

ABOUT US

TWENTY-FOUR HOURS A DAY, SEVEN DAYS A WEEK, UNITYWATER'S PRIORITY IS PROVIDING OUR CUSTOMERS WITH A HIGH QUALITY, SAFE AND RELIABLE WATER AND SEWERAGE SERVICE THAT IS ECONOMICALLY AND ENVIRONMENTALLY SUSTAINABLE.

Unitywater is a statutory authority, formed under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*. Governed by an independent Board, we have a Participation Agreement with the Moreton Bay Regional Council, Sunshine Coast Council and the Noosa Council. We service these local authority areas.

WHAT WE DO

On behalf of the Moreton Bay, Sunshine Coast and Noosa communities, Unitywater:

- › maintains and supplies drinking quality water to homes, businesses and public areas
- › collects, treats and disposes of sewage
- › manages trade waste from our business and industrial customers
- › provides around-the-clock response to water and sewerage emergencies
- › manages customer and stakeholder enquiries
- › issues and manages water and sewerage accounts
- › provides responsive 24/7 incident, media and public information to ensure that our communities are prepared, informed and supported as needed
- › builds, manages, operates and maintains our water and sewerage infrastructure
- › provides returns to our participating councils
- › supports the communities we operate in
- › promotes the environmental improvement of our waterways.

OUR STRATEGIC DIRECTION

OUR VISION



We aim to be a sustainable, industry-leading community and customer-oriented water and allied services business

OUR PURPOSE



Keeping our communities healthy

OUR VALUES



Reliability

We mean and do what we say: consistently and professionally in a timely matter



Safety

We think, walk and talk safety every day and have the systems and processes in place to protect us, our customers, the community and the environment from our activities



Honesty and integrity

The work we do is always and only in the best interests of our customers, stakeholders, community and the environment



Efficiency

We don't waste time, money or effort because we have the right people in the right place getting it right the first time



One team

No one succeeds at the expense or exclusion of others, and we are proud of our collective success



Innovation

We seek new ways of doing things better

STRATEGIC PRIORITIES



**ENHANCE
CUSTOMER VALUE**



**IMPROVE
SUSTAINABILITY**



**PURSUE
EFFICIENCY**



**DEVELOP OUR
PEOPLE**



STRATEGIES



OUR STRATEGIC GOAL IS TO REDUCE OUR TOTAL COST TO SERVE

The *Unitywater Annual Report 2017-18* describes our progress throughout the year towards achieving the goals set out in our *Corporate Strategic Plan 2017-18 to 2021-22*.

At the end of 2017-18 we had achieved our objective of avoiding an extra \$100 on the average customer's bill.

Unitywater's business direction and service delivery aligns with the State Government's objectives for the community, which aim to protect the environment through ensuring sustainable management of natural resources, and deliver new infrastructure and quality frontline services.

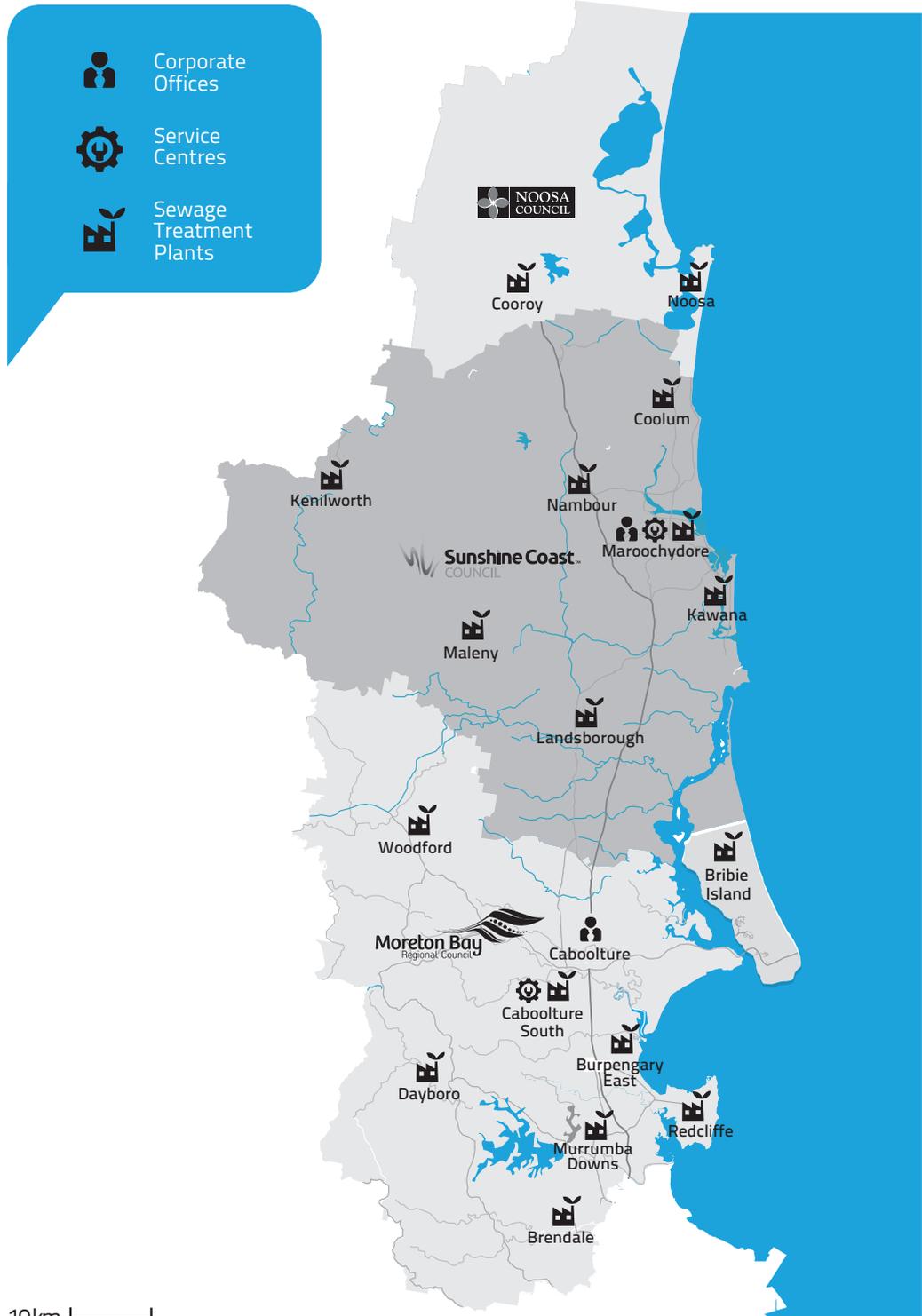
STRATEGIC RISKS

Unitywater has identified and assessed the strategic risks and opportunities that it faces in the following areas:

- › Safety
- › Water quality
- › Customer service
- › Financial sustainability
- › Regulatory compliance and policy
- › Climate change
- › Workforce planning
- › Asset management
- › Innovation and commercialisation.

Unitywater manages these risks and opportunities through its strategic initiatives and annual business planning.

UNITYWATER'S SERVICE AREA



MESSAGE FROM THE CHAIRMAN

This is Unitywater's eighth Annual Report and I believe the 2017-18 year is our best yet.

Our owners, the three Participating Councils, continue to support the Board and management and allow us to get on with the job of managing and growing the business. Unitywater continues to pay fair dividends and a sensible ROI to the council owners.

We manage over \$3.4 billion in water and sewerage assets and our performance in delivering safe drinking water and collecting sewage from over three quarters of a million people has been excellent.

In the last year our workforce has been transformed into one that is highly efficient, effective and modern, ready and able to respond to the demands of a 24/7 business. Workplace reform, diversity and equity employment policies, and a program to recruit more young people have all been very successful for our organisation.

Unitywater is delivering on our long-term strategy to keep our water pricing low. For four out of our eight years we have implemented a price freeze on Unitywater's usage charges. This is a first for a utility in Australia.

We have been able to achieve this great result while maintaining a strong financial performance. Unitywater has maintained a strong operating position with a profit for the year of \$119.4 million. When we exclude developer contributions (cash and gifted assets) of \$142.6 million and a one-off tax adjustment that occurred during the year, we made a profit of \$7.9 million.

This has been a big year for capital works and the upgrading of our assets. Extensive upgrade work is currently taking place at both Redcliffe and Kawana sewage treatment plants to ensure that these facilities take us into the future.

We continue to manage our business in the difficult environment of climate change. Our determination is to minimise our carbon footprint.

It is important that I acknowledge the unity and strength of our Board. On behalf of the Board I want to thank the Executive Leadership Team and all employees for a very successful year.



Jim Soorley
Chairman

4 September 2018

MESSAGE FROM THE CEO

2017-18 has been another year of significant achievement for Unitywater. In our delivery of safe and reliable water and sewage treatment services, we have continued our success across our strategic priorities of enhancing customer value, improving sustainability, pursuing efficiency and developing our people. This report provides further detail on those successes.

I am pleased to report that the entire organisation continues to seek ways to do things better, delivering positive outcomes for both the customer and the environment.

For the fifth consecutive year we have kept our price increases to a minimum and below CPI. This has been helped by the launch of our new website which has made it even easier for our customers to engage with us. Their preference for digital communication is growing – now more than 130,000 customers have chosen the convenience of e-billing, saving the posting of around 520,000 paper bills every year.

The community is seeing the results of our locally based programs that support the vulnerable and disadvantaged, and the environment. As part of our Back to Tap program and with the help of councils, we are rolling out more than 100 water refill stations aimed at reducing the number of single use plastic water bottles. On Bribie Island we unveiled

new artwork, selected by the community, on two water towers. Men's sheds across the region continue to receive our support for the community service they provide.

As a declaration of our commitment to building relationships and creating opportunities for Aboriginal and Torres Strait Island people we have launched our first Reconciliation Action Plan.

We continued to develop our people through a variety of workplace programs aimed at improving capability and delivering better outcomes for our customers and the environment. And as part of our commitment to diversity, we have employed our first female water industry workers in the field.

Industry partnerships remain vital to us. By working in partnership with the development industry, councils and the State Government we facilitated development across the region. And with Australian and international technology partners we are improving our business and asset performance.

Our journey towards total water cycle management this year saw two important milestones. We opened the flood gates at our wetlands at Yandina, increasing their nutrient reduction process, and we began early works on an irrigation scheme that will allow the creation of a 'food bowl' at Wamuran.

This year, after excluding developer contributions (comprising gifted assets and cash) of \$142.6 million from profit after tax and a one-off tax adjustment, Unitywater made a profit of \$7.9 million. This compares to a profit, after excluding developer contributions, of \$5.3 million in 2016-17. Total returns to participating councils, comprising tax equivalents, participation returns and interest on loans, were \$133 million, the same as in 2016-17.

I am immensely proud of the dedicated and talented employees at Unitywater. It is their hard work that brings many of the highlights in this Annual Report to life.

As we move into our ninth financial year of operations, I extend a sincere thank-you to the Board members, the Executive and all staff for your ongoing commitment and dedication to placing Unitywater on a journey to becoming an operationally excellent organisation for the benefit of our customers and the environment.



George Theo
Chief Executive Officer
4 September 2018