

## ASX statement

3<sup>rd</sup> May 2012

### HARBOUR CITY FERRIES APPOINTED FOR SYDNEY FERRIES FRANCHISE CONTRACT

A Transfield Services – Veolia Transdev 50/50 partnership, Harbour City Ferries, today welcomed being appointed by the NSW Government to maintain and operate Sydney Ferries, subject to several conditions precedent.

The estimated contract value over the seven year period is \$800 million with the possibility of an extension if performance targets are met.

‘We want to operate a world class ferry service on what is often cited as the world’s most beautiful harbour,’ said Harbour City Ferries CEO, Steffen Faurby.

‘We acknowledge and respect Sydney Ferries rich history and, accordingly, there will be a steady transition into capable hands and only minor changes will be noticed over the short term.’

‘Our goal is to gradually raise the customer experience to another level by listening to customers and tailor making improvements around their expectations.

‘We look forward to working closely with customers and the NSW Government to evolve this iconic service.’

Harbour City Ferries said service efficiency, reliability, safety, cleanliness and staff friendliness were priorities, along with welcoming and integrating Sydney Ferries employees into the new organisation.

The partnership is a collaboration of two substantial companies, Veolia Transdev and Transfield Services, proven experts in public transport, essential services and asset management.

‘Transfield Services has been working on this project for several years and we are delighted to have now been given the opportunity to improve one of Sydney’s proudest institutions,’ said Peter Goode, Managing Director and CEO of Transfield Services.

‘Like Transfield Services, Veolia Transdev has been working on the Sydney Ferries opportunity for five years and is ready to begin the transformation as soon as possible,’ said Jonathan Metcalfe, CEO of Veolia Transdev Australasia.

‘The key to success will be putting customers at the centre of our decision making process. We have done this with many public transport operations around the world, including here in Sydney, and relish the chance to do so on Sydney Harbour,’ said Mr Metcalfe.

The contract is expected to commence at the end of July 2012.

Globally, **Veolia Transdev** is a world leader in the operation of passenger transport services. Operating in more than 25 countries, it has 119,000 employees worldwide, manages more than 60,000 vehicles and vessels and delivers 3.3 billion trips a year. Veolia Transdev operates ferries in Brisbane, France, the Netherlands and Sweden. **Veolia Transdev** is a leading private operator of public transport services in Australasia with eight operations spread around three Australian states and in Auckland, New Zealand. Veolia Transdev has a strong presence in NSW as an operator of more than 440 buses as well as the Sydney light rail and monorail. Outside NSW, Veolia Transdev operates Brisbane Ferries and the commuter rail network in Auckland, New Zealand. The company also operates buses in Perth, the south west region of Western Australia and Brisbane. Veolia Transdev, in Australasia, is responsible for approximately: 70 million customer journeys a year; 50,000 services each week; and 1,270 vessels/vehicles/rolling stock. [www.veoliatransdev.com.au](http://www.veoliatransdev.com.au)

**Transfield Services** employs more than 27,000 people across 21 industries and 13 countries. We are a global provider of operations, maintenance and construction services to the Resources, Energy, Industrial, Infrastructure, Property and Defence sectors. We deliver asset management services across all phases of the asset lifecycle, from concept and creation, to services that sustain, optimise and enhance our clients’ assets. With diverse global experience and expertise, we share our knowledge and challenge thinking to develop and implement innovative solutions that deliver real value for our clients. Our unique approach enables us to deliver continuous improvements in asset performance and sustain long term relationships with our clients and partners. [www.transfieldservices.com](http://www.transfieldservices.com)

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# FACT SHEET – HARBOUR CITY FERRIES

## Who is Harbour City Ferries?

Harbour City Ferries is a collaboration of two substantial companies, Veolia Transdev and Transfield Services, proven experts in public transport, essential services and asset management.

**Transfield Services** has more than 12,400 employees in Australia alone, and is a leading provider of engineering, operations and maintenance, asset management, construction management, project and program management and shutdowns services to a broad base of companies, particularly for the resources and industrial sectors. Over 4,000 employees are located in NSW. The company has a strong involvement in transport services and in its former partnership with Transdev, managed one of the world's largest tram networks (Melbourne) and the Brisbane Ferries network.

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The partnership is not by accident - both companies know each other well, have complementary skills and expertise and have collaborated on transport projects and contracts since 1999.

## Who is Steffen Faurby, CEO of Harbour City Ferries ?



Steffen Faurby has extensive leadership experience in several countries and industries including multi-cultural organisations consisting of a combination of specialists and generalists, leaders and individual contributors. Most recently he was the CEO of Svitser Australasia, the country's foremost towage and marine emergency response company, with a fleet of more than 140 vessels. He previously held senior management roles at Maersk Line. Both Svitser and Maersk Line are part of AP Moller-Maersk, one of the world's largest private companies.

Steffen has in-depth experience managing industrial relations and a strong track record of results anchored in his ability to focus, prioritise and execute and implement a performance culture.

## Theme, Vision, Mission, Capabilities

The *theme* for the Harbour City Ferries bid is: *Transforming Together*.

Our *vision* is: Putting customers first, Harbour City Ferries will operate a worldclass ferry service.

Our *mission* is to transform Sydney Ferries into a worldclass ferry service, the pride of Sydney.

Three key *capabilities*: understanding, depth and passion.

## **What we will bring to Sydney Ferries (as per the three capabilities) ?**

### *UNDERSTANDING*

- We have transitioned workforces and businesses through change, particularly from the public to private sectors, leading to productivity improvements. For example we transitioned the Hillside Trains and Yarra Trams corporations into the private sector in the late 1990s.
- We have proven experience operating under a franchise contract and in playing a key role in promoting and supporting the broader transport objectives of government. We do this in our bus operations in Sydney, Perth, Adelaide and Brisbane
- We are a 'safe pair of hands' and a dependable and transparent partner to government
- We represent good value for money and our offer is sustainable.

### *DEPTH*

- We have grown positive, collaborative cultures in the businesses we have established, acquired or otherwise taken over. Our MOU with the Sydney Ferries unions is testament to such an approach
- We operate successful public transport networks in NSW, other parts of Australia and around the globe, where reliability is our hallmark, both in maintenance and operations (our core business). We already operate the award-winning Brisbane Ferries, as well as 12 other ferry networks in Europe
- Through our parent entities, we have delivered operations where safety is the top priority and where we respect our staff, customers and everyone else interfacing with the network/operation
- We have experience delivering operations that serve the needs of commuters and tourists alike. Our Brisbane Ferries operation is a good example of this
- We have other suppliers and partners, including Incat Crowther and Riverside Marine, to strengthen our capability and deepen our understanding of the specifics of the Sydney network.

### *PASSION AND COMMITMENT*

- We have an ambitious yet achievable vision for Sydney Ferries
- We have proven experience in growing patronage in a sustainable manner. We did this in Melbourne with both train and tram
- We have a pedigree of delivering new and improved services
- We are adept at creating a better customer experience
- We understand the need for integrated network planning and have the skills & experience to assist the Government
- We are acknowledged leaders and innovators in customer service, asset management, vessel design and procurement, employee relations and stakeholder relations

### **What will be different?**

We will not change for change's sake and we will respect the traditions of Sydney Ferries. We will not change the livery or the vessels.

We will ensure a smooth and orderly transition from public to private operator.

While ensuring the highest safety standards and good operational performance, we will gradually turn the organisation into a customer-centric one, where decisions are made with customers in mind.

Our main areas of focus will be on efficiency, reliability, cleanliness, safety and ensuring that our customers are dealing with friendlier staff who are more attuned to customers' wants and needs. All changes enacted will be based on what customers tell us.

We will build upon recent improvements using our international experience, focused on the following three areas.

1. *Improved customer experience:*

- Introduce the Customer Care and Service Policy
- Train all staff in a proven customer service program, as part of a culture change program
- Improved access to staff by customers
- New Customer Charter
- New uniforms
- Better customer feedback mechanisms

2. *Strong focus on safety*

3. *Better value for taxpayers*

- Reducing operating cost through efficiency improvements;
- Better vessel utilisation and availability
- Organizational improvements

### **Will you change routes and increase fares?**

No. The State Government retains ownership of the vessels, the wharves and the other assets of Sydney Ferries.

Harbour City Ferries cannot change, cancel or add routes without the approval of Transport for NSW. Nor can we change fares.

New vessels are not part of this franchise but we will play a key role in any vessel procurement process to ensure the voice of the customer is paramount in any decision.

We will also represent the ferry customer when routes, new fare products and infrastructure are being planned and designed.