

Our performance on core services

Water

100%
ACHIEVED

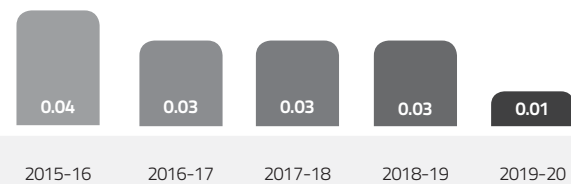
Bacteriological compliance with Public Health Regulation 2005

TARGET >98%

DRINKING WATER QUALITY COMPLAINTS
per 1000 connected properties

TARGET: <10

*INDUSTRY MEDIAN 2018-19 = 1.1



Sewerage

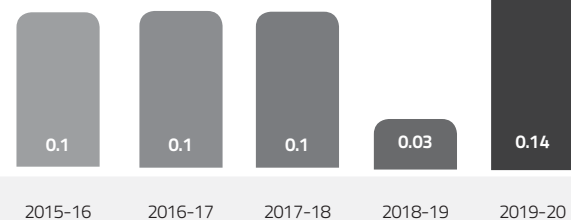
99.2%
ACHIEVED

Sewage treatment plants met licence requirements

ODOUR COMPLAINTS

per 1000 connected sewerage properties

TARGET: <3



Customer service

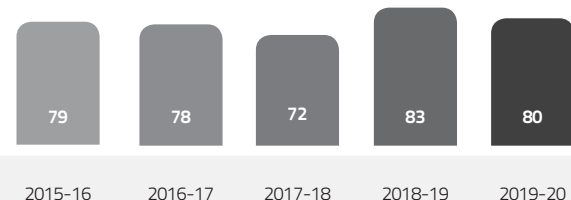
80%
ACHIEVED

Grade of service

TARGET = 82%

CALLS ANSWERED BY AN OPERATOR
within 30 seconds (%)

*INDUSTRY MEDIAN 2018-19 = 68

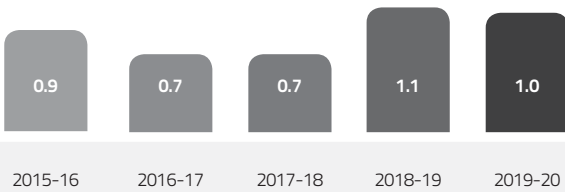


*Australian utilities with 100,000+ connected properties (National Performance Report 2018-19 Urban Water Utilities)

UNPLANNED WATER SUPPLY INTERRUPTIONS

Monthly average per 100 km of main

TARGET: <10

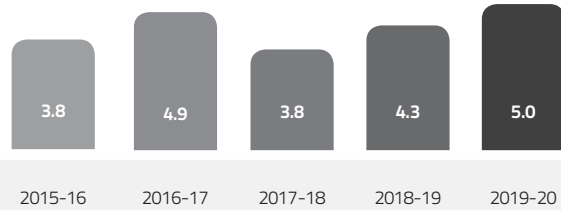


WATER MAIN BREAKS AND LEAKS

per 100 km of mains

TARGET: MAINTAIN BEST IN CLASS 4.1

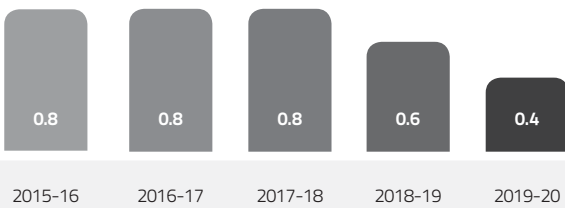
*INDUSTRY MEDIAN 2018-19 = 19.9



DRY WEATHER SEWAGE OVERFLOWS

Monthly average per 100 km of main

TARGET: <2.2

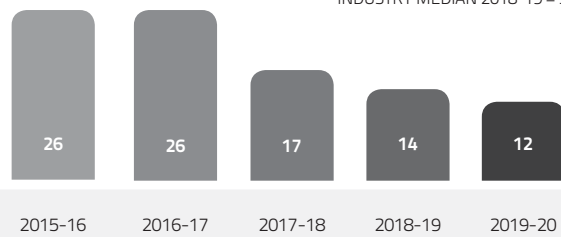


SEWER MAIN BREAKS AND CHOKES

per 100 km of mains

TARGET: 16.4

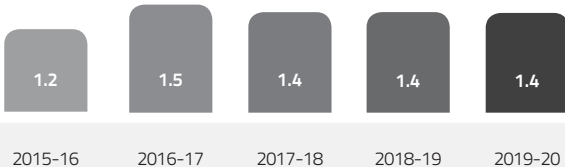
*INDUSTRY MEDIAN 2018-19 = 36.6



WATER AND SEWERAGE COMPLAINTS

per 1000 properties

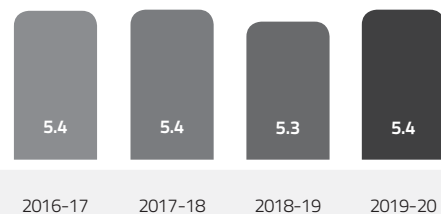
*INDUSTRY MEDIAN 2018-19 = 3.5



CUSTOMER EASE SCORE

Customer-initiated contact

TARGET: 5.4 (out of 7)



*Australian utilities with 100,000+ connected properties (National Performance Report 2018-19 Urban Water Utilities)

Highlights from 2019-20

Investing in our assets...

	Number	Measure
Investment in water supply	45.2	\$M
Investment in sewerage infrastructure	83.9	\$M
Investment in support services for both water and sewerage	20.3	\$M
Value of water supply and sewerage assets	3.6	\$B
Sewage treated	57,618	ML
Biosolids recycled and sent to beneficial reuse	78,376	tonnes
Percentage of biosolids recycled	100	%
Recycled water supplied	1,282	ML
Length of sewer mains servicing customers	5,975	KM
Sewer mains relined	36.7	KM
Sewer mains inspected with CCTV	143.9	KM
Water mains acoustically swept for leaks	2,009	KM
Hydrants/valves replaced	551	hydrants/valves
Length of water mains servicing customers	6,172	KM
Bulk water received	68,543	ML
Reservoirs renewed/reroofed	29	reservoirs
Reservoirs cleaned	19	reservoirs

...delivers for our customers

	Number	Measure
New customers	8,805	new water accounts
Residential properties served	319,367	properties
Commercial and industrial enterprises served	17,749	enterprises
Customer satisfaction score	6.6	out of 10
Customer issues resolved on first contact	67	%
Visits to our website	461,079	visits
New customers signed up for e-billing	19,648	customers
Customers who received their bills electronically	52	%
Customer calls received	131,677	calls
Priority 1 water supply and sewerage issues responded to in less than 1 hour	2,041	issues
Drinking water supplied	59,077	ML
Customer connections receiving drinking water	337,123	connections
Water meter readings performed	1,188,398	readings
Joint projects with participating councils (Kids in Action, Paddle Against Plastic, Blue Heart, beach clean-ups)	4	joint projects

Our financial performance

We are focused on robust financial management to ensure we meet our customers' expectations and obligations to our participant councils.

In the 2019-20 financial year Unitywater's profit was \$143.4 million after tax. After excluding developer contributions of \$123.3 million (comprised of cash and donated assets), we made a profit of \$20.1 million.

Developer cash contributions of \$55.5 million in 2019-20 continued to be a key revenue source as Unitywater has an obligation to use these funds to build new water and sewerage infrastructure for our growing communities.

STATEMENT OF PROFIT OR LOSS

	2015-16 \$M	2016-17 \$M	2017-18 \$M	2018-19 \$M	2019-20 \$M
Revenue					
Utility charges	482.4	512.8	526.2	549.5	578.8
Fees and charges	8.0	7.7	7.9	7.5	8.8
Developer contributions	143.7	130.2	142.6	152.0	123.3
Other income	16.3	18.8	19.5	21.6	19.2
Total revenue	650.4	669.5	696.2	730.6	730.1
Operating expenses					
Bulk water purchases	(150.8)	(170.2)	(176.4)	(189.3)	(205.1)
Employee expenses	(67.8)	(64.1)	(61.1)	(68.0)	(71.9)
Supplies and services	(75.3)	(81.3)	(89.9)	(86.2)	(82.9)
Depreciation and amortisation	(79.0)	(79.7)	(80.5)	(83.0)	(83.9)
Impairment losses	(0.3)	(1.8)	(0.1)	(0.0)	(0.0)
Finance and borrowing costs	(80.8)	(79.8)	(76.2)	(73.9)	(70.3)
Other expenses	(11.2)	(12.3)	(6.0)	(13.4)	(11.3)
Total operating expenses	(465.2)	(489.2)	(490.2)	(513.9)	(525.4)
Profit before tax	185.3	180.3	206.0	216.7	204.7
Tax expense	(48.9)	(44.8)	(86.6)	(64.9)	(61.3)
Profit after tax	136.3	135.5	119.4	151.8	143.4
Adjusted profit					
Profit after tax	136.3	135.5	119.4	151.8	143.4
Developer contributions	(143.7)	(130.2)	(142.6)	(152.0)	(123.3)
Less one-off tax adjustment			31.1		
Profit/(Loss) ex developer contributions	(7.4)	5.3	7.9	(0.2)	20.1

Keeping our prices down

Keeping prices as low as possible for our customers is a key driver for Unitywater.

We are controlling our operating costs by working smarter as we continue to deliver quality essential services to our growing communities.

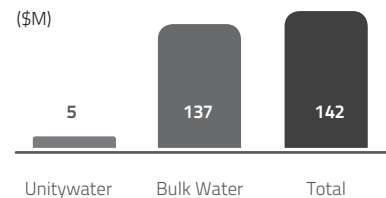
A KEY CHALLENGE – STATE GOVERNMENT BULK WATER COSTS

Unitywater buys bulk water from the State Government and this cost is passed on to our customers. Bulk water costs increased by \$137 million from 2010-11 to 2019-20.

Conversely, in this same period, Unitywater’s operating expenses increased by \$5 million.

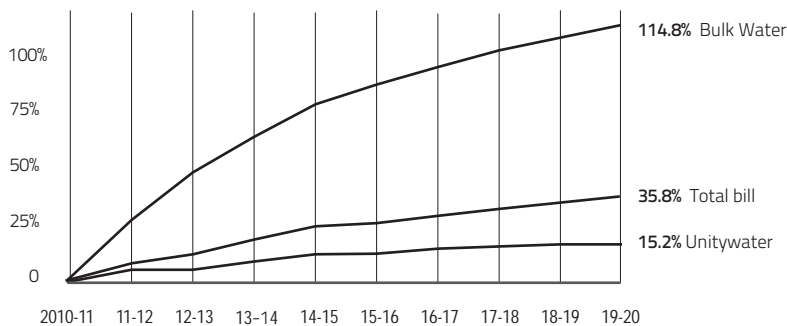
We appreciate the impact that bulk water pricing has on our customers’ bills and we continue to minimise our bill increases to offset these State Government charges.

CHANGE IN OPERATING EXPENSES SINCE 2010-11

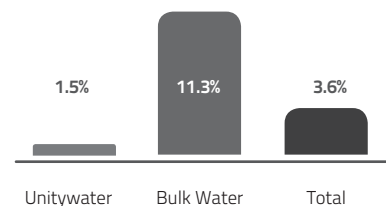


The comparison between bulk water increases and Unitywater’s increases in customers’ bills over time is reflected in the following graphs.

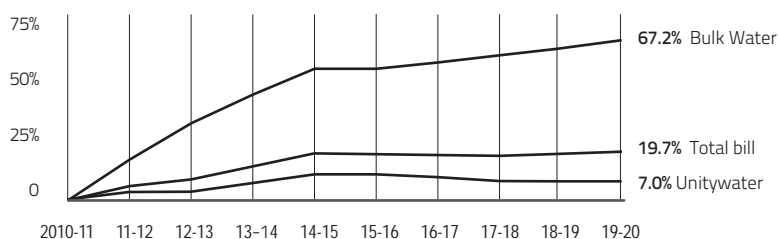
SUNSHINE COAST/NOOSA RESIDENTIAL CUSTOMERS YEAR-ON-YEAR BILL* – CUMULATIVE IMPACT (%)



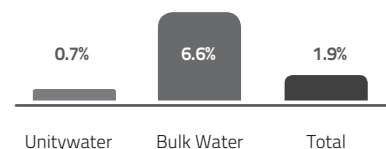
COMPOUND ANNUAL GROWTH RATE



MORETON BAY RESIDENTIAL CUSTOMERS YEAR-ON-YEAR BILL* – CUMULATIVE IMPACT (%)



COMPOUND ANNUAL GROWTH RATE



*Bill based on median consumption for the region.

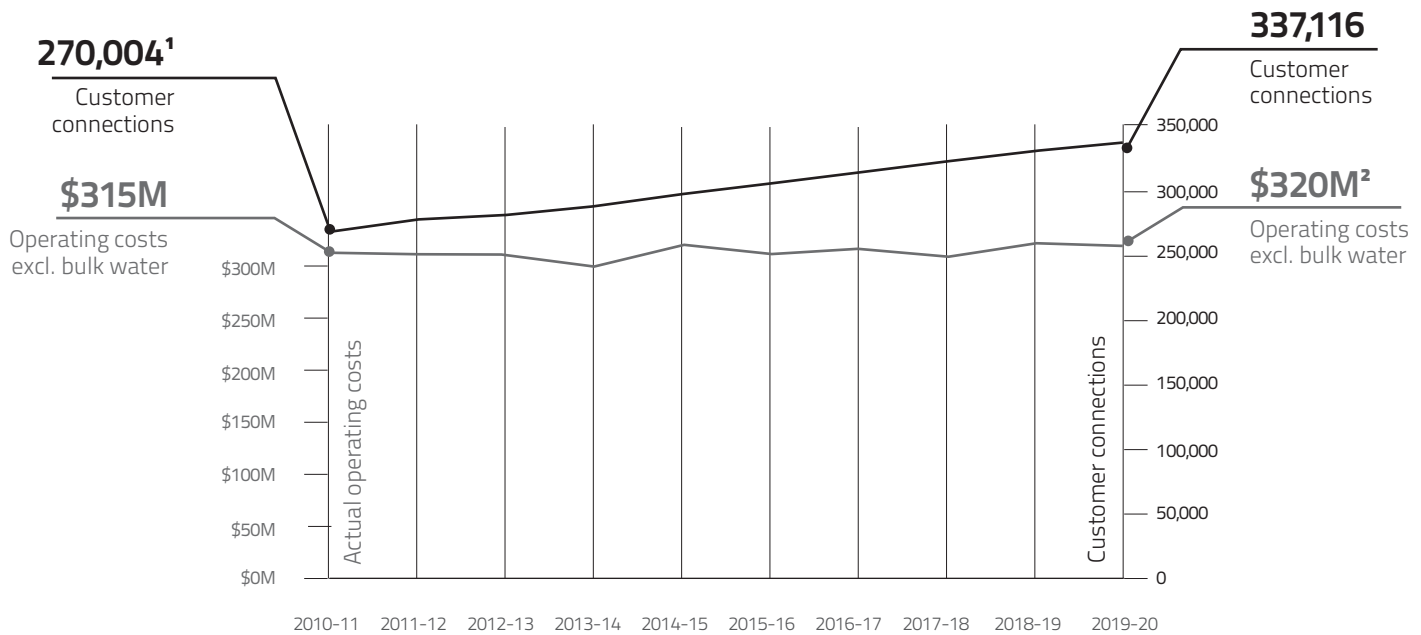
Keeping our prices down Cont.

OUR ACHIEVEMENT – MANAGING OPERATING EXPENDITURE

While population growth in our service region adds to the complexity of balancing revenue with expenditure, we consistently focus on managing our operating costs. Our operating costs, excluding bulk water, from 2010-11 to 2019-20 have remained relatively flat despite the pressures of inflation and a 25% growth in customer connections over this same period.

Unitywater continued to respond to these challenges by focusing on key strategic initiatives to drive costs down over the 2019-20 financial year. For our customers we also delivered a freeze on water and sewerage usage charges for the fifth consecutive year.

GROWTH IN CUSTOMER CONNECTIONS COMPARED TO OPERATING COSTS



¹ Water customer connections
² Nominal dollars

Our COVID-19 response

Unitywater's response to the unprecedented challenge of the COVID-19 pandemic was fast and focused on care.

RESILIENT, CONTINUED OPERATIONS

The COVID-19 pandemic served as a stark reminder of the essential nature of our services. At Unitywater, we enacted our business continuity plan, making sure water supply and sewerage services to our customers remained unaffected.

SAFELY ENABLING OUR ESSENTIAL WORKERS

We succeeded in transitioning our people to working from home and established a new way for our field crews to safely continue providing essential services.

Concerns for the health and safety of our people remained at the forefront throughout our response to COVID-19. Informed by state and federal government guidelines, we implemented new work procedures and protocols to keep everyone COVID-free.

HELPING OUR CUSTOMERS

The financial impact of the pandemic on the lives, work and businesses of many of our customers was a priority for our response to COVID-19. We released a Customer Relief Package that included extra time to pay bills, no interest on overdue payments and an invitation for customers to reach out to us if they needed further help with their account. We also froze all prices and waived fees for some trade waste customers and community groups for a year, starting from 1 July 2020.

DEVELOPMENT AND CONSTRUCTION CONTINUED

We were able to continue our capital development works while we assessed and mitigated potential risks. Collaboration with our delivery partners to proactively develop and implement COVID-19 response plans gave us confidence that we could continue delivering our capital works safely. Our annual capital program remained on track.

By prioritising applications from developers, we ensured no delays were experienced to construction progress. Unitywater's accreditation and certification system allows development applications and certifications to be fast-tracked through a streamlined process. At the end of the financial year, the system was already processing 20% of non-trunk infrastructure applications via the new Accreditation and Certification system.

HELPING LIFT THE WEIGHT OF HOMELESSNESS

With the COVID-19 crisis putting many people at risk of homelessness, Unitywater lent our support to a number of organisations who help some of the most vulnerable in our community. We provided almost \$100,000 in support for essential community services through our community program. This included a community collaboration to create the Sunshine Coast Community Hub and crisis centre. Beginning operations out of the Sunshine Coast Stadium, the hub provided a variety of much-needed services including emergency food packs, meals, financial and housing advice, laundry facilities, showers, medical consultations and flu vaccinations.

Our people matter

Our people are key to our success and we are investing in their capabilities and wellbeing to benefit our customers and communities.

PROUDLY INCLUSIVE

Unitywater made strong progress through the year towards achieving our challenging diversity targets.

	Actual 2019-20	Target 2019-20
Female participation	38.9%	40%
Females in leadership	44.0%	48%
Age diversity – people under 35 years	19.2%	21%
Diversity of hire in key technical and trade pathways	62.3%	58%

Our recognition and celebration of significant diversity events through the year supported our diversity and inclusion strategy. These included International Men’s Day, Sunshine Coast Pride Festival, RUOK Day, White Ribbon Day, International Day of People with Disability and Cultural Diversity Month.

GENDER PAY EQUITY

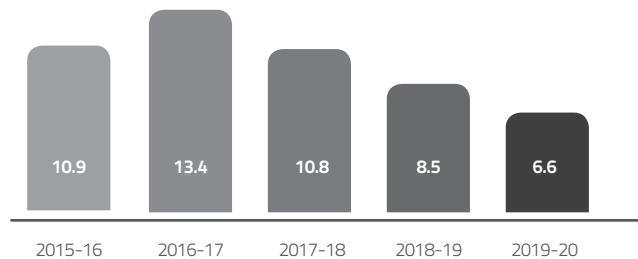
Unitywater continues to work hard to reduce our gender pay gap, which has been consistently below 5% since 2016. This year it was 4.35%, with a 39% participation rate.

SAFETY

Unitywater is improving our safety culture through a behavioural safety program. The program focuses on addressing safety attitudes and behaviours so that team members take personal accountability and become safety leaders. Based on organisation-wide insights gained through survey and feedback from a pilot, the program will roll out in the 2020-21 financial year.

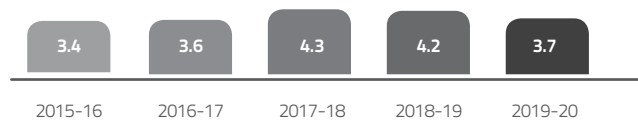
SIGNIFICANT INJURY FREQUENCY RATE*

*PER MILLION HOURS WORKED.



LOST TIME INJURY FREQUENCY RATE*

*PER MILLION HOURS WORKED.



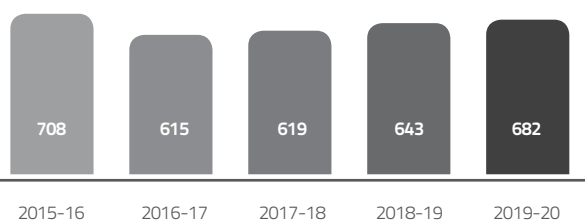
Our people matter Cont.

WORKFORCE PROFILE

At the end of the financial year, Unitywater employed 682 full-time equivalent staff, with a broad range of professional, paraprofessional, technical and trades skills and competencies.

We provide valuable experience and development opportunities for our people through projects and transfers to other roles. During the year, 98 people were provided opportunities through development placements.

FULL-TIME EQUIVALENT EMPLOYEES

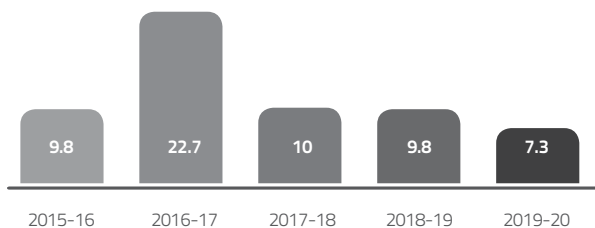


SPECIALIST TRAINING FOR WATER INDUSTRY WORKERS

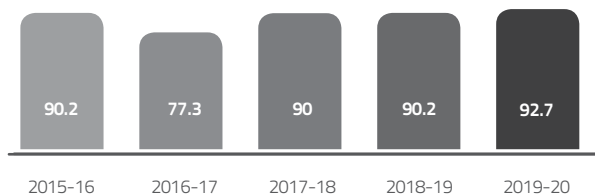
Our field crews are receiving development and advancement opportunities through training for their jobs and future careers as Water Industry Workers (WIWs). Although designed for face-to-face delivery, our two programs successfully transitioned to online delivery during COVID-19 restrictions.

- › Our partnership with Water Training Australia provides our WIWs with specialised career training. As at the end of the financial year, 28 of our WIWs are working towards attaining Certificates II, III and IV in Water Operations.
- › Facilitated by Leadership Management Australia, our first Certificate IV in Leadership and Management began with 14 participants.

PERMANENT SEPARATION RATE (%)



PERMANENT RETENTION RATE (%)



Our people matter Cont.

OUR PEOPLE

	2019-20					2018-19				
	Full time	Part time	Casual	Total	FTE 2019-20	Full time	Part time	Casual	Total	FTE 2018-19
Gender										
Male	420	7	2	429	426	403	6	2	411	408
Female	221	42	10	273	256	188	41	30	259	235
TOTAL	641	49	12	702	682	591	47	32	670	643
Age groups										
< 24 yrs	18	0	1	19	18	24	0	1	25	25
25-34 yrs	106	7	3	116	112	81	11	7	99	92
35-44 yrs	187	27	3	217	209	169	21	7	197	188
45-54 yrs	169	6	1	176	174	168	7	7	182	178
55-64 yrs	147	6		153	152	138	4	8	150	146
65+ yrs	14	3	4	21	17	11	4	2	17	14
TOTAL	641	49	12	702	682	591	47	32	670	643
Classification										
Executive	6	0	0	6	6	6	0	0	6	6
Senior employee	73	2	0	75	75	73	3	0	76	75
Administration and field staff	562	47	12	621	601	512	44	32	588	562
TOTAL	641	49	12	702	682	591	47	32	670	643

GENDER DISTRIBUTION BY JOB TYPE (as of end of June 2020)

	MALE		FEMALE	
	Percentage	Number	Percentage	Number
Executive Manager	50%	3	50%	3
Leadership	56%	42	44%	33
Clerical (administration)	3%	1	97%	28
Professional employee	55%	85	45%	70
Trades	93%	195	7%	15
Paraprofessional	45%	103	55%	124

Supporting our communities

Unitywater's purpose is keeping communities healthy. Our social responsibility takes this beyond providing water and sewerage services.

We know what it takes to deliver an essential service. That's why we're committed to supporting the communities in which we live by partnering with and supporting those who are taking on some of our communities' biggest challenges.

OUR COMMUNITY PROGRAM

Our new community program supports community organisations in ways that help them to provide the essential support services most needed.

We recognise we're not the experts in social and environmental issues, so we're supporting and partnering with organisations who are.

The program provides support for:

- › Homelessness
- › Prevention of domestic and family violence
- › Children and youth
- › Mental health
- › The environment.

Unitywater has partnerships with Sunny Street, Nambour Meals on Wheels, Redcliffe Breakfast Club, Maroochy Neighbourhood Centre, IFYS and OzHarvest. We have also supported Ocean Crusaders and Tangalooma EcoMarines in their environmental initiatives and a number of Men's Sheds across our service area, making a real difference to keeping communities healthy.

PREVENTING DOMESTIC AND FAMILY VIOLENCE

Unitywater is committed to promoting healthy relationships and preventing domestic and family violence by supporting people in our community and our workplace.

As part of our community commitment, we partner with Australia's CEO Challenge to support:

- › two women's refuges in our region to keep women and children safe
- › a men's behaviour change program for perpetrators of domestic and family violence who acknowledge they need help to prevent recurrence.

Our domestic and family violence program involves training to increase awareness amongst our people, and mechanisms to support people experiencing or perpetrating domestic and family violence.

Supporting our communities Cont.

uVOLUNTEER

As an enhancement to our community program, the people of Unitywater can support our community through the uVolunteer program. With a paid volunteer day for every team member each year, our people get involved and share skills and capabilities with community organisations and support initiatives.

This year uVolunteer opportunities included:

- › quarterly working bees at a women's refuge
- › sharing technology skills with local Men's Sheds
- › provision of graphic design and media skills
- › waterway clean-ups and debris sorting
- › Kids Teaching Kids educational events
- › preparing and serving meals at homeless shelters
- › packing hampers for those in need.

In total, 90 Unitywater people volunteered 466 hours to 35 organisations.

EDUCATION PROGRAM

Taking water and sewerage education to school students continued through the year, delivering online education through simple activities to support teachers, parents and students during home schooling.

SEWER RUN PILOT

Unitywater launched a pilot of our very first digital educational game for use on mobile and tablet devices. Sewer Run is designed to increase awareness of the impacts of the wrong things being placed in the sewer network. The game is being launched for schools and the broader community through the Apple and Google Play stores.

CHRISTMAS DELIVERED TO THE VULNERABLE

Christmas can be a difficult and lonely time for some people. Through our support of Hope Within Reach, some of the most vulnerable people in the Caboolture and Maroochydore areas received a visit on Christmas Day to provide support, connection, food and a small gift. The charity also invited vulnerable people for a festive dinner on Christmas Eve in Cotton Tree Park, Maroochydore, providing a special meal and an opportunity to connect with others.

Supporting our communities Cont.

AVOIDING POLLUTION FROM PLASTIC WATER BOTTLES

Unitywater's Water on Tap program aims to help reduce the use of single-use plastic and its impacts on waterways and wildlife. Our activities during the year as part of this program included the following:

- › We worked with Moreton Bay Regional Council to install 12 new permanent water refill stations, and with the Sunshine Coast Council to install three.
- › In Noosa, we worked with Tourism Noosa and Noosa Council to install an O Initiative Water Fountain at the Hastings Street Visitor Information as well as seven other refill stations across the region.
- › Unitywater released a digital map that shows the locations of our 26 permanent water refill stations across the region.
- › Our Water on Tap vans attended 63 community events (25 in Moreton Bay, 32 in Sunshine Coast and six in Noosa), making sure that everyone had the opportunity to fill up for free and avoid buying bottled water.
- › We also supported five clean-up events across the region, helping organisations and community members in cleaning up beaches and waterways, whilst increasing awareness of the impacts of plastic pollution on the environment.

TIMELY REMINDERS IN THE DRY

The threat of continuing low rainfall across our service area triggered Unitywater to reach out to the communities at risk from the dry. Unitywater encouraged everyone across our regions to be water wise as dam levels in South East Queensland approached 60%. They fell below 60% in December and we ramped up our public education campaign for people to save water. The residents of Dayboro, which isn't connected to the SEQ Water Grid, responded to special requests from us to take care with their water use after their water supply, the North Pine River, stopped running.

Caring for our environment

Unitywater works to protect our environment from the impacts of our operations and maintain the liveability of our beautiful region.

The interconnectedness of our environment is never more apparent than in the water cycle. By working to protect and restore our region's environmental assets for future generations, we are reducing our operational footprint.

BLUE HEART

This year Unitywater formed an Australian-first Blue Heart partnership with the State Government and Sunshine Coast Council. Blue Heart refers to an area of more than 5,000 hectares within the Maroochy River Catchment where a dedicated land and water management project will deliver a range of integrated environmental, social and economic outcomes. We are currently implementing initiatives outlined in a five-year plan for the Blue Heart.

The restored 191 hectares of former caneland that comprises the Yandina Creek Wetland removes nutrients and sediments from the Maroochy River, improving water quality and overall river health. Unitywater offsets the amount of nutrients removed by the wetlands against the nutrients discharged to the Maroochy River as part of the sewage treatment process.

GREEN KENILWORTH SOLUTION WINS INNOVATION AWARD

Our project to install solar panels and a floating wetland at our Kenilworth STP was so successful in demonstrating a low-tech, low-cost sewage treatment solution that it won the Australian Water Association (AWA) Queensland 2019 Project Innovation Award. The innovative modular wetland absorbs nutrients and sediments, enhancing the sewage treatment process. Thanks to the solar panels, the plant is now energy neutral and has lowered its carbon dioxide emissions by 12 tonnes a year.

LONG TERM SUSTAINABILITY GOALS

During the year Unitywater examined our long-term sustainability goals to realise a step change in waterway health, emissions and minimisation of waste. In view of sustained high growth in our service area and climate change impacts such as bushfires, these sustainability goals are in the interests of protecting public health and the environment. We recognise that to meet our aspirational goals of reducing our impact in these areas to zero by 2050, we will require a leap in innovation. We will set shorter term specific, measurable, attainable and relevant targets as stepping stones to our aspirational sustainability goals. These will include our 2020-2027 Energy Management Plan that aims for Unitywater to buy and consume less energy.

PAPER AND RESOURCES AVOIDED BY E-BILLING

Customers receiving bills electronically not only improves our customer service, it saves vast amounts of paper. This year alone we have avoided using:

- 78km² of paper
- 156km of envelopes.

That adds up to 5.5 tonnes of paper thanks to more than half of our customers now choosing e-billing.

KEEPING POLLUTANTS OUT OF RIVERS

In partnership with Healthy Land and Water, Unitywater restored 250 metres of severely eroded banks of the Caboolture River. The works at Bellmere will stop the erosion that allowed nutrients and sediments to enter the river. The works mean 1.5 tonnes of total nitrogen and 0.8 tonnes of total phosphorus will no longer enter the Caboolture River every year.

Intelligent customer and network operations

Digitally connecting and integrating our water and sewerage services improves our customer experience, reduces environmental impacts and keeps our operating costs down.

STP OPERATIONS INTEGRATED INTO SCADA NETWORK

Unitywater's SCADA (Supervisory Control and Data Acquisition) system controls our water and sewerage networks, alerts our Control Room operators to network issues or incidents and allows them to respond in real time. However, responding to operational issues at our STPs has historically seen operators attending the site to investigate concerns after receiving an alert. Now Unitywater has broken through technological and process barriers to allow our central Control Room to conduct remote operation of vital STP functions.

NOOSA PROJECT COMPLETES UNITYWATER'S SCADA UPGRADE

During the year we took the final step in upgrading our SCADA system, completing the replacement of the Noosa region's network. The \$3 million project, undertaken over 18 months, means our Control Room now operates a unified SCADA platform across our networks.

INTELLIGENT DATA PLATFORM

The Intelligent Data Platform is a key initiative designed to improve Unitywater's data and analytics capability. Taking a data-centric approach to network operations, work optimisation, asset management and customer experience, the project is in the design phase. On completion, it will deliver better insights into asset performance and process automation and improved customer service.

DIGITAL NEIGHBOURHOOD

The Digital Neighbourhood Program will create a digitally connected network that will improve the operational management of the water network and customer service. We began the program's first phase during the year, which included planning and procurement, with vendor selection for the underlying communication network, digital meters, leak detection on large water mains and online water quality monitoring that will provide real-time information for business intelligence and reporting purposes. The outcomes of the first phase will inform the rollout of digital technologies to more neighbourhoods across our water and sewer networks.

Self-sustaining STPs

Resource recovery and renewable energy underpin our strategic aim to make our sewage treatment plants (STPs) self-sustaining.

KAWANA STP A CORNERSTONE FOR HIGH GROWTH REGION

The \$83 million upgrade of the Kawana STP neared completion at the end of the financial year. Methane from the plant's new anaerobic digester began producing fuel to run the new electricity generator. Once this plant is operating optimally, it is expected to reduce our operating carbon footprint, costs and dependence on the electricity grid. On average, the new electricity generator will provide approximately 30% of total site power. The upgraded Kawana STP was contracted to cater for the needs of the equivalent of 200,000 people, a major milestone in readying for population growth in the surrounding suburbs, particularly Aura and Caloundra South.

MEGA COMMISSIONING OF SEWERAGE PROJECTS ON THE SUNSHINE COAST

Unitywater achieved a significant milestone in the sewerage future of the Sunshine Coast by linking up several major projects in a mega-commissioning. In a four-day co-ordinated integration exercise, our teams permanently redirected sewage flows from the growth hotspots of Mountain Creek, Sippy Downs and southern parts of Maroochydore through a new pipeline to the Kawana STP for treatment. The exercise also commissioned two upgraded pumping stations fitted with innovative pressure solutions that protect the sewerage network from bursts and spills.

COMMISSIONING STARTED TO UPGRADE REDCLIFFE STP

The \$36 million renewal and upgrade of the Redcliffe STP will improve its standard of treatment, reduce our odour impacts on the local community and reduce environmental impacts. Commissioning of the renewal of the STP progressed through the year and it is performing well against Unitywater's environmental licence and other measures; for example, reduced odour emissions. During the year we completed construction of the aerobic digester panel tanks and began the commissioning of the aerobic and anaerobic digesters. This will result in improved quality of biosolids from the plant, increasing the potential for their use in agriculture.

MAROOCHYDORE STP REFURBISHMENTS

Unitywater's Maroochydore STP benefited from refurbishments and upgrades worth \$9 million over the year, resulting in reduced odour and noise and improved safety and reliability of treatment processes. Projects completed included the refurbishments of the primary digester and sedimentation tanks, upgrades to the raw sludge pump station and the service water pump station, and the installation of a bypass conveyor.

Growing new business

For Unitywater to continue keeping its prices low for our customers, we are looking for new income beyond traditional water supply and sewerage services.

WAMURAN IRRIGATION SCHEME

The agricultural district of Wamuran holds some exciting prospects for the use of recycled water. Following an open market process in 2019, Unitywater has been working with the successful tenderer, exploring the viability of a pipeline to deliver a reliable source of Class A recycled water to the district.

For the Wamuran Irrigation Scheme to be viable over the long term, we need to be sure that we can consistently produce enough water of the desired quality for use on edible crops. Our preliminary investigations into the potential supply and demand show that, based on current volumes received and treated at South Caboolture STP, we could deliver up to 2.6 gigalitres of Class A water per year.

LANDING OPPORTUNITIES FOR REVENUE GROWTH

The development of a nine-lot subdivision in Maroochydore is now complete, with four lots already sold and the remaining lots being offered for build-to-lease opportunities. We continue to work with councils, businesses and developers to transform Unitywater-owned land that isn't required for our operations in order to maximise returns and offset future costs to serve.

STRATEGIC PARTNERSHIPS TO DIVERSIFY REVENUE STREAMS

Unitywater is building strategic partnerships to help us drive down the cost of delivering core water and sewerage services while diversifying revenue streams. These partnerships may also provide Unitywater the opportunity to support and assist utilities across the country.

Better business

To achieve higher productivity, lower costs and an optimal customer experience, we need better analysis, insights and decision-making.

ACCREDITATION AND CERTIFICATION SYSTEM

Unitywater's Accreditation and Certification system ensures we deliver fast turnaround times for development applications and receive high quality assets. Launched in July 2017, the system continued to receive positive support from the development industry. At the end of 2019-20, one in five, or 20% of assessments across our water and sewerage network were being processed through the system. These can be undertaken by 34 accredited entities, 44 major connection certifiers, 12 minor connection certifiers and 35 construction certifiers.

DETECTING LEAKS HELPS CONTROL COSTS

Water lost in leaks and bursts across our extensive network is a direct cost to our business. Controlling and reducing water leaks helps keep our prices as low as possible for our customers and saves water during times of water scarcity. During the year we carried out active leak detection on approximately 1,500km of water mains, finding and preventing the loss of \$3 million worth of bulk water. Unitywater's leak detection program continues to show very good results, and has reduced our water losses by 9.4% since 2017-18.

Better together

Maintaining the safety and wellbeing of our people remains our highest priority as we continue to invest in their future.

Our approach to workforce planning focuses on building the capability of our people, systems and processes.

Our strategic workforce frameworks support streamlined processes and a culture of flexible working arrangements, and we invest in developing our leaders in line with our strategic priorities.

Ensuring our workplace is inclusive and our workforce reflects the diversity of our community, we implement programs to attract, develop, challenge and retain our people and build the skills needed for the jobs of the future.

In line with the emphasis of our overarching corporate strategic direction, we are developing a workforce plan that will secure the capabilities we will need to deliver positive outcomes for our customers and the environment.

MATURITY IN INCLUSION AND DIVERSITY

Unitywater's Proudly Inclusive strategy continues to strengthen our commitment to diversity and inclusion. Our focus on inclusion within our culture program is helping to further strengthen inclusive behaviours. Particular areas of emphasis are generational renewal, emerging career opportunities, and workforce diversity in key technical and trade careers.

KEEPING OUR PEOPLE SAFE FROM HARM

Unitywater takes a whole-of-organisation approach to incident management and this year delivered an enhanced incident reporting platform. It allows improved insights about incidents that are now helping us to implement new prevention programs before issues occur.

People working alone often face higher risks to their safety, so we are trialling a new mobile app that supports them and minimises risk.

Through the year we established onsite clinics to drive improvements in health monitoring. This was an accessible and convenient way for our people to undertake a health check during COVID-19 restrictions, and was attended by 310 team members. A total of 334 people also took up the offer of flu vaccinations, 45% more than the previous year.

CREATING BETTER TOGETHER

Based on the findings from comprehensive surveys of our workplace culture, we created and launched Creating Better Together, a cultural transformation program. The baseline surveys attracted high participation and, when combined with safety focus groups, allowed us to better understand our current culture, particularly in relation to safety. Strengthening our approach to culture through safe behaviours is the focus in the first phase of the program.

Better together Cont.

RECOGNISING AND APPLAUDING PERFORMANCE AND BEHAVIOURS

Because Unitywater's values are at the heart of our organisational culture, we highlight and celebrate them with our Proudly Unitywater Recognition Awards. During the year we recognised 52 of our people for bringing our core values to life.

Our annual people awards showcase and applaud outstanding achievements by individuals and teams across Unitywater. This year the event was live-streamed to all sites for the first time due to COVID-19 restrictions. Fifty-four awards were presented across nine categories.

PROVIDING REGIONAL CAREER OPPORTUNITIES

Unitywater is a major employer across our service region, providing a wide variety of career opportunities in an essential service. During the year we welcomed 52 new team members into permanent roles, including six mechanical fitters, five electricians, 10 assistant and treatment plant operators to support a program of transition as long-serving staff retire, as well as seven digital and technology specialists. We also extended our permanent and locally based Contact Centre team, providing job security to 22 Customer Service Officers.

ATTRACTING AND RETAINING OUR FUTURE WORKFORCE

We understand the importance of attracting and retaining the workers of the future.

Each year we award a Unitywater Engineering Scholarship and a Bright Future Scholarship to outstanding students at the University of the Sunshine Coast.

Our summer vacation program provides 12 weeks of paid, real-world, work experience to university students. This year, three of our 13 vacation program students were already benefiting from a Unitywater scholarship.

Our annual graduate intake for 2020 added nine recruits across the engineering disciplines to our Graduate Development Program. Recruitment for 2021 began in May, targeting digital technology as well as engineering disciplines.

APPRENTICESHIP PROGRAM

This year, we welcomed two female apprentices to Unitywater who are working as part of our Mechanical and Electrical team. They will undertake a four-year Certificate III in Engineering - Mechanical Trade (Maintenance) Fitting and/or Turning.

Risk management and accountability

Our business-wide approach to identifying, prioritising and managing risks underpins Unitywater's commitment to good management and corporate governance.

Unitywater aligns our approach to risk management with the framework outlined in ISO 1000-2009 Risk Management – principles and guidelines.

CLIMATE RISK

The ongoing impact of climate variation exposes Unitywater to a variety of risks relating to both the operation of our assets and the security of water supply. We have undertaken a range of programs and activities to prepare for climate change and to ensure we are able to continue to perform our functions. These include:

- › analysis of the 100-year inundation and water levels to identify Unitywater assets which may be affected by flood and rising sea levels
- › commencement of adaptive infrastructure planning
- › development of critical plans including Drought Management Plan, Emergency Response Plan, Business Continuity Plan, Total Water Cycle Management Plan and Leakage Management Plan.

Unitywater's financial plans reflect forecast expenditure required to respond to climate change as well and the impact of a reduction in customer demand.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (see page 33 for details) is responsible for helping the Board to fulfil its corporate governance responsibilities and ensure due care, diligence and skill are applied in Unitywater's risk management and auditing activities.

The Audit and Risk Committee observes the terms of the Audit and Risk Committee Charter and the Audit Committee Guidelines: Improving Accountability and Performance issued by Queensland Treasury. The Committee's role is to oversee the financial management, internal controls, risk management, compliance and work health and safety. It receives and considers reports and recommendations from the external (Queensland Audit Office) and internal auditors.

During the reporting period Unitywater implemented an Enterprise Risk Management (ERM) database system along with an updated Risk Management Policy and Framework. The ERM database establishes a single source of truth for risk across all aspects of the organisation and is used to generate quarterly Audit and Risk Committee reporting. A network of Risk Champions across the business have been trained and licensed to operate the ERM system to ensure proactive monitoring and reporting of risk.

Risk management and accountability Cont.

INTERNAL AUDIT

Unitywater has an internal audit function to provide assurance to the Board that our financial and operational controls manage our risks, achieve our objectives and that we operate in an efficient, effective and ethical manner. Internal audit is undertaken by independent auditors who work to an annual strategic plan that has been approved by the Audit and Risk Committee and which aligns with the Internal Audit Charter and the Treasury's Audit Committee Guidelines. In 2019-20 the internal auditors successfully completed audits identified in the annual plan.

CODE OF CONDUCT

Unitywater's Code of Conduct aligns to the ethics principles and ethics values in the *Public Sector Ethics Act 1994*. Code of Conduct training is provided to all new starters and retraining done every two years.

HUMAN RIGHTS

Unitywater undertook a thorough review of our policies and procedures based on the *Human Rights Act 2019*. Training programs and information sessions were held across the business and new protocols made available to guide key decision makers. Since 1 January Unitywater's major contracts include *Human Rights Act 2019* requirements. Non-compliances are reported to the Board on a quarterly basis as part of our compliance reporting. At 30 June Unitywater had received no Human Rights complaints.

CONSULTANCIES AND OVERSEAS TRAVEL

Details of spending on consultants and overseas travel undertaken by Unitywater representatives can be accessed at the Queensland Government Open Data website www.data.qld.gov.au

INFORMATION SYSTEMS AND RECORD KEEPING

Unitywater makes and keeps full and accurate records of its activities in accordance with the standards and policies issued by the Queensland State Archives.

Our record keeping is informed by the *Public Records Act 2002*, Records Governance Policy 2018 and Records Governance Policy Implementation Guideline 2018.

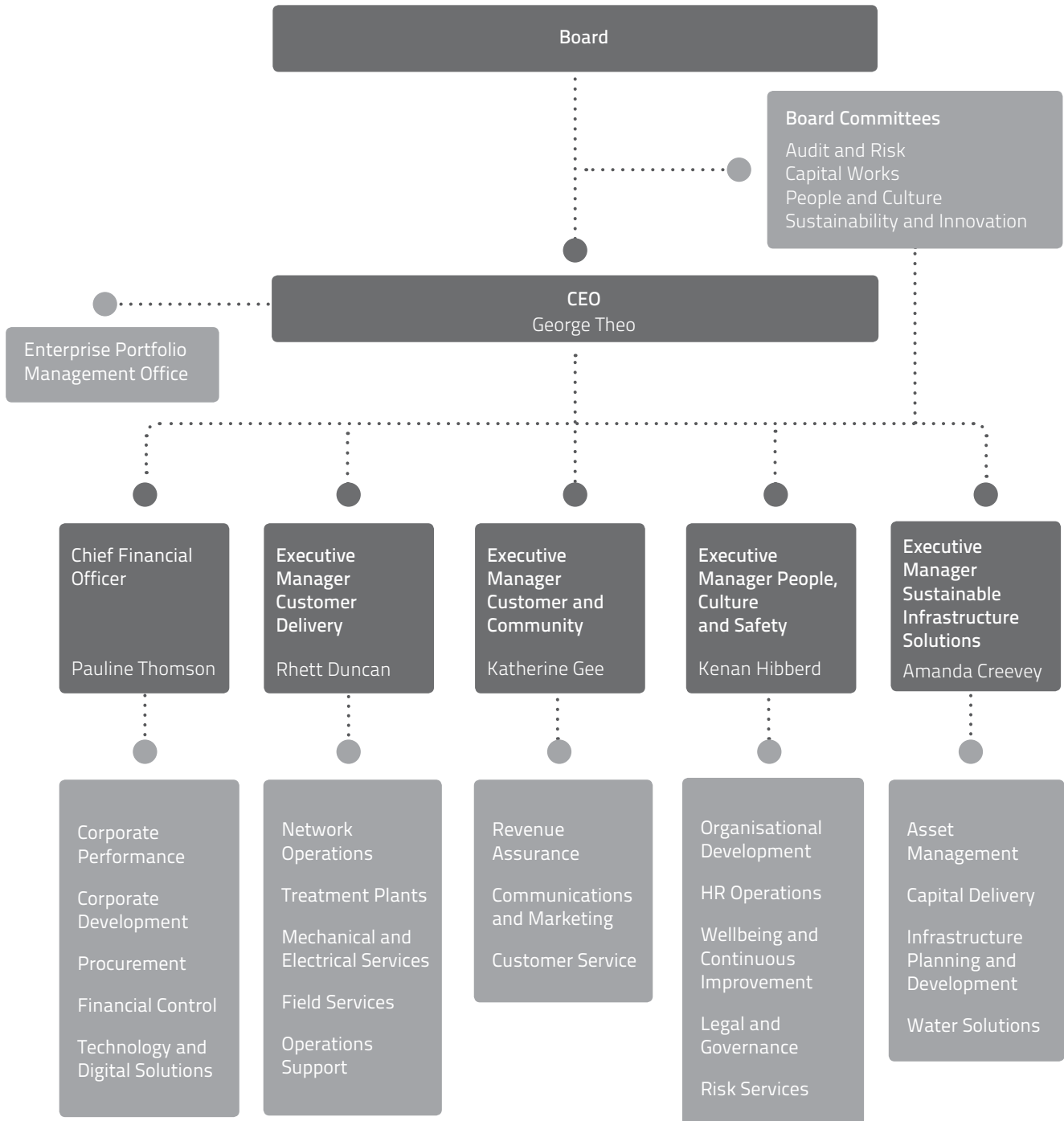
We are continuing to digitise Unitywater's legacy physical records as part of our records management program. Every record we create is managed digitally across its life cycle.

Our record-keeping policies and procedures include how we dispose of records at the end of their life. How we identify and securely destroy records in regular disposal programs is documented and done in line with the *Public Records Act 2002* and approved retention and disposal schedules.

Unitywater's information systems are maintained, supported and monitored for system performance and any potential security breaches. Appropriate protocols are in place to manage unforeseen incidents.

Our organisational structure

AS AT 30 JUNE 2020



Our Board

Unitywater's independent skills-based Board guides our Executive Leadership Team to fulfil its vision to be a sustainable water and sewerage service provider that creates value for its customers and returns value for its stakeholders.

The combination of Board members' qualifications, skills and experience ensures a strong commercial focus, with emphasis on identifying efficiencies across the organisation and passing on cost savings to customers.

Under the Participation Agreement, the performance of the Board is evaluated annually and reported to our participating councils.

JIM SOORLEY AM

BA (Psych), MA (Org Psych)

Chairman

Jim was Lord Mayor of Brisbane from 1991 to 2003. He has been the Chairman of Unitywater for 10 years. Jim is also the Chair of CS Energy.

SHARON DOYLE

LLB (Hons), BIT (Dist), Grad Dip Bus Admin, GAICD

Sharon is the Executive Chair of InterFinancial, a corporate finance advisory and mergers and acquisitions firm. Sharon is also a non-executive Director of TechnologyOne, Australia's largest enterprise software-as-a-service company and one of Australia's top 150 ASX-listed companies. Sharon has held leadership roles in Mincom Limited and Allens Linklaters.

MICHAEL ARNETT

BCom, LLB

(From 1 September 2019)

Michael has significant experience in the corporate, commercial, mining and natural resources (including water), banking, finance and securities sectors. He was a previously a Board member of Unitywater (from 2009 to 2012) and of Seqwater (from 2012 to 2019). Michael is a Board member of, amongst others, NRW Holdings Limited and Queensland Energy Resources Limited.

MIKE WILLIAMSON

FAICD

Mike brings to Unitywater more than 30 years' experience in the fields of water and sewage management, waste minimisation, resource recovery, engineering and project management. He has held positions as Managing Director of CH2M Australia and as Managing Partner of global consulting firm Environmental Resources Management (ERM). From 2001 until 2015 he was Chairman of the Oil Stewardship Advisory Council and he has held Board positions with Keep Australia Beautiful and Special Olympics NSW. Mike is also non-executive Chair of ECOllaboration Ltd, a not-for-profit company, based on the Sunshine Coast, providing ecological and environmental services and environmental education. Mike is a qualified marine and mechanical engineer and is a Fellow of the Australian Institute of Company Directors.

Our Board Cont.

FIONA WATERHOUSE

B Mfg Mgt, Dip Env Studies, Cert Business, GAICD

Fiona is CEO of bioenergy developer Utilitas Group, one of the pioneers of the emerging industrial bio-products market in Australia. A production engineer by trade, Fiona has owned and advised industrial and technology-related business for the past 20 years. The Business Sustainability Roadmap that she developed as part of her role in the Queensland Environment Department between 2000 and 2003 was recognised as a sustainable development milestone for Queensland.

BARRY CASSON

MAICD

(To 30 September 2019)

Barry has more than 40 years' experience initially in chartered accounting before moving into corporate finance roles and executive management. His roles have predominantly been as an executive finance director in the mining sector, although his background also includes property development and agribusiness, more recently in the role of consultant.

BOARD MEETING ATTENDANCE 2019-20

Board Member	Eligible to attend	Meetings attended
Jim Soorley	11	11
Sharon Doyle	11	11
Mike Williamson	11	11
Fiona Waterhouse	11	11
Michael Arnett	8	8
Barry Casson	3	3

Our Board Cont.

BOARD COMMITTEES 2019-20

A number of committees aid the Board in the execution of its duties.

Committee	Scope of activities	Members	Eligible to attend	Meetings attended
Audit and Risk Committee	The Audit and Risk Committee helps the Board to fulfil its corporate governance responsibilities by reviewing Unitywater's safety reports, risk management reports and annual financial reports. In addition, it provides oversight and direction with respect to internal control systems, insurance, and audit and regulatory compliance processes.	Barry Casson (as Chair)	1	1
		Michael Arnett (as Chair)	3	3
		Sharon Doyle	4	4
		Fiona Waterhouse	4	4
Capital Works Committee	The Capital Works Committee reviews, oversees and reports to the Board on the appropriateness of Unitywater's capital works practices for projects above \$5 million. Its role includes a detailed review of the annual program of capital works and associated budget.	Mike Williamson (Chair)	9	9
		Jim Soorley	9	9
		Michael Arnett	6	6
People and Culture Committee	The People and Culture Committee supports the Board by conducting detailed examination of Unitywater's annual corporate objectives and the remuneration framework for all our team members. It also assists the Board to meet its decision-making obligations under the incentive framework for senior team members.	Sharon Doyle (Chair)	4	4
		Jim Soorley	4	4
		Michael Arnett	2	2
		Barry Casson	2	2
Sustainability and Innovation Committee	The Sustainability and Innovation Committee provides direction on environment and sustainability and strategies for innovation and commercialisation that contribute to cost reduction.	Fiona Waterhouse (Chair)	4	4
		Jim Soorley	4	4
		Mike Williamson	4	4

Executive Leadership Team

The Executive Leadership Team, headed by the Chief Executive Officer, leads the daily operation of Unitywater and delivers on corporate objectives.

The team is firmly focused on achieving strategic goals, improving customer service, achieving operational efficiencies and providing high quality, affordable and sustainable sewerage and water supply services.

GEORGE THEO

MBA (Bus), BEng (Civil), FIEAust, CPEng, NER APEC Engineer
IntPE (Aus), Assoc. Dip Municipal Eng, GAICD

CHIEF EXECUTIVE OFFICER

George brings more than 30 years' experience to Unitywater and a wealth of knowledge of the water industry through previous roles with global consulting company GHD, Brisbane Water (now Urban Utilities) and City West Water, Victoria. George was Unitywater's Chief Operating Officer prior to taking up the position of CEO.

PAULINE THOMSON

BBus (Acc), FCPA, GAICD

CHIEF FINANCIAL OFFICER

Pauline is a Certified Practising Accountant and brings more than 25 years' experience in retail, distribution and transmission entities across the energy and water sectors. Her leadership experience includes leading teams in a range of senior commercial, finance and regulatory roles.

KENAN HIBBERD

BCom, FAHRI

EXECUTIVE MANAGER

PEOPLE, CULTURE AND SAFETY

Kenan has more than 25 years' experience in human resources and safety in both the public and private sectors. He has held senior management positions in national and international organisations in the industrial services, engineering, logistics and health sectors.

AMANDA CREEVEY

BA, Dip People Leadership, Dip Public Safety

EXECUTIVE MANAGER

SUSTAINABLE INFRASTRUCTURE SOLUTIONS

Amanda has 20 years' experience leading teams to deliver results and sustainable organisational change. She has held roles previously in the defence and transport sectors, with a focus on security intelligence, enterprise risk, project/program and portfolio management for capital works. A former officer in the Australian Army, Amanda is passionate about business transformation and capability development.

Executive Leadership Team Cont.

RHETT DUNCAN

BEng (Civil), MBA

EXECUTIVE MANAGER

CUSTOMER DELIVERY

(FROM 15 JULY 2019)

Rhett has more than 15 years' leadership experience at executive and general management levels. He is responsible for Unitywater's safe and efficient operation of the water supply and sewerage systems to provide reliable services to customers.

Rhett has previously worked in waste management, transport infrastructure and construction materials and led teams in challenging and changing business environments.

MARTINE WATSON

Grad Cert Bus Admin, FIML, AAICD

ACTING EXECUTIVE MANAGER

CUSTOMER DELIVERY

(TO 15 JULY 2019)

Martine is a strategic and transformational leader with extensive experience managing large technical teams within the energy, water and mining industries. She has qualifications in electrical engineering, psychology and business and has previously held roles at BHP Billiton, Cairns Water, Queensland Urban Utilities and Powerlink. She has a proven track record of achievements in change, growth and operational delivery of essential services.

KATHERINE GEE

BBus (Acc), LLB, CA, GAICD

EXECUTIVE MANAGER

CUSTOMER AND COMMUNITY

Throughout her extensive experience in both the private and public sector, Katherine has gained deep insight into the needs of customers and the community. Her roles in telecommunications, local government and the water industry have included implementing major customer management systems, transforming customer experience and delivering organisational change.