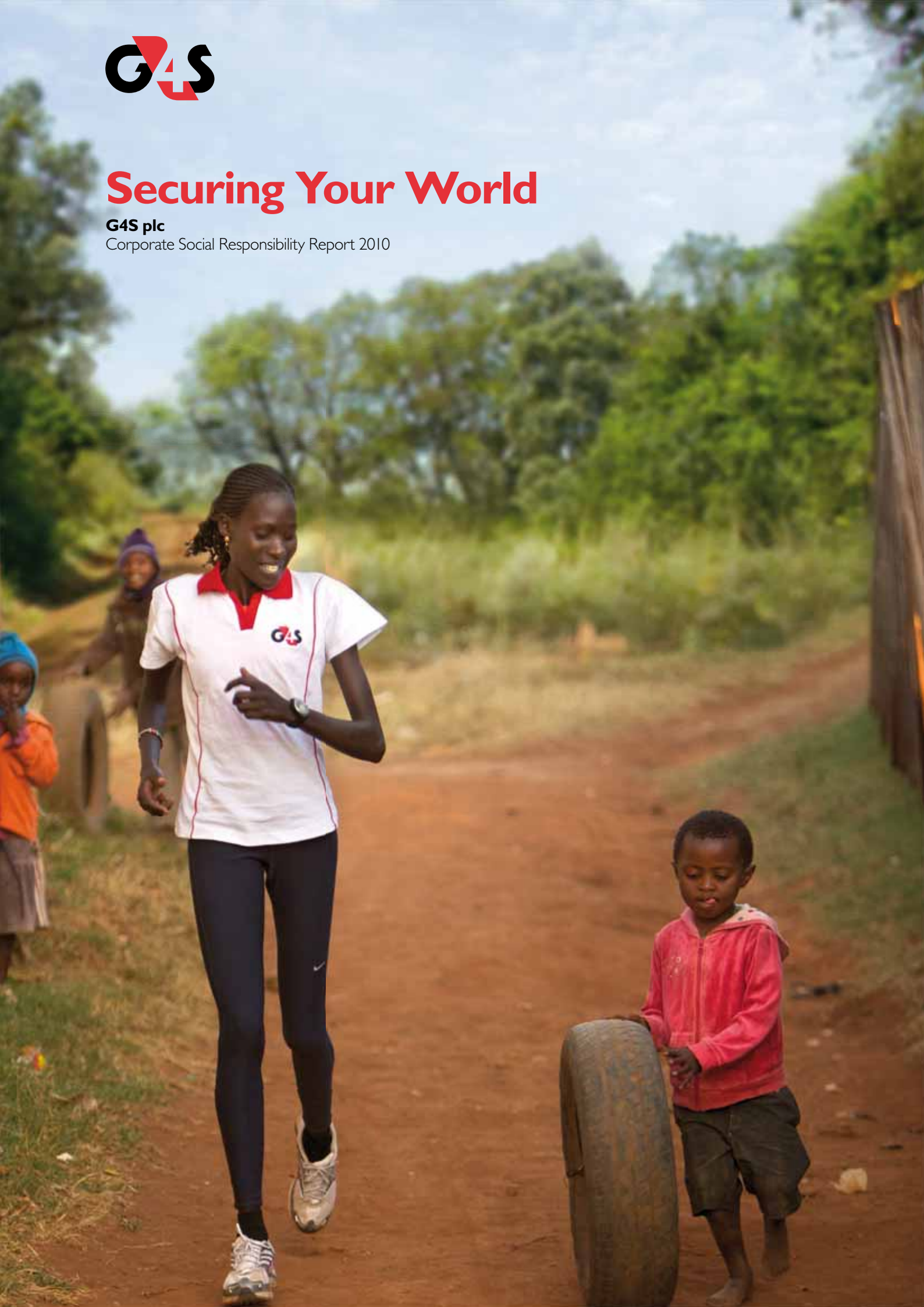




# Securing Your World

**G4S plc**

Corporate Social Responsibility Report 2010



## Introduction

# Integrity and corporate citizenship are key elements of the G4S business model.

We specialise in outsourced business processes and facilities in sectors where security and safety risks are considered a strategic threat.

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

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

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### Cover image

G4S Sporting Partnerships: The G4S 4teen brings together 14 young athletes from 13 countries across four continents to help them achieve their dreams on the world's biggest sporting stage. Pictured here is Pauline Korikwiang, the G4S 4teen's long distance runner, on a training run near Embu, Kenya. For more information see page 29. Photographer: Robin Hammond

### Online report

We have self assessed our full online report as meeting the requirements of a C level GRI G3 report.

View our online report and management interviews at:

<http://reports.g4s.com/2010>



## Securing your world

# Securing our success

**As the world's largest security solutions company, operating in more than 125 countries, we know that we can impact the lives of many, whether they are employees, customers, investors or members of the general public going about their daily routines.**

It is our responsibility to make sure that the impact we have is a positive one and that we are contributing to a safer and more secure society for everyone.

In this, our third CSR Report, we outline some of the key areas of Corporate Social Responsibility for the group and demonstrate the progress we have made since we last reported 12 months ago in the areas of business ethics and compliance, health & safety, employee engagement, diversity, climate action and community investment.

Our CSR Committee has been in place for more than a year and is helping the organisation to gain some real traction on key issues affecting the business, our employees and the communities in which we operate. The Committee is ensuring that CSR remains a core element of the group's strategy and that G4S businesses around the world are aligned on our CSR goals.

One of the biggest challenges for the group in 2011 will be to make sure we have adequate procedures in place to ensure we are compliant with the UK Bribery Act. We are fully supportive of effective legal frameworks to ensure that business conducts itself ethically and honestly, but it will be a challenge for complex international businesses such as G4S to ensure that there are adequate procedures in place at every level of the organisation to make sure that we comply fully with the stringent requirements of the Act.

We also plan to review our approach to human rights due diligence in 2011. This will be an important element of our strategy delivery, particularly if we continue to grow our presence in the high growth developing markets across the world.

I am very proud of the work our employees do each and every day and the positive contribution they make to society. As our business continues to grow, we will ensure that our CSR strategy and commitments remain aligned to the interests of our key stakeholder groups and they can continue to prosper as a result of a positive and productive association with G4S.



**Nick Buckles**  
Chief Executive Officer

## Securing your world

# Who we are and what we do

### Who we are

G4S plc is the largest security solutions company in the world with annual revenues of around £7.4 billion, operations in more than 125 countries and around 625,000 employees – making it the second largest private employer in the world. It is a UK plc (FTSE 100) and has an additional stock exchange listing in Copenhagen.

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

### What we do

We specialise in outsourced business processes and facilities in sectors where security and safety risks are considered a strategic threat.

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

We are global experts in the assessment and management of security and safety risks for buildings, infrastructure, materials, valuables, people and society.

We develop long-term strategic partnerships with customers in key sectors where we can help them to deliver their own business objectives – either increasing their revenues, reducing costs, managing risks, protecting critical assets or improving their service delivery to the customers they serve.

We do that by understanding the environments in which our customers operate, the pressures they face and the things that matter to them. By understanding the bigger picture and applying our expertise and knowledge derived from providing security solutions in diverse regulatory environments in over 125 countries around the world, we turn our customers' security challenges into opportunities.

### Our values

We aim to act responsibly in how we manage relationships with customers, communities, employees and other stakeholders. The group values describe what G4S stands for:

#### Best people

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

#### Teamwork and collaboration

We collaborate for the benefit of G4S as a whole.

#### Customer focus

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

#### Integrity

We can always be trusted to do the right thing.

#### Expertise

We develop and demonstrate our expertise through our innovative and leading edge approach to creating and delivering the right solution.

#### Performance

We challenge ourselves to improve performance year-on-year to create long-term sustainability.

### Our vision

To be recognised as the global leader in providing security solutions.

### Our strategy

Our goal is to be recognised as the global leader in providing security solutions, to help customers to achieve their own strategic goals, to deliver sustainable growth for our business and long-term shareholder value for our investors

→ Drive outsourcing in key markets

→ Focus on key sectors where security is a key consideration

→ Develop long-term partnerships and deliver "solutions" to our customers needs which enhance their strategy

→ Leverage skills developed in more mature markets into key New Markets

→ Acquire additional expertise to enhance capability

### Our customers

G4S has a broad range of customers around the world but its strategic focus is on sectors where security and safety are key. This sector expertise and focus enables us to build long-term partnerships with customers and help drive growth across the businesses.

### Our structure

Generally, the business is managed on a geographic basis. G4S is organised into four key regions and one separate division – each of them is led by a Regional or Divisional CEO who is responsible for around £1.5 billion of group revenues.

**Grahame Gibson\***  
Chief Operating Officer and  
Regional CEO – Americas



**David Taylor-Smith**  
Regional CEO – UK and Africa



**Willem van de Ven**  
Regional CEO – Europe



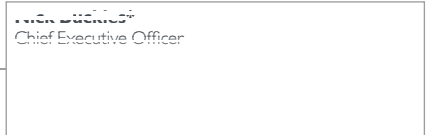
**Dan Ryan**  
Regional CEO – Asia/Middle East



**Ken Niven**  
Divisional CEO – Cash solutions



**Mark Burgess\***  
Chief Executive Officer



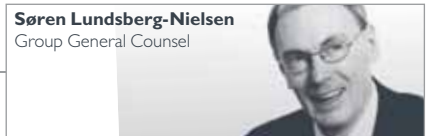
**Trevor Dighton\***  
Chief Financial Officer



**Irene Cowden**  
Group HR Director



**Søren Lundsberg-Nielsen**  
Group General Counsel



**Debbie McGrath**  
Group Communications Director

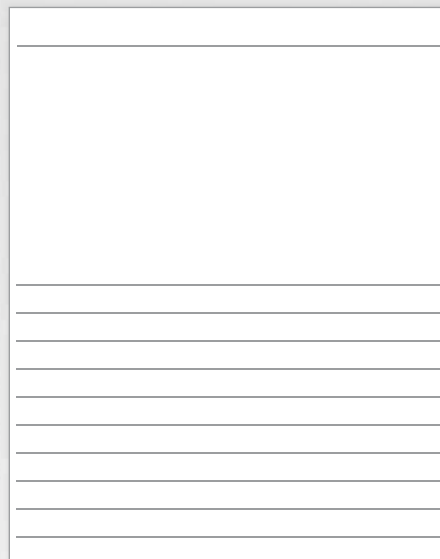
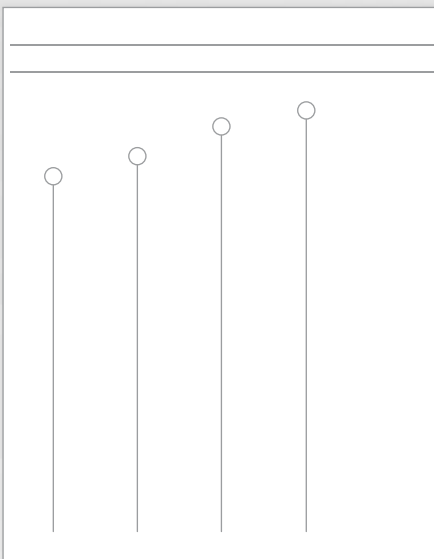
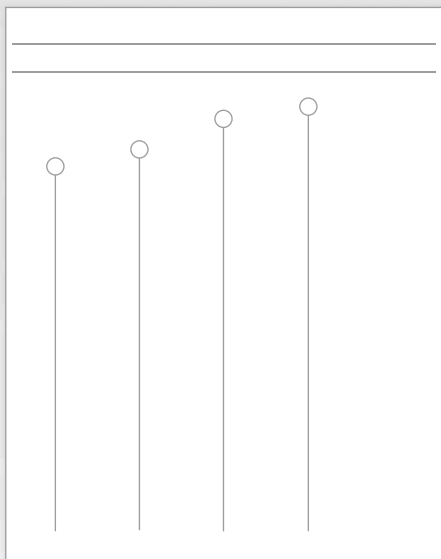


**Graham Levinsohn**  
Group Strategy and  
Development Director



\*G4S plc board member

**Our presence**



\*2006 to 2009 at 2010 exchange rates and excluding all businesses disposed of during the period.

**Our people**



**Our performance**

Despite a difficult economic environment, G4S delivered another year of strong performance in 2010, with good organic growth and margins maintained at the same level as the prior year. The group also achieved its cash conversion target of 85% of PBITA.

+2.1%

**Organic turnover growth of 2.1%\***

£7.4bn

**Group turnover up 4.1% to £7.4 billion\***

21.6p

**Adjusted earnings per share up 7.0% to 21.6p**

+4.2%

**PBITA up by 4.2% to £527 million\***

£442m

**Operating cash flow of £442 million. 85% of PBITA**

+7.90p

**Recommended total dividend per share up 10% to 7.90p**

\* At constant exchange rates.

Securing your world

Performance and goals at a glance

**Achievements in 2010**

**CSR Committee**

Our CSR Committee was established early in 2010. The Committee has ensured that CSR issues remain a core part of the group's strategy and has enabled the board to have greater visibility of the key CSR issues affecting the group.

**CSR benchmarking**

In April 2010, we commissioned Corporate Citizenship, to conduct a benchmark analysis of G4S CSR activities versus its industry peer group and best practice. This enabled us to identify areas for improvement and to ensure that our CSR strategies develop in line with best practice.



**Stakeholder engagement**

Throughout the year we have continued to engage with key stakeholder groups both on a reactive ad-hoc basis and proactively where appropriate. We commissioned Opinion Leader, to conduct an independent survey of our major customers to assess their current issues, views of G4S and future needs. The results of this research have been fed into the G4S strategy development and business planning process.



**Socially responsible investment**

In May 2010, we were pleased that GES Investment Services announced that we had been removed from their "exclude and engage list". GES stated that over the last two years, G4S has demonstrated substantial improvements in its global management of employee relations and labour rights and engaged constructively on these and other issues.



This was followed in December 2010 with the inclusion of G4S in the Ethibel EXCELLENCE Investment Register (see www.ethibel.org). Forum ETHIBEL supports investors in their search for Socially Responsible Investment (SRI) products that offer a fair balance between economic progress, environmental protection, and social justice.



**Safeguarding our integrity**

 **More information**  
08-11

**Performance in 2010**

**Focus for 2011**



**Securing our people**

 **More information**  
12-23

**Performance in 2010**

**Focus for 2011**



**Securing our environment**

 **More information**  
24–27

**Performance in 2010**

**Focus for 2011**

**Securing our communities**

 **More information**  
28–33

**Performance in 2010**

**Focus for 2011**

**There are two additional areas of focus for 2011:**

**Bribery Act**

The UK Bribery Act is expected to come into force during 2011. During 2010, the Anti-Corruption Steering Group has been developing plans for its implementation during this year. This will include:

- Adapting all current policies to ensure compliance with the Act
- Communicating the detail and implications of the Act with employees and other affected parties
- Developing and implementing training programmes to ensure all relevant staff are aware of their obligations
- Establishing an independent, global whistleblowing facility for reporting non-compliance
- Conducting a risk assessment of key countries and business units
- Developing the current audit processes and content to incorporate additional requirements of the Act

**Human rights**

Whilst the group already takes its responsibility for human rights extremely seriously and we are clear about our obligations and requirements at a business unit or service level, we recognise that it would be beneficial to have a more systematic, global approach to human rights due diligence.

During 2011 we will conduct a risk assessment based on the countries in which we operate and the services that we provide and develop a human rights framework and strategy for implementation across the group.

“We welcome G4S’s progress in 2010, particularly its active contribution to a new Global Code of Conduct for the private security industry, the establishment of a CSR Committee and regular reporting on employee safety, human rights and business ethics. These actions are important to G4S’s growth prospects and to protecting investor value. We strongly encourage headway in two key areas in 2011-12:

Human rights – we recommend that G4S continue to focus on implementing a strong human rights management system informed by international good practice. This would include appropriate board oversight and robust assessment of human rights risks, as well as practical guidance and training for employees operating in challenging situations and markets.

Business ethics culture – employees should feel confident they can raise concerns, will be thanked for doing so, and that management will investigate and act on significant concerns. Suppliers and the general public should also know they can raise concerns confidentially or anonymously. To help investors assess G4S’s practices, we encourage publication of data indicating that G4S’s whistleblower line is used regularly and that management has resolved any significant problems found.”

**Sagarika Chatterjee**  
Associate Director  
Governance & Sustainable Investment F&C

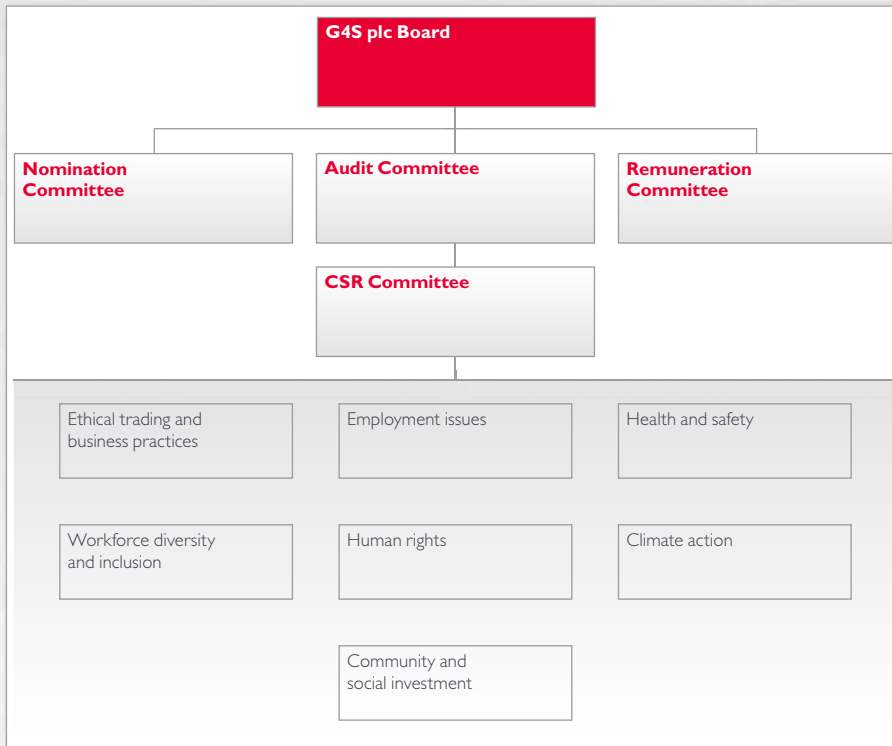
## Securing your world CSR management

### Governance

In January 2010 we established a CSR Committee to ensure that CSR is an integral part of the group's strategy and that we continue to have a positive impact on people and communities, whilst contributing to a sustainable future for our business and everyone connected to it.

The CSR Committee reports into the Audit Committee in order to ensure that our CSR strategy is closely aligned to issues such as risk management, audit and compliance.

The Committee is chaired by Mark Elliott, a G4S plc non-executive director, who has extensive experience of CSR from his 30 years in international business with global organisations such as IBM.



Duties of the CSR Committee include:

- Review the group's CSR strategy to ensure it remains an integral part of overall strategy and to ensure group policies are aligned
- Develop and recommend policies for acceptance by Audit Committee on all CSR issues
- Review activities from executive and specialist groups managing CSR issues
- Monitor compliance with CSR policies and review performance against targets
- Review the integration of CSR policies within the broader risk management and reputation management priorities
- Develop effective, two-way communication internally on CSR issues
- Review CSR issues during M&A due diligence
- Review best practice and benchmark where appropriate

"The establishment of the CSR Committee has really helped to raise the profile of CSR both within the business and with external stakeholder groups.

The Committee has also enabled the board to have greater visibility of group level CSR related issues and strategies. We have made significant progress in some challenging areas this year and expect that momentum to continue throughout 2011."

**Mark Elliott**  
Non-executive director and  
chairman of the CSR Committee





## Safeguarding our integrity

# Safeguarding our integrity

**G4S plays an important role in society. We make a difference by helping people to operate in a safe and secure environment where they can thrive and prosper.**

Our size and scale means we touch the lives of millions of people across the globe and we have a duty and desire to ensure the influence we have makes a positive impact on the people and communities in which we work.

### Performance in 2010

- Established an Anti-Corruption Steering Group to ensure group-wide ethical compliance and to focus on the implications of the UK Bribery Act
- Implemented a CSR Checklist for assessing acquisitions and major investments
- Became a founder signatory to a new International Code of Conduct for private security providers, which sets out principles for security operations in so-called "complex environments"
- Became a signatory to the UN Global Compact the international standard, which promotes socially responsible business behaviour in the areas of human rights, labour, environment and anti-corruption
- Implemented Improved Mandatory Security Controls (based on the ISO standard 27001) across the group
- Increased the number of internal audits by 38% from 102 to 141
- Introduced a group-wide simplified Ethics Code which can be easily understood by all employees



### Next steps

- Risk assessment for UK Bribery Act compliance
- Enhanced audit process to cover UK Bribery Act implications
- Ensuring every country has local whistle-blowing hotline in place
- Implementing and promoting a global whistle-blowing hotline which is available to all employees



## Business ethics

Integrity is one of the group's core values – being a responsible business partner, employer, customer and supplier is an important part of our strategy and forms an essential foundation on which we carry out our business. In our view, ethical behaviour of corporations should not be just a reaction to regulation or legal compliance, but a means of doing business which gives customers, employees, partners and communities the confidence that they are working with an organisation which is not prepared to compromise on standards to achieve its financial objectives.

We see integrity and strong business ethics as a core part of the G4S strategy and fundamental to the way we operate. To ensure that high standards of business ethics remain a key component of our strategy and how we conduct our business, we have established an Anti-Corruption Steering Group, which reports to the Group Executive Team, comprising representatives of our Legal, HR, Communications and Internal Audit functions.

In order to ensure that our employees understand how they can play their part in delivering high ethical standards across the group, we have introduced a group-wide Ethics Code that sets out how we expect our employees to behave in order to “live” our value of Integrity.

This is supplemented with a Business Ethics Policy which provides a more detailed summary of the group's ethical standards of operation. Both documents apply to employees at all levels and establish a number of ethical principles and standards which should underpin behaviour throughout G4S.

## Ensuring high ethical standards

In order to ensure that everyone in the group understands their obligations in relation to the Ethics Code and Policy, the CSR Committee, on behalf of the board:

- Updates the code and policy each year, incorporating evolving legislation and evaluating any risks to the group's integrity
- Distributes the code and policy to managers and require them to personally sign up to playing their part in ensuring their implementation and therefore the group's compliance
- Requires managers to disseminate the code and policy within their area of responsibility and reinforce the importance of ethical behaviour through employee induction, training, employment contracts, staff handbooks and other actions.

We reinforce the importance of ethical behaviour through induction, employment contracts, staff handbooks, general training and communications practices.

To ensure that our employees comply with the policies, we:

- Ask businesses to conduct an evaluation of the risks within their business
- Include business ethics as one of the key components of our internal audit function which carries out specific audits in high risk countries or in businesses which have been identified as being at risk of non-compliance
- Provide whistle-blowing facilities at global and local level so that any practices which do not comply with these standards can be reported confidentially and can be investigated thoroughly

Where our investigations reveal evidence of unethical conduct, disciplinary action is taken which may range from a formal reprimand to termination of employment.

## Benefits of ethical business

We believe that high standards of ethical conduct provide a market differentiator and those organisations with the highest ethical standards will have the most positive impact on the lives of those around them and, ultimately, will be the most successful. There are many benefits of operating to high ethical standards:

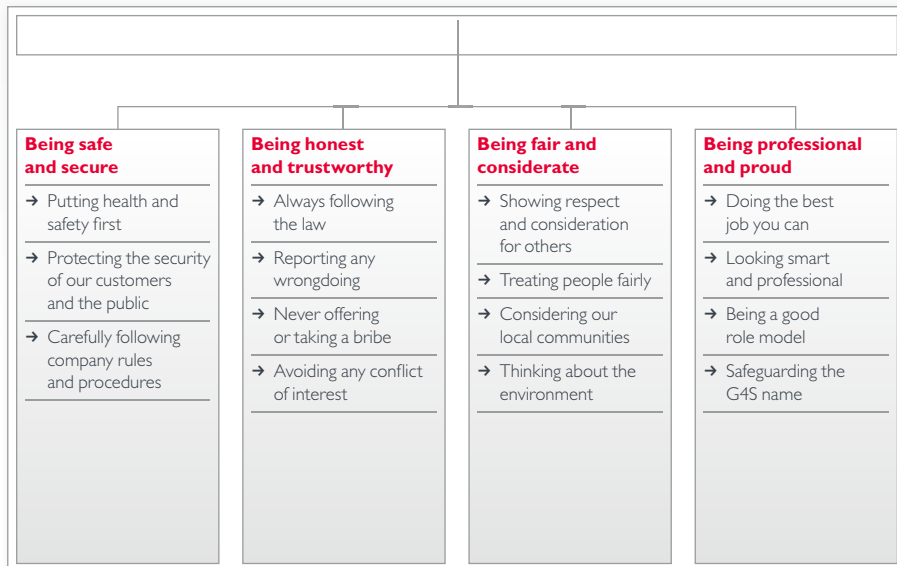
**Customers** can be sure that they are working with a good company, which has high ethical standards and makes a positive impact on society, not just as a result of the service it offers, but also the way it behaves. They can be confident that we will always operate to the highest standards and will not compromise their reputation as a result of unethical conduct and they will know that we have systems and processes in place to ensure that employees operate to the highest ethical standards.

**Employees** can be sure that they are working for a good company, which has high ethical standards and makes a positive impact on society. They will be clear about the expectations that the group has of them in terms of behaving ethically and representing the G4S brand in an appropriate way and they will feel able to report any concerns about ethical behaviour within the group and can be confident that they will be investigated and acted upon in absolute confidence.

**Partners/Suppliers** can be confident that any business venture entered into with G4S will be done on the basis of strong ethics and that any form of unethical behaviour will not be tolerated. They will be sure that G4S employees will not compromise the reputation of a supplier or partner as a result of unethical conduct and they will be clear about our expectations of them as a partner or supplier to the group and our zero tolerance policy in terms of unethical transactions or behaviour.

**Investors** can be confident that they have invested in a company which has high ethical standards and therefore will not be prone to criticism regarding ethical issues which could affect the company's reputation, business performance or market value.

**Communities** can be sure that G4S will behave ethically in all of its dealings with employees, customers, governments, partners and others in the community and will be confident that G4S will have a positive impact on the local community in which it operates and will respect G4S as a “good” company.



Safeguarding our integrity

**Impact of the UK Bribery Act**

The UK Bribery Act is expected to come into force during 2011.

As a major global company we recognise the threat that bribery poses to economic progress and development around the world. We are fully supportive of countries implementing effective legal frameworks to combat bribery and which help to ensure that people are clear about their responsibilities to conduct business in an open and honest manner.

The practical implications of ensuring complete compliance with the Act are wide reaching and it will be a challenge for companies to ensure that there are adequate procedures in place at every level of the organisation to prevent bribery.

Whilst the publication of guidance on the implementation of the principles specified in the Act is still awaited, procedures to ensure compliance are being prepared.

Under the oversight of the G4S Anti-Corruption Steering Group we are currently reviewing our risk profile and strengthening our anti-bribery controls.

G4S's policies, processes and practices are being reviewed and, where appropriate, revised. An employee training and awareness programme is being formulated and an improved global whistle-blowing hotline will be introduced later this year.

**CSR Checklist**

During 2010 we introduced a CSR checklist for assessing new market entries, major contracts and other significant investments to ensure they comply with political, ethical, social, technological, environmental and legal standards. This checklist was used to assess a number of projects throughout the year. Investment proposals submitted to the group Capex Committee which could raise ethical issues are evaluated against the checklist. Feedback on the proposal is provided to the Capex Committee for inclusion in the decision making and sign off process.

**Risk assessment and compliance**

To ensure that our employees comply with our business ethics code and policies, we:

- Require businesses as part of the G4S **risk assessment** process to assess their business ethics risks and their compliance with the ethics policy
- Include business ethics as one of the key areas for our **internal audit** team to assess
- Provide **whistle-blowing** facilities so that any practices which do not comply with these standards are reported confidentially and investigated thoroughly

**Risk assessment**

G4S has in place a well developed risk assessment process. A key feature is the requirement for businesses to routinely assess and report on their risks, including the actions they are taking to mitigate these risks to an acceptable level. Business ethics risks are included as part of this process.

The risk assessment covers a wide range of business risks that are relevant to G4S including macroeconomic trends, marketplace issues, product and key focus areas identified by executive management. Businesses are encouraged to consider how risks can become opportunities that can be used for the benefit of G4S and its stakeholders.

An internet-based system called RACSE (Risk Assessment and Control Self Evaluation) provides a system for our businesses to:

- Identify and analyse risks that could impact upon the business and their stakeholders
- Check the controls that they have in place to manage and mitigate these risks
- Make improvements to the controls where necessary

Risk management committees exist at regional, divisional and group level. The regional committees meet at least annually and the divisional and group committees meet quarterly. A standard agenda covering risk and control issues is considered at each meeting and risk profiles are reviewed and updated at each meeting.

Nearly 70% of the 125 countries where G4S operates can be categorised as developing countries or new markets. Many of these countries face a mixture of challenges including persistent poverty, weak and volatile economic growth, low capacity, poor infrastructure and inadequate social services.

In many cases the social legislation and regulation is non-existent, weak or widespread non-compliance by the business community is tolerated by the authorities.

In these new markets, G4S can often bring the skills developed elsewhere in the world to benefit its customers and the country as a whole, by creating significant employment and contributing to the economic development of the country. There are major business opportunities in these markets, but there can also be associated risks.

G4S policy is to comply with all local laws and regulations and to act ethically. Our internal audit process enables us to identify where G4S standards are not being met.

**Internal Audit**

Internal Audit is one of the cornerstones of ensuring high standards of social as well as financial and corporate responsibility by monitoring business compliance with our Business Ethics Policy throughout the group.

Our Internal Audit team has 15 full-time staff based in strategic locations around the world. In addition to the corporate internal audit function, we have other internal and compliance auditors within our regional management teams and some of our larger businesses. These auditors total well in excess of 100.

The risk-based, three year, group audit plan ensures that all of our businesses operating in more than 125 countries – including those in small and remote locations – receive at least one visit during a three year period.

Whilst ethical compliance has many facets, Internal Audit is the means to monitor many of these within the general course of a controls audit covering standards of business practice, corporate governance and employee relations.

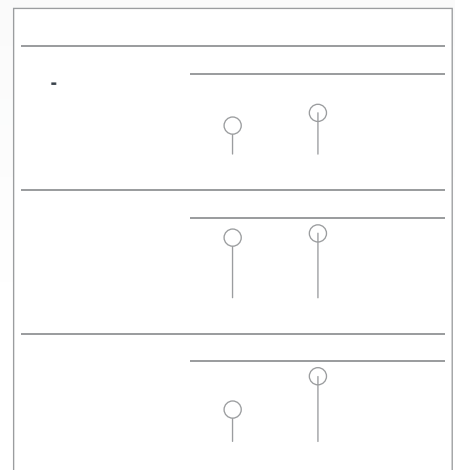
Overall, this monitoring activity helps to ensure that both managers and employees have a clear understanding of the group's standards of operation and the expectations of our stakeholders.

Managers are also given assurance on their compliance with group standards and any remedial action to be taken is identified. The group sets and continually enhances standards which all business units must achieve. Current standards cover a wide range of essential business activities including Human Resources, Health & Safety, Ethics, Finance, Procurement, IT, Legal & Contracts and Operations.

**Performance in 2010**

During 2010 improved mandatory Information Security controls (based on the ISO standard 27001) were implemented across the group.

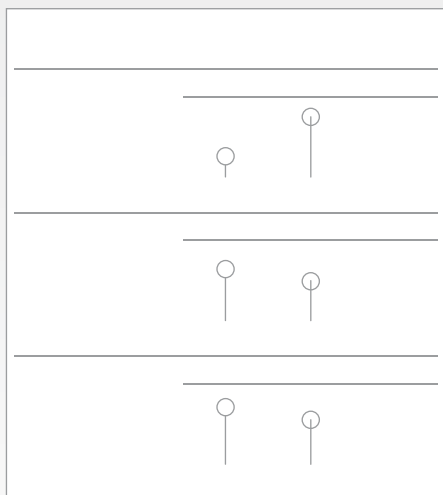
The chart below shows the internal audit activity during the last three years:



During 2010, we continued to increase the amount of on-site internal control audits with over 38% more performed than in 2008. This reflected a move to do more on-site work and reduce the high level of off-site reviews conducted during 2009. The number of detailed financial balance sheet reviews conducted by the Internal Audit team substantially reduced as increasing reliance has been placed on these being performed by our Regional and Group Finance teams.

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

The chart below shows an analysis of the issues raised during internal audits in relation to business practice standards, corporate governance and employee relations during internal control audits from 2008 to 2010.



The average number of issues per audit for 2010 is consistent with 2008 level at 5.3 and shows a reduction from 6.3 in 2009. Given the increased scope of our on site internal audits since 2008 this reflects an improvement in the control environment.

All businesses are required to meet group standards and hence smaller businesses operating in more challenging environments and with more limited resources can sometimes 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.

The number of employee relations and corporate governance issues reported during the year has increased compared to 2009, even after taking into account the greater number of audits performed in 2010.

This is in line with expectations as the audit scope has widened during the year to take into account further developments and requirements in the group's standards for corporate governance (including business ethics) and employee relations.

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

**Next steps**

**In 2011 we will continue to conduct on-site internal control audits with the emphasis on our more material and higher risk businesses. Our Business Ethics audit work programme is being updated to cover compliance with the strengthened anti-bribery controls being introduced during 2011. In order to ensure that resources and time are appropriately focussed a specific bribery risk assessment is being completed for all businesses. We use the Transparency International corruption index as an element of the risk assessment and will conduct annual anti-bribery audits for all businesses categorised as high risk. Our analysis suggests that G4S operates in 42 countries with a Transparency International ranking of less than three – these countries will be the initial focus of our audit programme.**

**Whistle-blowing**

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

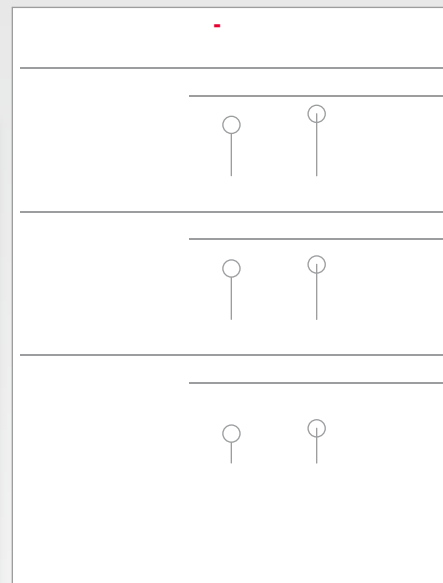
Employees who have concerns about behaviour which is contrary to the group standards are advised to raise their concerns, anonymously if they wish, with their local human resources or Finance Director in the first instance.

Employees can also report serious concerns at a corporate level through the group whistle-blowing facility which consists of an internal central telephone hotline and email service. All concerns reported via the whistle-blowing facility or received through other means are reviewed directly by the Head of Internal Audit.

Where our investigations reveal evidence of unethical conduct, disciplinary action is taken, which may range from a formal reprimand to termination of employment.

**Performance in 2010**

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



There has been continuing promotion of the group ethics policy and whistle-blowing facility during 2010. We have also improved the logging and response to employee concerns raised via the G4S website and correspondence to head office and executive management. As a result the number of employee relations issues raised has increased.

There are five open issues that arose in 2010 which are being investigated or where resolution is pending.

**Next steps**

**During 2011 the group global hotline will be transferred to an independent provider. This will provide an improved 24/7 confidential service with toll free calls, dedicated multi-language capability and an internet-based case tool for the effective investigation and response to employee concerns. We hope that this will provide employees with a more effective means of having their concerns reported and investigated.**

## Securing our people

# Securing our people

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

Our customers rightly expect high levels of professionalism and commitment from G4S in all parts of our organisation. They expect leading edge thinking and innovation in the design and delivery of solutions which will minimise risk and improve the performance and reputation of their businesses. They also expect a consistently high quality of service delivery.

To ensure that our people are fully engaged and motivated to meet customers' expectations, we invest in and involve them so that they feel engaged and motivated about being part of G4S. This is the key to sustained business success. We endeavour to continuously improve levels of employee engagement, motivation, expertise and performance and, through doing so achieve increased customer satisfaction and the continued growth of our business.

### Performance in 2010

- Continued reduction in work-related fatalities from 90 in 2009 to 59 in 2010
- Ethical Employment Partnership continued positively extending to all Western and Northern European countries along with Poland
- 131 Diversity & Inclusion assessments carried out by businesses representing 92% of the group and action plans for improvements have been agreed
- Diversity of the G4S plc board has increased with the appointment of two female non-executive directors in 2010
- Increased the proportion of females in the group talent pools from 13% in 2009 to 20% in 2010
- Employee retention rates improved, with the voluntary turnover rate falling from 27% in 2009 to 22% in 2010

### Next steps

- Introduce core team of health & safety experts
- Improve health & safety benchmarking
- Continued reduction in health & safety incidents
- Improvement in employee satisfaction and engagement – survey to take place in 2011
- Improvement in employee retention rates
- Further implementation of Diversity & Inclusion strategy
- Continued positive progress with the implementation of the Ethical Employment Partnership with aim of extending the agreement to have global coverage
- Increase membership of Group Leadership Programme from 53 to 75





Securing our people

**Health and Safety**

In 2010 we made considerable progress in implementing our new health and safety standards across many of the world's most challenging environments, delivering a significant, sustained reduction in work-related fatalities in G4S. As the nature of our work means our employees are often the intended victims of third party violence, in 2011 we will continue working with governments, customers, employees and their representatives around the world to drive towards our target of zero work-related fatalities.

**Our strategy**

We believe that the health and safety of our employees is of paramount importance and that as the world's leading secure solutions group we must continue to set the global standard for health and safety in our industry.

Our health and safety performance is reviewed at every board meeting, demonstrating the importance attached to this issue at the very top of G4S. To embed the strategy, all businesses are assessed annually against our health and safety model and minimum standards, to ensure their strategy is focused in the appropriate areas and sufficient progress is being achieved.

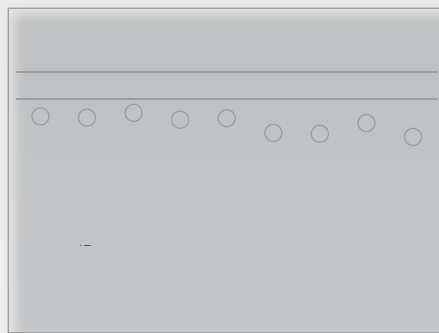
This model builds on a firm foundation of compliance with local laws and regulation, with a strong ethical focus to protect employees from harm, integrating good practice into the organisation at every level, and ultimately differentiating G4S by demonstrating thought leadership on health and safety to all our stakeholders.



In 2009 all group companies complied fully with the G4S health and safety standards and following a review of our overall approach to health and safety we decided it would be appropriate to introduce new standards and set a higher benchmark for the industry in 2011.

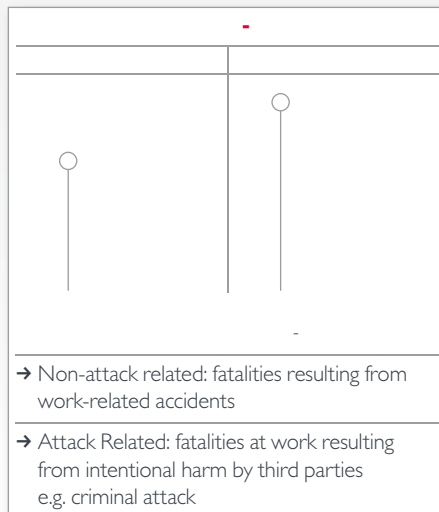
These new standards go significantly beyond the legal requirements in many of our markets and cover areas such as training, communication, reporting, risk assessments, KPIs and formal performance reviews. Implementation is now underway and businesses have been targeted to reach this new benchmark by the end of 2011.

Good progress has already been made and the chart below shows the percentage of businesses already complying fully with the standards in each of these areas:



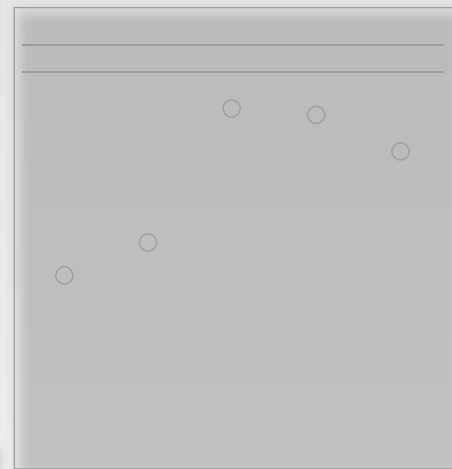
**Performance in 2010**

The most significant benefit of this rigorous approach to health and safety has been the reduction in work-related fatalities as shown by the graph below.

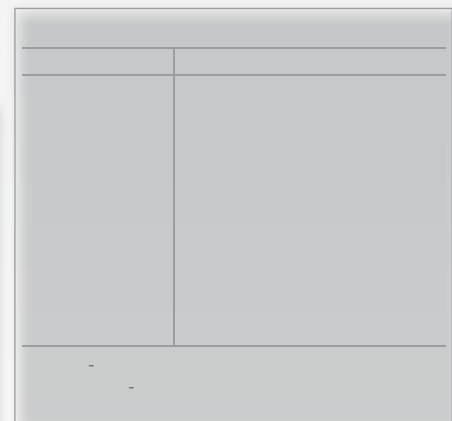


In the last year we have seen a 17% reduction in attack-related fatalities and a 46% improvement in non-attack related fatalities. While social and environment considerations clearly impact on these rates, the implementation of our new health and safety standards has had a positive impact by saving lives in some of the most difficult parts of the world.

The graph below shows G4S fatalities compared with external benchmarks.



Although the overall level of fatalities remains high, safety standards in different countries vary dramatically as a result of different cultural, legal and social dynamics, and the graph shows that compared with external benchmarks G4S performs well. In developed markets, where G4S suffers 0.5 fatalities per 100,000 employees, significantly lower than the average for such markets (2.1 per 100,000 employees), and in developing markets, despite the challenges unique to our industry, our fatality level is comparable with the market at 12.9 per 100,000 employees compared with 12.4.



Further analysis of the 2010 fatalities show significant regional variations with the majority of attack-related fatalities in Africa and LATAM while non-attack related fatalities are predominantly in Asia, including a significant proportion of road-traffic related incidents.

Risk to our employees varies across the regions in which we operate as a result of different cultural, legal and social dynamics. In an ideal world, we would hope not to have any fatalities at all and we are using global best practice and local insight to target continued areas of improvement.

Key steps in reducing fatalities in 2010 include:

- **Critical Country Reviews:** The health and safety performance of the countries with the highest fatality rates in 2009 was reviewed formally and local action plans agreed and implemented
- **Health & Safety Networks:** Global and regional health and safety networks were established across G4S to share best practice and bring health and safety experts together as a community to drive sustainable performance improvements
- **Monitoring and reporting:** In addition to reports to the group board, all regions implemented monthly reports to group on health and safety and close monitoring of KPIs at country level to identify patterns and issues

**Next steps**

**The improvements seen in 2010 have been dramatic and we will build on this momentum throughout 2011 as we strive towards our goal of zero work-related fatalities.**

**During 2011 we will continue to spread best practice across different markets and drive continual improvements in health and safety performance through further developments such as:**

- **Critical country reviews:** During 2011, a core team of health and safety experts will be introduced to conduct rigorous reviews of all countries where more than two work-related fatalities occurred in 2010. Progress against the agreed action plans will be monitored at regional and group levels.
- **Key Performance Indicators:** From 2011, all countries will begin reporting lost-time incidents, life-threatening incidents and work-related fatalities according to the key themes of attack, road-traffic and other work-related incidents. The use of frequency rates will also enable improved benchmarking across different sized businesses in G4S.

**Further information**

More information about the efforts G4S are taking as part of its commitment to the health and safety of its employees can be found in our expanded online CSR Report at <http://reports.g4s.com/2010>

The following case studies demonstrate some of the best practice that exists in combating the health & safety challenges facing our employees.



Securing your world

Safeguarding our integrity

Securing our people

Securing our environment

Securing our communities

## Securing our people

### G4S colleagues – Making a difference

# Nedim Hodo

## Landmine clearance in post conflict zones

**Nedim Hodo was an Army officer during the war that raged in Bosnia Herzegovina from 1992 to 1995, following the break-up of Yugoslavia, he acquired extensive knowledge of where landmines had been laid, mostly by the former Yugoslavian People's Army, to secure borders and restrict enemy movements.**

After the conflict, Nedim left the Bosnian Army, qualified as a de-miner and joined a local company working on the enormous task of removing the deadly debris of war in the country. That work soon brought him into contact G4S Risk Management's Ordnance Management personnel, who impressed him so much with their professionalism, that he joined the company in January 2001. By that time, G4S de-miners had already been clearing mines in Bosnia for four years.

Nedim, like his de-mining colleagues, understands that just because a war ends or a truce is declared, that landmines or unexploded ordnance continue to wreak havoc in the lives of hundreds of thousands of innocent victims. Unexploded remnants of war not only inflict physical harm on the people trying to live in post-conflict areas, but they also prevent valuable land from being used for construction, agriculture or grazing.

Tackling unexploded ordnance is clearly not for the faint-hearted. Nedim – whose de-mining activities with G4S have since taken him to Croatia, Serbia, Cyprus, Lebanon, Mozambique, Sudan, Afghanistan and Iraq – has lost count of how many landmines he has dealt with over the years.

"It's not something you count," he explains.

**"But no matter how many years you have been doing it, tackling unexploded ordnance is always nerve-wracking. Of course it can be a scary job to do, but in the end, we have had extensive training, we know what we are doing and we follow procedures."**

There are also experienced colleagues around if you need advice. We have a huge amount of trust, both operationally and personally, between us."

The philosophy of G4S, which has conducted de-mining operations in 26 countries over the past 15 years, is not to take unnecessary risks. "If an item of ordnance is safe to move, then we will take it away to a central location to be destroyed in a controlled demolition along with other ordnance. If not, it will generally be destroyed where it is", Nedim explains. "Only if it is a threat to life-and-limb, do we need to get up close and personal in order to neutralise it, lift it and take it to a safer location to destroy it."

What began as a job that made good use of his knowledge of Bosnia's minefields and provided him with an income has developed into an international career in which Nedim is acknowledged as one of G4S's most experienced operations managers.



"The business is now in my blood," he says. "You live with it. And from a humanitarian point of view we are doing a very good job, for the people, for the children, worldwide."

"But it's not easy, of course, because your family misses you and your private life is affected. It is however, very satisfying to look at some of the work we have done and to see the benefits we have brought to communities, who can now farm and keep animals on land that was previously too dangerous to use."

Nedim is currently a project operations manager responsible for some of G4S's de-mining operations in Iraq, based in Basra province, where the purpose is commercial rather than humanitarian. In 2010, G4S Risk Management was awarded a contract by one of the world's leading oil and gas companies, to clear landmines and unexploded ordnance to allow it to develop the West Qurna 2 oilfield, which has known reserves of nearly 13 billion barrels of oil.

"There was very little de-mining capacity capability in Iraq," Nedim explains, "and we needed 400 personnel so we have recruited and trained teams of local people to do the work. It takes a minimum of four weeks for suitable candidates to learn the drills and skills necessary to become a de-miner, starting first with "dry" training in a safe environment with inert mines, then moving on to a live minefield under close supervision, which," says Nedim, with a degree of understatement, "can be disconcerting for some people."



The training is detailed and covers all aspects of the job including first aid training, communications, site set up, types of ordnance etc. and refresher training and emergency drills are carried out on a regular basis. All of our training is in line with the International Mine Action Standards.

There is a clear distinction between the types of ordnance devices – mines and unexploded ordnance – they deal with, as Dave McDonnell, managing director of G4S Risk Management's Ordnance Management division, explains: "They're all dangerous, but a mine is designed to maim and kill, whereas unexploded ordnance can usually be seen on the surface and in many instances, can be moved elsewhere to be dealt with. De-miners deal with mines. UXO Searchers (unexploded ordnance) deal with other things, such as bombs and mortars. We clear down to a variety of depths depending on the eventual use of the area and our teams have some very sophisticated equipment at their disposal that can give a computer generated picture of the ground that we are clearing."

G4S Ordnance Management has an exceptional safety record. Despite having cleared 15 million square metres of ordnance over two decades, the number of accidents has been minimal.

It is critical that each accident is thoroughly and independently investigated and that any lessons learned be incorporated into our Standard Operating Procedures in line with our own G4S Environmental Health and Safety procedures.

In Afghanistan, G4S de-miner Ghulam Farooq, was seriously injured in an explosion last year whilst working on a contract in Shindhand. Ironically, he was not tackling a landmine at the time, but was being transported back to base in a minibus which ran over a hidden improvised explosive device. A constant concern given some of the volatile areas in which G4S operates. His colleague, de-miner driver Mohammad Nabi, also had serious injuries resulting in both Ghulam and Mohammad losing a leg.

"G4S's operations manager at that time, Tony Thompson, arranged immediately for us to be transported back to Kabul for surgery and I spent three months in Kabul recovering," says Ghulam. "The company was very supportive throughout, treating me very well, and I was very pleased when the management asked me to continue working for them after the accident. Tony Thompson and other G4S staff visited on a daily basis and ensured that the families were properly looked after during what was a very worrying time. Now I am the training officer and the ongoing training I receive, together with the constant assessment of my condition means I continue to make progress.

In return, Ghulam's support and encouragement for Mohammad whilst also recovering from a lost limb, ensured a positive outcome for both and earned Ghulam a G4S Excellence award from UK & Africa Regional CEO, David Taylor-Smith at the employee of the year awards. Mohammad is also back at work, currently in Herat Province, having been re-trained by Ghulam and carries out critical work on interpreting the computer data from survey equipment, a role which is vitally important in identifying potential buried UXO for the teams to deal with.

Ghulam's accident made Tony aware of an acute shortage of blood available to hospitals in Afghanistan, so every couple of months he arranges for G4S employees in Kabul to donate blood.

Every month, around the world, over 2,000 people are killed or maimed by landmine explosions and there are estimated to be hundreds of thousands, possibly millions of buried mines in some 70 countries around the world, many of which will remain active for a very long time. Sadly, most of their victims are women and children who tend fields or go looking for firewood or to collect water or tend livestock.

To learn more about how G4S colleagues are making a difference, visit [www.g4s.com](http://www.g4s.com)

Securing our people

Talent management

In G4S, we believe that having the best people underpins our abilities to shape and implement strategic plans, adapt to change, build long-term partnerships with customers and engage our employees. Continuing to invest in the development of our people and in particular the talent pipeline, is vital to ensure they have the skills, knowledge and behaviours to meet the increasingly complex challenges. As well as leading to improved performance for individuals, investment in the development of our talented leaders and managers in turn assists in motivating and retaining our employees through the creation of an environment where people are encouraged to reach their full potential.

Performance in 2010

During the last year we have created a network of senior leaders who have the potential to grow into some of the top 100 roles in the group over the next three to five years.

This group, called the Strategic Leadership Network (SLN), met twice in 2010 to review and input to the G4S strategy, as well as create more opportunities for teamwork and collaboration across our international business. The meetings have also been designed to allow time to be spent on personal leadership development.

In addition, the group has been working on critical business projects that have generated value for G4S, with substantial recommendations and outcomes that the group is taking forward. During the last year, almost half of the group have been promoted or moved into new roles underpinning our strategy to develop successors through new opportunities.

As part of our approach to talent development, we have a target of 70% of appointments into key new leadership roles coming from internal candidates. During the last year, 75% of our senior leadership roles created as part of our Regional restructuring have been filled by internal candidates, which is further evidence of the successful investment in the development of our leaders.

Continually building a strong talent pipeline therefore directly contributes to organisational effectiveness and results, as well as proactively managing succession.

To support this, in addition to the SLN, we have a Global Leadership Programme (GLP) aimed at senior managers at the next level in the pipeline.

During 2010, 53 participants took part in various stages of the GLP which provided them with opportunity to develop their learning.

At the next level of management, we have also actively identified managers who could progress significantly and are making preparations to invest in their development, through regional leadership programmes designed to provide opportunities for other managers to gain a wider experience of the group.

"The Strategic Leadership Network has provided me with immense grounding, as I made my transition from managing our Botswana business to heading our Nigeria operations. It was a timely opportunity in my career to have been part of the network during this promotion to managing G4S Africa's third-largest business. Managing any business in Nigeria is extremely challenging and requires a unique set of management, personal and leadership skills which are often not all available in any one individual.


I personally developed in my outlook as a leader as within six months I broadened my network with my colleagues in the group, shared and learned best practice which I have applied successfully in Nigeria. The academic and experiential learning, combined with personal development programmes within the network learning environment, is an ideal model for developing G4S's future leaders."

Percy Raditladi  
Managing Director, G4S Nigeria



G4S promises to ...

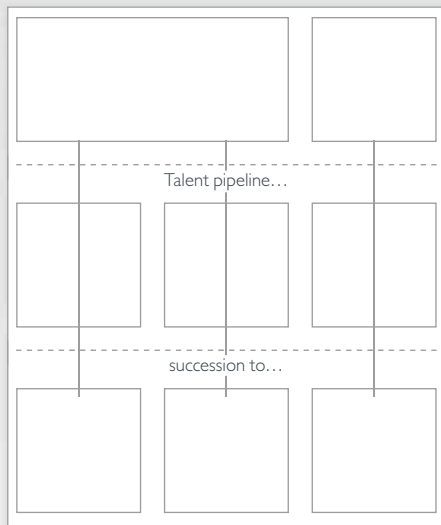
... and will deliver



...securing our future together

The complex block contains a large white rectangular area with a thin black border. At the top left, it says 'G4S promises to ...' and at the top right, '... and will deliver'. Below these are three empty rectangular boxes stacked vertically on the left, and three empty rectangular boxes stacked vertically on the right. In the center, there is the G4S logo, which consists of a stylized 'G' and 'S' in black and red. Below the logo, it says '...securing our future together'. There are also some faint circular lines around the boxes, possibly indicating a process or flow.

The chart below shows how the SLN, GLP and regional leadership programmes fit together:



**Next steps**

**The focus for talent management in 2011 will be a comprehensive review of our pipeline at all management levels to re-examine our current capabilities and performance against our strategy, take action to close any gaps, as well as reconfirm the plans for our development activity.**

**In addition we are targeting an increase in membership of the GLP to 75 managers from the current 53.**

**Diversity & Inclusion**

In G4S, we believe that increased diversity is vital to our continued success because the skills and talents needed to lead, develop and grow a global business are found in people from a diverse range of backgrounds.

Our challenge is to attract and retain the best people from the widest possible pool and provide them with an environment in which they can reach their full potential.

To support the implementation of the strategy we launched a self assessment tool. The aim of which is to help businesses identify gaps in their current approach to diversity and inclusion and provide some suggestions as to what actions to take to fill the gaps and to develop best practices. There are a number of dimensions in the strategy which are aligned to the key business processes such as measurement and monitoring, communication and marketing, recruitment and selection.

The model we use to define how Diversity & Inclusion is embedded in the business strategy is shown below:



**Progress in 2010**

We set ourselves an objective that all businesses across G4S would complete an assessment by the end of 2010. Over 131 self assessments were completed, representing 92% of the group.

The chart below shows the proportion of G4S business units at each stage of our Diversity & Inclusion strategy.



The majority of businesses rated themselves at a level that indicated they are complying with requirements of the group in ensuring everyone has an equal opportunity and processes are fair and equitable. 10 businesses assessed themselves at the next level indicating that they understand the importance of diversity and inclusion and are working to embed diversity and inclusion in all their processes. One business rated their practices at a level where they are managing diversity and inclusion at a level which differentiates them positively from their competitors.

Seven businesses rated themselves at the "starting" level, where this is new for them and where there needs to be more attention are subject to further scrutiny and support to help them reach the "complying" level in the next 12 months.

**Securing our people**

Information from the self assessments has enabled us to identify risks, share best practice, and make recommendations about future progress. Plans developed as a result of the self-assessment are now being implemented for 2011 and we expect to see more businesses moving to the “embedding” and “managing” level when we next report in 2012.

In 2011 we are launching a new cross cultural awareness online training tool. The tool, which will be available to everyone in G4S is to help people recognise and understand the impact that cultural differences may have on the behaviour, values and beliefs of our customers, colleagues and suppliers. Developing a global mindset and being able to work effectively, wherever in the world they are is a core competency for our leaders, so we have set ourselves a goal to ensure that all our leaders have reviewed this new tool by the end of 2011.

Working to achieve increased diversity in our high potential management and leadership development programmes was another objective that we set for 2010. This year we made good progress on one of our key metrics, with 20% female participation across the Strategic Leadership Network and Group Leadership Programme – up from 13% last year.

Nearly 12% of the total workforce are women although there is a wide variation between developed and developing markets. Although in some of the developed markets such as North America, there has been an increase in the percentage of women in operational front line and supervisory roles, it continues to be challenging to attract women to front line security roles in many of the countries and cultures in which we operate. Nevertheless we have set a goal for each region to aim to show a year-on-year improvement in the gender balance of their workforce to ensure that this is an area of business focus going forward.

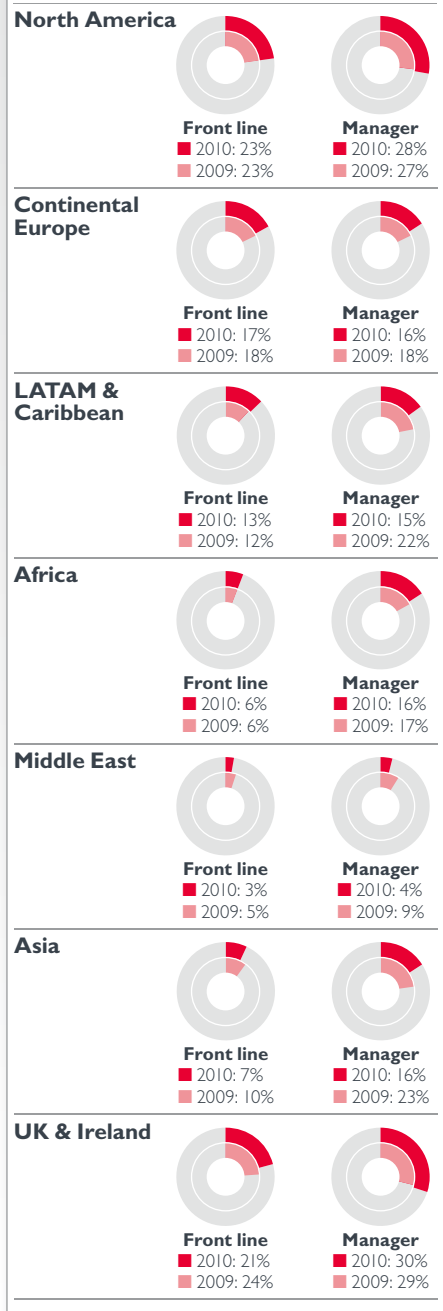
There has been a significant improvement in the representation of women at the managerial level where they account for 22% of our employees. This is an increase from 19% on a like-for-like comparison of data in 2009.

**Next steps**

- For 2011 we are targeting a number of further diversity and inclusion objectives as follows:**
- All businesses or countries to complete a diversity and inclusion assessment in 2011
  - All businesses or countries to have implemented their diversity and inclusion plans for 2011
  - All businesses or countries to have introduced relevant measures to support implementation of their diversity and inclusion plan
  - Each region aims to show a year on year improvement in the gender balance of their workforce
  - All leaders to have completed a review of the online cultural awareness training tool being implemented in 2011

**Male to female data**

The chart below shows the split between male and female employees across the Group. Working to achieve increased diversity in our high potential management and leadership development programmes was another objective that we set for 2010. This year we made good progress on one of our key metrics, with 20% female participation across the Strategic Leadership Network and Group Leadership Programme up from 13% last year.



## Employee engagement

### Our strategy

We believe that employee engagement is a critical driver of business success, helping us improve employee stability and increase our employees' motivation to deliver excellent service to our customers, leading in turn to sustainable business performance.

Through continual monitoring of employee key performance indicators and rigorous analysis of employee feedback we ensure engagement stays on the agenda of every manager and every business. Group-wide minimum standards on topics such as strategy development, policies, management training and respect for international standards have been implemented over the last two years and progress in achieving full compliance is monitored regularly.

As well as direct employee engagement we continue our strategy of building constructive social dialogue at both local and global levels. Our Ethical Employment Partnership with UNI, the Global Union Federation for the services sector, is still unique in our industry and provides further evidence of our proactive and unique approach to engaging with our employees' chosen representatives.

### Progress in 2010

In 2010 we saw a significant improvement in employee voluntary turnover across the group, reducing from 26.6% to 22.4%, in a year where our constructive social dialogue and innovative approach to employee engagement has continued to differentiate G4S as an employer from its competitors in the industry and beyond.

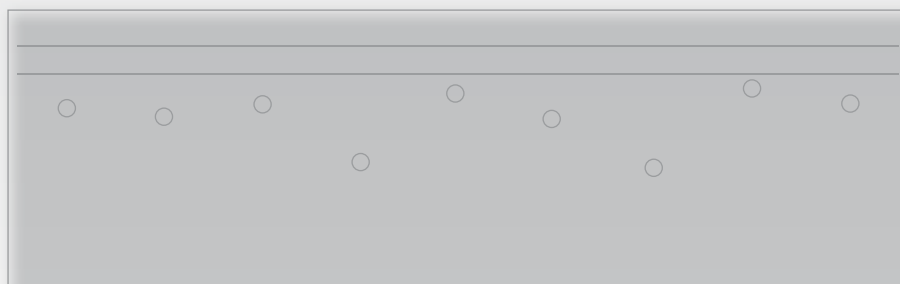
After the success of the 2009 employee survey, in which more than three-quarters of employees who responded said they would recommend G4S to a friend, the focus in 2010 has been in implementing action plans based on employee feedback, and preparing for our next global survey in 2011.

The loyalty of our employees is evidenced by their length of service, with a quarter of employees having over five years service and almost one in ten having stayed with G4S for more than a decade.



While the economic situation has remained challenging in many markets there are others where growth has continued throughout 2010, so our reduction in voluntary staff turnover during the year is reflective of both improved employee engagement as well as the changing labour market.

Overall, 14% of our employees are members of recognised unions and a third are covered by the terms of a collective agreement. Regional variances remain in place, with union membership most common in Africa and coverage by collective agreements highest in the UK and Ireland.



The Ethical Employment Partnership entered into with UNI in 2008 has had a positive impact on the business over the last two years, with strong relationships helping address benefits for employees as well as the company.

The relationship at a global level between G4S and UNI has continued to develop positively over this time, and local labour relations have also entered new, constructive phases, particularly in developing markets countries such as India. The agreement continues to differentiate G4S from other industry and multinational organisations and provides strong evidence of our commitment to listening to our employees' collective voice.

### Next steps

**At the end of 2011, on the third anniversary of our Ethical Employment Partnership with UNI, we envisage that the phased stage of implementation will conclude and a new process will be introduced to ensure that employees benefit in line with the terms of this agreement.**

**Our second global employee survey is taking place in 2011. As well as tracking trends in the responses to the 10 core questions which all employees were asked in 2009 we have added a number of further questions which will provide further insight into our employees' views and help businesses plan how to engage them fully.**



**G4S colleagues – Making a difference**

# Nick Daines

**A second chance for young offenders**

**Nick Daines, gave up a successful career in business development to have a three-year adventure break with his wife in Costa Rica, during which he made a career-changing decision. Whilst discussing their life experiences, they realised Nick was happiest, when he was doing meaningful work, so he vowed to look for a job, on his return to the UK in 2008, that would give his life a purpose.**



He found it in Oakhill Secure Training Centre (STC), on the outskirts of Milton Keynes in the UK, 50 miles north of London. It is one of the UK's four STCs for offenders who are minors aged between 12 and 17 if they have received a Court Ordered Secure Remand, and up to the age of 18 if sentenced to custody. Three of the four STCs are managed by G4S.

G4S staff at STCs are tasked with helping turn around the lives of young offenders, before their behaviour becomes entrenched.

**"It takes a special kind of person to work with these youngsters, who are often as vulnerable as they are violent, as challenging as they are challenged, and for whom every other form of assistance or guidance has so far failed."**

Oakhill is a male-only STC. Having had past experience of helping the mentally-ill and an interest in psychology, Nick was confident he had the right disposition to assist the youngsters placed in Oakhill's custodial care. G4S agreed. He passed the stringent screening and vetting procedures, which started with an assessment day to determine his suitability for the role, followed by a job interview, a vetting interview and medical assessment. The vetting interview also incorporated interviews with five individuals known to Nick. The screening included an enhanced Criminal Records Bureau (CRB) check and references from all previous employers during a ten year period. Finally the information was gathered and sent to the Youth Justice Board and to G4S' Service Delivery Manager and G4S Director of Security Screening for final approval for employment. It was only after this extensive process wholly necessary for such a job that Nick began training in October 2008 as a secure custody officer (SCO).

An SCO's training starts even before they commence employment at Oakhill, with an eight week Initial Training Course (ITC) which upon successful completion allows the SCO to then undertake the eight week induction training at Oakhill. Beginning with a two day familiarisation process, the SCO is placed into their team of four, which includes the team leader, where they work for the majority of the induction period to ensure consistency both for the team members, but also the young people. The SCO will undergo a variety of tasks during the induction period typically involving attending education, facilitating leisure activities, escorting young people and attending their sentence planning reviews. They also spend time with their team observing how to encourage learning and support for the young people to aid their educational development. The SCO will also spend two weeks to shadow and observe experienced staff to improve their understanding of the role and observe the positive interactions between staff and the young people.

G4S considers ongoing development crucial to the role of the SCO and each SCO is expected to attend planned and formal training on a six week basis, within their teams covering areas such as Physical Control in Care refresher training (PCC), mental health awareness and positive behaviour management, to name but a few.

In addition, employees are actively encouraged to study for accredited training and qualifications in health and social care. Employees are also encouraged to apply for secondments to promote ongoing development and learning in other areas of G4S Care & Justice businesses such as the children's homes, which the group also manages. As part of G4S' ongoing commitment to training and development of its employees, Oakhill identified that with the ever changing needs of its people that some required extra support themselves with areas such as numeracy and literacy so it now offers employees the opportunity to take up Learn Direct training in these areas, an initiative which many SCOs are benefiting from.

Young offenders at Oakhill live in residential units consisting of eight rooms – one each – as well as sharing communal areas. They spend 14 hours a day outside of their rooms and must spend 25 hours a week in education, 52 weeks of the year. Oakhill offers a full national curriculum for young people who would normally be in mainstream education. Teams of SCOs provide a round-the-clock presence in each unit as well as accompanying the groups during educational or recreational periods. Discipline needs to be instilled into many of them who have not previously attended school regularly or on time.

Education at Oakhill is compulsory and it's paying off. The average reading age – which is often that of a six-year-old on their arrival – increases by five months for every month that a young person spends in the STC.

**"G4S believes that 90% of those who spend time at Oakhill benefit from the experience, some even leaving with GCSEs or certificates of competence in health and safety or building skills which will help them when they look for employment."**

As Nick learned more about Oakhill's contribution to society, he became even more positive about his involvement in its work. He had been well supported by his SCO colleagues in his early days, as well as the presence of 15 case workers and a multi-disciplinary service whose teams include specialists in psychology, substance abuse and offending behaviour.

To learn more about how G4S colleagues are making a difference, visit [www.g4s.com](http://www.g4s.com)

## Securing our environment

# Securing our environment

**As an organisation that specialises in managing risk, we at G4S recognise that the threat to people and infrastructure from climate change is an important and ongoing concern for our group, our customers and our employees.**

At G4S we are endeavouring to be the leader in our industry in measuring, reporting and reducing the intensity of our greenhouse gas emissions. We have set ourselves a series of challenging targets to increase sustainability within our operations and reduce our carbon footprint.

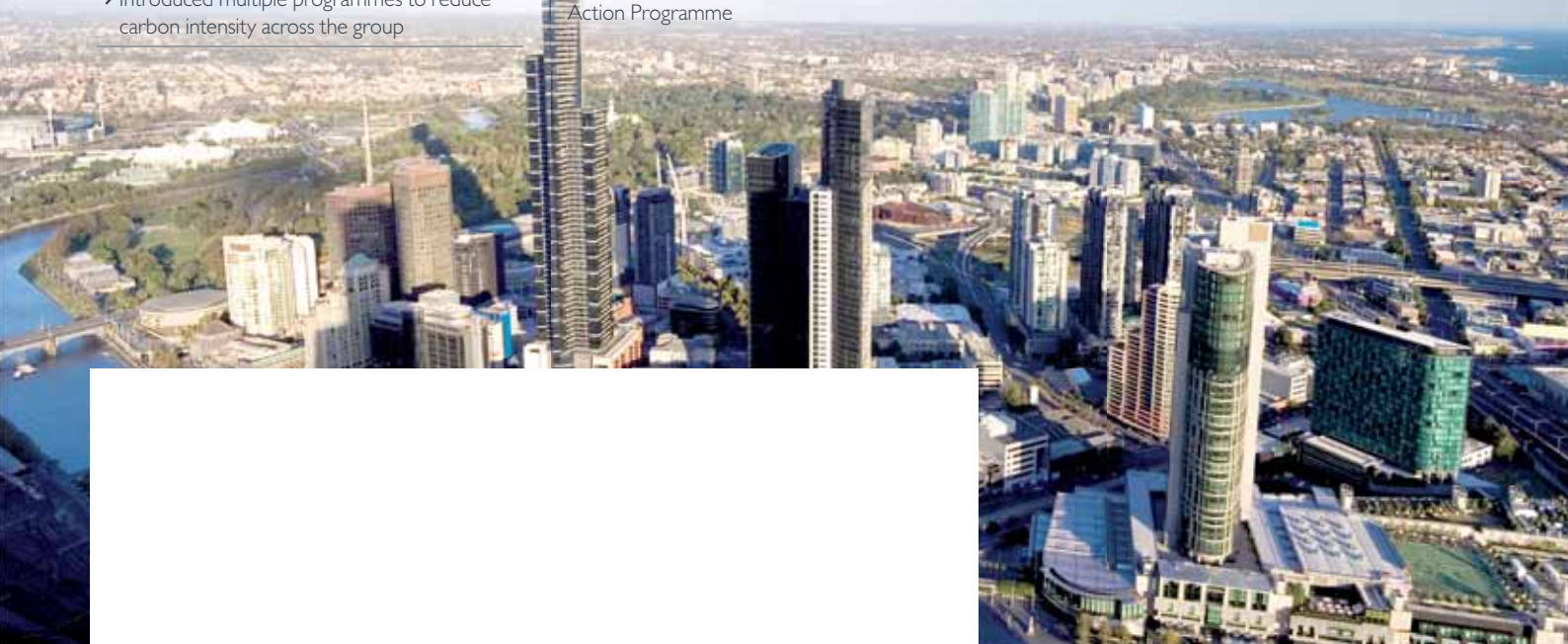
In partnership with our customers, employees and suppliers, we are investing in energy efficient technologies, reducing waste and encouraging our stakeholders to think about the environmental impact of their decisions, with the aim of reducing the resource footprint of our operations.

### Performance in 2010

- Measured the carbon emissions of businesses representing 94% of the group
- Achieved overall reduction in carbon intensity of 5.4%
- Developed and expanded a global network of environmental co-ordinators
- Implemented Greenstone Carbon Management System across the group to track and analyse carbon emissions
- Introduced multiple programmes to reduce carbon intensity across the group

### Next steps

- Continue to implement carbon reduction strategies to reduce carbon intensity measured against revenue by 13% from 2009 to 2012 (averaging 4.5% pa)
- Systematically measure the carbon emissions of at least 94% of the group
- Introduce a Green Building minimum standard for new-build or long lease facilities.
- Introduce measurement of waste and water consumption to our Climate Action Programme



## Climate Action Programme

Since the start of our Climate Action Programme in 2008, we have introduced a wide range of energy efficiency measures, with the aim of reducing the intensity of our carbon emissions and through our "Big Think" campaign we have helped to educate our employees about the sustainable practices they can adopt.

We are very proud of the progress we have made and the steps we have taken to create an environmentally sustainable G4S by increasing our energy efficiency and reducing our carbon intensity.

### Establishing a Climate Action Culture

G4S began its environmental journey in 2008 by establishing a board to oversee its Climate Action Programme and a network of environmental co-ordinators throughout the group to begin measurement of our carbon emissions.

In 2009, we launched a three year environmental strategy, committing us to measuring and reporting the carbon emissions of at least 90% of the business and setting a target for reduction in carbon intensity of 13% by 2012, averaging 4.5% per annum.

Early in 2010, the Climate Action Board measured the emissions of G4S operations representing 94% of the group. This analysis included data from each of our service types and allowed us to accurately estimate the carbon footprint for 100% of the group, some 628,000 t/CO<sub>2</sub>e in 2009.

## 2010 Carbon footprint

The G4S 2010 total carbon footprint calculated for 100% of the business equates to some 610,000 t/CO<sub>2</sub>e, a real reduction of 2%. Through operational year-on-year growth we expect that our direct carbon emissions to grow proportionately, we have therefore established a G4S average carbon intensity of 82.8 tonnes of CO<sub>2</sub>e per £1m of revenue at 2010 exchange rates. At the same exchange rates our carbon intensity for 2009 was 87.5 tonnes of CO<sub>2</sub>e per £1m of revenue.

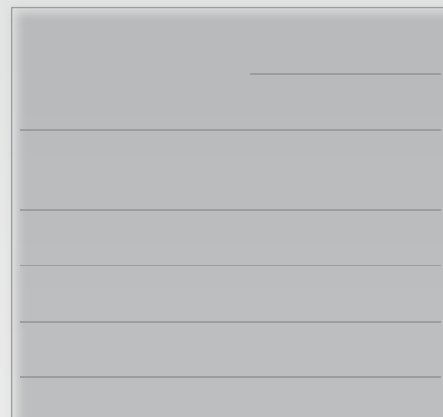
Since 2009, our total reported emissions have decreased by 5.4% per £1m of revenue, exceeding our 2010 target of 4.5%. This is a realisation of the efforts we have committed to introducing energy efficiency measures across our business, and a positive step towards our 13% target by 2012.

In certain regions, particularly the Middle East, G4S employs a significant proportion of expatriate employees. Due to the operational nature of these contracts, G4S provides 24/7 care including accommodation and transport. We have therefore included the full carbon footprint of their employment and have calculated an average measurement across the group of 1.1 tonne of CO<sub>2</sub>e per employee.

### Approach and coverage

We have used the WBCSD<sup>1</sup> and WRI GHG<sup>2</sup> protocols to undertake a measurement of our Scope 1 and Scope 2 carbon emissions – vehicle fleet, fuel, refrigerants, and electricity usage for G4S occupied businesses over which we have operational control. In addition we have measured Scope 3 emissions from employee business air travel.

The businesses measured in our 2010 carbon footprint represent 94% of the group's operations. We believe that the data collected and analysed for such a significant proportion of the group's operations, including each of our different service types, allows us to accurately estimate the carbon emissions for 100% of the group's businesses.



<sup>1</sup> World Business Council for Sustainable Development  
<sup>2</sup> World Resources Institute Green House Gas

“As the largest operator in its sector, G4S's challenge in measuring carbon emissions in over 100 business units, across six continents cannot be underestimated. Having embarked on this journey in 2008, G4S amplified its sustainability management during the last year through the implementation of an enterprise software solution, Acco2unt, to measure, monitor and report across all its sites globally.

We have been very impressed by the enthusiasm and commitment of the Climate Action team to define meaningful strategy and scope boundaries that minimise the environmental impact of G4S's operations. This is particularly impressive given the operational and organisational challenges encountered in a highly distributed business model with a significant proportion of operations located in difficult operating environments.

Most importantly, the strategy and commitment is delivering results with G4S consistently meeting its ambitious targets and delivering on its environmental commitments – generating reputational and financial value for the business.

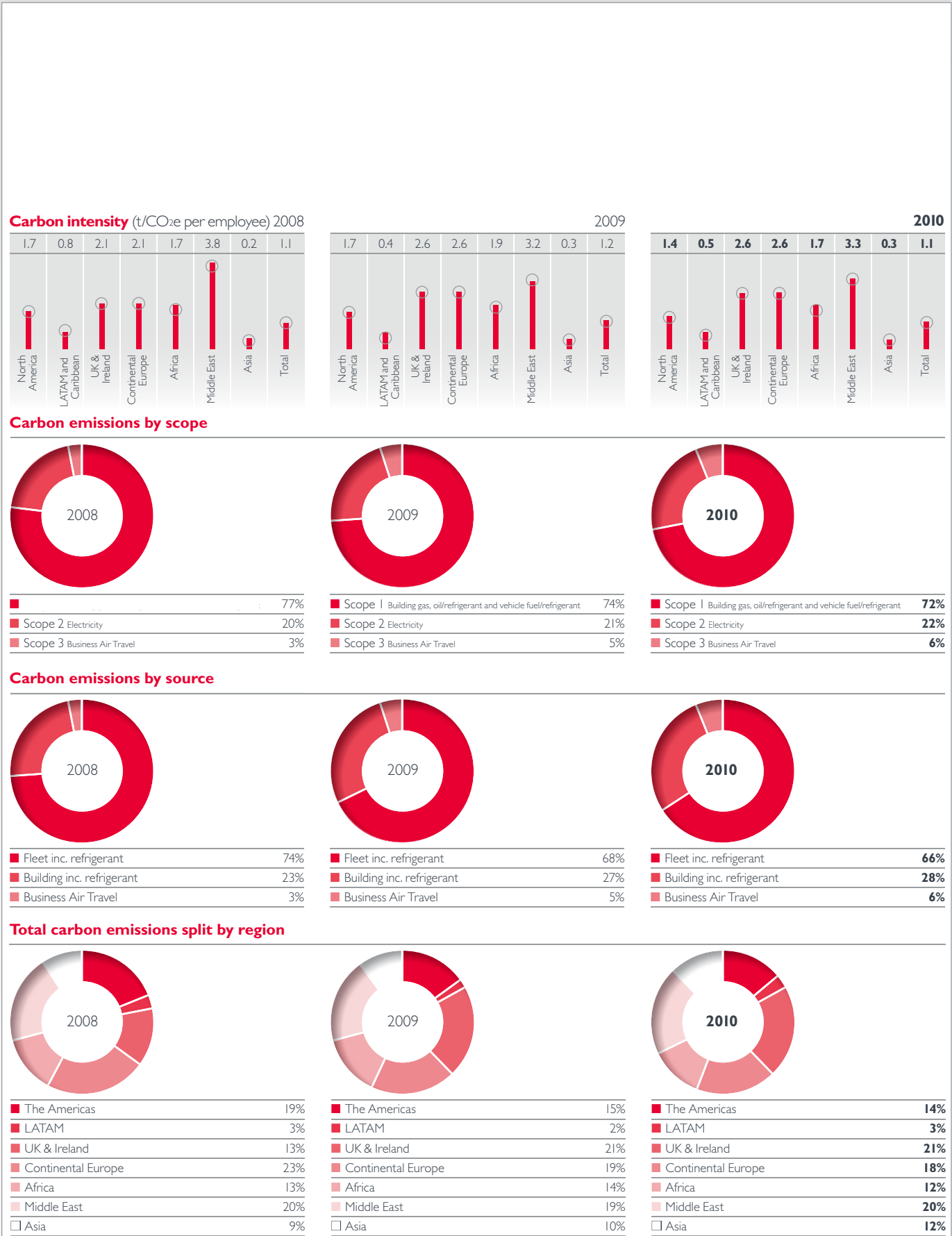


**Matthew de Villiers**  
 Chief Executive Officer  
 Greenstone Carbon Management

Securing our environment

Carbon footprint analysis

We calculate that during 2010, G4S emitted some 610,000 t/CO<sub>2</sub>e. The following charts show our carbon footprint data in a number of ways:



All charts are based on actual 94% (2009 and 2010) and 82% (2008) measurement.

## Carbon reduction measures

### Vehicles

To help provide our customers and their communities with a safe and secure environment, G4S employees operate over 30,000 vehicles, including some 11,000 armoured cash transportation vehicles. This large and operationally restrictive fleet generates over 65% of our groups' carbon footprint and since the beginning of our Climate Action Programme in 2008, it is on our fleet that we have focussed our efforts to reduce our carbon emissions.

Through the use of eco-driver monitoring across Europe and North America, vehicle replacement programmes introducing energy efficient alternatives such as the *Citroën C1* and *Toyota IQ* and the introduction of alternative fuelled vehicles such as the *Volkswagen Caddy ecofuel* and *Tazzari Zero*, we have achieved a significant reduction in our fleet emissions.

Since 2009 the direct emissions of our vehicle fleet have been cut by 6%. This represents an average reduction per vehicle of 900kg/CO<sub>2</sub>e to 13.2 t/CO<sub>2</sub>e in 2010.

During 2010, G4S introduced photovoltaic or solar panels to 70 of its cash transportation vehicles in the UK. The photovoltaic module is integrated into a panel on the roof of the vehicle and will produce enough sustainable energy to power the vehicle's ancillary electrical energy usage, reducing fuel consumption by around 3 litres per hour when the vehicle's engine is switched-off. Following the successful introduction of this technology to our vehicles has led to plans to introduce further solar panels to our fleet during 2011.

A further 110 low-risk cash transportation vehicles in the UK have been fitted with energy efficiency stop-start systems. The introduction of this technology, which automatically shuts down and restarts the engine to reduce the time spent idling, has increased fuel economy by up to 8% compared to regular vehicles carrying out the same role.

In the Netherlands, G4S Secure Solutions has put its first green mobile surveillance vehicles into use. The zero emission electrically-powered *Think* and *Tazzari Zero* cars were introduced during 2010 to patrol business parks in the cities of Amsterdam, Almere and Groningen. G4S has also launched a fleet of ten *Volkswagen Caddy Ecofuel* vans for its ATM Engineers in Sweden. Using a mix of Biogas and Natural Gas, the *Caddy* emits around 60% less CO<sub>2</sub>e than a conventional petrol engine.



### Buildings

Over 28% of our carbon footprint is generated by heating and powering the varied and wide ranging collection of G4S managed buildings. Covering over 1.7 million m<sup>2</sup>, these facilities include corporate head offices, prisons and detention centres and industrialised cash processing centres.

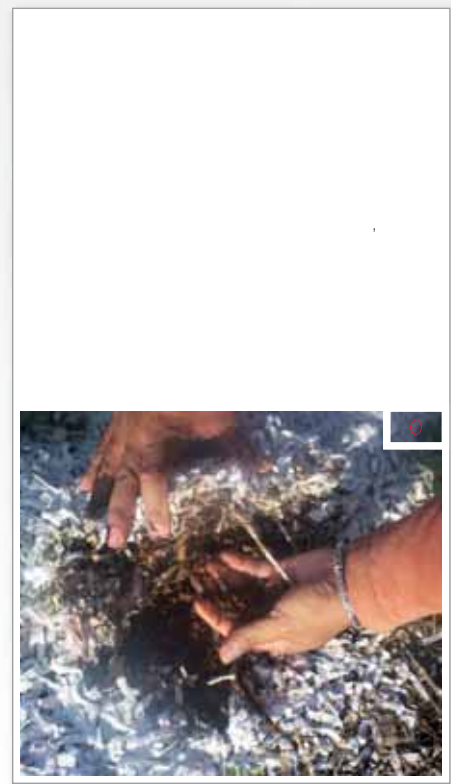
Through the continued implementation of energy efficient replacement programmes and changing employee behaviour with the "Big Think" campaign, we are working to further reduce the CO<sub>2</sub>e emissions of G4S buildings.

G4S is introducing a Green Building policy where all future new-builds or long leases, above an agreed threshold, must meet the regional environmental building standard such as BREEAM or LEED.

### Further information

More information about the efforts G4S is taking as part of its commitment to reducing carbon emissions and becoming a more environmentally sustainable business can be found in our expanded online CSR Report at <http://reports.g4s.com/2010>

## Waste and recycling



## Securing our communities

# Securing our communities

**At G4S, we seek to make a positive impact on the local communities wherever our staff, customers and suppliers live and work around the world.**

To do this we encourage our businesses to engage and invest in community projects, whether directly with cash or through staff volunteering, fundraising and provision of G4S services.

### Performance in 2010

- Conducted a review of key community projects across the group carried out during 2010
- Identified 63 separate core community investment programmes with a combined value of £654,000 taking place across the world
- G4S community programmes touched the lives of over 22,500 adults and children across 32 countries

### Next steps

- Conduct Economic Impact Assessments of G4S operations in three major countries: South Africa, India and Chile – additional markets to follow
- Conduct an annual review of G4S impact in the community



### Contributing to stable and safe communities

Many of G4S specialist business activities, such as our Ordnance Management teams working to remove unexploded mines from former conflict zones or our Children's Services Case Workers helping to rehabilitate juvenile offenders, deliver direct benefits to the community.

At G4S, we seek to make a positive impact on the local communities wherever our staff, customers and suppliers live and work around the world. To do this we encourage our businesses to engage and invest in community projects, whether directly with cash or through staff volunteering, fundraising and provision of G4S services.

The economic and social impact of G4S reaches well beyond its working environment and touches the lives of millions of people around the world. G4S provides funding, volunteers and services to a broad range of organisations within the communities in which we live and work with the majority of our investment being focused on the health, education, welfare and support of children and young people.

#### Performance in 2010

In addition to funding six major, long-term community-based initiatives around the world, G4S encourages businesses around the group to play their part in engaging with and helping to improve their local communities.

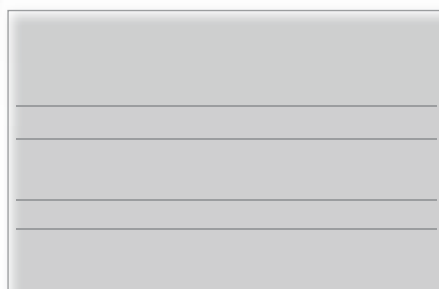
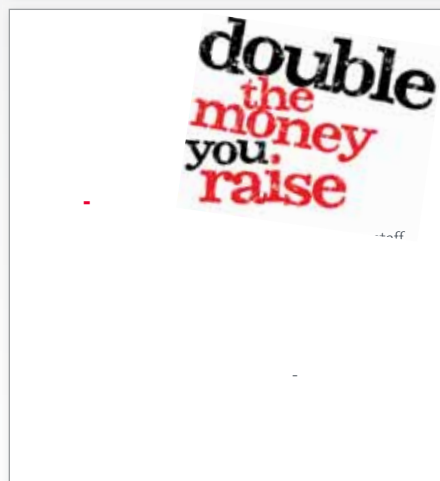
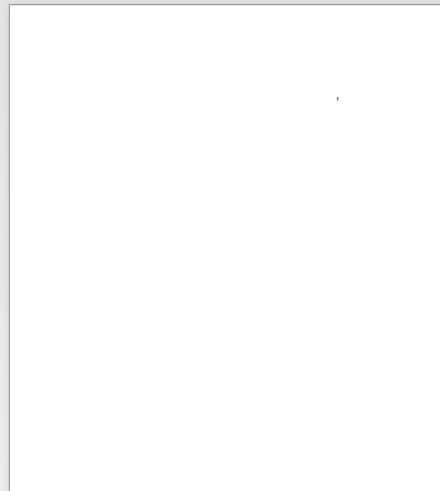
In 2010, G4S completed its first review of its regional and country managed community investment activity around the world. The review took a clear snapshot of G4S community activity, identifying 63 core community programmes across the globe from a project to provide schooling to underprivileged children in partnership with the Ikhwezi Community Trust in Bloemfontein, South Africa; to support for "CODERI", a non-profit organisation in Puerto Rico providing education and work placement opportunities for young people with Downs Syndrome.

The snapshot provided a clear view of the impact that G4S partnerships and programmes have in the communities in which we live and work. At least 22,500 people received help in some form from G4S, including almost 6,500 for whom the help received – regular food, shelter, education or similar support – made a significant and lasting contribution to their lives.

In line with our strategy to focus funding and support on the health, education, welfare and support of children and young people, many programmes provided significant assistance to 2,400 people under the age of 18, a further 7,700 were given G4S support in some lesser form.

G4S Sporting Partnerships inspired community programmes around sporting activity and our education related programmes helped provide some form of education to 5,000 people, of which 900 benefited considerably, by taking a complete tuition course which enabled them to successfully apply for employment. Other programmes receiving support and or funding from G4S involved helping to rehabilitate offenders or generally support our local communities.

During 2011, we will carry out a second review of our regional and country managed community investment activity and with the development of further best practice guidance aim to increase the level and impact of G4S support to local community causes across the group.



## Securing our communities

G4S community initiatives:

### Africa

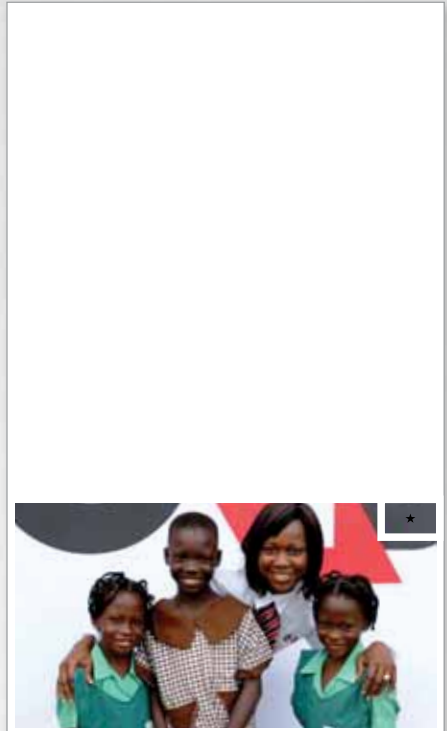


Malawi

#### Acacia Project

The Acacia Project tackles two of Malawi's core needs: food and energy. Since 2006, G4S plc has funded the collection and planting of acacia seeds, as well as cultivation of maize, cassava and legumes. The wood from the acacia trees supplies energy, particularly when burnt as charcoal, whilst the other crops are eaten or sold.

Initially some 50,000 acacia seeds were cultivated and planted in 10,000 m<sup>2</sup> plots of land in the northern regions of the country. Since these early beginnings, the Acacia Project has grown to support three villages and provide a sustainable living for 1,200 people.



South Africa

#### SOS Mamelodi Village

G4S South Africa has a long lasting relationship with SOS Mamelodi Village, a children's orphanage in Pretoria. The village was established in 1985 and is home to around 160 children. There are also three youth houses on, or near the premises, which cater for the older children as they grow towards independence. An SOS Kindergarten serves the community and village children as they prepare for "big school", and the SOS social centre provides support and training to community families in need.

Within the village are a number of "houses" where the children live, there are normally around seven children of varying ages in each house and a "house mother" who cares for the children in her house. All in all there are around 10 houses in the village and each house has a sponsor so there is a G4S house which is supported purely by G4S. We provide funding to support the house and the children in addition to holding parties/activities for the house, buying presents for the children, decorating the house, providing medical cover for the children etc.

Mamelodi Village is an amazing place with a strong family atmosphere. G4S 4teen member Zodwa Maphanga visited the orphanage in January 2010 and donated a table tennis table to the children. She also spent time with the children giving them table tennis lessons.



G4S community initiatives:

## The Americas

United States

### Haiti Twinning Programme

G4S has a long relationship with the church of St. Joseph's Parish and the work of its Twinning Programme's in Pignon, a poor community in Northern Haiti. Pignon suffers from poor infrastructure and lack of jobs or self-employment opportunities.

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



Securing your world

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Costa Rica

### Un Techo para mi País "A Roof For My Country"

G4S has a long history of working with "Un Techo para mi País" to improve housing for poor and disadvantaged communities in South America and in 2010 G4S Costa Rica joined forces with the campaign to raise funds for "Un Rojo Por Un Techo" – "A Red Roof for My Country".

G4S sponsored the campaign and through its network of cash branches and logistical expertise, provided secure transportation and cash processing to count all monies raised in the campaign.

Securing our environment

Securing our communities

## Securing our communities

### G4S community initiatives:

### Asia and Middle East



India

#### Shiksha School

The Shiksha School for underprivileged children opened in April 2010. Located near Sangam Vihar, one of Delhi's poorest slums, Shiksha School provides 60 young girls and boys with daily schooling, a uniform, their books and stationery materials and a cooked meal specially catered for the children.

In partnership with the Hope Foundation and G4S India, G4S plc has funded the construction and ongoing administration of the school, providing the salaries of the teaching staff and educational materials.

Sharmin Akhtar and Snigdha Manda of the G4S 4teen visited the school in December to handover new sports and educational equipment. The two athletes led the children in a fun sports class using their new kit.

Through the school, G4S and the Hope Foundation aim to provide free education which will help to discourage child labour and other unethical activities like crime and drug use. We expect, through this initiative to create a better environment, which not only provides education but gives guidance and a better start to the children's lives.

The Philippines

#### Tondo School

Beginning in 2010, G4S is supporting an ongoing programme to bring a positive impact to the lives of 1,400 children in the slums of Manila. Over 1 million people live in the Tondo slum – built in one of the biggest dumpsites in the world. Those who live there, live amongst the refuse and get by through scavenging for rubbish which is sold to scrap dealers for pence each day. Children and adults alike work throughout the day to make enough money to survive.

Within the Tondo slum, an organisation called Philippine Christian Foundation (PCF) has set up a school for 400 children. The school is within the slum itself and relies on goodwill and donations to survive and to provide for the children. The school also employs many parents and produces its own jewellery and bags made out of rubbish from the tip. This ensures that when the children go to school their families don't lose out on their income from scavenging.

G4S Philippines supports the school programme and is also helping the PCF to build a new school made out of old shipping containers for 1,000 children. G4S 4teen hosted a sports day at the school in February with four of the athletes (Obinna Metu, Charly Suarez, Snigdha Manda and Eduardo Palas) and Haile as part of a G4S 4teen training camp, and donated some much needed sports kit and equipment to the school.



G4S community initiatives:  
**Europe and UK**

Greece

**Ark of the World**

In partnership with G4S plc, G4S Greece supports "Kivotos tou Kosmou" or "Ark of the World", a community programme helping children and their single parent mothers in the run down district of Kolonos, one of the most under developed and dangerous areas of Athens.

The programme's main focus is to support single mother families, not only from Greece, but also from 18 other countries, to get back on their feet by affording financial and non-financial assistance in various forms and providing childcare while the mothers are working.

G4S supports the Ark in a number of ways, including the funding of a social worker to provide assistance to the mothers and their children, and the rental for a period of six months for mothers who have rejoined the working community and need help in their first steps.

G4S also provides security free of charge to the Ark's sites, including it's hostel for badly treated mothers and their children, accommodating up to 40 families seeking shelter at the Ark from their abusers.

In its first year, the partnership between the Ark and G4S has had a hugely positive impact on the lives of the children and their mothers. During 2010, more than 500 mothers and their children have been assisted by the G4S funded social worker, and over 150 mothers were given help with rented accommodation. G4S were pleased to provide additional assistance to several of the women, supported by the Ark, by offering them employment within our company.



UK

**HMP Wolds Evolution**

The G4S managed HMP Wolds Prison has supported the delivery of 13 evolution programmes since the initiative started in June 2008. The programme, which is a partnership between the prison, its prisoners and Helena Partnerships, aims to deter youths involved in anti-social or criminal behaviour from their current lifestyle before it is too late and they end up in prison. The five week programme aims to give young people a platform to achieve whilst empowering them to do so, addressing offending behaviours, de-glamorising and dispelling the myths of crime and prison, increasing their victim empathy and introducing life and employability skills.

Over the last two years, the programme has engaged with over 100 young people, of whom 92 have re-entered school or education, employment or training on completion of the programme.



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