



# A CONNECTED WORLD MEANS COLLECTIVE CHALLENGES

Our strategy anticipates and addresses global security challenges and trends and ensures G4S is well positioned in an industry expected to grow 4 - 6% per annum from 2017 to 2027.\*

With our global footprint in more than 90 countries, an attractive range of products and services, and security expertise, we are well positioned to meet this increased demand.

We continue to develop innovative industry-leading solutions that integrate consulting, technology, people and data analytics to deliver solutions that are relevant, valuable and effective for our customers.

We are investing in an efficient and effective organisation with strong values and a positive embedded safety culture.

\* Freedonia Security Services Report, October 2018.

## Our values in action – Department of Work & Pensions, UK

In April 2018, G4S commenced the integrated security contract for over 790 properties in the UK, including job centres, for the Department of Work & Pensions (DWP). The contract will run for an initial period of five years, with the potential for a two year extension thereafter.

The DWP's objective was to procure a security service supportive of their transformation programme which aims to reduce costs, whilst maintaining safety of the users of its properties. We will be modernising the way security is provided using an Effects-Based Methodology "Security Threat Risk Assessment" which has been aligned with the Centre for the Protection of National Infrastructure best practice. Essentially we are looking to minimise threats by reducing and better managing anxiety of members of the public at DWP sites, reducing the likelihood of incidents occurring.

The contract, one of the largest integrated security contracts to be awarded in the UK, will combine G4S's security technology with professionally trained G4S security officers across the DWP estate, providing an innovative and cost effective solution to meet the customer's needs. This is consistent with our values of Security, Service Excellence, Innovation and Teamwork.

## SDGs:



# G4S – A WORLD LEADER IN INTEGRATED SECURITY

## MARKET AND SOCIETAL TRENDS

### Demand for security is increasing across the globe

International and domestic crime remains a significant threat to society, requiring not only protective security, but also heightened intelligence and analysis of risk and response. This heightened awareness provides support for growth in demand for security services. Barriers to entry in basic manned security are low, which can result in intense competition in some markets. The barriers to entry are much higher for integrated security where G4S has significant, and growing capability which stems from our scale and resources.

# 4-6%

Growth per annum for security services between 2017-2027\*

### Customers' buying processes are increasingly complex

Globalisation and the increasing use of technology creates a complex set of security risks and threats which means that the procurement of security services is a critical activity in an increasing number of customers' organisations. The global market for security systems integration is projected to be \$80bn by 2021.\*\*

# \$80bn

market value for security systems integration\*\*

### Resource scarcity and population growth

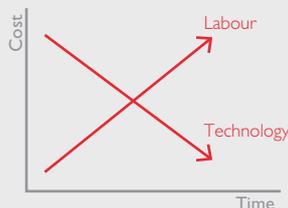
The world's population is growing, becoming more urbanised and increasingly prosperous, placing significant strains on raw materials, energy resources and food and water supplies.

# 4%

Global GDP growth per annum 2018 to 2022 (Source: IMF October 2018)

### Technology-enabled security

Whilst labour costs have increased or are increasing, particularly in developed markets, the cost of sophisticated security technology is reducing. Combined with the additional data and assurance that comes with technology, these trends are reshaping the security industry. Advances in technology, such as drones, cloud and artificial intelligence, are influencing the development of solutions by G4S to deliver services.



### Industry consolidation

In certain security markets we have seen some market consolidation and trends whereby large competitors aim to provide multi-service bundled and integrated solutions, sometimes to differentiate away from the more commoditised manned security market. Technology-enabled solutions is a less commoditised market than traditional manned security, with a lower number of capable suppliers as it offers more bespoke solutions to customers.

# 6.8%

CAGR in integrated security systems market predicted between 2017 and 2022\*

## HOW WE ARE POSITIONED

### Global footprint

# 90+ COUNTRIES

G4S is a market leader and we provide a broad range of products and services across more than 90 countries. This breadth provides us with a strong understanding and clear visibility of how security trends are evolving across the world.

### Deep understanding

# 100 YEARS' HERITAGE

We support our knowledge of global security trends with a deep understanding of our customers' unique needs. We have an enviable heritage with more than 100 years in the security industry.

### Security professionals and expertise

# 514,000 COLLEAGUES

We recruit, screen and deploy almost 200,000 new colleagues each year. We have around 514,000 colleagues in the Secure Solutions business.

### Technology and innovation

# £2.8BN TECHNOLOGY-ENABLED SECURITY REVENUE

We continue to invest in technology to meet the growing demand for integrated solutions and to drive the development of innovative new solutions for customers.

### Customer service

# 49,000 CUSTOMER SURVEYS

Service excellence is one of our core values, an area in which we continue to invest significantly and during 2018, our businesses received feedback from nearly 49,000 (2017: 24,000) customer surveys using Net Promoter Score with positive results.

\* Freedonia Security Services Report, October 2018.

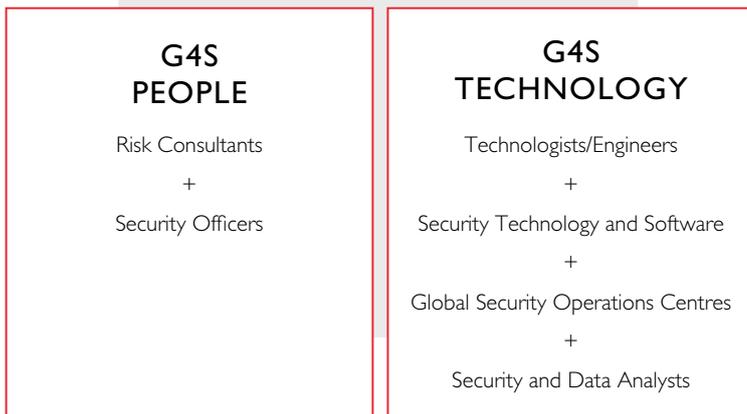
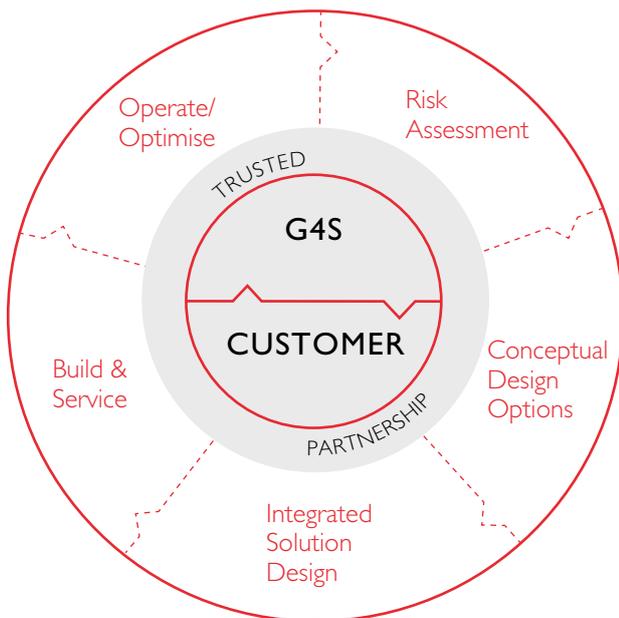
\*\* IHS Markit Report, October 2017.

# THE VALUE WE CREATE FOR OUR STAKEHOLDERS

## SECURE SOLUTIONS – OUR BUSINESS MODEL – ANTICIPATING OUR CUSTOMERS' NEEDS

We are investing in the resources, skills and capabilities needed to market, design, build, operate and maintain technology-enabled integrated security solutions.

This approach provides our customers with industry-leading services and solutions that enable them to operate efficiently in an increasingly connected and complex world. In turn it enables G4S to earn a higher margin on these valuable services.



### SOCIETY

G4S delivers a broad range of social and economic benefits to the communities in which we work, many of which are helping to realise the United Nations Sustainable Development Goals (see page 37).



### CUSTOMERS

# 90+

Serving customers in more than 90 countries across six continents.



### SHAREHOLDERS

# 56%

At 85% of Group underlying revenues and 77% of Adjusted PBITA, Secure Solutions has made a large contribution to the Group's 56% growth in underlying EPS since 2013.



### EMPLOYEES

# 514,000

Colleagues employed by G4S Secure Solutions businesses around the world.



### SUPPLIERS

# 26,500

G4S Secure Solutions businesses source services and products from 26,500 suppliers around the world.