



PROGRAMMED

Macquarie WA Forum Conference

15 October 2015

Recruit. Deploy. Manage. Maintain.

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This presentation should be read in conjunction with the 2015 Annual Report and ASX Releases since the 2015 Annual Report was released which can be found on the Programmed website at www.programmed.com.au.

THIS PRESENTATION ONLY PROVIDES INFORMATION RELATING TO THE COMPANY'S STRATEGY AND NO INFORMATION IS PROVIDED RELATING TO THE FIRST HALF (ENDING 30 SEPTEMBER 2015) TRADING AND FINANCIAL PERFORMANCE



Our Vision

To be a leading provider of staffing, maintenance and facility management services, without injury

Our 4 Key Measures to be a “leading provider” are

- ▼ **Safety:** Total Injuries
- ▼ **People:** Staff Engagement
- ▼ **Customer:** Customer Satisfaction
- ▼ **Financial:** Total Shareholder Returns

Our Values



SAFETY

Safety is paramount. We believe all injuries are preventable. We will act to ensure the safety and environmental well-being of our customers, the public and ourselves.



HONESTY & INTEGRITY

Our business relationships are based on fair, open and ethical principles. We take pride in the way we work with our customers and communities, the integrity of our services, and doing what we say we are going to do.



ACCOUNTABILITY

We encourage individuals and teams to take responsibility and ownership of the process, and the outcome, through decisive leadership and initiative.



TEAMWORK

We respect everyone's contribution by working together to achieve common goals and project outcomes. Our sense of team extends to building long-term customer and community relationships for the benefit of all.



RECOGNITION & ENJOYMENT

We recognise and reward outstanding achievement, and provide opportunity for our employees to develop and success. We create an environment for every team member to have a positive, enjoyable and rewarding work experience.

Our Culture



- ▶ Good news stories
 - safety
 - care and empathy
 - customer service
- ▶ Celebrate success
 - outstanding safety performance
 - engagement score improvement in a team
 - customer compliment
- ▶ Safety alerts

stories

symbols

- ▶ The goal of ZERO HARM
- ▶ Programmed Difference
- ▶ Brand

- ▶ Safety pauses
- ▶ Safety conversations
- ▶ Review and reflection sessions
- ▶ Supermates
- ▶ RUOK
- ▶ Flexibility for employees and their families

rituals & routines

At the core of our culture is personal safety leadership, care and empathy for people and good customer service

power structures

- ▶ Industry associations - leaders speak to our culture at industry events
- ▶ Regulators - leaders have open relationships with key regulators
- ▶ Government - leaders build positive relationships and seek policy change that supports this culture in the workplace

control systems

organisational structures

- ▶ One team promotion through brand and events
- ▶ Branch Network to support national customers
- ▶ Offices located within customer sites

- ▶ Safety KPI's
- ▶ Employee engagement results
- ▶ Net Promoter Score (NPS)
- ▶ CRM
- ▶ Monthly division review meeting
- ▶ Safety review meeting
- ▶ Safety leadership training
- ▶ Customer service training

The Programmed Difference is our ability to...



Recruit and develop people



Manage IR in an increasingly difficult environment



Deploy the right person with right competencies



Manage HR in an increasingly regulated environment



Get safety right on the ground



Operational improvements, flexibility and high levels of customer satisfaction

Our Strategic Plan



SAFETY

- ▶ Improve critical risk standards based on combination of existing Programmed / Skilled risk standards and rules
- ▶ Certified QHSE systems established in each division
- ▶ Revise life saving / golden rules inline with revised critical risks
- ▶ Refresh and rollout safety conversations, safety pauses and other behavioural tools
- ▶ Enforce rigour around site / project risk assessments and daily JSA's



PEOPLE & CULTURE

- ▶ Educate our people to the culture / behaviours expected which are visible displays of personal safety leadership, care and empathy for people and good customer service
- ▶ Educate our people about the Programmed Difference to enable all of us to speak and present the company in a similar vain



SYSTEMS

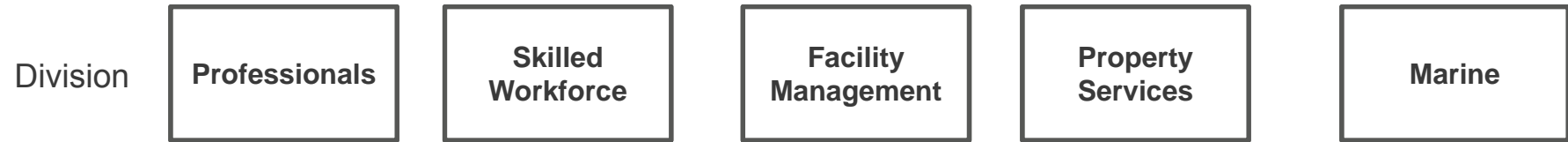
- ▶ a common accounting system
- ▶ a common staff HR / payroll system
- ▶ a common CRM system
- ▶ a common HSE reporting / administration system
- ▶ a common on-hire employee system



GROWTH

- ▶ Marketing & customer development
 - strategic marketing to customers of the combined group
 - transition to one master brand
 - sell the Programmed Difference
- ▶ Build and deliver scale efficiencies
- ▶ Expansion in resources and energy
- ▶ Expansion in infrastructure

Operational structure (as of 19 Oct 2015)



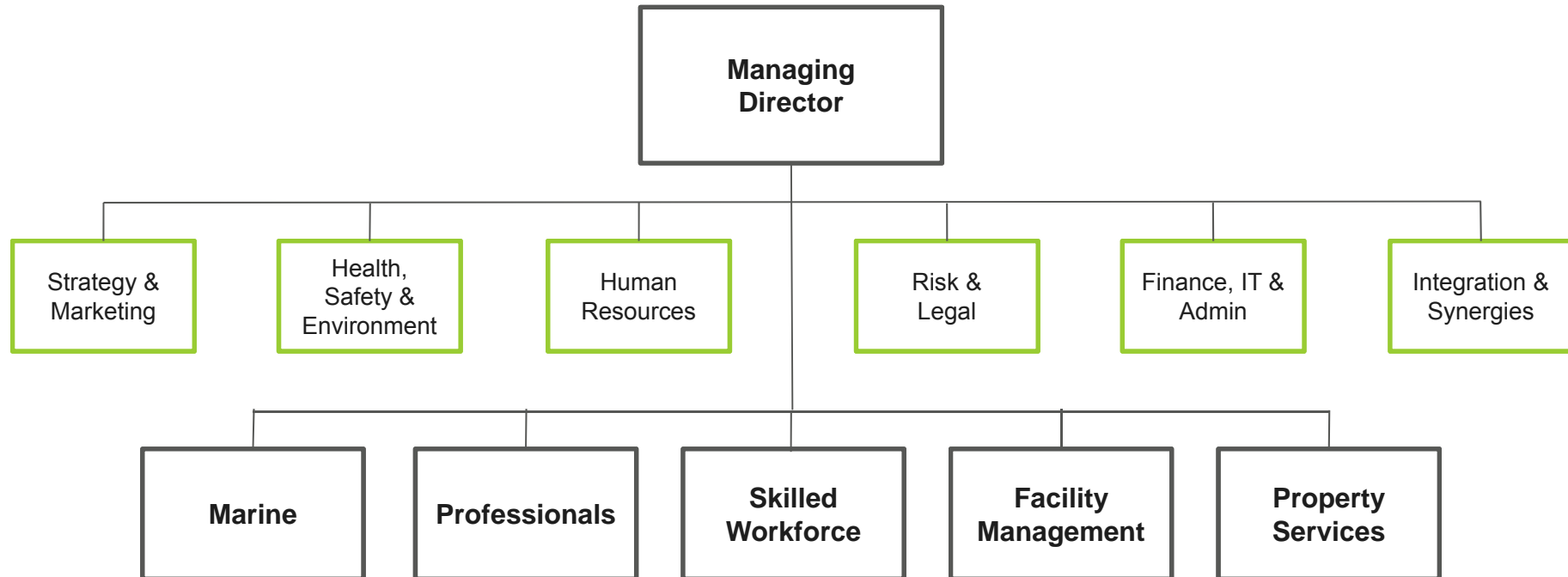
Businesses Combined



Workforce Management by teams & Solutions

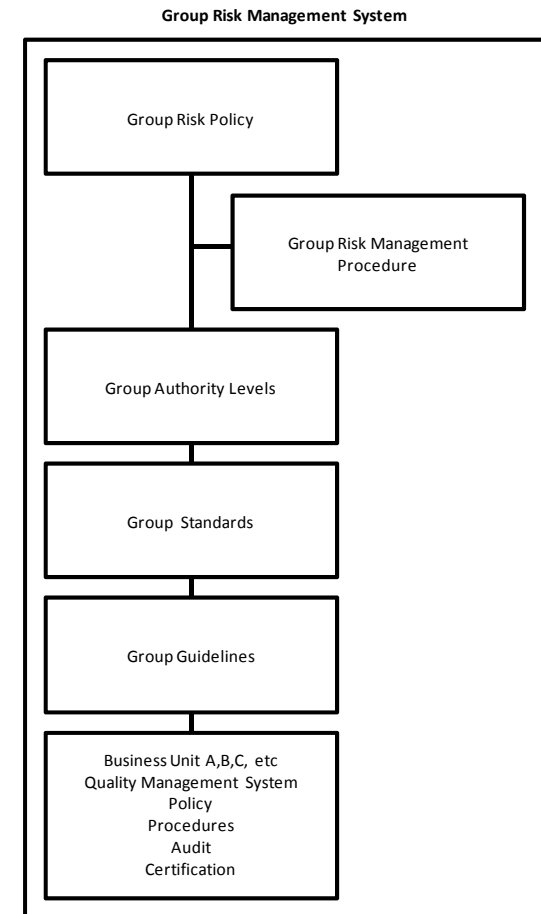


Organisational structure (as of 19 Oct 2015)



Operational philosophy

- ▼ Divisional risk framework – CEO delegation
- ▼ Set out in Group Risk Management procedure
- ▼ Group Policies, Standards and Authority Levels



Debt Financing

Programmed has finalised agreements with its banks to provide lending facilities, replacing the existing facilities effective from the 16th October 2015.

The lending facilities includes four financing tranches aggregating \$600 million (previously \$200 million) comprising:

- ▼ Working capital facility of \$170 million (4 year term)
- ▼ Working capital facility of \$180 million (3 year term)
- ▼ Bank guarantee facility of \$175 million (3 year term)
- ▼ Facility to fund the cash consideration and transaction costs in relation to the acquisition of Skilled, of \$75 million (2 year term)

A separate working capital and bank guarantee facility of NZ\$10 million (3 year term) has been established.

Existing overdraft facilities and asset finance facilities remain in place.

Integration Plan

- ▼ Phase 1 - 17 July 2015 to 4 September 2015
 - ▼ Detail Discovery and Primary Integration Planning
 - Gathered information and developed plans
 - Engaged with Skilled staff
- ▼ Phase 2 – 7 September 2015 to 16 October 2015
 - ▼ Pre Commencement Activity and Preparing for Day 1
 - Ready for Day 1 with 5/5/5 plans in 20 different workstreams
 - Plan reviewed, finalised and Board approved
 - Organisation design completed and announced internally on 6th October
 - Integrated management team met on 8 October 2015 for first official time.
- ▼ Phase 3 -19 October 2015 to 31 March 2016
 - ▼ First Wave Integration Plan Implementation
 - Corporate integration
 - Business operations integration
 - Embedding the Programmed culture
 - Plan and design system integration
 - MD 3 week roadshow
- ▼ Phase 4 – 1 April 2016 to 31 March 2017
 - ▼ Second Wave Integration
 - Implement the systems integration plan (HSE, HR, Finance, Payroll, Onhire Employees, CRM)
 - Secure new business from customers of the combined group