

Serco signs AU\$210m contract to provide WA Court Security and Custodial Services

Serco Australia has signed a contract with the Western Australian Department of Corrective Services to provide Court Security and Custodial Services (CSCS).

The contract, which will commence on 31 July 2011, has a value to Serco of around AU\$210m over five years, with two options to extend to a maximum 10 year term. Key aspects of the contract include inter-prison transfers, court security services, and the operation of court custody centres.

Serco Australia Chief Executive David Campbell welcomed the signing as an important next stage in Serco's long history of delivering vital services in Western Australia, and its partnership with the State Government and the Department of Corrective Services.

"This is an excellent opportunity to build on our positive record of delivering justice services in Western Australia. We have brought together Serco expertise from Australia and the world to deliver a step change in Court Security and Custodial Services.

"The Inspector of Custodial Services praised our "high quality services" at Acacia Prison, and that's exactly what we plan to deliver for WA in this contract. Serco has drawn on two decades of experience in court escorting to develop a world class solution which will provide a safe, secure, decent and humane service."

There are a number of innovations in the new contract which will ensure we hold those in our care safely and securely. Serco will deliver for the first time in this contract Correctional Practice training to nationally accredited standards for all staff; new operational procedures with robust systems and processes to identify, analyse, manage and mitigate risks; and regular internal and external audits across all locations.

Serco will introduce the Serco Escort Record System (SERS) to support the safe management of people in custody and ensure transparency of service delivery. This proven technology will achieve comprehensive, dynamic security at all times during the movement of people in custody.

Media Release (continued)

Serco has engaged experts from across our business in Australia and the UK, in addition to external specialists in a variety of areas, including Indigenous needs, custodial operations, court security and service delivery.

In Australia, Serco has a strong track record of high performance at Acacia Prison in Western Australia and Borallon Correctional Centre in Queensland. 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 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.

In a report following an inspection of Acacia in November 2010, the Western Australian Office of the Inspector of Custodial Services said it is 'without doubt one of the best performing prisons in Western Australia, if not the best and it is also providing a financial saving to the State.' He also commended Serco for the contract's transparency and accountability, saying 'in Western Australia and nationally Acacia sets a benchmark'.

Serco won the 2010 Operator and Service Excellence Award for Acacia Prison at Infrastructure Partnerships Australia's prestigious National Infrastructure Awards, recognising the high standard of service and validating the positive contribution Serco is making to the community, the commercial know-how we've introduced to the justice sector, our deep service ethos and our successful partnership with the Western Australian Department of Corrective Services.

In the UK, Serco manages prisons, electronic monitoring services, and the London and South East court escorting and court service – the country's largest and most high-profile outsourced prisoner custodial and escorting contract.

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Media Release (continued)

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 6,500 people in the Asia Pacific business operate in Australia, Hong Kong and New Zealand. 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, provides travellers in Perth, Brisbane and New South Wales 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