

December 1, 2016

In May 2016, when Ferrovial's acquisition of Australian company Broadspectrum was finalised, the Company inherited a major contract with Australia's Department of Immigration and Border Protection (DIBP) to provide "garrison and welfare services" to asylum seekers and refugees at Nauru and Manus Island Regional Processing Centres (RPCs).

Ferrovial has determined that the RPC contracts do not have a strategic fit within the Company. Consequently, Broadspectrum will not be rebidding for the contract in the next tender process (which was formally communicated to the DIBP in June, 2016) but will honour its contractual commitments and will work with its client to ensure an orderly transition of operations in October 2017, when the contracts should come to an end. Until then, the main priority will continue to be the welfare of the refugees and asylum seekers, keeping our track record of high standards in delivering essential services to the centres.

Ferrovial takes its reputation and corporate social responsibilities very seriously. As a global infrastructure and services company, it aims to contribute to society by improving citizens' living standards while at the same time creating value for its shareholders, employees and other stakeholders. Its actions are guided by values such as integrity, respect, excellence, innovation and collaboration.

It is important to clarify that Broadspectrum does not dictate policy, nor does it own, operate or manage the RPCs. As mentioned above, Broadspectrum is a service provider contracted by DIBP to provide garrison and welfare services to asylum seekers and refugees at these RPCs; essential services, such as catering, welfare services, cleaning, and asset and site maintenance among others. Broadspectrum makes a positive contribution to the lives of asylum seekers and refugees through its welfare-led approach to services, delivered to a high standard of quality. In addition to Broadspectrum, other organisations deliver services such as medical, construction, and welfare settlement services. There are 14 services providers in total engaged directly by DIBP to deliver services to the offshore processing centres.

Additionally, Broadspectrum maintains a robust governance and reporting structure at the RPCs. All alleged incidents – regardless of their veracity or their seriousness – are recorded, investigated and reported to all relevant Broadspectrum stakeholders including the Host Governments (including the Police where criminal activity is alleged), the Department of Immigration and Border Protection (DIBP) and all relevant service providers, including medical and settlement welfare providers, for their appropriate action. Broadspectrum takes all allegations extremely seriously and has appropriately dealt with incident allegations in accordance with the reporting system in place for all service providers as directed by the Australian Government RPC guidelines as well as Broadspectrum's own internal protocols.