significant feature of our work related fatalities, we developed a road safety action plan in 2012, which is based on extensive analysis of the major causes of road safety incidents involving our people.

The plan will be implemented in 2013, although it has been a focus in some regions already. In Africa for example, a series of road safety training and communications materials were launched to coincide with World Day of Remembrance for Road Traffic Victims in November.

An important health and safety initiative is the process of the critical country review. This involves internal health and safety experts from our more developed businesses working with businesses often in different parts of the world where the safety records need to be improved. The aim is to transfer knowledge and expertise through working with local managers to develop action plans aimed at reducing safety incidents.

Following the critical country reviews conducted over the last two years, a key area of focus in 2012 has been ensuring that the action plans have been implemented and are making a difference. Of the 13 countries where critical country reviews were conducted, eight of them have seen a reduction in workplace fatalities contributing to the significant reduction across the organisation in 2012.

We will continue to benchmark our health and safety records against industry standards where these are available.

**Talent management**

In 2012, each region introduced a more regular review of the talent pipeline in parallel with reviews of business performance. This was consolidated into an annual review group-wide to continue to evaluate our capability requirements. In total over 500 managers were assessed in the 2012 talent review. Of these, nearly 100 are considered to have the potential to be promoted to a much larger and more complex role in time.

The one Executive Committee vacancy in 2012 was filled by an internal promotion from the talent pipeline. Development of our talent pipeline continues with over 30 participants on the Global Leadership Programme in 2012 and leadership programmes running within the regions.

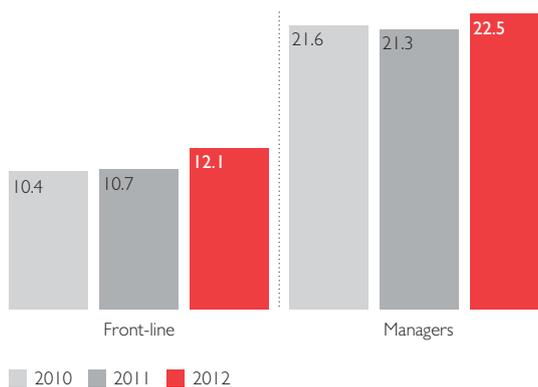
**Diversity and inclusion**

The on-line cultural awareness training tool is widely available to all employees. As well as the continued promotion of this tool, materials on developing cultural understanding have been used in our management and leadership training in 2012.

Working with our customers on diversity and inclusion initiatives gives both parties the opportunity to foster more inclusive environments and increase understanding. For example, at GSK headquarters in the UK, G4S has been supporting Project Search, a 12-month programme to provide work experience to people with learning disabilities.

Given the nature of our business and in comparison with other similar employers, we have a good representation of women in management positions. This increased last year from 1,544 to 1,740 (22.5%) and our aim is to sustain and improve on this. In 2012 we identified a number of large businesses across G4S where, although women are represented at senior levels, representation at supervisory levels could be better and is not sufficient to help us increase the current proportion of women in management and leadership roles. In 2013 we will be working with those businesses to see whether there are any perceived or real barriers to internal progression and doing our best to address them.

**Proportion of women in the workforce**



### Employee engagement

We see the role of our first line managers as critical in increasing levels of engagement. In 2012 we introduced new training materials relating to the PRIDE model to develop their skills. Topics included health and safety, managing employee welfare and stress, understanding unions and building union relationships, managing change, coaching skills and building teams.

Gathering feedback from our employees on the factors impacting their levels of engagement is vital in shaping our plans. Work is ongoing following the global employee engagement survey in 2011 and in 2013 we will conduct our next survey. Separately we will be asking the views of our managers on what it is like to work for G4S, why they stay and how we can ensure they continue to do so. In addition we have revised our 360-degree feedback tool which enables employees to provide feedback to their managers prior to their development reviews.

The tool is available in six languages and was used by over 2,000 managers last year.

The need for improved levels of employee communication was one of the themes in the last global employee survey so in 2012 the new intranet site "the hub" was launched to reach a wider audience and provide more opportunity for on-line discussions and forums. The global induction DVD, which contains key messages on our values and ethics and an overview of the global nature of our operations has also been translated into 19 languages and now forms part of the induction for all front line employees.

Freedom of association is an important right for our employees and one we endorse in our Business Ethics Policy and enforce in our HR standards. Union membership has increased slightly to 16% over the last 12 months, with over a third of our employees covered by collective agreements.

In 2012 we revised our European works council (EWC) agreement. The changes reflect good practices that had become established over the last five years but never formalised. The annual works council meeting is seen as a valuable forum for social dialogue by management and representatives and there are high levels of participation from both sides.

In 2012 the EWC meeting was held in London with 26 employee representatives from across Europe attending, together with business leaders including the group CEO and group HR director.

**The EWC meetings allow employee representatives to engage with senior management, who otherwise we would never normally get to meet. The meetings are structured, but conducted in a way that makes employee representatives feel comfortable raising issues which they feel are important. We also get good insight to the Company's plans for the future from the senior managers that attend. The general consensus is that each year the level of engagement increases with wider participation.**

**Peter Fox**  
Chairman of the European works council steering committee

Discussions at the meeting covered a wide range of issues affecting the interests of employees across G4S operations in Europe. This year everyone acknowledged the impact of tough market conditions, but there was an optimistic outlook at the end of the meeting with discussions about plans for growth and how both sides could work together to help develop these.

Our Ethical Employment Partnership (EEP) entered into with the GMB and UNI trade union organisations continues to be a constructive partnership that helps in resolving any challenges that arise which may threaten operational stability if allowed to escalate.

### Global union membership

Region	% Union membership		% Collective agreements	
	2012	2011	2012	2011
North America	20	19	27	19
Continental Europe	32	23	65	60
Latin America and Caribbean	10	6	27	18
Africa	32	35	50	61
Middle East	0	0	0	0
Asia	3	2	14	10
UK and Ireland	25	23	69	76
<b>Total</b>	<b>16%</b>	<b>14%</b>	<b>35%</b>	<b>31%</b>

## Our priorities for 2013

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### Health and safety

In 2013 we plan to extend the scope of our lost time incident reporting as a key indicator of health and safety performance.

Further critical country reviews are planned for a number of countries where work related fatalities have occurred and an independent review is thought likely to bring additional expertise to prevent recurrence.

Implementation of the road safety action plan developed as a result of detailed analysis into recent work related road traffic fatalities is a further health and safety priority for 2013. The plan will initially be implemented in a handful of pilot countries to enable its effectiveness to be monitored and refinements made before more widespread application.

### Talent management

The priorities for 2013 are to further develop succession plans for key management roles and ensure we have coverage as well as identify where there may be gaps so that actions are taken to fill these through recruitment or accelerated development. To support this, individual career plans will be created to assist the smooth transition of successors into more complex roles.

At senior leadership levels, the development programmes will be evolved to maintain alignment with the strategy and priorities for G4S and the development needs of successors and high potential managers.

In 2013, a priority is to review, recommend and implement training to support middle managers in their skill and knowledge development. The purpose is to ensure new managers have all the foundational knowledge they require to be successful in their role, to prepare them for their next move and to stretch them in their development.

### Diversity and inclusion

Based on the analysis completed in 2012 a number of businesses were identified where the opportunity for developing and progressing the diversity and inclusion strategy is greatest. In 2013 we will focus our efforts on these businesses and agreeing the best way to build and sustain a more diverse workforce.

Helping managers develop a "global mindset" will continue to be a focus in our training and development activities for 2013.

### Employee engagement

About 245,000 employees responded to the global engagement survey in 2011. This year we aim to increase the response rates to ensure that the results are even more representative of our employees' views.

After the successful implementation of our induction DVD for front line employees, one of the priorities for 2013 is our induction processes for new managers. To support this we will be updating our management "on-boarding" tool to ensure it is both more engaging and more widely accessible.



**Michelle**  
**Victoria, Australia**

Since 2009, we've saved over 540,000 litres of drinking water at Port Phillip Prison as part of the G4S Climate Action Programme and our ongoing commitment to reducing water usage. We are proud to be securing our environment.

# Securing our environment

As an organisation that specialises in the management of risk, we recognise that the threat to people and infrastructure from climate change is an important and ongoing concern for our group, our customers and our employees.

## Key achievements in 2012

- Achieved a reduction in carbon intensity of 4.3% during 2012
- Achieved an overall reduction in carbon intensity of 16% between 2009 and 2012, exceeding our stated target of 13%

## Priorities for 2013

- Continue to implement energy efficiency strategies to reduce carbon intensity by at least 20% between 2009 and 2014
- Focus efforts on sharing of best practice and reducing the carbon intensity/energy and fuel consumption of our Middle East region
- Continue to develop our measurement methodology for waste and water consumption and introduce targets for reduction

### Context and trends

Alongside the risks faced by people and infrastructure from climate change are the challenges presented by the economic climate. Ever increasing fuel costs and the introduction of new "carbon taxes" continue to keep energy efficiency and environmental impact on the agenda.

We recognise the impact that our business activities can have on the environment and are committed to managing this impact in a responsible manner. Through our Climate Action Programme, we are endeavouring to be the leader in our industry in measuring, reporting and reducing the intensity of our environmental impact. We have partnered with our customers, employees and suppliers to invest in energy efficient technologies and reduce waste and water consumption.

We are very proud of the progress we have made and the steps we have taken to develop an environmentally sustainable company by increasing our energy efficiency and reducing our environmental impact through new ways of working.

### Our policies and principles

The key principles of our climate action programme are set out in our environmental policy. This policy, together with our environmental strategy and supported by our green building policy and supplier code of conduct, outline our key commitments to help create a sustainable business to protect and preserve the environment and its resources for future generations.

Our climate action & environmental policy is available online at [www.g4s.com/cap](http://www.g4s.com/cap)

### Measurement and monitoring

We have used the WBCSD\* and WRI GHG\*\* protocols to undertake the measurement of our Scope 1 and Scope 2 carbon emissions – vehicle fleet, fuel, refrigerants and electricity usage. In addition we have measured the Scope 3 emissions generated by our employee's business air travel, together with our consumption of water and waste by type and treatment.

The businesses measured in our 2012 carbon footprint represents 94.5% of the group's operations. This level of measurement also allows us to accurately extrapolate the carbon emissions for 100% of the group.

\* World Business Council for Sustainable Development

\*\* World Resources Institute Green House Gas

## Our performance in 2012

The G4S 2012 total carbon footprint extrapolated to 100% of the business equates to some 612,000 t/CO<sub>2</sub>e. Through operational year-on-year growth, we anticipate our direct carbon emissions to grow proportionately in line with revenue and have therefore established a G4S average carbon intensity of 74.2 tonnes of CO<sub>2</sub>e per £1m of revenue at 2012 exchange rates. At the same time our carbon intensity for 2011 was 77.5 t/CO<sub>2</sub>e per £1m.

A core aim of our climate action strategy has been to reduce the group's carbon intensity by 13% from 2009 to 2012. We are pleased to report that this challenging target has been realised, with our climate action programme achieving a reduction in carbon intensity of 16% since 2009. This translates to a real reduction of 1.5% in overall carbon emissions. Set against the growth of our business by 13% during the same period, much of which includes carbon emissions from services which our customers have outsourced to G4S. This is a positive achievement which recognises the efforts made by G4S to introduce energy efficiency measures across the business.

In certain regions, particularly the Middle East, G4S employs a large number of expatriate employees. Due to the operational nature of these contracts G4S provides 24/7 care including accommodation and transport. We have therefore included the full carbon footprint of their employment and calculated an average measurement of 1,107 kg of CO<sub>2</sub>e per employee, an 8.6% reduction since 2009.

KPI chart*	2009	2012
CO <sub>2</sub> e emissions per £1m revenue	88.3t	74.2t
Average CO <sub>2</sub> e emissions per employee	1,211kg	1,107kg
Average CO <sub>2</sub> e emissions per vehicle**	14t	11.6t
Average CO <sub>2</sub> e emissions per building m <sup>2</sup> **	97.3	100.2kg
Reduction in carbon intensity from 2009 level		16%

\* Based on 94.5% measurement

\*\* Including refrigerant

### Energy reduction – A more efficient vehicle fleet

In order to provide our customers and their communities with a safe and secure environment, we utilise a fleet of over 30,000 vehicles, including security patrol vehicles, prisoner escort vehicles and some 11,000 armoured cash transportation vehicles. It is this fleet that produces some 63% of our carbon emissions and where we have focused our primary efforts to reduce our energy consumption.

Since 2009 we have introduced a range of fuel efficiency measures into our fleet management, from real-time monitoring of driver behaviour and eco-driver training to investing in new technologies such as solar cells to power ancillary systems, stop-start systems and vehicle replacement programmes introducing energy efficient alternatives. These measures have helped us to cut the total emissions of our vehicle fleet by 4.1% between 2009 and 2012, an average reduction per vehicle of 17% in the same period.

### Energy reduction – Reducing the impact of our buildings

G4S occupies a wide range of buildings across the globe, covering more than 1.7 million square metres. Our facilities include corporate offices, employee accommodation, vehicle depots, industrial cash processing centres, prisons and detention centres.

Around 31% of our carbon emissions are generated by the energy and fuel consumption from these buildings and so we continually carry out a series of replacement programmes to implement lower energy environmental solutions wherever possible.

As one of the world's largest employers we realise that our employees are critical to the success of our climate action strategy. Since 2009, "The Big Think" has helped our employees engage with G4S's climate action programme and the issues surrounding climate change and energy efficiency, as well as demonstrating some of the steps that they can take both at home as well as at work.

### Waste and water

Following initial trials in 2011, we have continued to develop our measurement of waste and water consumption. In 2012, we measured around 70% of G4S facilities and determined that these consumed approximately 2.2 million cubic metres of water and generated 22,900 tonnes of waste.

## Our priorities for 2013

Building on the strong achievements of our climate action programme since 2009 and the realisation of our carbon intensity reduction target, we have initiated our second three-year environmental strategy.

Demonstrating our continued commitment to reducing our environmental impact, our 2013–2015 environmental strategy includes an increase in the coverage of our carbon emissions measurement, sets targets for reductions in waste and water consumption, and sets the target of at least 20% reduction in carbon intensity between 2009 and 2015.



**Dawid**  
**Bloemfontein, South Africa**

By encouraging colleagues to get involved in community outreach programmes, we have given support to hundreds of underprivileged young children and their families in Pretoria and Bloemfontein. We are proud to be securing our communities.

# Securing our communities

We seek to make a positive social and economic impact on the communities in which our employees, customers and suppliers live and work around the world.

## Key achievements in 2012

- Invested over £2 million in charitable community programmes and welfare of employees facing health difficulties or financial hardships
- Comprised of:
  - Provision of goods, services and financial investment in community programmes across 60 countries with a combined value of almost £1.4 million
  - Increased investment of £641,400 into projects to support the long-term welfare and development of employees in developing countries
- Facilitated over 30,000 hours of employee volunteering with charitable concerns and local community good causes
- Through the G4S 4teen programme, G4S successfully helped five young athletes to achieve their ambition of competing at the London 2012 Olympic Games

## Priorities for 2013

- Evaluate a new community-based programme for 2013 to be launched in the second half of the year
- Build on our wider community investment to demonstrate the impact on the people we strive to support
- Work to increase the level of investment in communities through donations of goods and services
- Participate in an academic study of the direct and indirect social and economic impacts of G4S within a number of key markets, starting with the UK

### Context and trends

As the world's largest provider of security solutions, G4S has an important and unique role to play in creating a prosperous and stable environment in which people can live and work. In addition to providing direct employment and training to more than 620,000 people across 125 countries, our business has a range of significant and far-reaching economic impacts. As well as directly benefiting our many employees and suppliers through the salaries, benefits and payments we make for goods and services, we indirectly support even more companies and their local communities as our suppliers and employees make purchases and generate further economic activity through their spending.

Many of our business activities deliver immense benefits to communities across the globe, such as supporting humanitarian aid efforts in Africa, clearing landmines from former warzones and enabling the rehabilitation of offenders in UK, USA, Australia and South Africa.

We recognise that our ability to provide a safe and secure environment around the world depends on the relationships we have with the communities and people with whom we work. At G4S we are therefore committed to be a good corporate citizen. We have a long history of investing in local communities and recognise the importance of this role.

### Our policies and principles

The social and economic impact of G4S reaches well beyond its working environment and touches the lives of millions of people around the world.

G4S community investment programmes are largely decentralised to allow our businesses to respond to the issues and needs of their local markets and communities. We do this by partnering with organisations in those communities and supporting the health, education and welfare of children and young people, G4S can help to raise aspirations and reduce crime in those communities

### Measurement and monitoring

Since 2010, we have carried out the regular measurement of our community investment across each G4S region, with the results reported to both the CSR Committee and Group Executive team.

## Our performance in 2012

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Building on the partnerships and investment that we have made in previous years, G4S and its employees contributed almost £1.4 million to charities and community good causes. Of this, £921,700 consisted of financial donations from G4S businesses, and goods and services to the value of £459,500. Another £72,000 was generously donated by our employees and other third-parties through G4S facilitated programmes in 2012.

In addition we also donated £2.5 million to military charities in the UK as a gesture of thanks for the support of the military in delivering the security of the London 2012 Olympic Games.

In 2012 we:

- Invested over £2 million in charitable community programmes and welfare of employees facing health difficulties or financial hardships in developing countries.  
Comprised of:
  - Provision of goods, services and financial investment to more than 360 community programmes across 60 countries, with a combined value of almost £1,381,000
  - Increased investment of £641,000 into projects to support the long-term welfare and development of employees in developing countries
- Facilitated over 30,000 hours of employee volunteering with charitable concerns and local community good causes

### Employee welfare

As one of the world's largest private employers, G4S understands the importance of supporting the long-term welfare and development of the people who make up our organisation in regions of the world where large parts of the community are at risk of poverty.

As well as offering employment opportunities, training and development and support for local suppliers, this can also be through practical or financial assistance at times of hardship and when the need is greatest. In Thailand for example, which has experienced successive and severe floods, the G4S Employee Trust made grants of over £266,000 to support our employees and their families. In addition, we have continued to implement employee welfare programmes, such as scholarship initiatives in Kenya and Guatemala which have helped front-line employees and their children to achieve their high school diploma, and "Sharing with our People" which has built new homes for employees in Chile, Peru and Romania.

In total, G4S invested £641,000 from the Employee Trust and other welfare funds during 2012 into programmes to support the welfare and development of our employees.

## Social and economic impact

As one of the world's largest private employers, G4S already makes an important contribution to communities through our payment of tax revenue and the employment of over 620,000 people in over 125 countries. G4S believes it and its employees have a duty within the communities it serves to assist the not so fortunate. This is embodied in our corporate responsibility philosophy of "giving back to the community".

Alongside charitable concerns, G4S brings a range of significant and far-reaching economic impacts to the communities in which we work. We directly benefit our many employees and suppliers through the salaries, benefits and payments we make for goods and services, and indirectly support even more companies and local communities as locally procured suppliers and employees make purchases and generate further economic activity through their spending.

G4S has a long history of supporting good causes, and in 2007 we unveiled a programme to provide corporate funding to projects around the world for a five-year period. As well as providing funding for these special projects, identified and nominated by G4S operating companies, the scheme also required the management teams and workforce in each country to give practical, active support.

<b>G4S 4teen</b>	Award-winning sports programme supporting 14 young athletes from a range of less developed countries.
<b>Jifu Action</b>	Children's home in Shanghai, China.
<b>Acacia Project</b>	Sustainable farming community in a remote area of northern Malawi.
<b>Ark of the World</b>	Care and support for underprivileged children and their mothers in Athens, Greece.
<b>Shiksha School</b>	School and school supplies for underprivileged children in Delhi, India.

➤ See pages 41 to 44 for more details.

## Our priorities for 2013

Having concluded a number of five-year community programmes across a range of issues in different countries in 2012, we are now undertaking a review of our community investment strategy for 2013 onwards and hope to launch a new programme later this year.

In partnership with Nottingham Business School and Warwick Economic & Development, we will be participating in an academic study of the direct and indirect social and economic impacts of G4S within a number of key markets. Through this partnership we seek to build a greater understanding of these social and economic impacts and better demonstrate to our stakeholders and other interested parties the beneficial effect of a G4S presence in the wider community.



# Supporting data

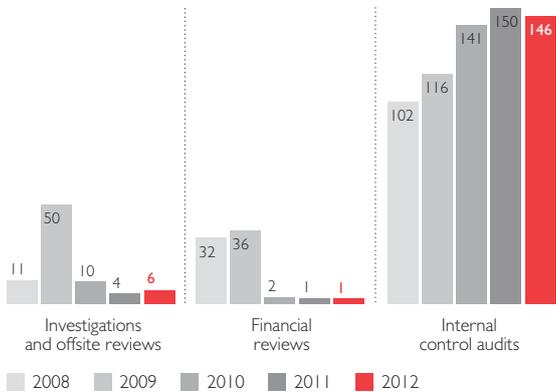
In the following pages we present further information and supporting data on our CSR activity during 2012

## Safeguarding our integrity

### Internal audit

The chart below shows the internal audit activity during the last five years (2008–2012) in terms of assignments completed in different areas:

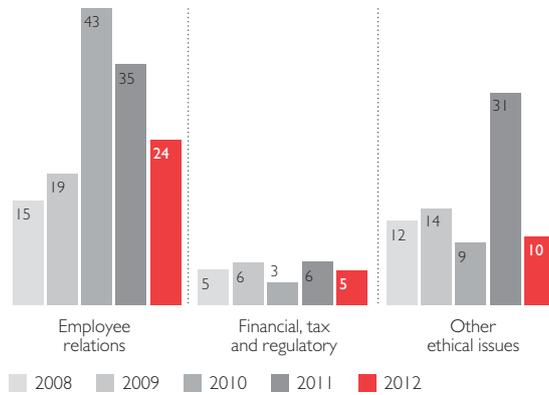
#### Internal audit activity



### Whistle-blowing

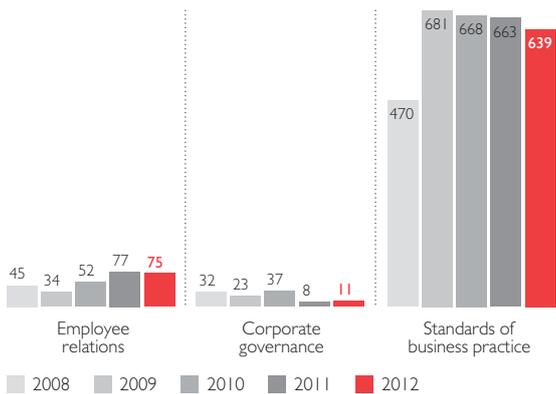
The chart below shows an analysis of the whistle-blowing concerns raised at group level over the last five years.

#### Whistle-blowing



The chart below shows an analysis of the issues raised in relation to business practice standards, corporate governance and employee relations during internal control audits from 2008 to 2012.

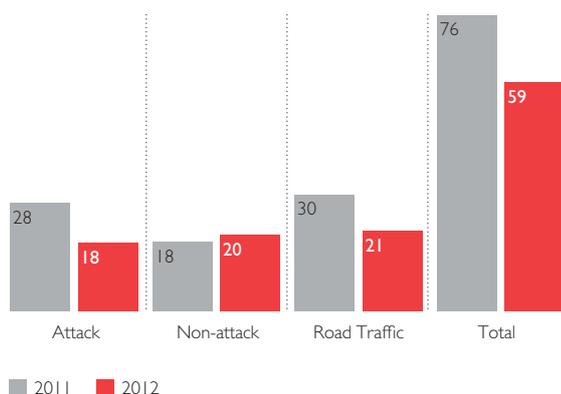
#### Issues raised



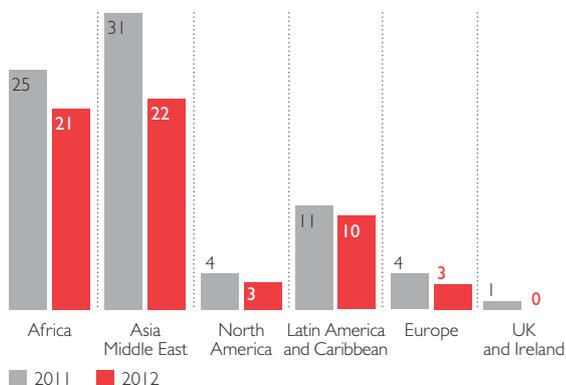
## Securing our employees

### Health and safety

#### Work related fatalities by category



#### Work related fatalities in 2011 and 2012



### Employee engagement

#### Union membership

Region	% Union Membership		% Collective Agreements	
	2012	2011	2012	2011
North America	20	19	27	19
Continental Europe	32	23	65	60
Latin America and Caribbean	10	6	27	18
Africa	32	35	50	61
Middle East	0	0	0	0
Asia	3	2	14	10
UK and Ireland	25	23	69	76
<b>Total</b>	<b>16%</b>	<b>14%</b>	<b>35%</b>	<b>31%</b>

#### Employee turnover

	2012	2011
North America	23.7%	28.4%
Continental Europe	26.9%	25.7%
Latin America and Caribbean	33.9%	29.8%
Africa	15.7%	11.3%
Middle East	27.0%	33.4%
Asia	37.6%*	25.1%
UK and Ireland	11.1%	9.5%
<b>Total</b>	<b>28.1%*</b>	<b>22.4%</b>

\* Turnover figures for Asia and the total have been impacted by the reclassification of seasonal workers in India

#### Employee service

	2012	2011
< 12 months	180,573	206,349
1 – 2 years	108,268	110,279
2 – 5 years	146,226	176,620
5 – 10 years	104,713	102,734
10+ years	62,720	61,518

### Diversity and Inclusion

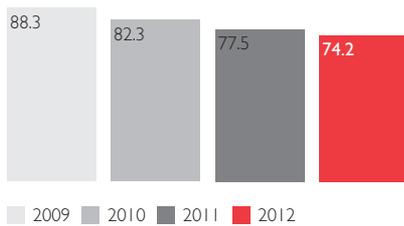
#### Male to female data – proportion of females in the workforce

Region	2012		2011		2010	
	Front-line	Managers	Front-line	Managers	Front-line	Managers
North America	24%	26%	23%	26%	23%	28%
Continental Europe	18%	17%	17%	16%	17%	16%
Latin America and Caribbean	17%	19%	11%	20%	13%	15%
Africa	7%	18%	6%	23%	6%	16%
Middle East	4%	10%	4%	7%	3%	4%
Asia	7%	18%	8%	19%	7%	16%
UK and Ireland	23%	28%	22%	26%	21%	30%
<b>Group total</b>	<b>12.1%</b>	<b>22.5%</b>	<b>10.7%</b>	<b>21.3%</b>	<b>10.4%</b>	<b>21.6%</b>

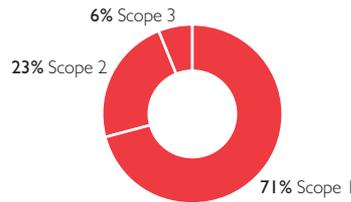
## Securing our environment

### Key Performance Indicators

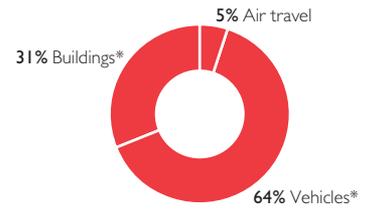
t/CO<sub>2</sub>e per £m revenue



2012 Carbon emissions by scope

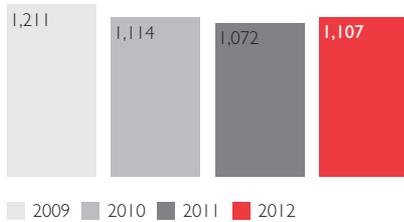


2012 Carbon emissions by source

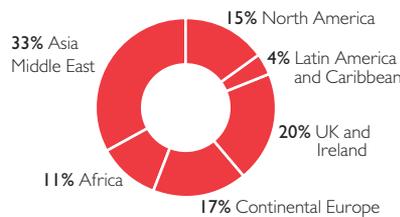


\*inc refrigerant

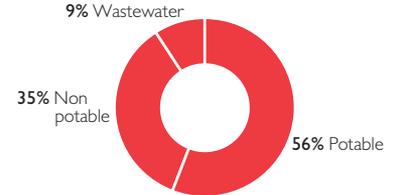
kg/CO<sub>2</sub>e per employees



2012 Carbon emissions by geographic region

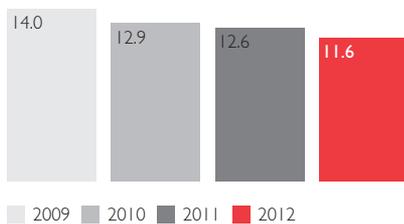


2012 Water consumption\*\*  
2.2 millions m<sup>3</sup> litres

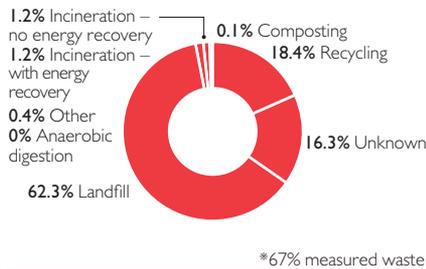


\*\*70% measured waste

t/CO<sub>2</sub>e per vehicle\*

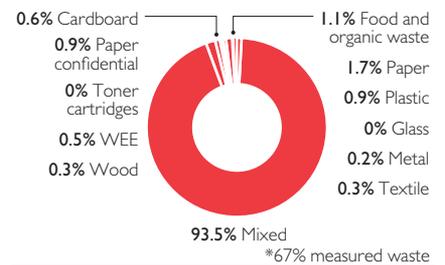


2012 Waste\* – breakdown by treatment  
22,900 tonnes of waste



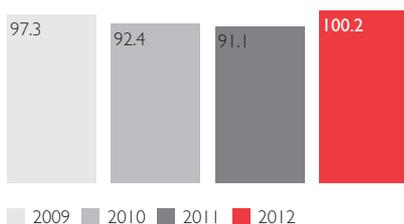
\*67% measured waste

2012 Waste\* – consumption by type  
22,900 tonnes of waste



\*67% measured waste

kg/CO<sub>2</sub>e per building m<sup>2</sup>\*



Direct & indirect energy consumption

Source		2012	2011	2010	2009
Buildings	Electricity (MWh)	227,000	221,000	213,000	210,000
	Gas (MWh)	97,000	64,000	67,000	66,000
	Oil (litres)	6,150,000	3,790,000	3,970,000	2,990,000
Vehicles	Petrol (litres)	54,015,000	56,700,000	53,500,000	58,200,000
	Diesel (litres)	81,846,000	82,300,000	86,200,000	87,000,000
	Other	16,783,000	1,450,000	570,000	488,000

For a more detailed breakdown of our environmental impact visit [www.g4s.com/cap](http://www.g4s.com/cap)

\*Including refrigerant.

## Securing our communities

### G4S 4teen

In 2006, G4S began a search for a group of 14 young and talented athletes from disadvantaged backgrounds who could benefit from being a part of a global team and receiving financial, social and logistical support.

The innovative G4S 4teen programme was launched in 2007 to nurture 14 young athletes in all aspects of their lives – from sport to education – to achieve their ambitions.

The programme has been mentored by double Olympic champion Haile Gebrselassie and with his help G4S has supported the athletes, their families and the communities in which they live to help the G4S 4teen athletes reach their ultimate goal of representing their countries at the London 2012 Olympic Games.

Of all the G4S 4teen athletes who qualified for London 2012, and of all their inspiring stories behind their fight for selection and G4S's support over the last five years, the biggest success of the G4S 4teen came in the form of Colombian BMX rider Mariana Pajón Londoño. Mariana led the BMX Olympic competition from the start and won her country's only Olympic gold medal of the 2012 Games and its second ever Olympic gold medal.

Congratulations Mariana!

G4S 4teen athlete/Country	Sport
Obinna Metu, Nigeria	100m, 200m
Fanuel Kenosi, Botswana	100m, 200m
Zodwa Maphanga, South Africa	Table tennis
Pauline Korikiwang, Kenya	Middle distance runner
Juan Maegli, Guatemala	Sailing
Mariana Pajón Londoño, Colombia	BMX
Margus Hunt, Estonia	Discus
Mangal Ho, India	Archery
Snigdha Manda, India	Shooting
Chein An Chen, Chinese Taipei	Table tennis
Sharmin Akhta, Bangladesh	Shooting
Sebastian Jahnsen, Peru	Swimming
Charly Suarez, Philippines	Boxing
Chatchai Butdee, Thailand	Boxing



### G4S 4teen – Chatchai Butdee

Since fulfilling his dreams of representing his country at London 2012 Olympic Games, G4S 4teen athlete Chatchai Butdee from Thailand has been spending time helping young children from his home country to achieve their goals.

In December 2012, inspired by past projects that he has attended with G4S, Chatchai Butdee and G4S donated sporting equipment to the village school, where Chatchai attended as a child.

"Being a part of the G4S 4teen programme has made me want to help more children," he said. "I have visited schools with G4S, who donated sporting equipment to children who need it and it made me think that I could do the same thing. G4S also brought me to Ethiopia to spend a week with our programme mentor Haile Gebrselassie. It was amazing to see how special he is to the people of his country, and to see how much he helps them. I want to help my country like Haile does."

## Supporting data

Securing our communities continued



G4S 4teen – Mariana Pajón Londoño

Colombian G4S 4teen BMX rider and London 2012 Olympic Champion, Mariana Pajón, has become a celebrity throughout South America and much of the world since winning gold in the 2012 Olympic Games.

Having been shown the importance of giving back to the community since joining the G4S 4teen in 2007, Mariana has used her new found status to further inspire women and young people throughout Colombia. Since returning to her home country as Colombia's only London 2012 gold medallist in August 2012, Mariana has visited a number of schools in Bogota, Medellín and Cartagena to launch community partnerships for G4S. On behalf of G4S she also visited a women's shelter that helps women and their children escape from abusive relationships and domestic violence.

"I am so proud to say that I am Colombian and I love my country. It is really important to me that I help Colombia overcome some of its problems. As a country, Colombia has a very dark past and now that I am an Olympic champion, I am so proud and happy that I have given everyone a reason to smile. With the help of G4S I think that I am making a difference."



G4S Shiksha School, Delhi

Shruti is a smartly dressed six-year-old girl, for whom school is an exciting prospect. Her favourite subjects are maths and English and her ambition is to be a police officer when she grows up. Together with her parents and her sister, Shruti lives in a tiny home just 10ft square with a small kitchen attached in the district of Sangam Vihar, one of India's largest slums. The family of four has to survive on the meagre earnings of Shruti's father, which are not usually more than 180 rupees a day (around £2.00). As a result, they cannot afford to give her and her sister more than one meal a day and would certainly never be able to send her to a school like Shiksha.

Thanks to funding from G4S, Shruti and many children like her are able to attend the Shiksha School free of charge. As well offering a good standard of education, G4S Shiksha provides its young pupils with their uniforms and study materials, as well as a nutritious meal each day specially designed for their needs. In partnership with the charity HOPE Worldwide, G4S opened the Shiksha School in 2010. Since then, G4S and HOPE have been able to provide schooling for over 90 children between the ages of six and eight, which has helped them to start to build a better life and look forward to the opportunities that education can bring.



### Ark of the World, Athens

Dismayed by witnessing the effects of poverty and racism, such as young children abandoned and joining gangs or turning to crime at an early age, Father Antonios Papanikolau, a young priest in the run down district of Kolonos, Athens established "Kivotos tou Kosmou" or "Ark of the World" 14 years ago. Keeping children and their mothers together, when families became homeless or had no income, was his priority.

The Ark currently takes care of around 200 children, from infancy up to 18 years of age, a quarter of whom are from outside of Greece. They experience a harmonious multi-religious and multi-cultural community that aims to protect them from hunger, exploitation and illiteracy. The Ark depends in large measures on assistance from volunteers, including G4S helpers. It also provides a safe haven for mothers needing protection from abusive partners, and G4S has assisted that aspect of the work by installing security systems at the Ark's two shelters and monitoring their alarms.

"I would like to extend my own personal thanks to G4S for their kindness and continued support and the love it has shown to our organisation and our children. G4S has made sure that our children will live and sleep in safety and for that I am forever grateful."



### Mangaung Community Outreach, Bloemfontein

Many of the prisoners at G4S's Mangaung Correctional Centre in South Africa have a personal connection to the nearby township communities. The outreach programmes of Dr Dawid Kuyler and his colleagues are therefore a key element in helping to build a positive relationship with the prison's population.

Since 2006, G4S has delivered an innovative project to recondition and donate old and dilapidated school desks to pupils at schools in the local community. Through this programme, inmates at Mangaung utilise their woodwork skills to recondition old school desks in the prison workshop, and have donated more than 1,200 desks to local schools across the city of Bloemfontein and surrounding areas.

This investment in education continues in other community programmes, such as the Ikhwezi Winter School Project which offers maths and science classes to 620 teenagers every Saturday throughout the school year as well as the holidays. G4S funding covers the salaries of the 20 teachers for the holiday programme as well as materials, transport and sponsorship of employees' children. G4S also provides three volunteer vocational trainers to deliver craft skills such as leather work, box making and paper craft to a further 225 students.

Through its life-saving Winter Warmer Project, G4S has supported community centres in the local townships of Bloemfontein since 2008. During the coldest months of the year, this project aims to feed and supply warm clothing to the young children and their mothers attending centres such as the Tshepo Day Care Centre. As well as critical financial support from both G4S and its employees, the project receives food and clothing supplies produced by the inmates at the prison.



# Voluntary standards



## Haiti Twinning Programme

G4S has a long relationship with the church of St Joseph's Parish and the work in its twinning programme in Pignon, a community in northern Haiti which has a poor infrastructure and a lack of jobs or self-employment opportunities.

To help address these problems, G4S's financial support of St Joseph's twinning programme has helped to develop facilities to sustain the community, including a health clinic and energy providing solar panels for schools and churches as well as assisting the finance of a microcredit programme which distributes loans to thousands of Haitian people to develop their own businesses.

Donations 2012	
<b>Corporate</b>	
Corporate donations of money	£921,700
Corporate donations of goods and services	£459,500
<b>Employee</b>	
Employee and third-party donations facilitated by G4S	£72,000
Employee welfare and development	£641,000

In addition G4S also donated £2.5 million to military charities in the UK as a gesture of thanks for the support of the military in delivering the security of the London 2012 Olympic Games.

### About this report

This report presents the CSR activity of G4S plc and its subsidiaries, associated undertakings and joint ventures for the year ended December 2012 and follows our 2011 CSR Report published in April 2012. No significant changes from previous reporting periods have been made, including the boundaries and measurement methods applied, unless stated.

### Global Reporting Initiative (GRI)

We have self-declared our full report as meeting the requirements of a GRI G3 report Application Level C. Our GRI Index is available to view online at

[www.g4s.com/gri](http://www.g4s.com/gri)

### UN Global Compact

G4S plc became a signatory to the UN Global Compact in February 2011. The world's foremost CSR initiative, the Global Compact sets out ten universal principles to which business must adhere across the areas of anti-corruption, labour relations, human rights and the environment.

G4S is proud to reaffirm its commitment to these principles, which continue to be reflected in our family of CSR policies and our core Integrity value. In 2012, we were pleased to publish our first "Communication On Progress" (COP), submitting it and our CSR report for appraisal by the "Peer Review Panel" of the Global Compact's UK Network. G4S is active within the UK Network and in 2012 has participated in its COP Working Group and become a member of the governing Advisory Group.

We have now aligned our COP reporting timetable with that of our CSR Report. Therefore, it is within this Report that we now describe the actions we have undertaken to improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations during 2012.

	CSR report pages
Statement of continued support by CEO	3
The UN Global Compact Principles	
Human rights	1, 2-3, 12-13, 14-17, 19, 23
Labour	1, 2-3, 4-5, 6, 12-13, 25-30, 36, 39
Environment	1, 3, 4-5, 12-13, 32-33, 40
Anti-corruption	1, 3, 5, 12-13, 19-23, 38



## **G4S plc**

The Manor  
Manor Royal  
Crawley  
West Sussex  
RH10 9UN

Telephone: +44 (0)1293 554 400

Email: [investor@g4s.com](mailto:investor@g4s.com)

Registered in England No: 4992207

For further information visit our website:

**[www.g4s.com](http://www.g4s.com)**



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