

Serco celebrates its services in Western Australia

Serco has celebrated its record of service in Western Australia following the Western Australian Government's announcement that Serco is the preferred bidder for the provision of Facilities Management and Support Services to Fiona Stanley Hospital in Perth, Western Australia. Serco last week welcomed the opportunity to proceed to the next stage of negotiations with the hope of partnering with the Western Australian Government to deliver non-clinical services for the landmark hospital project.

In a gathering today with Serco's people from across Australia, Serco Australia Chief Executive David Campbell celebrated Serco's service record in Western Australia, saying that Serco's 16-year history of service to the people of Western Australia demonstrates our long-term commitment to make a positive difference in the state.

"Globally Serco has a proven track record of providing quality, non-clinical services at major teaching hospitals that look after millions of people. We are very excited by the opportunity of bringing this experience to Western Australia," David Campbell said.

"Serco has a long and proud history of the successful delivery of essential services to the people of Western Australia. Our people live locally, so they rely on the services we seek to deliver and improve."

Serco has been providing transport information and ticketing on behalf of Transperth since 1995. Last year we responded to one million calls from public transport users across Perth, and we are currently receiving 25 per cent more calls each month against last year's figures. Our team has been described by Transperth as, "a strong team of quality people." Our customers have also taken the time to call the comment line to provide positive feedback to staff, describing our people as "going above and beyond the call of duty to help".

Serco is a 50/50 joint venture owner of DMS Maritime, through which we have been providing maritime support to the Navy at HMAS Stirling and elsewhere along the coast of Western Australia since 1997. DMS Maritime is the largest maritime services provider in Australia and sets the benchmark for specialist maritime support services. We manage and operate over 550 vessels, ranging from offshore support vessels to harbour support craft. With facilities in every major

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Australian port and a far-reaching technical support network of subcontractors, our diverse services extend throughout and beyond Australian waters to the Asia Pacific region.

Since 1999 Serco has owned and operated Great Southern Rail, including the transformation the iconic Indian Pacific trans-continental train that travels to and from Perth twice a week. Great Southern Rail was awarded “Best Luxury Rail Journey” in the Luxury Travel Magazine’s Gold List Awards in April 2010, beating The Orient Express, the Rocky Mountaineer and the Blue Train. The annual Gold List Awards are said to be the most prestigious travel awards and are based on a reader vote.

Serco commenced delivery of services at Acacia Prison in 2006, making a commitment to ensure that prisoners leave Acacia Prison as improved citizens who are able to positively contribute to society. It is with this goal in mind that we have expanded and invested in our responsible prisoner model and numerous education, training, rehabilitation and resettlement programs for prisoners, with a particular focus on restorative justice, and community and social responsibility.

Serco’s values based approach and strong management capability is underpinned by a robust inspection and accountability framework. In his Report No 53, the former Western Australian Inspector of Custodial Services Professor Richard Harding found “that the change of operator (at Acacia Prison) has been a very positive move”. In addition to the improvements he found, the Inspector estimated that the State and taxpayers were saving a minimum of \$12.5 million per annum through the private operation of the Prison. He found that the level of service was comparable to or even better than most of the public sector prisons and, on both accounts, Serco passed the value for money test. Finally, the Inspector reported that Acacia Prison was the most accountable prison in the State, with the flow on effect of making the whole prison system more transparent. In addition, the Western Australian Office of the Inspector of Custodial Services 2007–2008 Annual Report, ranked custodial facilities in Western Australia by performance. Acacia Prison was ranked as a high performing facility. High performance facilities are defined as those that are meeting or exceeding their performance goals.

Earlier this year, Serco won the Operator and Service Excellence Award at Infrastructure Partnerships Australia’s prestigious National Infrastructure Awards. The award recognises the high standard of service Serco is providing at Acacia Prison and validates the positive contribution Serco is making to the community, the commercial know-how we’ve introduced to the justice

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sector, our deep service ethos and our successful partnership with the West Australian Department of Corrective Services.

Serco's greatest asset is its people and we have continued to invest in the development of our employees at Acacia Prison to ensure they can excel in what they do and experience success and rewards. In 2010, Serco introduced a new multi-layered leadership programme with the Australian Institute of Management and Edith Cowan University; implemented a new trainee mentoring programme for custodial graduates; continued the Zero Harm safety programme; recognised the contribution of employees through an awards programme; measured staff satisfaction through an independently run survey; and engaged all employees in the business planning process. In summary, Serco has delivered benefits to Acacia employees and prisoners, justice policy and administration in Western Australia, and West Australian taxpayers.

Serco commenced delivery of services on behalf of the Department of Immigration and Citizenship (DIAC) on 30 September 2009 on Christmas Island and shortly after in other Western Australian locations, and other sites across Australia. Serco is ensuring people in immigration detention receive a fair and humane service, aligned with the government's New Directions in Detention policy. The contracts encompass a stronger focus on the rights and well-being of people in detention and provide a comprehensive framework for ongoing quality improvement, including effective performance management systems. The contract focuses on delivering high service standards demonstrating humanity in service delivery and value for money to the Commonwealth.

Under the contracts with DIAC, Serco currently operates 21 immigration sites across Australia, including Immigration Detention Centres, Immigration Residential Housing, Immigration Transit Accommodation and Alternative Places of Detention. Serco provides a focus on the dignity, respect and well-being of people in our care and is committed to engaging with and supporting the detainees. Our operations include activities and programs, such as English language education and the availability of facilities such as a gym, library and internet.

The Shadow Minister for Immigration, Scott Morrison has recognised Serco's positive work in media interviews and in the House of Representatives on 3 February 2010, stressing that "Serco is doing an outstanding job". Following a visit to Curtin Immigration Detention Centre, Greens Senator Sarah Hanson-Young commented on the community feeling among detainees at Curtin, as well as the goodwill towards those in charge. Professor Patrick McGorry, mental health expert

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and 2010 Australian of the Year, also reflected on the improvements at the centres he visited in July this year, saying that “it’s a much more supportive and humane environment”.

It is our aim to recruit employees locally, and currently around 90 per cent of staff are locally employed, with those staff being supported by fly-in/fly-out staff from across Australia. 98 per cent of Serco employees providing immigration services are Australian Citizens or Residents, and as and when needed Serco accesses our global resources to transfer the skills and experience of highly-trained individuals to our Australian service. In the first year of the contract, Serco has already invested more than \$1 million in training for our employees and recently launched an apprenticeship scheme, with the first apprentice about to sign on Christmas Island.

In September 2010, Indian Ocean Territories Administrator Brian Lacy commended Serco for improving opportunities for employment for people from Christmas Island and the Cocos (Keeling) Islands. Mr Lacy’s support followed Serco’s participation in the local Economic Development Consultative Group. Since Serco began operating on Christmas Island 12 months ago, it has employed and trained 104 people from Christmas Island and a further 12 from the Cocos Islands. Flying in fewer staff from the mainland is a step towards providing sustainable employment on the islands, boosting the local economy and offering Serco’s new employees’ career opportunities and development at home.

Furthering our commitment to local recruitment, Serco has also met with Indigenous community representatives to ensure Indigenous Australians also benefit from the local recruitment drives, particularly in remote locations. There are already ten Indigenous Australians employed by Serco at the Curtin Immigration Detention Centre and we aim to increase this number further.

Our corporate social responsibility commitment also includes each new group of Serco Immigration Services employees engaging with a local charity to support fundraising activities as part of their induction training. Many of these connections are ongoing and organisations Serco Immigration Services has already supported in Western Australia include the Guide Dogs, RSPCA, the Uthando Project, the Lions Club, and Fire and Emergency Services (FESA).

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About Serco

Serco is a FTSE 100 international service company, which combines commercial know-how with a deep public service ethos. We improve services by managing people, processes, technology and assets more effectively. Our strategic advice comes from hands-on experience. We advise policy makers, design innovative solutions, integrate systems and – most of all – deliver front-line services that make a positive difference to customers and communities.

Serco has been delivering mission critical public services for more than 40 years. We support governments, agencies and companies in 30 countries who seek a trusted partner with a solid track record of providing assured service excellence. Globally our 70,000 employees deliver operational, management and consulting expertise in defence, science, technology, justice, immigration, transport, health, education, aviation and business process outsourcing.

Our 6,000 people in the Asia Pacific business operate in Australia and Hong Kong. Our customers have the dual benefits of global scale and local autonomy. One of our strengths is that we live locally, think locally, act locally, and are supported globally.

In Asia Pacific, Serco supports the Australian Defence Force through the provision of garrison and port services, rehabilitates offenders in our prisons, cares for people in immigration detention, helps to make the roads safer in Victoria through our traffic camera services operation, provides travellers in Perth and Brisbane with timely and helpful public transport advice, keeps Melbourne's parks and gardens green, operates tunnels in Hong Kong helping 76.8 million commuters each year and provides an unparalleled, award winning rail tourism experience on the Ghan, Indian Pacific and Overland.

More information can be found at www.serco-ap.com.au