



Securing your world

G4S plc

Corporate Social Responsibility Report 2013

Investing in sustainable,
profitable growth.



Who we are

As the world's leading global integrated security company, with operations across six continents and over 618,000 employees, G4S is one of the world's largest private employers.

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 world 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.

In this report we feature the important work carried out by our employees across 120 countries that makes us proud to have them securing your world.

CSR Performance in 2013

SAFEGUARDING OUR INTEGRITY

- Launched our human rights framework for all G4S businesses and employees, based on the UN Guiding Principles on Business & Human Rights
- External review of risk management process and action plan to increase group resources and improve systems and processes
- Established a board Risk Committee and a separate risk management function for the group
- Updated risk assessment of the group's anti-bribery policies and controls
- Completed 111 on-site internal audits, including measurement of compliance with G4S business ethics controls and HR minimum standards
- Enhanced communication of the group's Safe2Say whistle-blowing hotline through increased use of employee communications channels
- Improved categorisation and reporting of issues raised through the whistle-blowing process
- G4S Global Risk Services became a founding member of the ICOC Association, the compliance and oversight body for the International Code of Conduct for Private Security Providers

SECURING OUR PEOPLE

- Completion of three further critical country reviews (CCRs)
- Road safety campaign developed and piloted in seven countries
- Enhanced incident reporting and investigation processes
- Roll out of succession planning for all key management roles
- Pilot of on-line performance reviews in a number of businesses
- Talent review processes completed assessing over 1,300 managers
- Continued extension of cultural awareness training tool
- Partnership working to increase employment opportunities for disabled people and veterans
- Completion of third global employee engagement survey, in which 62% of employees (over 380,000 people) shared their views and overall levels of engagement increased from 80% to 82%
- Senior management survey conducted with 81% of senior managers participating and an average favourable response rate of 83%

Financial highlights

UNDERLYING REVENUE

£7.4bn

(2012: £7.0bn)

UNDERLYING PBITA¹

£442m

(2012: £430m²)

CASH GENERATED BY CONTINUING OPERATIONS

460m

(2012: 337m)

DIVIDEND PER SHARE

8.96p

(2012: 8.96p)

1 To clearly present underlying performance, specific items have been excluded and separately disclosed – see page 86 of the Annual Report and Accounts 2013.

2 2012 underlying results are presented at constant exchange rates and have been restated for the adoption of IAS 19 (2011). 2012 PBITA has been re-presented to exclude PBITA from businesses subsequently classified as discontinued, one off credits, profits on disposal and the prior year effect of the review of assets and liabilities in 2013 – see page 86 of the Annual Report and Accounts 2013.

Our priority areas

See p.14 for more information



Business Ethics and Anti-corruption

See p.16 for more information



Health and Safety

See p.18 for more information



Human Rights

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SECURING OUR ENVIRONMENT

- The G4S total carbon footprint in 2013 was 559,000 t/CO₂e
- Achieved an overall reduction in carbon intensity of 4.9% in 2013, resulting in a 23.5% reduction in carbon intensity between 2009 and 2013, against a target of 20%
- Continued focus on increasing the efficiency of our vehicle fleet
 - G4S North America reduced vehicle emissions by 11% overall
 - G4S UK achieved a reduction in emissions from its cash in transit fleet of some 7%

SECURING OUR COMMUNITIES

- Conducted an academic study of the social and economic impacts of G4S within the UK, demonstrating direct and indirect support of 68,000 jobs across the country and a total Gross Added Value of £1.95 billion contribution to the UK economy
- Invested approximately £2 million in charitable community programmes and welfare programmes for employees
- Matched £28,000 of employee fundraising for local community good causes
- Established G4S 4teen legacy community programmes in Botswana, Colombia, Estonia, India, Nigeria, Philippines and Thailand

Front cover: A G4S prisoner custody officer at HMP Birmingham (UK). The use of body cameras can de-escalate incidents, deter assaults and gather evidence for use in complaint investigations.

Our diverse services and customers

CONTRACTS AND RELATIONSHIPS

G4S has a very diverse contract portfolio. The duration of contracts varies from annual sporting events to 25-year private prison contracts. In cash solutions most contracts are annual with those contracts requiring a higher capital intensity being usually five years duration or longer. In practice many relationships become long-term and result in contracts being renewed year after year.

SECURE SOLUTIONS

The secure solutions business covers a wide range of services, including:

Risk services and consultancy	Risk management consultancy services including personal protection, training, mine detection and clearance services
Security systems	Access control, CCTV, intruder alarms, fire detection, video analytics and security and building systems technology integration
Monitoring and response	Key holding, mobile security patrol and response services and alarm receiving and monitoring facilities
Secure facilities services	Integrated facilities services for entire sites or estates for commercial customers and governments
Welfare to work programme	Assisting long-term unemployed people into work
Manned security services	Trained and vetted security officers

CARE & JUSTICE SERVICES

Care & justice services is part of secure solutions and offers highly specialised services to central and local governments and government agencies and authorities:

Juvenile and adult custody	Management of all aspects of a facility and those held within the facility – similar centres are also used for the detention of asylum applicants
Prisoner escorting	Transportation of prisoners and asylum applicants between courts, police stations and custody and asylum centres
Asylum services	Management of housing provision and other services for asylum applicants
Electronic monitoring	Electronic tagging and monitoring of offenders at home or in the community
Police services	Back office support functions for police forces, support for front line policing including the provision of custody suite services and forensic medical services

CASH SOLUTIONS

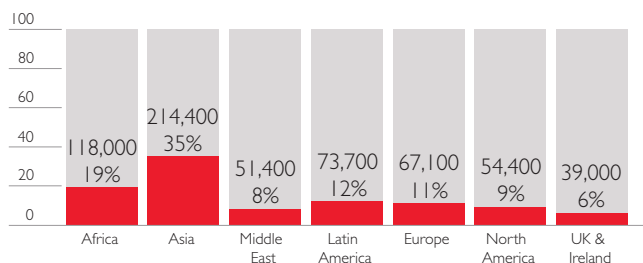
The cash solutions business covers a wide range of services including:

Outsourcing cash management	Managing cash on behalf of financial institutions including cash transportation, high security cash centres, counting and reconciling cash, fitness sorting of notes for use in automated teller machines (ATMs), counterfeit detection and removal, redistribution of cash to bank branches, ATMs and retail customers
Cash consulting	Provision of consultancy services to central banks and commercial banks on overall cash management strategy, bank note production and security and all aspects of cash cycle efficiency
ATM management	Managing ATMs on behalf of banks, retailers and independent ATM providers – including cash forecasting, cash transportation and reconciliation services, first line maintenance and ATM engineering services
Retail cash management	Provision of systems and hardware which provide an automated cash office for retail sites to improve security of cash, electronic audit trails of takings and a real time view of retail cash balances
International transportation	Bespoke international transportation and insurance of currency, gems and other valuables
Cash transportation	Secure transportation of cash using high security vehicles, fully screened and trained personnel and purpose-built technology to transport, protect, count and reconcile the cash to customer records

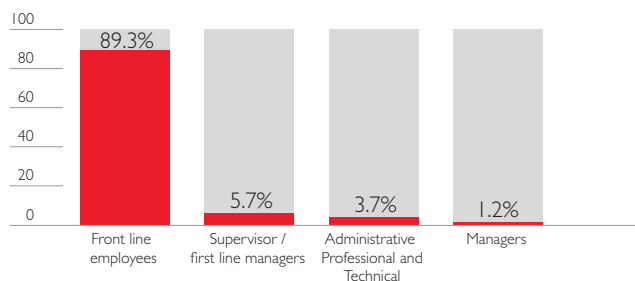
SHAPE OF THE ORGANISATION

G4S employs 618,000 people making it one of the world's largest private employers.

EMPLOYEES BY GEOGRAPHICAL SEGMENT



G4S EMPLOYEES BY ROLE



MARKET AND STRATEGY

G4S is a global provider with a top three position in 80 of the 100 manned security markets in which we operate.

As one of the few global security companies, our main international competitors in developed markets tend to be regional and international companies operating in one market segment such as security, systems or facilities. There are also many local security companies operating in developed and emerging markets.

MARKET AND STRATEGY

Care & justice services delivers more than 10% of secure solutions worldwide. While the care & justice services market is concentrated primarily in the UK, US, Australia and New Zealand, we see a number of countries exploring the possibility of outsourcing these services to the private sector.

The market structure is typically consolidated on the supply side with a small number of providers. Larger companies are usually better equipped to deliver such highly specialised services.

MARKET AND STRATEGY

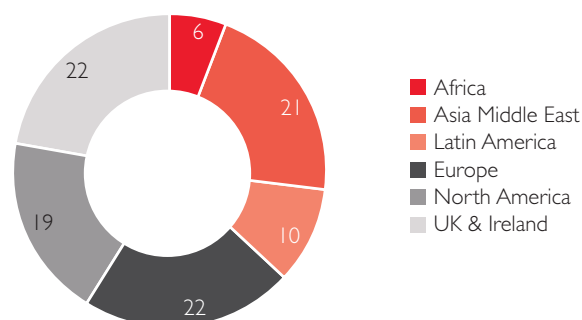
G4S is the market leader or number two in 57 of our 61 secure cash transportation markets. Our main international competitors are Loomis and Brink's in most developed markets and local companies in emerging markets. Our cash solutions business is integrated into our wider organisation and processes through the use of shared customers, management structures and systems in many countries. The market is highly regulated, often by central banks and the business requires complex infrastructure and significant expertise.

OUR CUSTOMERS, SERVICES AND MARKETS

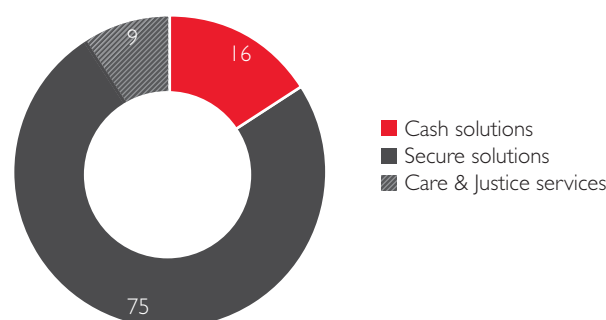
Our strategy is customer focused across a wide range of industries and commercial and government customers. We have a diverse range of services to meet our customer requirements and have a broad geographic footprint to meet demand for security around the world.

% of 2013 revenue by:

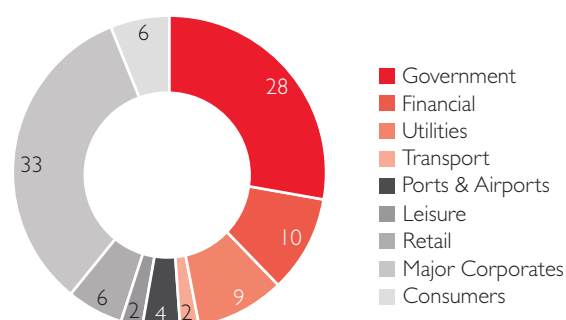
REGION



BUSINESS SERVICE



CUSTOMERS



Robust business model

Our business model is market led: everything begins with the customer. We seek to understand our customers' strategic and commercial objectives so that we can design and deliver security solutions which support them. Our aim is to create sustainable shareholder value through the consistent achievement of excellence in three areas: customer service, operational performance and financial management.

PERFORMANCE DELIVERY

We foster a high performance culture which focuses on service excellence, operational management and financial performance. High performance leads to strong customer relationships, motivated employees and achievement of strategic goals – critical elements of delivering sustainable, profitable growth.

SOLUTIONS DESIGN

By analysing customer needs and bringing together our expertise in market sectors, technology, project management and service delivery we design solutions which help our customers to manage risks, improve service, protect people and assets and achieve their own organisational objectives.

CUSTOMER UNDERSTANDING

Understanding customer needs is central to our success. This enables us to align our organisational objectives to those of the customer and means we can help our customers to be successful.

Delivering high service levels across our core services helps us to deepen customer partnerships over the long-term and creates opportunities to work with customers to meet their existing and increasingly complex security needs.

MARKET DEMAND

There is strong demand for our core services of secure solutions, cash solutions and care & justice services across the world.

SCALE & CAPABILITIES

With over 618,000 dedicated employees and operations in 120 countries, our ability to deploy skilled staff on a global basis to support local and international customers is central to our business model. This coverage means we can share learning and experiences across our markets to the benefit of our customers and our business. We work in line with relevant international standards and strive to achieve consistent high quality employee engagement, health and safety, training and business ethical practices across our operations.

Closely aligned to our values

PERFORMANCE

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

EXPERTISE

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



TEAMWORK & COLLABORATION

We collaborate for the benefit of our customers and G4S

CUSTOMER FOCUS

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



SAFETY FIRST

We prioritise safety management to protect the health and well-being of our colleagues and those around us

INTEGRITY

We can always be trusted to do the right thing

BEST PEOPLE

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



Delivering sustainable growth



Ashley Almanza
Group Chief Executive Officer

With business activities in more than 120 countries and employees who work in a wide range of environments across the world, we take our responsibilities to our colleagues, our customers and societies very seriously.

Corporate social responsibility (CSR) is at the heart of what we do – when “securing your world” we are taking care of many of life’s essential requirements, whether that is providing employment supported by a fair wage, delivering physical security services to companies and their assets, teaching life skills to young offenders to improve their chances of leading a life without crime, or reducing our impact on the environment to contribute to a better future for generations to come. We believe that our role in society is an important one and it is something of which we are very proud.

We believe that having an embedded CSR strategy is good for our business. It means we can recruit and retain talented people, win new business and build long-term relationships with our customers, attract investment to support our sustainable growth strategy and make positive contributions to communities across the globe.

With these responsibilities and opportunities comes challenge – to continuously look for ways to improve on our CSR practices, to protect our people who often work in challenging environments and to ensure that every one of our colleagues understands the group values, what they stand for and what is expected of them when they represent the company as its ambassadors every day and in everything they do.

The culture of the organisation – which is underpinned by our values – is something which is very important to us. We expect high standards of ethics, an absolute focus on customer service and a spirit of teamwork and high performance which means we always look for ways to do things better.

OUR VALUES:

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

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

Integrity – We can always be trusted to do the right thing

Expertise – We develop and demonstrate our expertise through our innovative approach to creating and delivering the right solution

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

Teamwork and collaboration – We collaborate for the benefit of our customers and G4S

Safety first – We prioritise safety management to protect the health and well-being of our colleagues and those around us

Our employees sometimes work in difficult environments dealing with sensitive issues. We work hard to make sure they operate within the law and parameters set by our customers and that they respect the group’s standards on human rights, ethics and general conduct. From time to time, questions of conduct are raised by our customers or colleagues and we take all matters of conduct or behaviour very seriously.

Last year, issues of conduct were raised in relation to our employees working on electronic monitoring in the United Kingdom, within a prison environment in South Africa and an immigration processing

centre in Papua New Guinea. In all cases, detailed investigations were undertaken in conjunction with our customers to understand the situation and to assess whether the conduct of G4S employees was in question. Where we do find instances of inappropriate conduct, we take immediate action to resolve issues, which may include disciplinary action in addition to a review of processes and practices.

In May 2013, the Ministry of Justice (MoJ) in the UK informed us that it would be commencing a review into Electronic Monitoring (EM) contracts going back over nine years as a result of allegations of over-billing which had come to light at the start of the year. The MoJ and Cabinet Office later decided to conduct a review of all G4S contracts and we have worked closely with them in support of their reviews since they began.

Three contracts were referred to the UK Serious Fraud Office and we have provided full co-operation and support for their investigation, which remains ongoing. We have also taken steps to strengthen risk management and controls in this part of the business.

Following the announcement by the MoJ, the board promptly engaged a global law firm to perform an independent review of the EM contracts. The review concluded that G4S Care & Justice Services had over-billed for electronic monitoring services. This practice was clearly not consistent with the group's values or our approach to dealing with customers. We apologised to the MoJ and have since refunded amounts over-billed plus costs associated with the investigations into the contracts.

As part of a wider programme of corporate transformation, we have established a corporate renewal plan for our UK business which is designed to strengthen the business and customer confidence in G4S.

We work in an inherently hazardous industry and have introduced a number of important processes and improvements to specific practices in order to better protect our employees in the workplace. We remain dissatisfied with our health and safety performance and I regret to report that in 2013 55 colleagues lost their lives in the line of duty, mostly in third party attacks and road traffic accidents.

Strengthening our health and safety practices remains a priority for me and my executive team. Ensuring our security procedures are robust and applied consistently helps deter those looking for opportunities to gain access to the goods and property we protect and in doing so cause harm to our people. We have piloted a successful campaign on road safety in a number of countries where there are high risks faced by our staff carrying out driving duties.

In 2014 at every level, every senior manager will be required to learn more about health and safety and become a health and safety role model for the group and for their colleagues.

To ensure an absolute focus on health and safety, we have created a new group value called Safety First – this will help to ensure that we are considering safety issues in everything we do in our businesses around the world.

Safety first – We prioritise safety management to protect the health and well-being of our colleagues and those around us

We will be launching the new health and safety value early in 2014 and implementing a programme of reinforcing our group values throughout our operations.

We reviewed and updated the group's values. It is important that we continually reinforce the values to our workforce at every opportunity to ensure that everyone understands their role in living up to the

standards we set for ourselves. In addition, we need to make sure that our whistle-blowing processes and practices are fit for purpose and clearly understood by our employees. Both of these areas form part of a "people and values" programme on which we are focusing in 2014. In addition, we have implemented organisational and process changes to strengthen customer focus, governance and contract management and control. These programmes are now well underway and form an essential part of the group's operating procedures – not just in UK Government contracts, but across the business.

Our human rights policy and guidance for managers, based on the UN Guiding Principles on Business and Human Rights, was launched in 2013 and is becoming increasingly embedded in our business activities. This is particularly the case when assessing new business opportunities, certain types of contracts and high risk countries or business environments. Human rights is an issue which is discussed at the highest levels of management within the organisation and is a matter which is considered regularly by the CSR Committee.

G4S became a signatory to the UN Global Compact in 2011 and we submitted our second Communication on Progress 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 strategies for the future.

We consult internally and externally to make sure we prioritise the right things and our Group Executive Committee and CSR Committee keep a very close eye on CSR best practice and how our performance compares to informal and formal CSR standards. When our employees don't live up to our expectations or those of our customers, we do everything we can to resolve matters, to learn lessons and amend our processes and practices to ensure that issues do not re-occur.

Our CSR activities and group values are vital elements of the group strategy and vital to delivering sustainable shareholder value.

Ashley Almanza
Group Chief Executive Officer

FIND OUT MORE ONLINE

For updates on our CSR activity throughout the year, visit www.g4s.com/csr



Q&A with our CSR Chair Clare Spottiswoode



WHY IS CSR IMPORTANT AND WHAT VALUE DOES IT BRING TO THE BUSINESS?

CSR is an important differentiator for the group. We find that it has become increasingly important to customers as part of their process for evaluating and selecting a partner. This is particularly so, given the sensitive nature of some of the services our customers require and the fact that many of our customers are large multinational companies with high CSR standards themselves and high expectations of those with whom they do business.

For smaller customers too, our approach to CSR provides them with additional confidence that they are working with an organisation which respects laws and cultures, has high ethical standards, takes care of its employees and is a reliable and dependable partner.

Our global employee survey in 2013 demonstrated just how important working for a company with strong ethics codes and standards is to our colleagues around the world. It helps to attract and keep talented people who are proud to make a difference and of the company they work for.

A strong CSR strategy also helps to reassure investors that they are investing in a company which, in addition to achieving the appropriate level of financial return, conducts its business in a way which is ethically appropriate and in a manner which is expected of one of the world's largest employers.



CSR COMMITTEE

Membership of the CSR Committee includes Clare Spottiswoode, Paul Spence and Winnie Fok. CSR Committee meetings are attended by the group communications director and the group human resources director and, from February 2014 onwards also by Grahame Gibson, one of the executive directors of the board.

HOW DO YOU PRIORITISE YOUR KEY CSR ACTIVITIES?

In general terms, it is common sense to identify which areas of CSR are important to our company and will make the most positive contribution to our success. However, we don't make assumptions about priorities without input from our key stakeholder groups.

Every two years, we conduct a CSR materiality exercise which helps to assess the current market environment, business challenges and most relevant CSR strategies. In 2014 we broadened the scope of this exercise to include more external commentators and stakeholders – seeking views and opinions from investors, NGOs and customers in addition to our internal senior management and board members. This ensures that our strategies are aligned to stakeholder needs and the objectives of our business.

The process highlighted three core priority areas for 2014 – business ethics and anti-corruption, health and safety and human rights. Of course, whilst these are our three highest priority and most material issues, we continue to focus on all aspects of CSR.

HOW DO YOU MANAGE YOUR CSR ACTIVITIES?

On a day-to-day level, we believe it is important for CSR to be embedded within our business practices and operational programmes. So, whilst we employ a CSR manager to coordinate our CSR activities and to take direct responsibility for a number of the key projects, we do not have a separate team of people dedicated to CSR. CSR matters form part of our business strategies in areas across the group such as human resources, risk management, internal audit and business development.

WHAT LEVEL OF OVERSIGHT DOES THE BOARD HAVE ON CSR STRATEGIES AND ACTIONS?

CSR matters are discussed at a number of different levels within the organisation depending on the particular issues and the expertise and level of decision-making required. For example, we create multi-function working groups to work on specific projects, the Group Investment Committee assesses major investment proposals which may have CSR or reputational matters to address and the Audit and CSR Committees receive reports on strategic issues and have the opportunity to input to and challenge CSR activities.

Where matters of conduct are identified – such as in the case of the Electronic Monitoring contracts in the UK in 2013 – the board has very clear oversight of the key issues, investigations conducted on behalf of the company and involvement in discussions relating to actions taken as a result of any conduct issues.

We have regular CSR Committee meetings which are attended by three or four board members and senior representatives from key functions across the group. We receive regular reports on important matters such as health and safety and whistle-blowing and ad hoc reports and discussions on priorities, issues or initiatives which arise throughout the year.

We have regular direct contact with the socially responsible investment (SRI) community, which includes at least one group meeting each year which is chaired directly by me, the Chair of the CSR Committee. Our CSR materiality exercise incorporates feedback from a broad range of stakeholders, including socially responsible investment analysts, customers, and NGOs. This ensures that at board level we are receiving direct feedback on the company's CSR performance which is fed into our CSR strategies and programmes.

HOW DO YOU ENSURE THAT YOUR CSR STRATEGIES ARE ALIGNED TO INDUSTRY BEST PRACTICE?

In addition to our CSR materiality exercise and direct engagement with the SRI community, we focus on monitoring best practice in CSR.

We take part in forums and discussion groups such as the UN Global Compact, we meet with other companies with experience in key CSR areas to learn from others who have implemented similar programmes and we seek advice from relevant experts on specific matters when required.

For example, when we developed our human rights policy and guidance, we enlisted the help of Hugo Slim, a senior research fellow at the Oxford Institute for Ethics, Law and Armed Conflict to provide advice and guidance on its development and implementation. We sought further input from leading lights in human rights who had been involved directly in the development of the UN Guidelines for Business and Human Rights and other experts who could assess our plans and provide useful feedback.

In addition, our global employee survey, which in 2013 generated responses from over 380,000 employees representing 62% of the workforce, focused partly on CSR matters. This helps us to understand what CSR means to our employees and to develop future CSR strategies and programmes which are meaningful to them.

WHAT WERE THE HIGHLIGHTS OF THE CSR STRATEGY IN 2013?

There were many highlights in 2013. At a strategic level we were pleased to conclude the CSR materiality exercise, which gave us valuable insights to feed into our future CSR strategies and priorities.

We launched our human rights policy and guidance early in 2013 and worked hard to create and implement tools to assess our human rights performance and manage human rights risks throughout the remainder of the year.

We achieved a record response rate in our global employee survey, which provided us with a rich amount of data on how our colleagues feel about working for the company and in particular its values and how they are implemented across the group.

Whilst any employee fatality is unacceptable, we made progress in implementing our health and safety campaigns and strategies to reduce the number of injuries and fatalities across our global workforce. There is more work to do in 2014 to further spread best practice across the group.

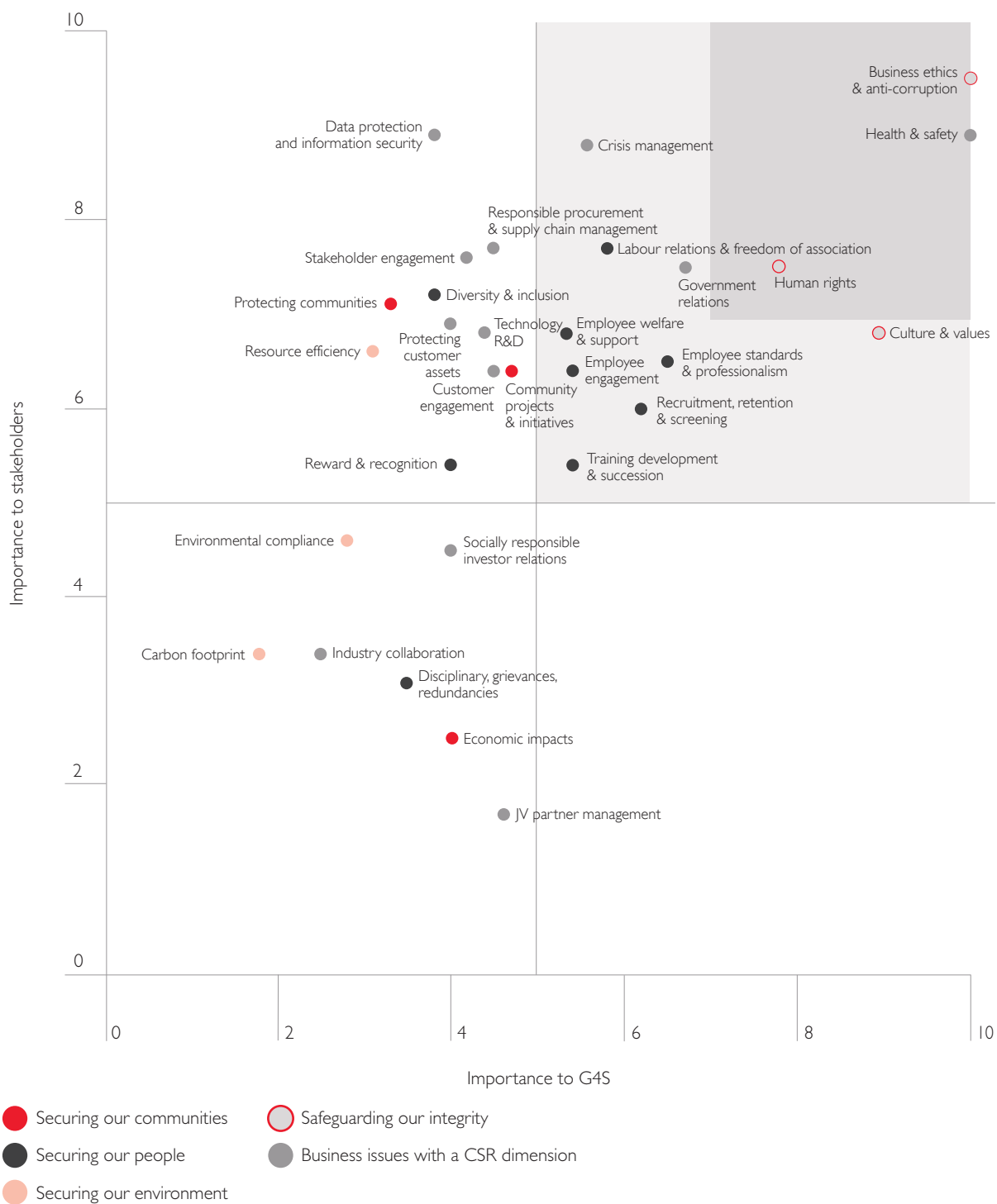
FOCUSED ON WHAT MATTERS:

For an overview of our three CSR priority area see pages 12 to 17



2014 MATERIALITY MATRIX

Every two years we conduct a CSR materiality exercise which helps to assess the current market environment, business challenges and most relevant CSR strategies.



We conducted a review of our group internal audit function and approach to risk management which has resulted in some important changes this year, including establishing a board level risk committee and separate risk management function designed to deeply embed a more effective risk management culture within G4S.

We enhanced the communication of the group's Safe2Say whistle-blowing hotline with a campaign to increase employee awareness.

We continued the good work on our climate action campaign, resulting in a reduction in our carbon intensity of 23.5% since 2009.

We continued our extensive support of local communities with donations of £1.34 million and 26,000 volunteer hours, and supported employees facing hardship from natural disasters through a number of grants from the employee trust fund.

WHAT ARE THE GROUP'S KEY CSR PRIORITIES FOR 2014?

People and values will be the driving force behind our CSR strategies and campaigns for 2014. Having established the group's values some ten years ago, we recently carried out an assessment to ensure that they are still fit for purpose and match the needs of the company for the future. We were pleased to conclude that the values are as relevant today as they were in 2004, but noted that in some cases they had not been applied as consistently as they should have been and that the conduct of our staff in relation to certain contracts was not what we expect of representatives of the company.

To address this for the future and to ensure our values are fully embedded across the group and clearly understood by everyone, we will be implementing a campaign of reinvigorating the values and reinforcing their relevance across every aspect of the business.

We are also introducing a new value – Safety First – which focuses on health and safety matters and reinforces the importance of health and safety to the company. We are also implementing performance-related objectives for senior managers which focus on health and safety awareness and role modelling.

In addition, we will continue to implement our Driving Force Rules campaign to increase awareness of the risk of road traffic incidents across the group and encourage safe driving practices by employees who drive as part of their role within the company.

We will extend the use of critical country reviews in follow up to health and safety incidents and ensure that lessons are learned and preventative measures are adopted to reduce the number of accidents and driving-related fatalities.

We will implement specific action plans resulting from feedback from the global employee survey. These actions will be tailored to the feedback received at a group, regional and local level to ensure that we are meeting employee needs, engaging them well, providing them with exciting opportunities and the means to develop their capability and that they are able to live the group values in everything they do.

We have commenced a review of the group's whistle-blowing policy, practices and systems to ensure that they remain best in class for an organisation of our size and complexity.

Recommendations from the review process will be implemented in 2014.

Having developed and launched a number of human rights tools and practices, we will make sure that they are embedded across the group, that human rights risk assessments and due diligence are carried out where necessary and that employees are aware of human rights issues and responsibilities at all levels across the group.

In terms of risk management, we will be implementing our newly defined approach to assessing risks across the business, supported by an updated risk management information system. We aim to more deeply embed a culture of risk management which will support our strategy and provide enhanced governance over critical business decisions. In addition, we will be implementing other recommendations from the 2013 review of internal audit, including increasing staffing levels and expanding its remit.

Over the last three years, whilst I have been a member of the CSR Committee, I have seen our CSR activities develop and mature into a key part of the business strategy. It has made a significant difference to our business, particularly in how we are perceived by many of our key stakeholder groups. I am proud to have been a part of that journey.

Clare Spottiswoode

Chair
CSR Committee

Focused on what matters

Integrity is a core G4S value. It means that our customers, employees and other stakeholders can trust us to do the right thing.

COMMUNITY

- Social & economic impact
- Community investment

INTEGRITY

- **Business ethics and anti-corruption***
- **Human rights***
- Risk assessment
- Internal audit
- Whistle-blowing and reporting



ENVIRONMENT

- Energy & fuel efficiency
- Reducing carbon intensity

PEOPLE

- **Health and safety***
- Diversify & inclusion
- Employee engagement
- Training & development

***OUR PRIORITY AREAS**

BUSINESS ETHICS AND ANTI-CORRUPTION



See p.14 for more information

HEALTH AND SAFETY



See p.16 for more information

HUMAN RIGHTS



See p.18 for more information

AT THE HEART OF OUR STRATEGY

As the world's leading integrated security company, we help people to work and live in a safe and secure environment and we form an important part of many societies, impacting daily on the lives of millions of people across the world. It is therefore critical that we conduct ourselves in a socially responsible and ethical way to ensure our success and continued development of our sustainable business model.

In 2013, we began a programme to review and reinvigorate the group's values which had been developed some ten years ago, to assess their relevance against the current strategy. We updated these values and our priority going forward will be to ensure that they are embedded in every aspect of our business and applied systematically and consistently across the entire organisation.

Our 618,000 employees and their representatives make up one of our most important stakeholder groups – they are the face of G4S and the key to the long-term success of the company.

In order to attract and retain the best people, we use a variety of employee engagement methods which are delivered in a way which is appropriate for the local culture and environment. One of the most important of those methods is our employee survey, which targets the entire workforce and takes place every two years. The most recent of these took place in 2013, with over 380,000 of our employees (62% of the total workforce) taking the time to give their feedback on a number of aspects of working at G4S. We are particularly proud that 82% of employees who responded indicated that they would recommend G4S as an employer to a friend.

See page 31 for more information on the 2013 employee survey.

Elsewhere we 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 advisers and fund managers, which provide essential feedback and help to shape our CSR strategy. We also encourage engagement and participation with government regulators, industry bodies and relevant experts where we feel their expertise can help to improve our CSR plans and business strategies. All of this supports our aim of achieving long-term, sustainable shareholder value.

For more information on G4S stakeholder engagement and industry participation, please visit www.g4s.com/stakeholders

A FOCUSED APPROACH

To ensure that our CSR strategy is focused on the most important and material ethical and sustainability issues, G4S monitors and evaluates emerging CSR trends and issues on an ongoing basis.

Earlier this year, we concluded our most recent stakeholder survey, which aimed to identify which CSR issues are most significant to G4S and its stakeholders. Through this identification of the material ethical and sustainability issues, we have been able to prioritise the core areas on which we must focus our CSR strategy and reporting.

In line with best practice materiality processes, we surveyed executive and non-executive members of G4S senior management and board, together with a representative sample of G4S stakeholders – including customers, SRI and mainstream investors and NGOs. We asked them which CSR issues and trends they believed presented the greatest risks and/or opportunities to the organisation's performance, strategy and reputation.

The top-line results of this review are presented in the materiality matrix on page 10, which compares the importance of each issue to G4S relative to its importance to the stakeholder. The closer each issue is towards the top right hand corner of the matrix, the more important it is to stakeholders and the more material it is to G4S's business.

AREAS OF FOCUS

The materiality review identified three clear CSR issues which are the most material to G4S – business ethics and anti-corruption, human rights and health and safety.

Two of these most material issues, business ethics and human rights, form part of our core value of "integrity".

Health and safety remains a vital aspect of safeguarding our employees. We are launching a new specific health and safety value called Safety First in 2014 to reflect the importance of keeping colleagues and those around us safe. The review also defines a strong group of further employee related issues on the fringe of the materiality threshold, demonstrating the importance placed on these issues, and recognising the progress we have made to implement and maintain high standards in these areas.

Additional CSR areas, such as environmental impact and community investment, are recognised as key 'business as usual' elements of our CSR strategy and reporting.

**BUSINESS ETHICS AND ANTI-CORRUPTION
HIGHLIGHTS**

Living our values

STRATEGIC IMPORTANCE

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 world and we have a duty and desire to ensure the influence we have makes a positive impact on the people with whom and the communities in which we work.

G4S has seven group values. They are very important to us as they help shape the way in which we conduct our business. To ensure that they remain embedded in everything we do, we have undertaken a programme to reinvigorate the values across the group.

Our employee ethics code sets out how employees should behave in order to demonstrate our "Integrity" value. This is supplemented with a business ethics policy. Updated annually, this policy sets out the standards and responsibilities we expect our managers to demonstrate personally and which should be reflected in all aspects of the business.

The sectors in which G4S operates mean that risk is an important element of our businesses. We are committed to operating an effective risk management culture to support strategy execution, and to provide enhanced governance over critical business decisions.



2013

ACHIEVEMENTS

- ✓ Completed 111 on-site audits to measure compliance with G4S standards, including business ethics controls
- ✓ External review of risk management process and action plan to increase resources, improve systems and processes
- ✓ Appointment of a group director of risk and programme assurance
- ✓ Updated risk assessment of anti-bribery policies and controls
- ✓ Over 500 new employees took part in our online anti-corruption and anti-bribery training programme



2014

PRIORITIES

- Reinvigorate our updated group values across all businesses
- Embed improved risk management and assurance processes across the group
- Strengthen internal audit's remit and resources
- Complete review of whistle-blowing arrangements, including the policy, process and systems

G4S security officers taking part in induction training in Thailand.



Our business ethics policy is available online at:
www.g4s.com/ethics

HEALTH AND SAFETY HIGHLIGHTS

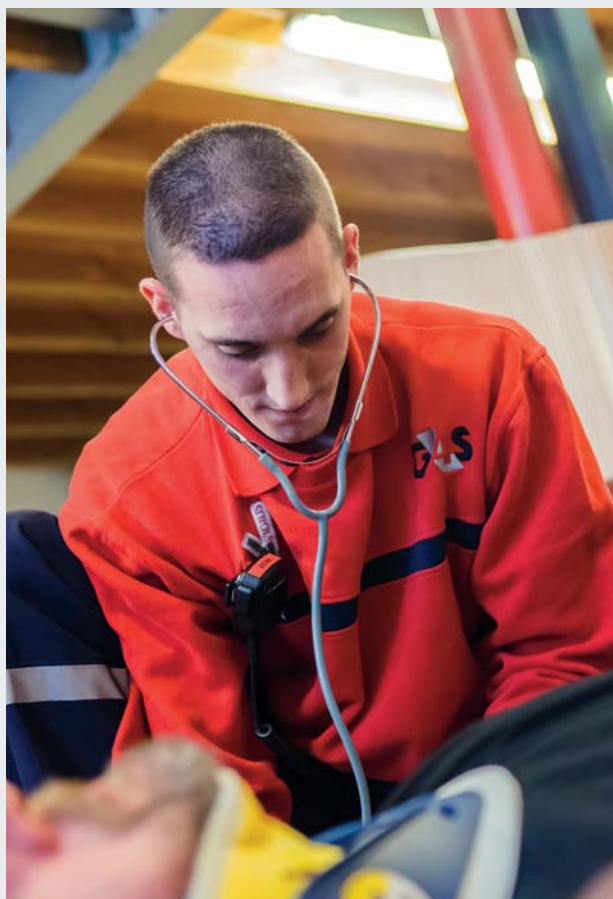
Protecting our people

STRATEGIC IMPORTANCE

As one of the world's largest private employers, working in sectors where security and safety present a strategic risk, our responsibility to protect the health, safety and well-being of our 618,000 employees continues to be one of our highest priorities.

We believe that setting the highest standards for health and safety across our industry helps to keep our colleagues safe and builds loyalty and commitment to G4S from our employees. Expertise in health and safety matters enables our employees to act as role-models for health and safety best practice, helping to secure the world of our customers and society as a whole.

We made progress in 2013, but we remain dissatisfied with the overall results, especially work related fatalities arising mainly from third party attacks and road traffic accidents. Taking action to strengthen our health and safety practices is a priority for everyone at G4S.



2013

ACHIEVEMENTS IN 2013

- ✓ Completion of three further critical country reviews of health and safety
- ✓ Introduction of Driving Force Rules, a campaign to promote safe and efficient driving, piloted in seven countries
- ✓ Improved incident reporting and investigation process, including 'lost time incident' data



2014

PRIORITIES FOR 2014

- Establish a new group value called Safety First – to ensure absolute focus on health and safety in everything we do
- Introduction of performance related objectives, linked to health and safety for our global leadership group
- Roll out the Driving Force Rules campaign to all businesses
- Completion of further critical country reviews of health and safety
- Induction training for new health and safety practitioners
- Enhanced monitoring of health and safety KPI data

Equipped with breathing apparatus and gas detection equipment, G4S safety specialists in Belgium prepare to enter a training simulation.

HUMAN RIGHTS HIGHLIGHTS

Playing a positive role

STRATEGIC IMPORTANCE

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, the suppliers we use and through the fair and appropriate treatment of our own employees and others who are in our care.

Increasingly, customers and other key stakeholders are looking to companies such as G4S to demonstrate specific actions and practices which are aligned to internationally recognised human rights standards, such as the UN Guiding Principles on Business & Human Rights (2011), Voluntary Principles on Security and Human Rights (2000), and the International Code of Conduct for Private Security Providers (2010). Our human rights framework aims to bring our existing practices into line with these standards and introduce new guidelines in areas which are not covered by existing policies and practices.



2013

ACHIEVEMENTS IN 2013

- ✓ Launched our landmark human rights framework, based on the UN Guiding Principles
- ✓ Introduced a systematic approach to human rights due-diligence and risk assessment
- ✓ Aligned our internal audit process and human resources minimum standards with key human rights issues
- ✓ Reviewed existing standards and training programmes to ensure they reflect the relevant human rights elements
- ✓ Developed a human rights audit process for high risk countries
- ✓ Introduced an awareness programme of human rights issues and responsibilities
- ✓ G4S Global Risk Services became a founder member of the ICOC Association, the compliance and oversight body of the International Code of Conduct for Private Security Providers



2014

PRIORITIES FOR 2014

- Continue to build awareness of human rights issues and responsibilities through all levels of the group
- Further embed human rights risk assessment and due-diligence into our wider business processes
- Embed human rights risk assessments as a key tool for evaluating business opportunities and risks
- Implement a process of human rights self-assessment for G4S businesses which operate within higher risk countries
- Continue to seek advice from external human rights experts to ensure that the group's policies and processes reflect best practice

G4S mine action operations support humanitarian and reconstruction programmes.



Our human rights policy and guidance for managers is available online at: www.g4s.com/humanrights

Safeguarding our integrity



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. Ethical business is not just a solution to the challenges of legal compliance, but a means of doing business which provides customers, employees, partners and communities with 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.



Ethical conduct is a positive differentiator when dealing with issues relating to security.

In G4S we have strong anti-corruption policies. Our senior management team are totally committed to these policies and we have a zero tolerance culture supported by a robust compliance regime.

BUSINESS ETHICS

G4S plays a key role in societies all over the world and has developed a culture of high ethical standards and operational practices. G4S policies and procedures take great care to safeguard our integrity, particularly with regard to key areas of business ethics, anti-corruption and human rights.

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:



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.

2013

KEY ACHIEVEMENTS

- ✓ **HUMAN RIGHTS**
 - Launched our landmark human rights framework based upon the UN Guiding Principles, introducing a systematic approach to human rights due-diligence and risk assessment
- ✓ **RISK MANAGEMENT**
 - Conducted external review of risk management processes and developed an action plan to increase group resources, improve systems and processes
 - Established a board Risk Committee and a separate risk management function for the group
 - Updated risk assessment of the group's anti-bribery policies and controls
- ✓ **INTERNAL AUDIT**
 - Completed 111 on-site audits to measure compliance with G4S standards and controls
 - External review of internal audit with an action plan to increase audit staffing and expand remit
- ✓ **WHISTLE-BLOWING**
 - Enhanced communication of the group Safe2Say whistle-blowing hotline through increased use of employee communications channels
 - Improved categorisation and reporting of issues raised through whistle-blowing processes

2014

PRIORITIES

- **BUSINESS ETHICS AND ANTI-CORRUPTION**
 - Reinvigorate group values across all business practices and programmes
 - Update and re-launch business ethics policy and compliance programme
- **HUMAN RIGHTS**
 - Continue to embed human rights risk assessment and due-diligence into our wider business processes
- **RISK MANAGEMENT**
 - Embed improved risk management processes across the group including a governance risk and compliance (GRC) system
- **INTERNAL AUDIT**
 - Complete planned increase in internal audit staffing and expanded remit
 - Undertake audits of the group's new human rights policy in higher risk countries
- **WHISTLE-BLOWING**
 - Complete detailed review of the whistle-blowing arrangements covering the policy, process and systems
 - Implement improvements generated by internal audit and group risk management reviews



The importance of ethical behaviour is reinforced in recruitment processes, employee induction and on-boarding, employment contracts, staff handbooks, general training and communications practices. During the initial roll out of our bribery prevention and anti-corruption programme, over 25,000 employees received training in a variety of languages and formats. This focus continued throughout 2013, with over 500 new employees taking part in our online training programme.

Where non-compliance with ethical standards is identified, we take great care to investigate issues, take immediate corrective action and learn from our experiences. This may be through our internal audit function, externally appointed auditors or, in some cases, independent external specialists.

HUMAN RIGHTS

In April 2013, G4S launched its landmark human rights policy and guidance framework, alongside the annual update of our business ethics policy. This was followed by the development and implementation of a due-diligence framework and self-assessment for businesses in higher risk countries.

Co-authored by Dr Hugo Slim, an internationally recognised human rights expert, and G4S management, the policy and its related guidance aim to align the company's human rights practices with the UN Guiding Principles on Business and Human Rights and to introduce additional global guidelines for areas not currently covered by existing G4S standards.

The policy supports the continued development of an ethical and sustainable business model that encourages the improvement of standards, job creation, community support and broader beneficial impacts on societies throughout the world.



Work on the human rights policy began in the summer of 2011 after official recognition of the new UN guiding principles.

The first phase involved identifying key human rights relevant to the vast array of services that G4S supplies. Phase two moved onto assessing how to integrate G4S' human rights risks and challenges with recognised international human rights standards and to identify the group's strengths and areas for improvement.

Throughout 2013 we have continued to embed our human rights framework into the organisation, through an ongoing process of analysis, alignment and communication. Specifically, this has included:

- The development of a due-diligence framework, providing an additional level of guidance to G4S managers and enabling them to review their operations against the standards set in our human rights policy
- Reviewing existing internal audit processes, standards and training programmes to ensure they reflect the relevant human rights elements
- Introducing a self-assessment checklist for G4S businesses operating in higher risk country environments
- Introducing a specific human rights audit process for G4S businesses operating in higher risk country environments

In 2014, we are continuing to embed systematic human rights risk assessment and due-diligence into our wider business processes, as well as building further awareness of human rights issues and our responsibility to respect them throughout all levels of the organisation.

RISK MANAGEMENT

G4S has in place a 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. Risks are also assessed and reported on at a regional and group level.

Country managers are required to update the group's risk management questionnaire on an annual basis to confirm that the group's anti-bribery and corruption policies and controls are fully implemented in their businesses. The risk assessment allows management to self-certify their compliance with the group's policies and thereby provide assurance to all stakeholders. Group Internal Audit manages this process and is currently reviewing the results of the 2013 questionnaire.

As in previous years, our external auditors KPMG review and report on our anti-bribery controls as part of the group's year end audit process.

During 2013 Deloitte was commissioned to undertake a review of the group risk management process.

A number of areas for improvement were identified and as a result we have established a group risk management team led by a group director of risk and programme assurance, supported by a team of specialist risk managers. We have also established a board level Risk Committee, chaired by the chairman of the board. The committee will meet at least three times per year to assess the group's risk appetite; to review the group's principle residual risks; and to assess progress on the improvements being made to the risk management culture.

Actions commenced in 2013 include:

- Central risk management team established
- Formulation of group board Risk Committee
- Establishing regional Risk and Audit Committees
- Project to replace existing in-house risk management system with a best practice governance, risk and compliance system

Risk assessments have continued to show a high level of compliance with the group's ethics policy overall. Where gaps in compliance were identified, management agreed corrective actions which will be followed up to ensure completion.

Specific matters identified during 2013 in relation to some contracts held with the Ministry of Justice have undergone detailed external independent review and key findings were made available directly to the board.

During 2014, we will continue to focus on embedding improved risk management processes across the group and implementing our governance risk and compliance (GRC) system.

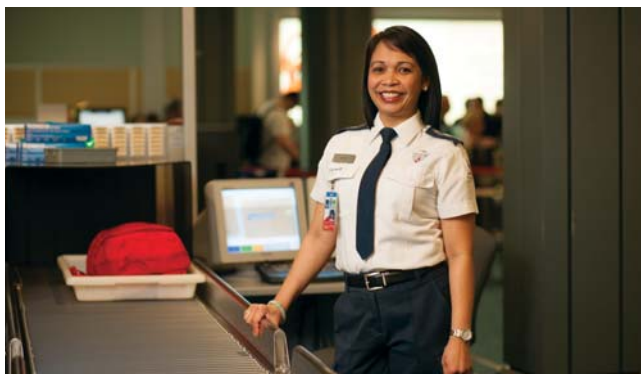
INTERNAL AUDIT

Internal audit is one of the cornerstones of ensuring high standards of financial and corporate responsibility by monitoring business compliance, including business ethics controls, throughout the group.

At a group level we have an internal audit function consisting of 10 staff with four based in strategic locations around the world. The head of internal audit reports directly to the group Audit Committee. The group internal audit team's resourcing, plans and work are reviewed by the group Audit Committee.

The Institute of Internal Auditors' standard is that at least every five years there should be an effectiveness review of the internal audit function conducted by independent external consultants.

In line with best practice, during 2013 Deloitte was commissioned by the Audit Committee to undertake a review of the internal audit function. The key conclusions of the review were that the team was considered to be well organised and diligent, but operating with a restricted compliance remit and limited resources that did not enable it to function as it should.



This meant that as the role of internal audit has expanded into further areas, whilst being inadequately resourced, its ability to focus on key issues such as the systemic assurance of the controls in key areas of the business was impaired.

As a result of the review, a number of actions are being taken during 2014, including increasing the size of the audit team and increasing the risk assurance coverage.

Deloitte also assessed the G4S financial review process and concluded that, as designed, the process compares favourably to others, but that it needs to be undertaken more effectively in practice. As a result, a number of actions are being taken including the group finance function taking on responsibility for monitoring and reporting results to the group CFO and Audit Committee, rather than the head of internal audit.



Key elements of the role and scope of the group internal audit function are described briefly below:

- The audit plan ensures that all of our businesses, in all of 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 and safety business ethics, finance, procurement, IT, legal and insurance, customer contracts and operations. During 2013 the scope was increased to include balance sheet reviews to give further assurance on the integrity of financial reporting
- 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 team and the group 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 more serious cases, the business will be revisited to ensure all audit points have been addressed

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

Globally, approximately 150 employees carry out internal audits on general business controls, including key areas such as financial controls, operational and contract compliance, health and safety and quality (ISO) assurance.

Financial reviews are completed by our group and regional finance teams. These reviews ensure that individual businesses undergo a thorough examination of the balance sheet each year 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.

The service excellence centres (SECs) formed in 2012 work with G4S country operations to focus on operational efficiencies, service standards and development of technology to support service delivery and share best practice.

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

- External auditors (KPMG), who audit our annual financial accounts and provide reports on any control weaknesses
- Specific customer audits where there are outsourced contracts (eg UK Government reviews of contracts and service levels)

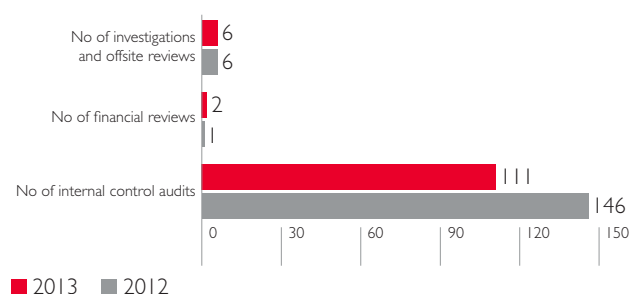
In 2013, the internal audit team performed 111 on-site internal control audits.

This is less than 2012 due to two factors:

- A reduction in the group internal audit headcount was balanced by increased resource from external auditors. External auditors provided extended assurance work on financial controls in the UK and IT controls within the main global businesses. Following the Deloitte review of group internal audit, responsibility for carrying out extended assurance work will return to the group internal audit team in 2014
- Anti-bribery audit work for 2013 was generally covered as part of the standard country visit audit scope. In 2012, a programme of standalone country anti-bribery audits was undertaken with over 30 such audits completed during the year

The chart below shows the internal audit activity during the last two years (2012-2013) in terms of assignments completed in different areas:

INTERNAL AUDIT ACTIVITY



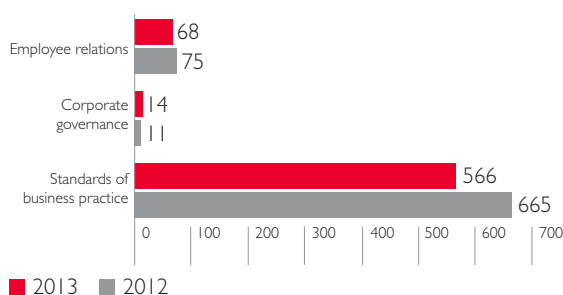
During 2013, the internal audit function carried out six investigations into issues raised through whistle-blowing. Other investigations were carried out by regional management with the results shared with the head of internal audit.

Types of issues investigated and actions resulting include:

- Staff grievances and concerns including pay and conditions and management behaviour – investigations are undertaken in conjunction with regional human resources management to ensure valid grievances are addressed and improvements made
- Unethical behaviour by management including alleged abuse of position and fraud – all issues are investigated and in proven cases action taken against individuals including disciplinary action and dismissal. In the case of fraud the group has a zero tolerance approach and reports such cases to the local police and wherever possible seeks criminal prosecution
- Concerns regarding operational procedures – investigations are conducted with regional management to ensure that G4S standards are being properly followed. Examples reported during the year include alleged misuse of company IT equipment and the treatment of detainees in our care

The chart below shows an analysis of issues raised in relation to business practice standards, corporate governance and employee relations during internal control audits from 2012 to 2013.

ANALYSIS OF ISSUES RAISED



In 2013, there was an average of 5.8 issues raised per audit (2012 – 5.0 issues). This was slightly higher than 2012 which was at a lower level than in prior years. The proportion of issues raised in the different categories (standards of business practice, corporate governance and employee relations) are broadly in line with 2012.

In 2014 our priorities are to:

- Complete planned increase in internal audit staffing and expanded remit
- Identify and address any material gaps in our audit coverage of the key business risks and activities
- Establish an improved control model to provide assurance on key risks identified from improved risk management process
- Improved reporting of the combined audit and assurance activities to management
- Undertake audits of the group's new human rights policy for our higher risk countries

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. Such issues might include alleged fraud, misrepresentation, 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 are required to have in place. Whistle-blowing reports or allegations which are received from third parties such as former employees are taken very seriously and are investigated and appropriate action taken.

Employees can also report serious concerns at a corporate level through the group's global employee hotline service (Safe2Say). The Safe2Say service is a 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 who ensures appropriate follow-up and investigation. Serious issues are investigated by the group internal audit team. Where investigations reveal evidence of unethical conduct, disciplinary action is taken which may range from a formal reprimand to termination of employment.

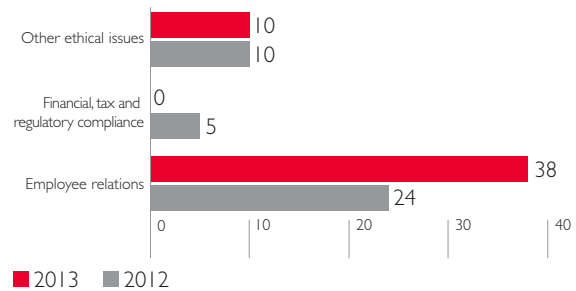
The priority for 2013 was to ensure that the whistle-blowing reporting continued to operate fully at both a local and a corporate level. The numbers and types of calls received have been monitored and the focus has been on ensuring that all employees are aware of the hotline facilities and information on their appropriate use. Steps have been taken to promote the corporate 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 types of whistle-blowing concerns raised at group level over the last two years.

ANALYSIS OF WHISTLE-BLOWING CONCERNS



In 2013, there was a 23% increase in issues raised by employees through whistle-blowing at a corporate level. The increase is believed to be as a result of the improved communication of the hotline to employees. Over 79% of the issues reported relate to HR issues with the remainder relating to other ethical issues. Over 85% of the issues raised during 2013 have been fully investigated to date and action taken where required. The remainder will be resolved during the first quarter of 2014.

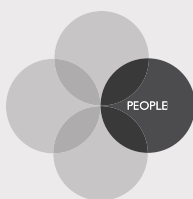
Within the wider organisation, approximately 5,000 calls are received via our network of local whistle-blowing hotlines. The majority of these calls relate to routine employee concerns and are managed at a local level. Businesses are instructed to categorise calls so that those of a serious nature can be escalated to the regional office or corporate level for investigation.

Actions taken in 2013 to improve the hotline process include:

- A campaign to enhance communication of the group hotline (and local hotlines) via employee payslips. The new policy resulted in an increase in businesses reporting the use of payslips as a regular means of reminding employees of the numbers to call
- Completed a further survey of the local hotlines to monitor usage and nature of calls and report on these to the CSR and Audit Committees
- Introduced categorisation of calls to ensure focus on high priority matters and to assist in reporting to the Audit Committee

Throughout 2014, we aim to complete a detailed review of the whistle-blowing and reporting arrangements, covering the policy, process and systems, and implement its recommendations.

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.



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 human resources standards below, which we believe have the greatest impact; we believe that by doing this we stand the best chance of attracting, recruiting, engaging and retaining the best people.

Our human resources 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 cover:

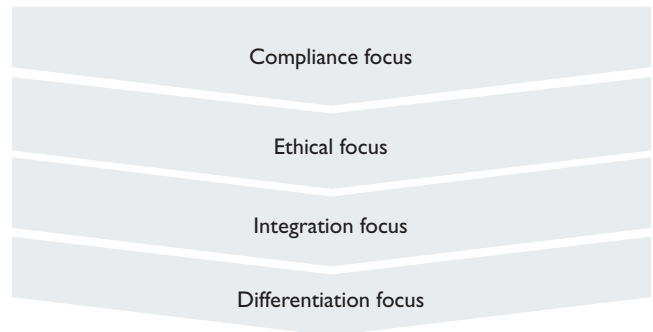
- Acquisition of best people
- Employee engagement
- Learning and development
- Diversity and inclusion
- Performance and remuneration

HEALTH AND SAFETY

The nature of our work and the environments in which we operate expose some of our employees to a high risk of harm. Mitigating and managing these risks so that our people can return home safe every day remains our paramount concern.

The group health and safety strategy sets the framework and provides a vision of how each business can progress from a level of compliance with health and safety regulation to a level of differentiation where we lead the industry in health and safety.

We recognise that attaining the differentiation level (below) across the group will only really be achieved where a culture of health and safety prevails and where thinking and acting safely is the norm for everyone.



2013

KEY ACHIEVEMENTS IN 2013

✓ HEALTH AND SAFETY

- Completion of three further critical country reviews of health and safety
- Introduction of Driving Force Rules, a campaign to promote safe driving, piloted in seven countries
- Enhanced incident reporting and investigation processes

✓ TALENT AND SUCCESSION

- Rolled out succession planning to all key management roles
- Piloted online performance reviews in a number of businesses
- Completed two talent review processes assessing over 1,300 managers

✓ DIVERSITY AND INCLUSION

- Continued extension of cultural awareness training tool
- Ongoing work to increase employment opportunities for disabled people and veterans

✓ EMPLOYEE ENGAGEMENT

- Completed third global employee engagement survey, in which 62% of employees (over 380,000 people) shared their views and overall levels of engagement increased from 80% to 82%
- Conducted global senior management survey with 81% of senior managers participating and an average favourable response rate of 83%

2014

PRIORITIES FOR 2014

● HEALTH AND SAFETY

- Establish a new group value called Safety First – to ensure absolute focus on health and safety in everything we do
- Introduction of performance-related objectives linked to health and safety for our global leadership management group
- Continue to embed group values in everything we do and reinforce them at every opportunity
- Induction training for new health and safety practitioners on G4S policies and practices
- Completion of further critical country reviews
- Roll out of the Driving Force Rules campaign to all businesses
- Continued monitoring of health and safety KPI data

● TALENT AND SUCCESSION

- Launch of the revised senior leadership programme
- Implementation of a new individual based development programme for people operating at a strategic level
- Development and implementation of the senior management on-boarding tool
- Extension of the use and data captured on our talent management system

● DIVERSITY AND INCLUSION

- Review opportunities for embedding cultural awareness training
- Increasing diversity in talent pools and management population

● EMPLOYEE ENGAGEMENT

- Analysis of results from the 2013 employee engagement survey
- Implement the actions arising from the 2013 global employee engagement survey
- Continue to maintain good union and employee relations at all levels

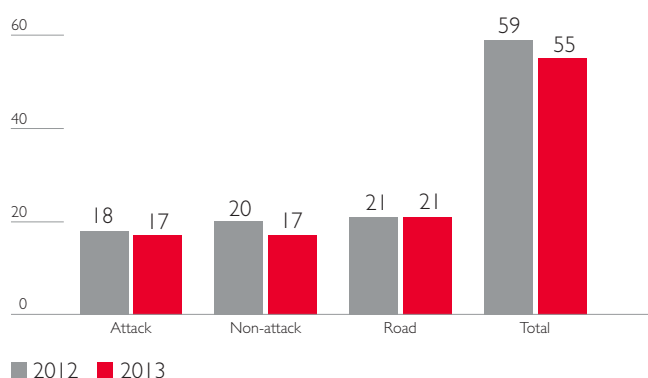
In 2013, we focused on putting the foundations in place to support a safety culture, establishing levels of health and safety resources, gathering information on how health and safety is perceived across the group and piloting tools and training that will help us share health and safety knowledge and understanding as we seek to improve. In 2014, we will build on these foundations and provide our senior management population with specific training to enable them to set health and safety behaviours for their businesses to follow. We are also reviewing the skills and training required by health and safety practitioners so that they can support senior managers in implementing the strategy effectively.

With a global fleet of around 35,000 vehicles, many of the health and safety campaigns and tools which were piloted in 2013 related to road safety. Incidents involving vehicles result in many of the workplace injuries and fatalities across the group and are a major risk we believe we can reduce. Using information from past experiences, a road safety steering group developed a set of standards, rules and training materials which were piloted in seven countries. Feedback on the pilots has been very positive and the focus on road safety appears to have had an impact. There has been a reduction in road traffic-related fatalities in a number of the seven pilot countries from 17 in 2012 to five in 2013. In 2014, the materials developed for the pilot countries will be made widely available to all businesses and we will continue our focus in this area.

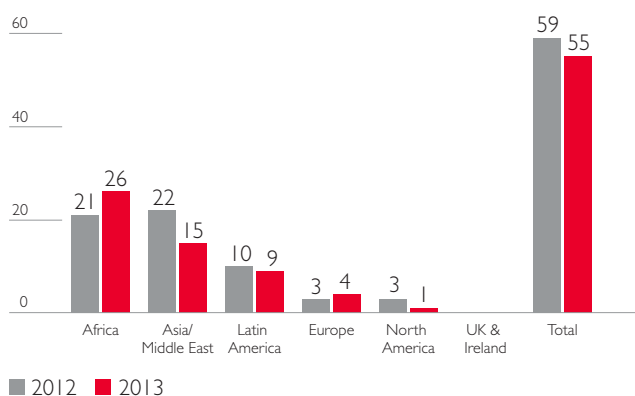
During 2013, 55 colleagues lost their lives in the line of duty, principally as a result of attacks by third parties and road traffic incidents. Their loss is deeply felt by their families and their colleagues and is a matter of great concern for everyone at G4S. This has caused us to redouble our efforts to mitigate the risks faced each day by many of our colleagues.

The Group Executive team is leading a programme to strengthen safety leadership and safety practices across the group. We have improved our incident investigation and reporting process to gather more detailed information on root causes and to help businesses ensure all recommendations are fully implemented.

WORK-RELATED FATALITIES BY CATEGORY



WORK-RELATED FATALITIES BY REGION



An online health and safety community for sharing best practice was another tool developed in 2013. Making this tool available to all health and safety practitioners will facilitate more knowledge sharing about incidents and unsafe working conditions or practices so that continuous improvements can be made.

Underpinning the strategy is a set of core health and safety standards against which businesses self-assess every year. Compliance is monitored and periodically audited with reviews of performance at a regional, group and board level via the CSR Committee.

Our critical country reviews provide further insight to ensure health and safety incidents have been thoroughly investigated and the recommendations acted on. These CCRs are conducted by internal health and safety experts who travel to different countries where there have been work-related fatalities. As well as independently assessing the health and safety processes in the countries visited, the reviews also help to raise awareness and share good practices. In 2013 CCRs were conducted in Malaysia, Iraq and the Philippines by health and safety experts from Africa and the UK and Ireland regions. The resulting action plans are monitored at a regional and group level.

Health and safety information on lost time injuries and incidents is also gathered as part of the monthly Key Performance Indicators (KPIs) and helps identify businesses where there are higher risks of harm to our employees and we can ensure appropriate health and safety resources are allocated.

TALENT AND SUCCESSION

Building a strong pipeline of talented individuals is crucial to the company's long-term success. It will help ensure we remain competitive and develop the business to meet the emerging needs of our customers.

In 2013, the talent management and organisational design processes were more closely aligned. This creates a more seamless process where skills gaps identified during organisational design reviews can be quickly addressed, and colleagues affected by organisational changes can more easily transfer to other parts of the business where suitable opportunities exist.

Providing development opportunities early in employees' careers helps the company retain high-potential individuals who are keen to progress. The new online talent management system was further extended and now captures succession data on over 1,300 senior employees. Early career interventions are now possible for managers whose information was not previously visible. The additional information also helps identify those in the talent pools from which future leaders can be sourced.

Over 200 employees are considered to have the potential to progress to a larger and more complex role in time. This includes both new employees and existing employees identified through career reviews. Providing good development opportunities for this group is crucial for their retention and we will continue our approach of filling as many senior management appointments as possible with internal candidates. Succession plans are constantly revamped and a refreshed leadership programme will also be launched in 2014, along with a series of individually tailored development activities for senior leaders.

We expect our leaders to add value quickly so thorough on-boarding is vital for both the individuals and the organisation. It is also important to ensure that each new employee has a good understanding of the group's values and standards and what is expected of them as an employee to live up to those standards. A new online induction tool for senior managers which will address these issues is currently being developed and will be available in 2014.

Succession plans are constantly being updated and are reviewed formally at a regional and board level every six months.

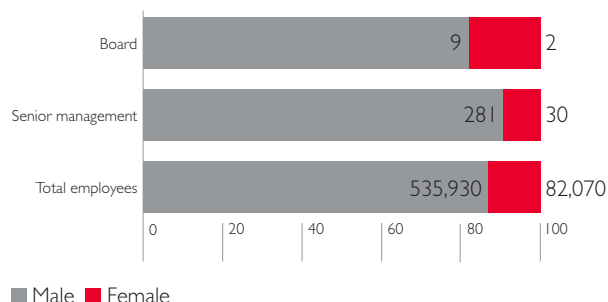
Reflecting the importance of talent and succession planning, a number of the group's core HR standards are focused in this area. The standards require businesses to ensure that succession plans and development reviews take place. In 2013, some businesses used the new talent management system to facilitate online development reviews, making it easier to record and search the information captured. Other businesses will be encouraged to make use of the tool in 2014.

DIVERSITY AND INCLUSION

With employees from most nationalities across five continents, the organisation is very diverse. We believe that this diversity is a source of competitive advantage. It helps us grow in new markets and increases the potential for fresh ideas and the creation of innovative solutions to business problems. It also helps us to better understand the varying needs of our customers and the challenges they face. Harnessing this diversity is only possible if employees feel included and able to perform at their best.



GENDER DIVERSITY (%)



■ Male ■ Female

In line with our employee engagement strategy we seek to create an inclusive environment by ensuring that attraction, recruitment and training are based on skills and competence and not unfairly biased in any way. If discriminatory practices are identified they are eliminated and employees have the opportunity to raise concerns without fear of reprisal. Our online cultural awareness tool and various training materials developed for senior and first line managers all help to raise awareness of the importance of valuing difference and increase understanding of the cultural norms that affect employees' behaviours at work.

Businesses continue to use the diversity and inclusion assessment process to guide their diversity and inclusion plans. Where there are specific diversity challenges being faced by businesses additional support from external organisations has been sought, such as from Opportunity Now, the campaigning organisation for better gender balance in UK businesses.

Throughout our group, we continue to partner with organisations that extend our reach to candidates with disabilities and military veterans to ensure we have access to the best people.

Our commitment to the US 'Joining Forces Program' was recognised by President Barack Obama at the White House in April 2013. Since the programme began in 2011, we have successfully recruited over 12,000 military veterans into G4S USA.

Remploy

Putting ability first

Our partnership with Remploy over the last three years has resulted in more than 150 people with disabilities and health conditions securing employment with G4S in the UK. This important partnership underpins G4S's commitment to diversity and inclusion in the workplace and its determination to create a workforce that reflects the communities it serves.

Although metrics in this area help us to assess our progress, to explain our diversity to stakeholders and to diagnose areas to focus on, we seek to measure more than just numbers. Feedback from managers about the diversity and inclusion training courses and scores on diversity-related questions in surveys are also important indicators of our performance as an inclusive organisation. In the 2013 global employee engagement survey, over 82% of employees responded favourably to the question about whether the company respects and values people from different backgrounds. This represents an increase from 79% in 2011.

EMPLOYEE ENGAGEMENT

Our employee engagement strategy is based on the internally developed PRIDE model shown below.

- P**rotect their basic needs
- R**espect them as individuals
- I**nvolve them in the business
- D**evelop their skills and potential
- E**ngage them fully

The principle is that where employees feel Protected, Respected, Involved, Developed and Engaged they are more likely to perform at their best, provide customers with exceptional service and be great advocates for the organisation. With over 618,000 staff employed across the world, ensuring they are proud of the company and are happy to recommend G4S as a place to work to others is a vital element of our employee engagement strategy.

The strategy has been in place for a number of years and is the basis for our engagement policies and practices. To ensure that these policies are working and our employees are able to share their perceptions of the business and the working environment, we conduct global employee surveys every two years. The survey questions are aligned to our PRIDE model and also invite employees to give more general feedback on what improvements could be made to increase their satisfaction. In 2013, over 380,000 employees participated in the survey. This represented a 62% response rate, up from 35% in 2011 when survey was last conducted. Overall levels of engagement also improved from an average of 80% to 82%. Encouragingly, the number of favourable responses to questions relating to health and safety showed the most positive increase since the last survey although there is still scope for further improvement. Results have been shared with each business and work is now underway in individual countries to address areas which our employees highlighted as a concern.

The results for the second senior leadership survey conducted in 2013 were also pleasing, with 81% of senior managers participating in the survey and an overall favourable score of 83%. The survey aims to identify the key drivers for attraction and retention of senior leaders and how well the company delivers against these drivers. Feedback from the survey has already informed changes in our approaches to executive compensation and development.

Our partnerships with trade unions provide us with further opportunities to obtain feedback from employees about their experiences in the business. With over 30% of our employees covered by collective agreements, feedback from union meetings at a local, regional and global level is valuable and enables us to act quickly when we learn about matters that could affect our business or customers. Both the Ethical Employment Partnership and European Works Council are important vehicles for maintaining social dialogue and joint problem solving and we will continue to maintain the good relations that we have with them.

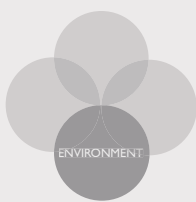
Providing welfare and support for employees is vital, particularly when they are injured in the line of duty. Counselling and practical help is offered to individuals and their families in these circumstances. In addition, the company provides financial support via a trust fund to employees whose lives have been affected by natural disasters or who are suffering personal hardship. In 2013, grants totalling over £100,000 were made from the Employee Trust Fund, with further funds made available by G4S regionally. These included grants for employees in Mozambique whose homes were destroyed by heavy floods and employees in the Philippines affected by a typhoon.

See page 39 for further information about our employee welfare programmes.

We are able to measure and monitor progress on employee engagement both from an employee and a business perspective. Data such as employee turnover, stability and days lost due to industrial action is captured and reviewed on a monthly basis whilst the feedback from employee surveys and employee relations forums provides useful insights to the underlying causes of employee turnover or industrial unrest.



Securing our environment



Alongside the risks faced by people and infrastructure from climate change are the challenges presented by the economic climate. Increased fuel costs and the introduction of 'carbon taxes' ensure that energy efficiency and environmental impact remain important to the effectiveness and sustainability of our business.



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 measure, report and reduce 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.

CARBON FOOTPRINT

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, outlines our key commitments to help create a sustainable business to protect and preserve the environment and its resources for future generations.

We have used WBCSD* and WRI GHG** protocols to track our Scope 1 and 2 carbon emissions – vehicle fleet, fuel, refrigerants, and electricity usage for G4S occupied businesses over which we have financial and operational control. In addition, we measured Scope 3 emissions generated by our employees' business air travel.

The businesses measured in our 2013 carbon footprint represent 94.5% of the group's operations, across an 11 month period. This level of measurement, including each of our main service types, allows us to accurately calculate the GHG emissions for 12 months across 100% of the group.

* World Business Council for Sustainable Development.

** World Resources Institute Green House Gas.

2013

KEY ACHIEVEMENTS

- ✓ Achieved an overall reduction in carbon intensity of 4.9% during 2013, representing a reduction of 1.9% in actual emissions
- ✓ Achieved an overall reduction in carbon intensity of 23.5% between 2009 and 2013, exceeding our stated target of 20%
- ✓ Continued focus on increasing the efficiency of our vehicle fleet
 - G4S North America reduced vehicle emissions by 11% overall
 - G4S UK achieved a reduction in emissions from its cash in transit fleet of some 7%



2014

PRIORITIES

- Continue to implement energy efficiency strategies to reduce carbon intensity by at least 4.5% per annum
- Continue analysis of electricity and gas consumption and identify initiatives to improve energy efficiency within our facilities



Our environmental policy is available online at: www.g4s.com/cap

The G4S total carbon footprint, extrapolated to cover 100% of the business, equates to some 559,000 t/CO₂e. 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 72.3 tonnes of CO₂e per £1m of revenue at 2013 exchange rates. Applying the same rates, our carbon intensity for 2012 was 76.0 t/CO₂e per £1m.

A core aim of our climate action strategy has been to reduce the group's carbon intensity by 4.5% per annum since 2009. We are pleased to report that this challenging target continues to be met, with our achievement of a 23.5% reduction in carbon intensity since 2009 – exceeding our stated target.

This reduction translates to a real reduction of 4.9% in carbon emissions against a 24.4% growth in the business during the same period, much of which includes carbon emissions from services which our customers have outsourced to G4S.

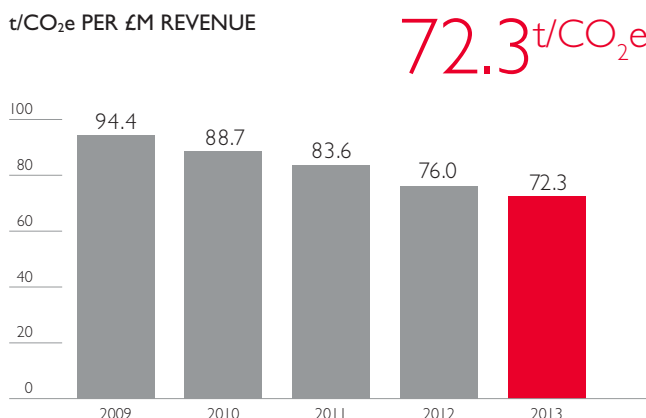
This positive achievement is a realisation of the long-term efforts of G4S to increase the fuel efficiency of our business.

KPI CHART

	2009	2013
CO ₂ e emissions per £1m revenue	94.4 t	72.3 t
Average CO ₂ e emissions per employee	1,169 kg	983 kg
Average CO ₂ e emissions per vehicle*	13.75 t	11.33 t
Average CO ₂ e emissions per building m ² *	97.3 kg	107.8 kg

* Including refrigerant.

t/CO₂e PER £M REVENUE



ENERGY REDUCTION – FLEET

In order to provide our customers and their communities with a safe and secure environment, we utilise a fleet of approximately 35,000 vehicles, including security patrol vehicles, prisoner escort vehicles and armoured cash transportation vehicles. It is this fleet that produces some 61% of our carbon emissions and where we focus our primary efforts to reducing our energy consumption.

Since 2009, we have been introducing 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 to introduce lighter and more efficient alternatives. These measures have helped us to realise a reduction in the total emissions of our vehicle fleet of 10% since 2009, an average reduction per vehicle of 16.5 % in the same period.

G4S UK's fleet includes 1,730 cash in transit vehicles, which account for around 33% of the region's carbon emissions. Since 2012, G4S has cut the emissions of this fleet by some 7% (1,950 t/CO₂e), achieved through the implementation of a comprehensive fuel efficiency programme across the business.

G4S has reduced the number of vehicles in the fleet by 126, removing the older models of vehicle which were considered less fuel efficient and, where required, replacing them with more efficient models.

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

In 2013, the operations teams have focused on driver behaviour; improvements can be seen with the reduction of engine idling by 40%, which equates to 60,000 hours per month (at 2 litres per hour – 120,000 litres reduction per month).

New technology is being explored to map routes more efficiently and allow drivers to alter their routes whilst out on the road, thus helping to improve our fuel efficiency and cut carbon emissions even further.



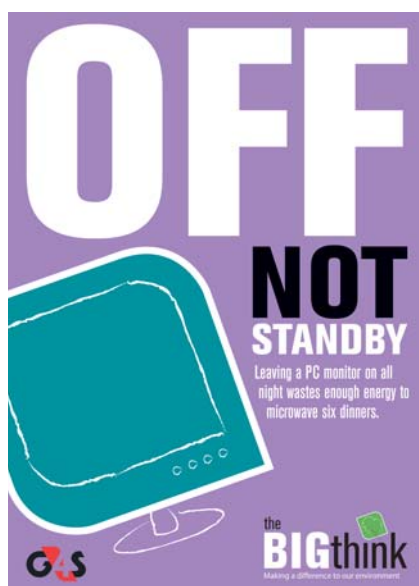
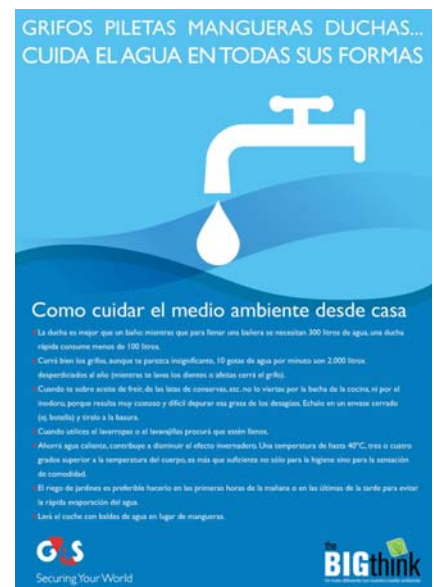
ENERGY REDUCTION – BUILDINGS

G4S occupies a wide range of buildings across the globe, covering more than 1.6 million square metres. Our facilities include corporate offices, employee accommodation, detention centres, industrial cash processing centres and vehicle depots.

Around 34% 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.

During 2014 we will continue to analyse our electricity and gas consumption in order to assess trends and identify initiatives to improve efficiency within our facilities.

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' campaign has helped our employees engage with G4S' climate action programme, demonstrating steps they can take to increase energy efficiency at work and home.



Securing our communities



As one of the world's largest private employers, G4S already makes an important contribution to the communities in which we live and work through our payment of tax and the employment of over 618,000 people across six continents. G4S believes the company and its employees have a duty to assist people who are less fortunate. This is embodied in our corporate responsibility philosophy of 'giving back to the community'.



COMMUNITY INVESTMENT

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 through partnerships and campaigns with organisations in those communities and supporting the health, education and welfare of children and young people, with the wider aim of helping to raise aspirations and reduce crime in those communities.

In 2013, we:

- Invested around £2 million in charitable community programmes and the welfare of employees facing health difficulties or financial hardships in developing countries

Comprised of:

- Provision of goods, services and financial investment to more than 400 community programmes across 76 countries, with a combined value of £1.34 million
- Increased investment of £647,500 into projects to support the long-term welfare and development of employees in development countries
- Facilitated over 26,000 hours of employee volunteering with charitable concerns and local community good causes
- Another £92,900 was generously donated by our employees and other third parties through G4S facilitated programmes

2013

KEY ACHIEVEMENTS IN 2013

- ✓ Participated in academic study of the direct and indirect social and economic impacts of G4S within the UK, demonstrating support of 68,000 jobs across the country and a total Gross Added Value of £1.95 billion contribution to the UK economy
- ✓ Invested over £1.34 million in charitable community programmes
- ✓ Following the conclusion of the five year flagship G4S 4teen programme, we established G4S 4teen legacy community programmes in Botswana, Colombia, Estonia, India, Nigeria, Philippines, and Thailand
- ✓ Matched £28,000 of employee fundraising for local community good causes
- ✓ Increased investment of £647,500 into projects to support the long-term welfare and development of employees facing health or financial hardship

2014

PRIORITIES FOR 2014

- Continue to build on wider community investment to demonstrate the impact on the people we strive to support
- Participate in further academic studies of the direct and indirect social and economic impacts of G4S within its key markets
- Continue to support the welfare and long-term development of employees facing hardship



Bhubesi Pride: Africa

In 2013, G4S Africa partnered with Bhubesi Pride, a development through sport initiative for a two-year period. G4S and Bhubesi Pride aim to unite children through rugby, address health education and life skills, empower local teaching staff, providing equipment, resources, training and knowledge, and inspire sustainable development by developing young leaders and building relevant relationships.

In addition to the financial and logistical support provided by G4S to the Bhubesi Pride initiative, over 270 G4S employees gave their time to support the activities that were offered alongside the official coaches. The initiative reached over 2,400 children in 2013, and we are looking forward to the start of the 2014 tour later this year.

Crimestoppers Fearless: UK

Building on its existing relationship with the charity Crimestoppers, G4S UK has entered into a partnership to recruit and train volunteer G4S employees to deliver Fearless, the charity's youth focused crime-reduction programme. Once their training has been completed, our volunteers will work with teachers, youth workers, sports coaches and others who come into regular contact with young people and together help educate and empower young people with the knowledge and choices to enable them to make their community a safer place.



Club Happiness: Austria

Since 2010, G4S has supported the 'Verein Happiness' (Club Happiness) initiative in Austria, helping children and young people from socially disadvantaged backgrounds with psychological problems through therapeutic contact with horses.

Through their contact with horses, young people can build their confidence and self-esteem and calm hyper-activity. Young people with physical disabilities show improved flexibility, balance and muscle strength as a result of this interaction.

'Verein Happiness' also works to organise sporting competitions and summer camps, offers free training courses, supplies specialist equipment and provides qualified coaching and expertise for young people with disabilities.

Habitat for Humanity: USA

G4S USA has had a long relationship with Habitat for Humanity, a charitable organisation which provide affordable housing across the globe. Both G4S and Habitat for Humanity believe that providing homes for people in need can help to provide a critical foundation for breaking the cycle of poverty and support long-term welfare and development. In 2013, G4S worked with Habitat for Humanity on a number of projects in California, Florida, and North Carolina. In addition to financial support of over \$65,000, G4S provided volunteers who contributed almost 770 hours of work to construct and fit-out sustainable homes, of which 540 hours were paid volunteering.

Match It

At G4S we recognise the crucial impact that our employees can make by supporting good causes in their local community. To help support their efforts, G4S runs a matched fundraising programme, through which it matches the funds raised by employees for local charities or community good causes, up to the value of £500 per application.

In 2013, 'Match It' made over 70 payments to good causes matching over £28,000 of employee fundraising, supporting a children's hospital ward, veterans' injury rehabilitation, and equipment for schools.



To find out more, visit www.g4s.com/matchit

SOCIAL AND ECONOMIC IMPACT

Alongside our charitable concerns, G4S brings a range of significant and far-reaching social and 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.

In 2013, we commissioned an independent study of the direct and indirect social and economic impacts of G4S in the UK during 2012. The study, by Nottingham Business School and Warwick Economics & Development, demonstrated the economic contribution of G4S to UK national and local economies in terms of employment, output and Gross Value Added.

Covering the period of 2012, G4S:

- Made a £1.95 billion total contribution to the UK economy, around 0.14% overall
- Supported 68,000 jobs in the UK through direct and indirect employment
- Purchased goods and services worth £576 million from UK businesses
- Generated £550 million in total tax receipts for the UK Exchequer

Of the 12 UK regions, G4S supported eight of them with economic contributions of over £100 million. The largest of these was £323 million Gross Value Added to the economy of London. Relative to their size, G4S made the largest contribution to the Northern Irish and Welsh economies, supporting 2.5% and 1.7% of their economies respectively.

The study recognised the wider social and economic benefits brought by G4S to the communities in which we work, including the secure transportation and provision of approximately a third of all the UK's circulating cash to businesses and consumers, over 500,000 security officer visits to business premises, the provision of rehabilitation programmes to offenders, and the delivery of the Work Programme which helped bring employment opportunities to 35,000 long-term unemployed people in the UK.

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 or natural disaster.

As well as offering employment opportunities, training and development, we also provide practical and financial assistance at times of hardship and when the need is greatest.

In the days that immediately followed the devastating typhoon Haiyan, a G4S team was mobilised and travelled from their HQ in Manila in the Philippines to the affected areas in order to search for and provide support to the many G4S employees, customers and their families who needed aid following the typhoon. Since then, financial assistance has been provided to over 120 G4S employees and their families, helping them to rebuild their lives and recover from the impact of Haiyan.

We have continued to support a wide range of employee welfare programmes across the globe, from education and scholarships for front-line employees and their children in Bangladesh, Brazil, Chile, Egypt and Guatemala, building new homes in Colombia, Peru and Romania, to life-changing medical care for employees' children in Egypt, Guatemala and Peru.

In total, G4S invested £647,500 from the Employee Trust and other welfare funds during 2013 into programmes to support the welfare and development of our employees.

GROSS VALUE ADDED IMPACTS OF G4S UK OPERATIONS BY UK REGION (GVA £m)

NOTTINGHAM
BUSINESS SCHOOL
Nottingham Trent University

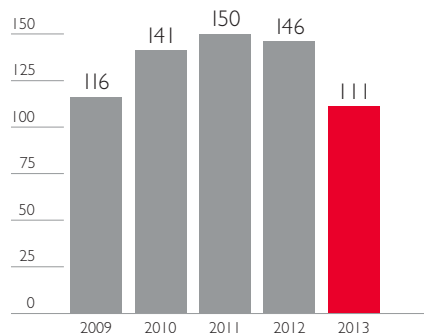


SAFEGUARDING OUR INTEGRITY

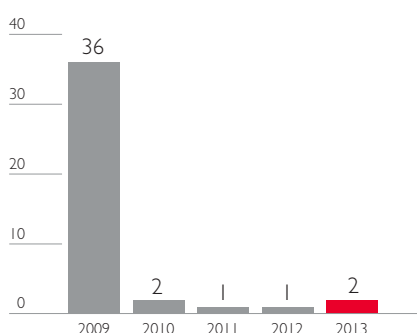
INTERNAL AUDITS

The charts below show the group internal audit activity during the last five years in terms of assignments completed in different areas:

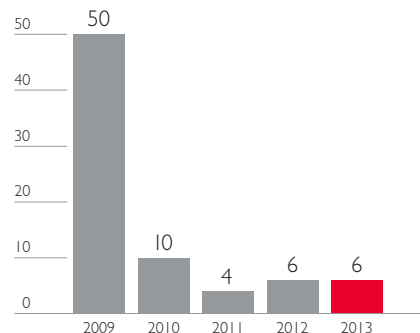
INTERNAL CONTROL AUDITS



FINANCIAL REVIEWS



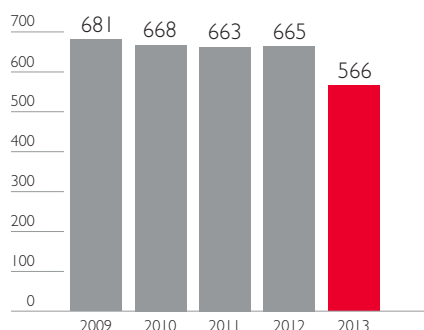
INVESTIGATIONS AND OFFSITE REVIEWS



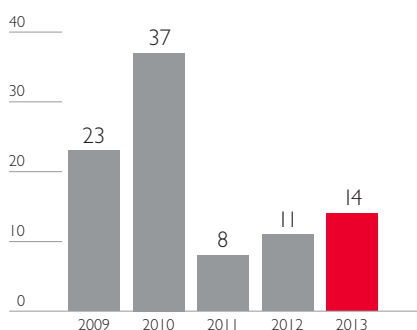
Issues raised

The charts below show an analysis of the issues raised in relation to business practice standards, corporate governance and employee relations during group internal control audits from 2009 to 2013.

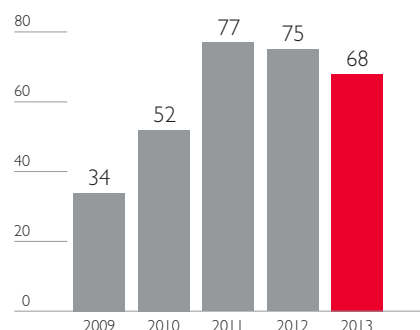
STANDARDS OF BUSINESS PRACTICE



CORPORATE GOVERNANCE



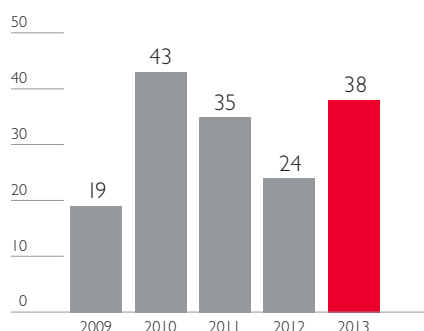
EMPLOYEE RELATIONS



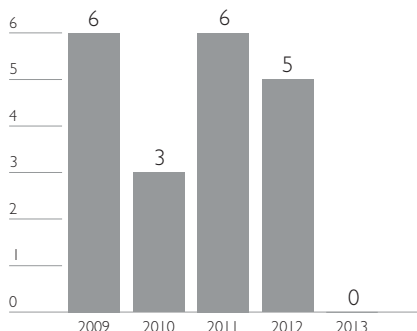
WHISTLE-BLOWING CONCERNS

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

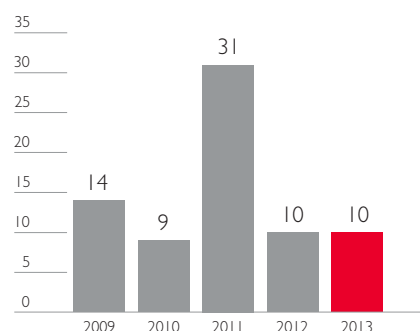
EMPLOYEE RELATIONS



FINANCIAL, TAX AND REGULATORY COMPLIANCE



OTHER ETHICAL ISSUES



SECURING OUR PEOPLE

EMPLOYEE ENGAGEMENT

Global union membership

	% Union membership		% Collective agreements	
	2013	2012	2013	2012
Africa	26%	32%	56%	50%
Asia	3%	3%	11%	14%
Middle East	2%	0%	0%	0%
Latin America	33%	10%	38%	27%
Europe	36%	32%	66%	65%
North America	14%	20%	18%	27%
UK & Ireland	29%	25%	84%	69%
Total	17%	16%	33%	35%

Employee turnover

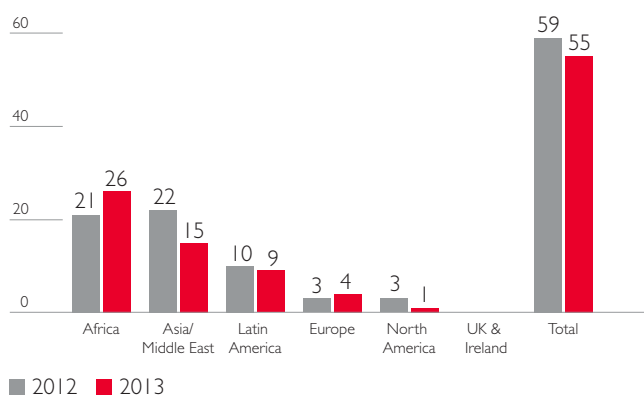
	2013	2012
Africa	14.4%	15.7%
Asia	41.0%	37.6%
Middle East	38.5%	27.0%
Latin America	32.6%	33.9%
Europe	25.3%	26.9%
North America	25.9%	23.7%
UK & Ireland	12.7%	11.1%
Total	29.6%	28.1%

Employee service

	2013	2012
< 12 months	170,959	180,573
1 – 2 year	113,798	108,268
2 – 5 years	143,873	146,226
5 – 10 years	117,200	104,713
10 + years	72,170	62,720
Total	618,000	602,500

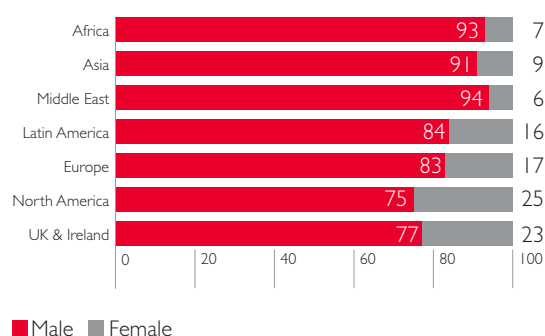
HEALTH AND SAFETY

WORK-RELATED FATALITIES BY REGION

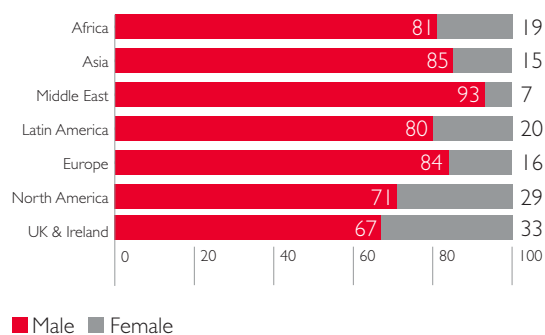


DIVERSITY AND INCLUSION

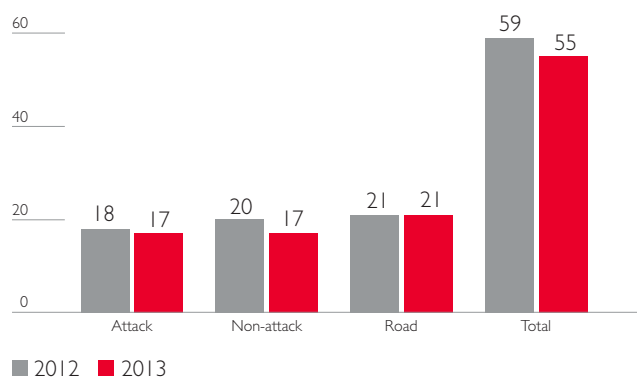
FRONT LINE DIVERSITY & INCLUSION (%)



MANAGERS DIVERSITY & INCLUSION (%)



WORK-RELATED FATALITIES BY CATEGORY

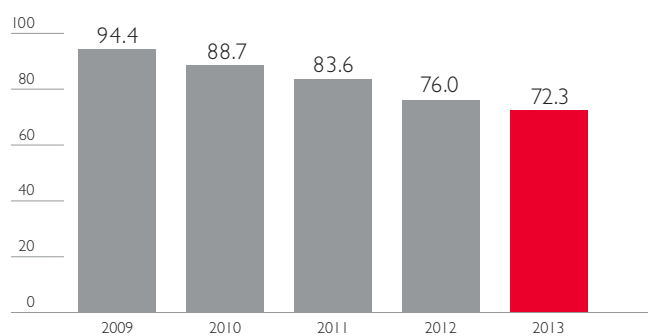


SECURING OUR ENVIRONMENT

KEY PERFORMANCE INDICATORS

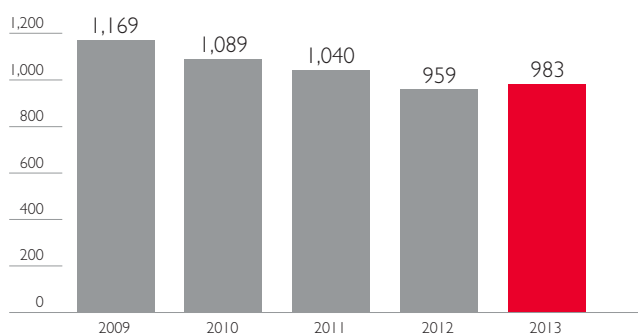
t/CO₂e PER £M REVENUE

72.3 t/CO₂e



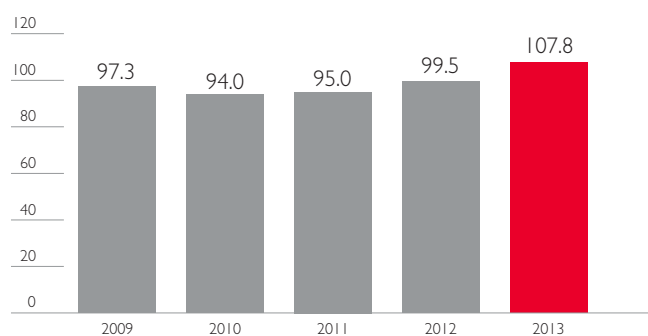
Kg/CO₂e PER AVERAGE EMPLOYEE

983 kg/CO₂e



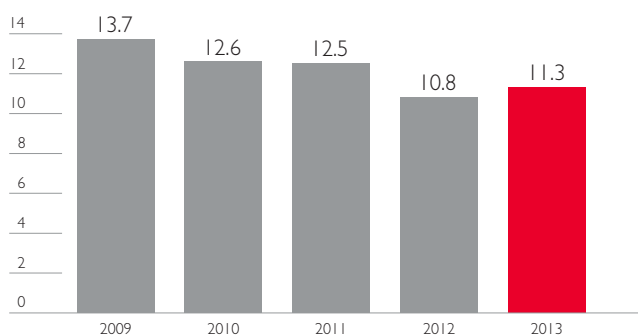
Kg/CO₂e PER AVERAGE BUILDING (m²)*

107.8 kg/CO₂e



t/CO₂e PER AVERAGE VEHICLE*

11.3 t/CO₂e



* including refrigerant

DIRECT & INDIRECT ENERGY CONSUMPTION

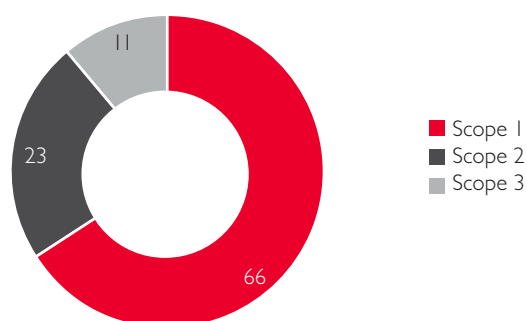
Source – Buildings

	2013	2012	2011	2010	2009
Electricity – mWh	222,222	214,975	230,146	222,069	220,072
Gas – mWh	65,405	97,152	65,543	71,583	65,510
Oil – mWh	9,318	2,510	25,968	25,248	21,894
Other – mWh	697	2,041	3,882	4,130	–
Other – Litres	8,227,218	6,198,176	1,577,668	1,811,163	1,063,681

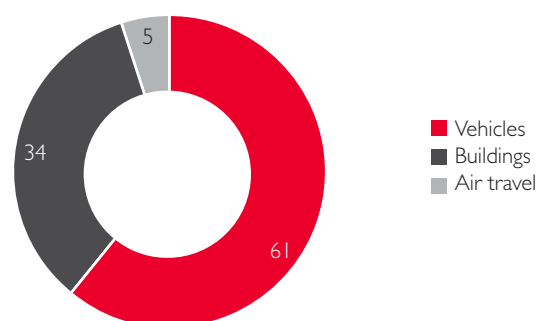
Source – Vehicles

	2013	2012	2011	2010	2009
Petrol – Litres	60,574,411	54,828,575	56,660,575	53,386,675	58,160,455
Diesel – Litres	69,478,253	77,089,975	81,765,101	85,437,279	86,398,964
Other – Litres	18,205,799	19,110,638	21,427,790	519,632	487,111

EMISSIONS SPLIT BY SCOPE (%)



EMISSIONS SPLIT BY SOURCE (%)



SECURING OUR COMMUNITIES

	2013	2012
Corporate		
Corporate donations of money	£931,900	£921,700
Corporate donations of goods and services	£406,500	£459,500
Employee		
Employee and third-party donations facilitated by G4S	£92,900	£72,000
Employee volunteering facilitated by G4S	26,000 hours	30,000 hours
Employee welfare and development	£647,500	£641,000

ABOUT THIS REPORT

This report was published in April 2014. It represents the CSR activity of G4S plc and its subsidiaries, associated undertakings, and joint ventures for the year ended 31 December 2013 and follows our 2012 CSR Report published in April 2013. The audited annual report and accounts of G4S plc for the year ended 31 December 2013 contains further information about the company and should be seen as the definitive source for investment decisions. No significant changes from previous reporting periods have been made including the boundaries and measurement methods, unless stated.

GLOBAL REPORTING INITIATIVE (GRI)

We have self-declared our full report as meeting the requirements of a GRI 3.1 report Application Level C. Our GRI Index is available to view online at 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 businesses must adhere across the areas of anti-corruption, labour relations, human rights and the environment.

G4S is proud to once again reaffirm its commitment to these principles, which continue to be reflected in our family of CSR policies and our core values. G4S remains active within the UK network of the UN Global Compact and continues to participate as a member of the governing Advisory Group.

Within this CSR Report we have described the actions we have undertaken to build upon and further integrate the Global Compact and its principles into our business strategy, culture, values and daily operations during 2013.



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Statement of continued support by CEO	7
The UN Global Compact Principles	
Human rights	IFC, 6-7, 9-11, 12-13, 18-19, 21-22
Labour	IFC, 6-7, 9-11, 12-13, 26-31, 41
Environment	1, 11, 12-13, 32-35, 42-43
Anti-corruption	IFC, 6-7, 9-11, 12-13, 14-15, 21-25

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