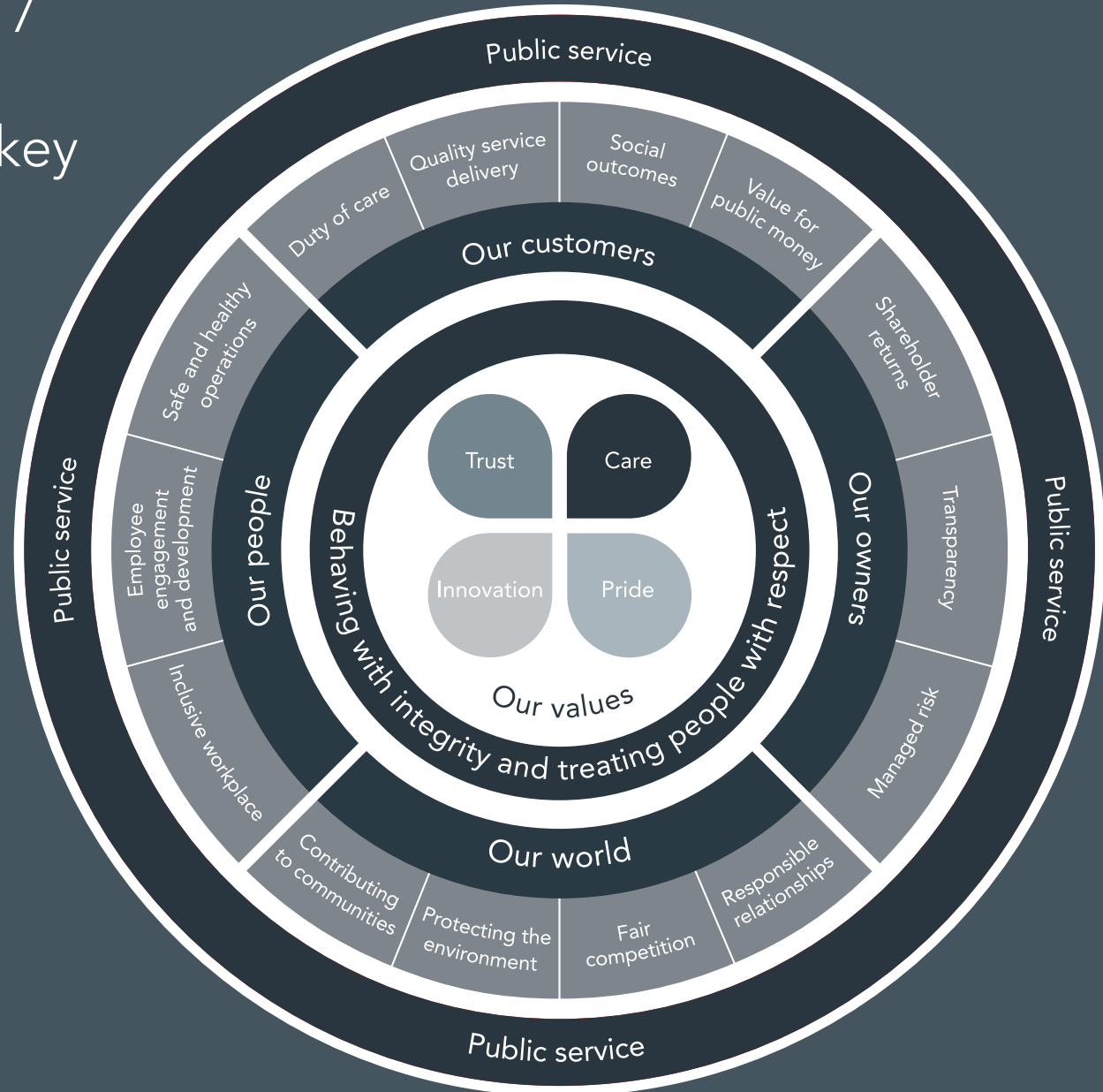


Serco Corporate Responsibility Report 2017



Corporate responsibility key performance indicators



Corporate responsibility key performance indicators

		2013	2014	2015	2016	2017	2016 v 2017	Var %	Comment	
Behaving with integrity and treating people with respect										
Viewpoint Ethics and Integrity Index	%	66	70	69	69	69	0	-	Historical Viewpoint Index data has been adjusted to reflect modifications to the index calculation methodology in 2017. An index comprises one or more related questions that cover a specific area of analysis. Scores are generated based on the % of survey respondents who 'agree' or 'strongly agree' to all questions within an Index.	
Upheld cases of corrupt behaviour	Number	0	0	0	0	0	0	-		
Upheld cases of human rights violations	Number	0	0	0	0	0	0	-		
Speak Up cases:										
Investigated	%	-	95	96	97	90	-7	-7.3	Where anonymous cases provide insufficient information, we are unable to investigate.	
Corrective action taken	%	-	56	63	53	42	-11	-20.8		
Disciplinary action taken against one or more individuals involved in a case	%	-	15	24	16	9	-7	-43.8		
Dismissal of one or more individuals involved in a case	%	-	9	6	6	5	-1	-16.7		
Closed within three months	%	-	70	48	64	89	25	39.1		
Our people										
Employee engagement and development:										
Employee engagement	%	42	51	53	54	56	2	3.7	* We have maintained a healthy overall engagement profile and leadership engagement has remained stable while we have focused on improving employee and people manager engagement.	
People manager engagement	%	49	58	59	62	65	3	4.8		
Leadership engagement	%	51	51	55	72	71*	-1	-1.4		
Viewpoint Learning & Development Index	%	44	44	46	48	49	1	2.1	See historical Viewpoint Index data note above.	
Inclusive workplace:										
Viewpoint Diversity & Inclusion Index	%	67	75	67	69	70	1	1.4	Inclusive workplace and age figures are representative only of employees for whom relevant data is available.	
Female Directors	%	16.7	30.0	30.0	22.2	30.0	7.8	35.1		
Female senior managers	%	14.8	16.2	16.7	17.1	21.7	4.6	26.9	See historical Viewpoint Index data note above.	
Female employees	%	40.9	44.4	42.6	41.9	41.6	-0.3	-0.7		
People with disabilities	%	0.2	0.7	1.3	1.2	1.0	-0.2	-16.7	See data availability note above.	
Age profile:										
16-24	%	10.2	10.2	9.5	9.1	8.7	-0.4	-4.4		
25-40	%	33.9	35.2	35.9	35.7	38.8	3.1	8.7		
41-54	%	28.9	29.8	29.2	29.2	31.4	2.2	7.5		
55-64	%	13.4	14.6	14.9	15.6	17.9	2.3	14.7		
65+	%	2.3	2.4	2.3	2.6	3.1	0.5	19.2		
Undisclosed	%	11.3	7.8	8.2	7.8	0.1*	7.7	98.7	* Reduction reflects improvements in data availability resulting from new D&I strategy and focus on developing clear and robust data.	

Corporate responsibility key performance indicators

		2013	2014	2015	2016	2017	2016 v 2017	Var %	Comment
Staff turnover	%	31.5	31.0	32.8	33.8	30.6	3.2	9.5	
Proportion of days lost to sickness	%	2.8	3.3	3.2	3.2	3.1	0.1	3.1	
Safe and healthy operations:									
Viewpoint Safety Index	%	71	70	71	73	75	2	2.7	See historical Viewpoint Index data note above.
Lost Time Incident Frequency Rate	Per 1m hours worked	5.12	4.81	5.79	4.98	3.93	1.05	21.08	
Lost Time Incident Severity Rate	%	18.90	17.53	19.10	16.08	15.57	0.51	3.17	
Major Incident Frequency Rate	Per 1m hours worked	0.25	0.33	0.34	0.27	0.30	-0.03	-11.11	
Physical Assault Frequency Rate	Per 1m hours worked	5.11	7.04	7.19	6.92*	8.64	-1.72	-24.71	* Slight adjustment in rate due to late capture of incidents on reporting system.
Serious Physical Assault Frequency Rate	Per 1m hours worked	-	0.38	0.49	0.93	1.40*	-0.47	-50.54	* Data includes incidents of spitting/potting as serious assaults in line with UK reporting requirements. When these are excluded the comparable rate is 0.88, a 5% improvement on 2016.
Prosecutions	Number	0	0	1*	0	0	0	-	* Relates to an incident in 2011.
Fines paid	£'000	0	50	200	0	116*	116	-	* Dubai Metro: February 2017 (500,000AED) public hazard relating to escalator maintenance by a sub-contractor – fine paid by sub-contractor and revised work instructions implemented; August 2017 (100,000AED) unsafe lifting operations relating to glass movement in station – revised work instructions implemented.
Our world									
Protecting the environment:									
Carbon dioxide equivalent - Total Group (Scope 1+2)	Tonnes CO2 equivalent	398,519	343,717	298,986	291,883	253,655	38,228	13.1	Our reporting year for greenhouse gas emissions is one quarter behind our financial year, namely 1 Oct 2016 to 30 Sept 2017. We quantify and report to ISO 14064-1 2012, using an operational control approach to defining our organisational boundary. The classification of reporting boundaries is set out in detail in our Basis of Reporting document, available on our website, www.serco.com We report all material emission sources for which we consider ourselves responsible and have set our materiality threshold at 5%.
Electricity	%	53	54	46	37	31*	-6	-16.2	* Sale of our private sector offshore BPO business (10,630,000 kgCO2e in environmental reporting year 2015/16); AsPac basis of estimation reduced due to loss of contracts (c.5,000,000 kgCO2e); Hong Kong Cross Harbour Tunnel contract ended Q4 2016 (c.4,000,000 kgCO2e); Leisure reductions (c.2,500,000 kgCO2e); Scatsta – responsibility for paying electricity contract returned to client in 2016 (c.500,000 kgCO2e); UK conversion factor down 15%.
Gas	%	12	12	9	10	10	0	-	
Petrol	%	1	0	0	1	1	0	-	
Diesel	%	7	7	9	10	9	-1	-10.0	
Fuel oil	%	8	7	2	1	2	1	100.0	
Specialist marine fuel	%	19	20	34	40	46*	6	15.0	* Increased proportionally due to electricity reductions.
Fugitive emissions	%	0	0	0	0	0	0	-	
Headcount Intensity (Scope 1+2)	tCO2e/FTE	7.27	6.32	5.16	5.98	5.56	0.42	7.0	
Scope 1 - Combustion of fuels and operation of facilities	Number	187,217	173,441	162,198	182,819	174,289	8,530	4.7	
Scope 2 - Grid electricity purchased for own use (location based)	Number	211,302	170,276	136,789	109,064	79,366	29,698	27.2	
Scope 2 - Grid electricity purchased for own use (market based)	Number	-	-	-	-	70,629	-	-	Expanded scope of measurement in 2017, market based measurement uses conversion factors from suppliers where available and is a metric asked for in the CDP submission.

Corporate responsibility key performance indicators

		2013	2014	2015	2016	2017	2016 v 2017	Var %	Comment
Scope 3 – Business travel	Number	-	-	-	-	7,621	-	-	Expanded scope of measurement in 2017, includes air, rail, private car, hire car and hotel stays.
Headcount Intensity (Scope 3)	tCO2e/FTE	-	-	-	-	0.17	-	-	
Carbon Disclosure Project	Score	92%	97%	99%	B	B	-	-	New scoring mechanism introduced in 2015.
Prosecutions	Number	0	0	0	0	0	0	-	
Fines paid	£'000	0	0	0	0	0	0	-	
Enforcement notices	Number	0	0	0	0	0	0	-	
Fair competition:									
Upheld cases of anti-competitive behaviour	Number	0	0	0	0	0	0	-	
Responsible relationships:									
Third party due diligence screening									
Third parties validated	Number	-	-	-	-	28,066	-	-	
Third parties pending review	Number	-	-	-	-	1,143	-	-	
Third parties disqualified	Number	-	-	-	-	3*	-	-	* An additional 6,634 organisations were disqualified because they are no longer used by Serco or there is a gap of two years or more in the relationship.

Notes:

The performance analysis is based on data reported as at 21 February 2018. Additional data may arise after this date. Where this occurs, numbers will be corrected in the following year's table.

All data excludes JVs and historical BPO data to enable a like-for-like comparison. Our private sector offshore BPO business was sold in December 2015.

Current workforce KPI levels are in line with benchmark targets for the geographies and markets in which we operate, however we continue to try to improve them. Annual targets are managed at local and regional levels.

Health, Safety & Environment Targets 2018

Key Performance Indicator	2018 Performance Target
Viewpoint Safety Index	>75%
Major Incident Frequency Rate	Maintain at 2017 baseline
Lost Time Incident Frequency Rate	Maintain <4
Serious Physical Assault Frequency Rate	-10% against 2017 baseline
Physical Assault Frequency Rate	Maintain at 2017 baseline
Headcount Intensity (Scope 1+2) tonnes CO2 equivalent	-3% against 2017 baseline