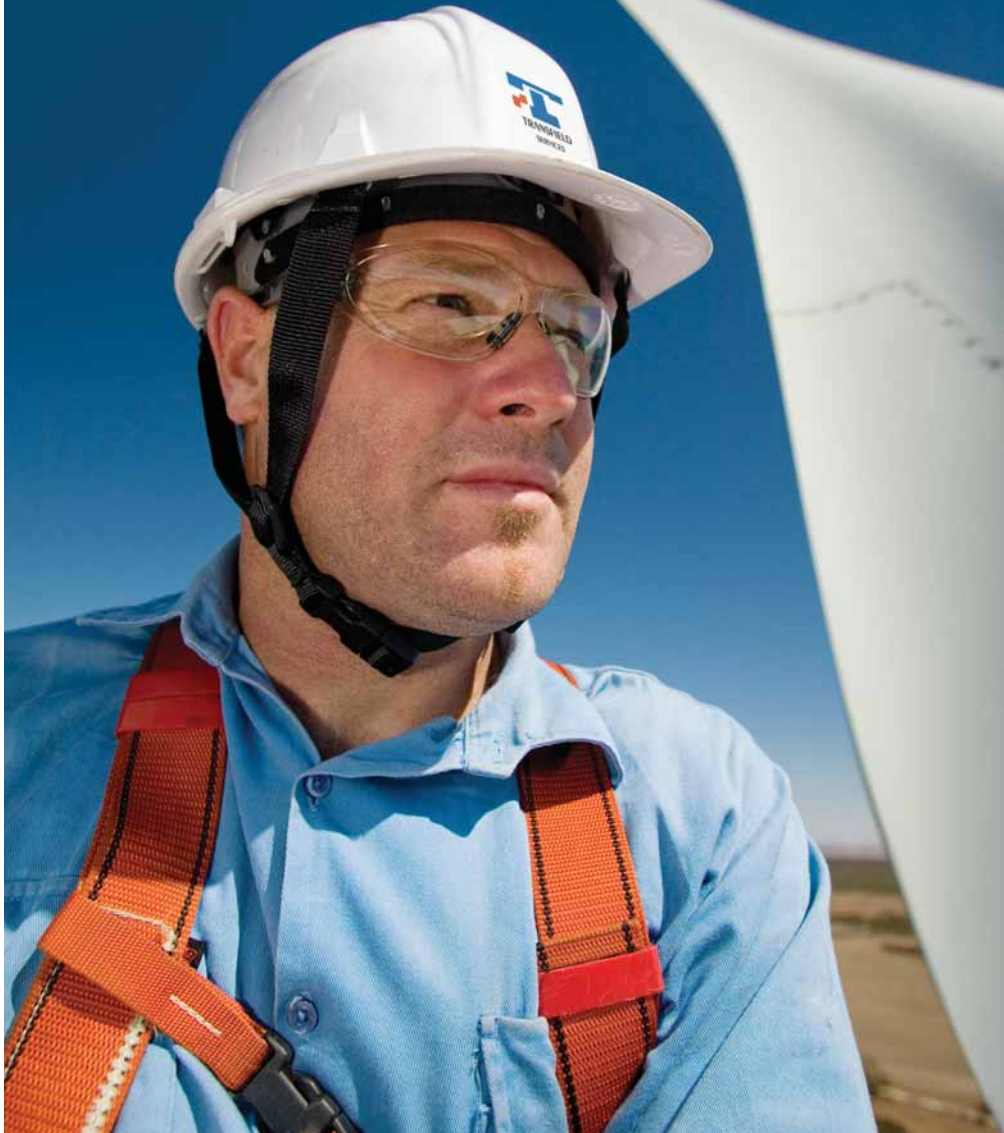


Better Ways to Sustainability 2008 Review



Better Ways to Sustainability We do what's right

As providers of essential services to key infrastructure, sustainability lies at the heart of our business.

We provide essential services to many clients in a wide range of industries around the world. Our people keep power on and water, oil and gas flowing. We maintain roads and work closely with governments to provide safe, reliable and efficient public transport services. Our major projects group is delivering a range of major nation building infrastructure projects in Australia, like Queensland's Western Corridor Recycled Water Project and the Gippsland Water Factory in Victoria.

For us, sustainability means constantly working towards becoming a better service provider, a better employer and a better neighbour.

Sustainability is part of our corporate DNA because it's about doing what's right. Our core values govern the way we do business: We lead the way, we do what's right, we take responsibility and we care for each other. And safety is our number one priority.

We have grown our business by leveraging our core strengths to create sustainable global growth. The strength of our people's skills, our systems and processes and our infrastructure assets have seen us grow from a team of 6,000 in 2001 to a global team of more than 28,000 today. In that time, we have halved our lost time injury rate.

We are Partners for change – long term change, committed to improving the sustainability of our clients' businesses and the efficiency, effectiveness and longevity of their assets.

A handwritten signature in black ink, appearing to read 'Peter Watson'.

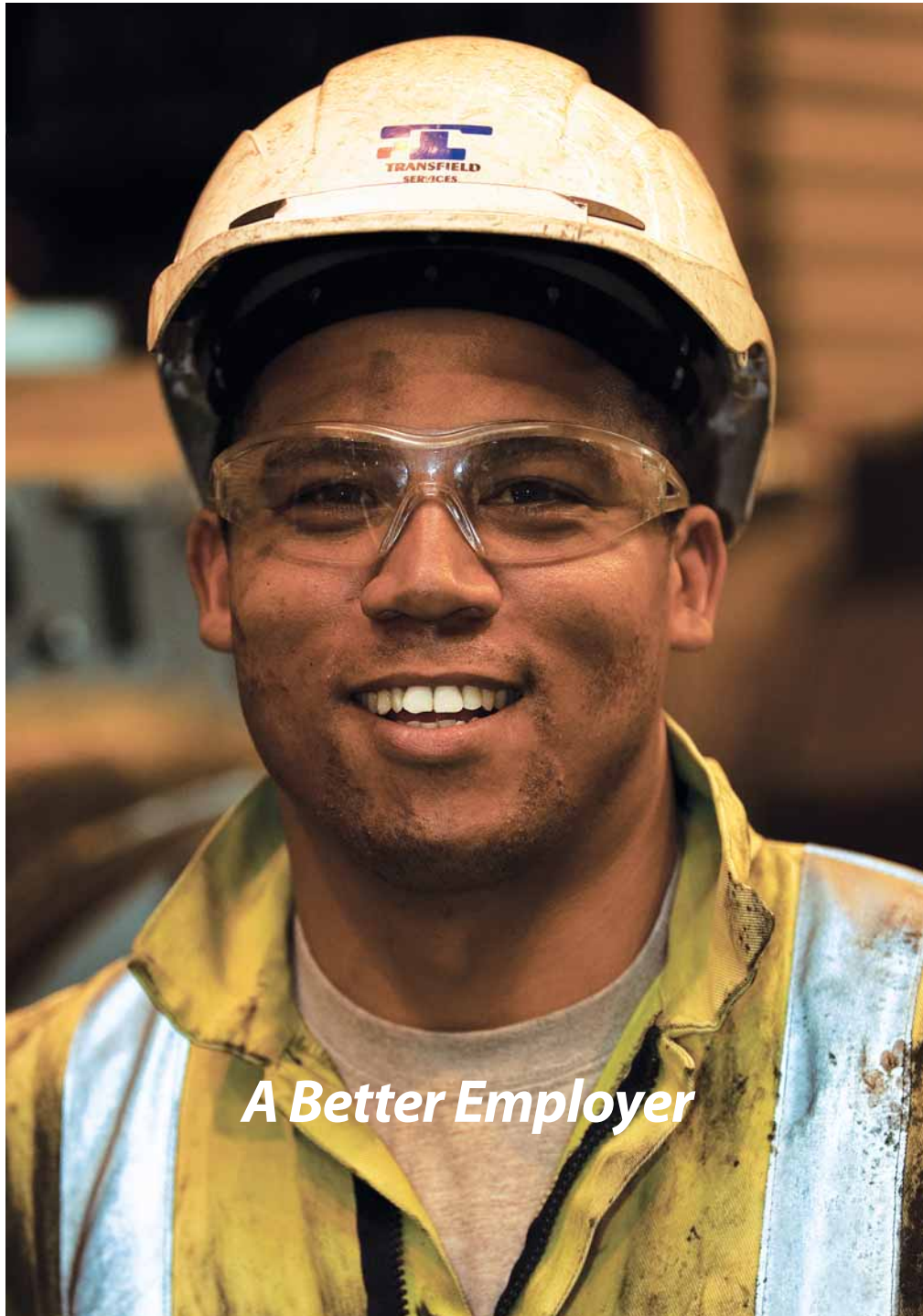
Peter Watson
Managing Director and Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Bernard Wheelahan'.

Bernard Wheelahan
Deputy Chairman and Chairman of the
Health, Safety and Sustainability Committee

The original version of this document was printed with vegetable based inks, on Environment – an FSC Certified stock manufactured from 100% post consumer waste using 100% renewable energy. Printed by Finsbury Green, Australia's first carbon neutral printer. Copyright Transfield Services (Australia) Pty Ltd 2008.





A Better Employer

Becoming a Better Employer

We care for each other

For us, becoming a better employer is about caring for each other, keeping our people safe and managing our growth.

In 2007, we welcomed more than 10,000 new employees to our company. We now have a team of more than 28,000 employees providing essential services to people around the world.

We provide our people with opportunities to develop and prosper as individuals and as professionals. During 2007, more than 2,500 employees participated in a wide range of training courses.

Transfield Services has a firm goal of 'no injuries to anyone, anytime'. Since listing in 2001, we have more than quadrupled the size of our work force, yet halved our lost time injury frequency rate – taking it from 5.7 lost time injuries for every million hours worked to 2.4 – through our strong and committed focus on safety.



A Better Service Provider

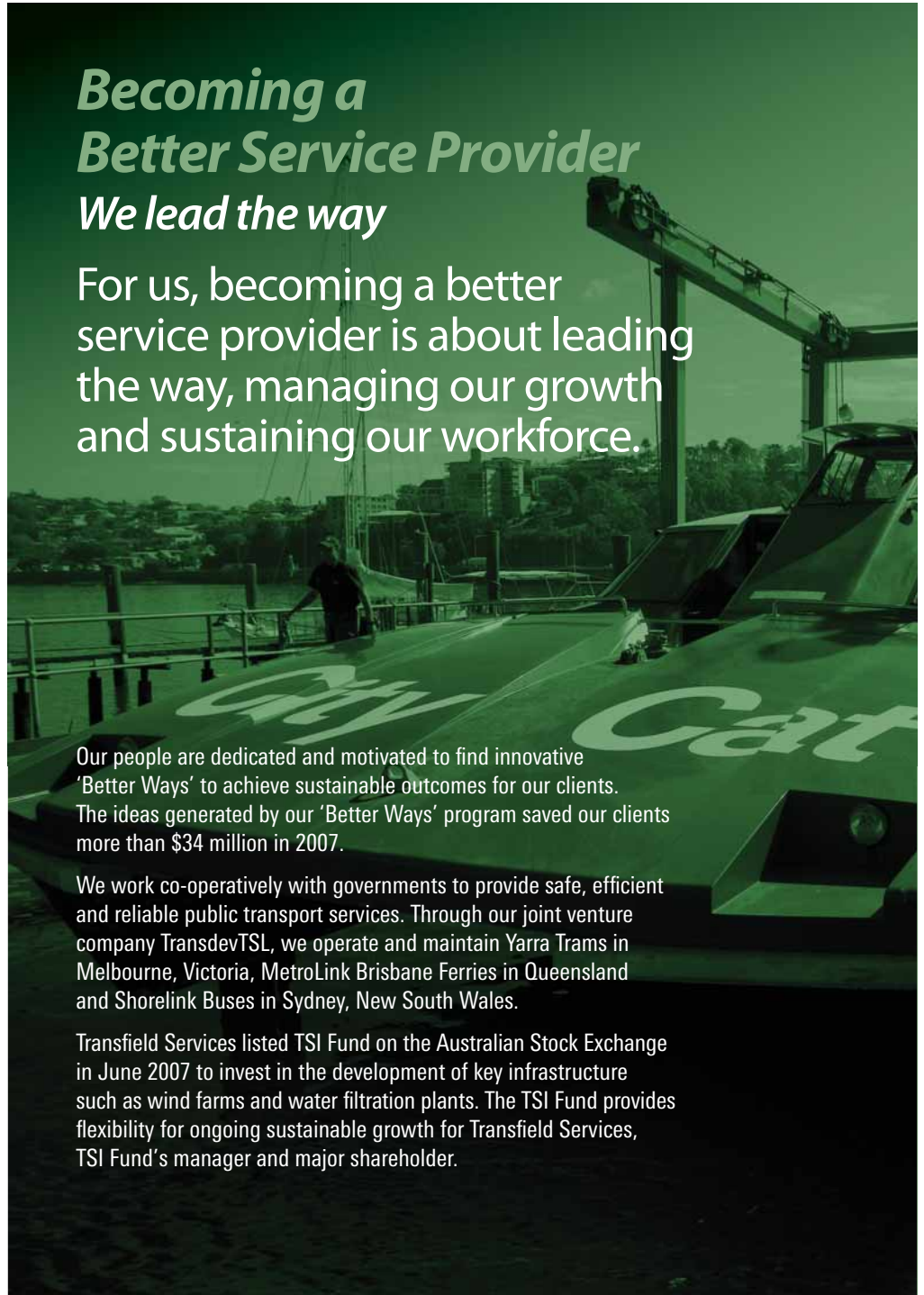
Becoming a Better Service Provider We lead the way

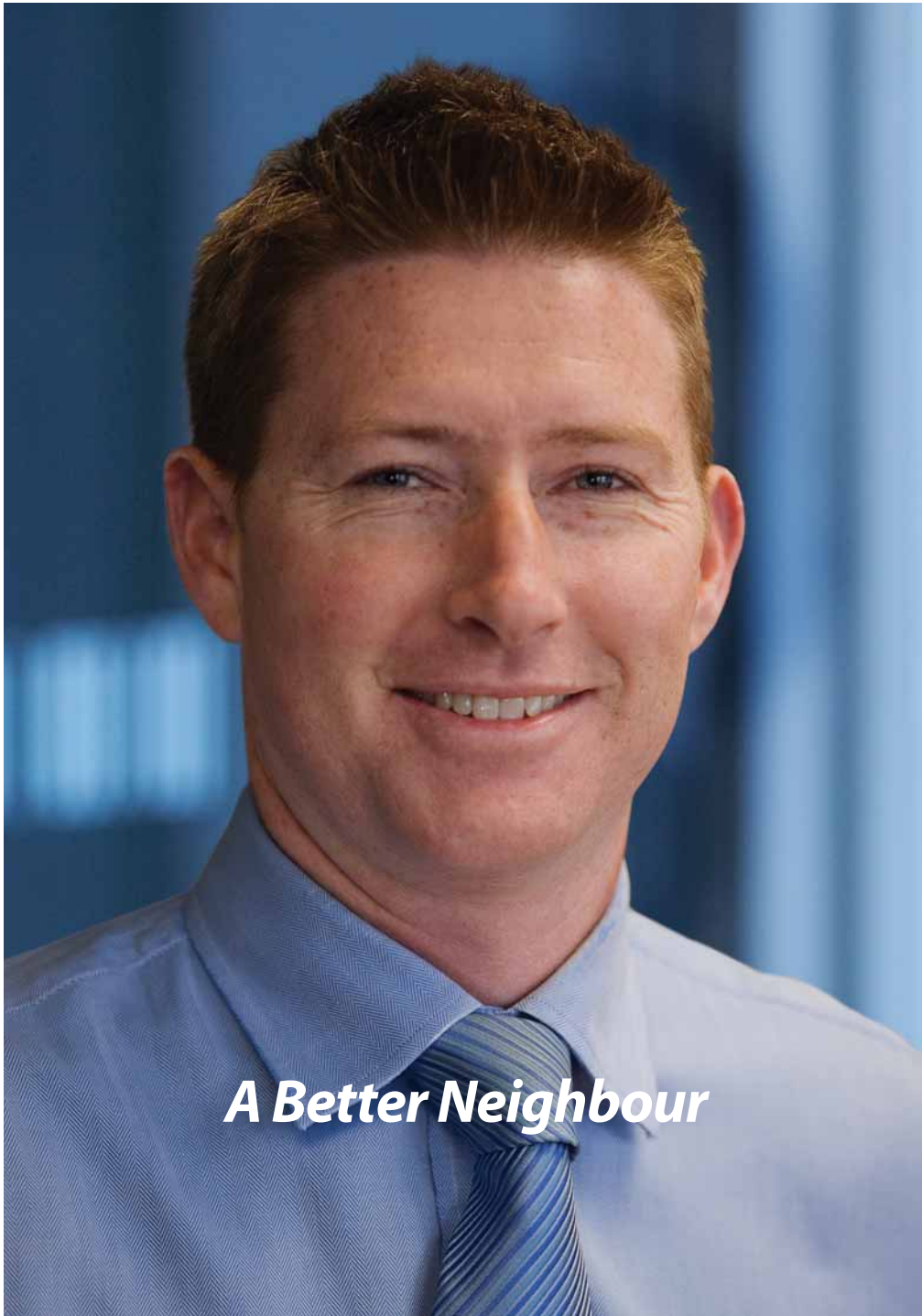
For us, becoming a better service provider is about leading the way, managing our growth and sustaining our workforce.

Our people are dedicated and motivated to find innovative 'Better Ways' to achieve sustainable outcomes for our clients. The ideas generated by our 'Better Ways' program saved our clients more than \$34 million in 2007.

We work co-operatively with governments to provide safe, efficient and reliable public transport services. Through our joint venture company TransdevTSL, we operate and maintain Yarra Trams in Melbourne, Victoria, MetroLink Brisbane Ferries in Queensland and Shorelink Buses in Sydney, New South Wales.

Transfield Services listed TSI Fund on the Australian Stock Exchange in June 2007 to invest in the development of key infrastructure such as wind farms and water filtration plants. The TSI Fund provides flexibility for ongoing sustainable growth for Transfield Services, TSI Fund's manager and major shareholder.





A Better Neighbour

Becoming a Better Neighbour We take responsibility

For us, becoming a better neighbour means taking responsibility, working closely with local communities and operating sensibly in a changing climate.

TSI Fund became Australia's second largest wind farm operator when it purchased four wind farms in 2007. Adding renewable energy to its portfolio of power stations and water treatment plants, TSI Fund is in an ideal position to make a major contribution to the Australian Government's renewable energy targets for 2020.

We believe there is no such thing as a 'one size fits all' approach to community engagement. We understand that different communities have different needs, and tailor our programs to individual communities. Our community engagement model maximises the potential for mutually sustainable outcomes for the community, our clients and our company.

Transfield Services has supported Save the Children since 2005, contributing more than \$300,000 towards programs in Australia and across the globe. Save the Children focuses on supporting local businesses to ensure the long term sustainability of communities and individuals: www.savethechildren.org.au

