sunwater

Final Statement of Corporate Intent

2025-26

Restated October 2025

Prepared by the Directors and Management of Sunwater Limited for shareholding Ministers

Commercial-in-confidence
This document contains confidential information relating to the business affairs of Sunwater Limited. Release of its content is subject to the provisions of the Right to Information Act 2009. Any unauthorised disclosure of material contained in this document may diminish the commercial value of that information and may have an adverse impact on the business, commercial and financial affairs of Sunwater Limited.

Acknowledgement of Country

Sunwater acknowledges Aboriginal and Torres Strait Islander peoples as the first peoples of this country and Traditional Owners and Custodians of the land and water we rely on.

Our goal is to work together to realise mutual benefits with First Nations peoples through authentic relationships and respect for cultural value; fostering a sense of belonging and pride in our people, community, customers and stakeholders.

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Performance agreement

This Statement of Corporate Intent and all attachments are presented in accordance with Chapter 3, Part 8 of the *Government Owned Corporations Act 1993* (GOC Act).

In accordance with Chapter 1, Part 3, Section 7 of the GOC Act, the Statement of Corporate Intent represents a formal performance agreement between the Board of Sunwater Limited (Sunwater) and its shareholding Ministers with respect to the financial and non-financial performance targets, the major activities, objectives, policies, investments and borrowings of Sunwater for 2025-26.

This Statement of Corporate Intent is consistent with Sunwater's Corporate Plan 2026-30, submitted to shareholding Ministers in accordance with Chapter 3, Part 7 of the GOC Act.

The Board of Sunwater undertakes to achieve the targets proposed in the Statement of Corporate Intent for 2025-26.

Major changes to key assumptions that underpin the performance outcomes detailed in this Statement of Corporate Intent, and which come to the Board's attention during the year, will be brought to the attention of shareholding Ministers. Any modifications to this Statement of Corporate Intent will be dealt with in accordance with the GOC Act.

This Statement of Corporate Intent is signed by the Chair on behalf of all the directors in accordance with a unanimous decision of the Board of Sunwater.

Jeff Seeney
Chair
Sunwater Limited

Date: 17 December 2025

Strategic focus

Sunwater continues its focus on 'delivering water for prosperity' driven by five strategic goals:

- safe and engaged people
- a sustainable business
- stakeholder-centric business
- operational excellence
- water infrastructure leader.

The Queensland Government has articulated its strategic expectations for State-owned water entities. These expectations set a clear focus for Sunwater to:

- focus on the reliability and operational efficiency of existing water assets. This includes prioritisation of funding to ensure assets are maintained to operate reliably and efficiently over time.
- maximise value from existing water assets. This includes ensuring regional Queenslanders benefit from assets operating to deliver affordable, reliable, and sustainable water supply.
- strategically prioritise and deliver water projects on time and on budget. This includes prioritising projects with the greatest need, delivering projects in a cost-effective manner that respects Queensland taxpayer funds, and ensuring timely advice on project cost and schedule status.
- focus on customer service. This includes working closely with customers to ensure infrastructure and services are aligned to needs.

Major activities for the 2025-26 period to support these strategic goals in line with government priorities include:

- planning and development activities for the Paradise Dam Replacement Project
- planning and development of two new weirs – Barlil and Cooranga
- planning and development activities for Dam Improvement Program (DIP) projects in accordance with the Guidelines on Safety Assessments for Referable Dams
- embedding the operation of Rookwood Weir (Managibei Gamu) for supply of water to customers in the region
- managing the current water accounting and billing system and exploring options for a long-term replacement.

Other more general focus areas include:

- customer service, including working with customers to ensure services are aligned to needs
- ensuring the reliability and operational efficiency of existing water assets
- maximising value from existing water assets
- strategically prioritising projects with the greatest need
- delivering projects in a cost-effective manner
- appropriately staging projects and associated expenditure to manage impacts to the Queensland Budget.

Sunwater strives for best value for money for the State of Queensland. Sunwater's forecast costs for the Paradise Dam Replacement Project reflect the current best estimates (but remain subject to review). Forecast costs for all major projects are subject to review given the varied stages of development and external risks.

Key performance indicators

Performance in 2025-26 will be assessed against the financial and non-financial key performance indicators (KPIs) agreed with shareholding Ministers and departments. Achievements against agreed measures and targets will be reported through quarterly reports and quarterly and annual presentations to shareholder representatives.

Sunwater is committed to achieving its performance targets for 2025-26, as shown in the tables below.

Non-financial performance indicators

	2025-26	Q1	Q2	Q3	Q4
All Injury Frequency Rate (AIFR)[1]	<45	<45	<45	<45	<45
Total Recordable Injury Frequency Rate (TRIFR)	<5	<5	<5	<5	<5
Lost Time Injury Frequency Rate (LTIFR)	<1	<1	<1	<1	<1
Compliance with environmental standards and laws	No material breaches	No material breaches	No material breaches	No material breaches	No material breaches
Employee engagement[2]	>70%	>70%	>70%	>70%	>70%
Customer satisfaction[3]	>42	>42	>42	>42	>42
Percentage of preventative maintenance work orders completed to plan	>80%	>80%	>80%	>80%	>80%
Number of asset failures resulting in loss of supply to customers that breach service standards or contractual obligations	No material failures	No material failures	No material failures	No material failures	No material failures

1. *All injuries per million hours worked.*
2. *This is a higher target than previous years and is reflective of the improved employee engagement measures generated over the last three years.*
3. *Sunwater is targeting a 'net promoter score' of greater than 42. The 'net promoter score' provides a snapshot of Sunwater's overall customer experience; if customers are more likely to recommend the business, that points to a high level of customer satisfaction and a positive customer journey.*

Financial performance indicators

	Unit	2025-26	Q1	Q2	Q3	Q4
Return on contributed equity	%[1]	(13.4)	(13.4)	(13.4)	(13.4)	(13.4)
Earnings before interest, tax, depreciation, amortisation & impairment (EBITDA)	$'000	143,984	29,703	39,457	42,592	32,232
Net profit after tax (NPAT)	$'000	(70,620)	(18,998)	(4829)	4537	(51,328)
Current ratio	Ratio	3.0	3.4	3.2	3.2	3.0
EBITDA interest coverage	Times	7.6	6.3	8.4	9.1	6.6
Distribution yield	%	0.0	0.0	0.0	0.0	0.0
Distribution cash coverage	Times	0.0	0.0	0.0	0.0	0.0
Funds from operations on net debt	%[1]	54.2	54.2	54.2	54.2	54.2
Return on average assets (excluding assets under construction)	%[1]	6.4	6.4	6.4	6.4	6.4
Asset maintenance (operating expense)	$'000	63,191	15,721	15,861	15,663	15,946
Asset renewals (operating expense)	$'000	53,107	10,978	16,232	9059	16,839

1. *Reporting of this metric will be based on a full financial year (actuals and forecast).*

Sustainability and environment, social and governance (ESG) – reporting

Sunwater's approach to sustainability and ESG is underpinned by five key pillars:

- planet
- people
- governance
- resilience and reliability
- prosperity.

Programs and initiatives are underway to support each of these key pillars.

The Federal Government introduced a mandatory sustainability reporting regime through an amendment to the *Corporations Act* in August 2024. Sunwater meets the reporting thresholds and is required to report from the 2025-26 financial year. Queensland Treasury is progressing several whole-of-government initiatives to address broad stakeholder expectations and legislative requirements for sustainability reporting. Sunwater is undertaking preparations for the new reporting regime and staying engaged with Queensland Treasury, to be across any guidance on requirements.

Key assumptions

The key assumptions underpinning Sunwater's SCI for 2025-26 include:

Economic

Assumption	2025-26
Consumer Price Index (CPI)[1]	2.60%
Average wage growth[2]	3.00%
[redacted]	[redacted]
Dividend payout ratio[4]	100.00%

1.CPI using latest Reserve Bank of Australia (RBA) short-term inflation forecast.

2. Committed employee increase of 3.0 per cent in 2025-26. In addition, an allowance is made for average salary band increment impact.

3. Interest rate on borrowings includes book rate, competitive neutrality fee and administration, provided by Queensland Treasury Corporation (QTC).

4. Dividend payout ratio represents 100 per cent of net profit after tax in line with Queensland Government policy adjusted for non-cash profit elements.

Revenue

- Irrigation revenue reflects pricing according to the recommendation (cost-reflective) in the Queensland Competition Authority's (QCA) Final Report. Any difference between cost-reflective and irrigation prices set by the Queensland Government via the Rural Water Pricing Direction Notice is assumed to be made up by the State of Queensland (State) via a Community Service Obligation (CSO) payment. At this stage, no rural irrigation CSO has been assumed, as prices are assumed to be cost-reflective for forecasting purposes.
- The Cloncurry urban CSO of $7.2 million.
- Industrial revenue is in line with current contractual arrangements.
- Project funding is phased pro rata to reflect project costs.

People

Assumption	2025-26
Planned workforce[1]	813.9

1.As of June month-ending of financial year. This includes directly engaged workforce (FTE) plus vacant position count and planned new positions. Vacant position and new positions (20) have been assumed at 1 FTE. This figure does not include consideration of a vacancy rate which has been applied as a percentage reduction to Employee costs. It also excludes labour hire and contractors.

- Employee expenses have been updated to align with Sunwater's terms and conditions under the Enterprise Agreement (EA).
- Future workforce resourcing plans in 2025-2026 consider strategically critical roles to support the delivery of the Paradise Dam Replacement Project, Barlil and Cooranga weirs and DIP.

Major projects

- Sunwater is progressing a detailed business case for a new Paradise Dam wall immediately downstream of the existing structure. Project costs and timeframes will be confirmed as part of this process. The SCI includes a 2025-26 budget of $96.9 million to progress the detailed business case.
- Sunwater is progressing the planning and development of Barlil and Cooranga weirs, in line with Queensland Government commitments.

Key risks

The key risks that may impact Sunwater's ability to meet its financial performance indicators in 2025-26 include:

Project delivery

- The SCI includes $96.9 million to support the final investment decision for the Paradise Dam Replacement Project and $29.7 million to support the planning and development of Barlil and Cooranga weirs.
- Additionally, there is $2.6 million of operating expenditure included for development of the further DIP projects and $13.6 million of capital expenditure for early-stage DIP works.

Cybersecurity

- Sunwater is meeting its cybersecurity obligations under all relevant State and Federal legislation.
- Acting on advice from security experts and the Australian Cyber Security Centre (ACSC), Treasury, QGCSU, and cybersecurity experts, Sunwater is implementing a comprehensive cybersecurity uplift program that aligns to IS18 and the Security of Critical Infrastructure (SOCI) legislation. Sunwater is aligned with Queensland Government Information Security Policy (IS18) and obtained ISO27001:2013 certification in 2022-23. In operational technology, Sunwater leverages IEC62443 as its standard. Sunwater also applies the Australian Signals Directorate (ASD) Essential 8 Mitigation Framework at minimum Level 1 with a target of 3 for 2025-26.

People

- Given the scale of water and other infrastructure projects being undertaken around Australia, the availability of appropriately qualified personnel to perform necessary design and construction work on Sunwater's major projects is a risk.
- The cost and availability of labour and materials reflect economic and geopolitical conditions, in particular low unemployment, higher commodity prices, market competition for resources and supply chain impacts.
- More generally, the availability of appropriately qualified personnel is a potential constraint given the competitive labour market.

Sunwater's role in undertaking 'economic benefit' projects

- Sunwater is often required to play a role in 'economic benefit' projects, whether it be providing consultancy services or assuming the position of proponent, developer, operator and owner. This category of project is often justified on a regional economic benefit basis rather than a market or commercial basis. As a result, there is a risk that Sunwater is required to be involved in these projects at a cost that will significantly exceed any direct revenues that can be generated. In such circumstances, Sunwater assumes that there will be external funding support provided to cover any shortfall.

Additional key risks

- Higher insurance costs due to potential increases in market premiums.
- Volatile weather patterns causing extremes of flood and drought across the Sunwater asset base, with potential unplanned flood repair work.
- Higher inflation, with not all increases able to be passed on through water prices and forecast project expenditure underestimating potential cost increases.

Management of risks

- Risk management processes are embedded across Sunwater and include the identification of controls to manage risks. These controls include:
  - development and delivery of risk management plans ahead of major infrastructure projects to help reduce dam safety risks
  - the continuation of an Engineering and Professional Services Panel (EPSP) to provide support while building capability
  - consideration of various project delivery models
  - reviewing portfolio management practices and delivery methodology for information technology projects to ensure consistent alignment with best practice
  - implementing robust operational workforce planning and stringent approval processes for increased resources
  - review of recruitment panel arrangements
  - proactive and regular engagement with government, including in relation to funding and cost recovery pathways
  - active engagement with the insurance market
  - increased engagement with industry.

Capital structure

	2024-25	2025-26	Change
Facility	**$'000**	**$'000**	**$'000**
1 Portfolio-linked loan	369,053	369,053	0
2 Working capital	--	--	--
Total borrowings	**369,053**	**369,053**	**0**

- Sunwater will draw on its own internally generated resource first and then its existing facilities before assuming a shareholder equity injection.
- As an integral part of Sunwater's financing, overall debt will be managed to ensure that it maintains the appropriate credit rating or other rating as determined by shareholding Ministers.
- No new borrowings are forecast for 2025-26.
- Sunwater plans to maintain a rolling working capital facility of $150 million, providing additional capacity for planned and unplanned temporary shortfalls, recognising the growing capital program.

Capital expenditure

Shareholding Ministers are notified of investments over $10 million and are required to approve investments over $40 million. The forecast costs for the projects listed below are subject to review given the varied stages of development and external risks.

Capital expenditure	Board approved[5]	SHM approved[5]	2025-26	Q1	Q2	Q3	Q4
Project description			**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Paradise Dam Replacement Project[1]	Y	Y	96,893	30,529	25,991	19,838	20,536
Burdekin Falls Dam Improvement Project	Y	Y	7010	923	1435	1626	3027
Dam Improvement Program – delivery[2]	N	N	13,585	3340	3458	3382	3405
BMP Pumping Reliability – delivery	N	N	3124	0	0	0	3124
BMP Inline Storage – execution	N	N/A	16,200	4050	4050	4050	4050
Eungella Water Pipeline Stage 3 Upgrade Project – delivery	N	N/A	20,443	9028	7661	3257	496
Lower Burdekin Groundwater – definition and delivery	N	N/A	7837	1347	1035	2728	2728
Barlil Weir – development	N	N/A	11,110	2778	2778	2778	2778
Cooranga Weir – development	N	N/A	18,608	4652	4652	4652	4652
Physical Hydraulic Modelling Laboratory	N	N/A	3689	1418	1072	613	586
Non-routine capital works[3]	N	N/A	27,498	4925	6809	6313	9451
Non-infrastructure (including digital) [4]	N	N/A	2435	625	585	648	577
Total			**228,432**	**63,614**	**59,526**	**49,884**	**55,409**

1. Total project costs will be determined as part of the detailed business case processes currently underway.

2. Capital upgrade projects (Dam Improvement Program) are those driven by a change in the state of knowledge or performance requirements for a referable structure. Changes to hydrology, population-at-risk and/or to the Dam Safety Management Guideline are examples of such changes.

3. Non-routine capital expenditure on all infrastructure assets including Arc Flash Improvement and Electrical Renewals program.

4. Non-infrastructure includes portfolio of digital and operational technology solutions.

5. Approval means that the project has passed the latest governance gate to allow it to proceed to the next stage of activity towards completion.

Statement of compliance

Subject to the Directors meeting their fiduciary duties, the Sunwater Board will ensure that Sunwater and its subsidiaries comply with all policies, guidelines and directives as advised by shareholding Ministers. Sunwater has adopted the recommendations in the *Corporate Governance Guidelines for Government Owned Corporations (February 2009)*.

The Sunwater Board also undertakes to continually monitor and review its corporate governance arrangements to reflect good practice (having regard to the guidelines) and to ensure prudent financial practices are applied across Sunwater's activities.

Consolidated financial statements

Statement of Profit and Loss

	2024-25 $'000 Forecast	2025-26 $'000 Forecast	Q1 $'000 Forecast	Q2 $'000 Forecast	Q3 $'000 Forecast	Q4 $'000 Forecast
Irrigation charges[1]	56,444	78,182	19,545	19,545	19,545	19,545
Industrial charges[2]	232,473	264,244	65,988	66,012	66,094	66,151
Urban charges	12,892	14,341	3585	3585	3585	3585
CSO[3]	25,602	7233	1808	1808	1808	1808
Allocation authority leases[4]	21,787	22,177	5544	5544	5544	5544
Allocation authority sales[5]	91,682	14,309	0	9025	5284	0
Consulting fees[6]	4413	27,618	7092	6944	6816	6765
Facilities management external	4230	5118	1280	1280	1280	1280
Grants and subsidies[7]	6197	7266	2179	1596	1734	1757
Other operating revenue	2814	1949	482	475	496	496
Total operating revenue	**458,535**	**442,437**	**107,503**	**115,815**	**112,187**	**106,932**
Employee costs	125,526	151,561	41,130	36,788	35,969	37,675
Other employee related expenses	4655	4647	1181	1190	1139	1137
Direct costs[8]	246,896	303,324	82,627	80,291	65,262	75,142
Electricity	34,135	32,938	8235	8235	8235	8235
Corporate and administration costs	27,747	47,056	11,895	11,948	11,610	11,604
Capitalised costs	(187,567)	(228,432)	(63,614)	(59,526)	(49,884)	(55,409)
Other provisional costs	(2975)	(7238)	(2303)	(1217)	(1385)	(2333)
Total operating expenditure	**248,418**	**303,858**	**79,151**	**77,709**	**70,946**	**76,051**
Non-operating revenue	6739	5404	1351	1351	1351	1351
Earnings before interest, tax, depreciation and amortisation	**216,856**	**143,984**	**29,703**	**39,457**	**42,592**	**32,232**
Non-operating costs (impairments)[9]	164,003	152,097	33,132	28,712	22,483	67,770
Depreciation	42,938	43,536	10,873	10,891	10,887	10,885
Earnings before interest and tax	**9915**	**(51,649)**	**(14,303)**	**(145)**	**9223**	**(46,423)**
Financing charges	17,517	18,971	4695	4684	4686	4905
Income tax credit/(expense)	0	0	0	0	0	0
Net (loss)/profit after tax	**(7602)**	**(70,620)**	**(18,998)**	**(4829)**	**4537**	**(51,328)**

1. Irrigation revenue is determined by the tariffs set by the Queensland Government and irrigation customer water usage.

2. Industrial revenue is largely determined by the transportation of water from Sunwater's sources along a pipeline to a customer's offtake in accordance with commercial customer agreements.

3. CSOs are subsidies from the Queensland Government. No irrigation CSO has been assumed for 2025-26, as prices are assumed to be cost-reflective.

4. Water allocations are an entitlement to a share of available water from Sunwater's water sources and the authority to take water from a catchment.

5. 2024-25 includes Rookwood Weir water sales and 2025-26 water allocation sales for Mareeba-Dimbulah and Rookwood Weir water supply schemes.

6. Consulting services as a service provider to third party water assets.

7. Grants and subsidies include recreational facilities.

8. Direct costs include contractors and consultants, materials, plant equipment and vehicles and other direct costs.

9. Impacts of Paradise Dam Replacement Project, DIP and other expected impairments.

Statement of Financial Position

	2024-25 $'000 Forecast	2025-26 $'000 Forecast	Q1 $'000 Forecast	Q2 $'000 Forecast	Q3 $'000 Forecast	Q4 $'000 Forecast
ASSETS						
Current assets						
Cash and cash equivalents	160,816	136,768	129,942	159,806	157,900	136,768
Advance to Queensland Treasury	199,677	129,343	188,779	136,130	132,748	129,343
Trade and other receivables	17,660	17,660	17,660	17,660	17,660	17,660
Inventories	4740	4740	4740	4740	4740	4740
Other	8714	8714	8714	8714	8714	8714
Total current assets	**391,607**	**297,226**	**349,835**	**327,050**	**321,762**	**297,226**
Non-current assets						
Property, plant and equipment	629,955	668,324	656,051	678,416	692,482	668,324
Leased assets	13,802	13,739	13,802	13,802	13,802	13,739
Intangibles	49,929	51,106	49,929	49,929	49,929	51,106
Deferred tax assets	22,570	22,570	22,570	22,570	22,570	22,570
Total non-current assets	**716,256**	**755,739**	**742,352**	**764,717**	**778,783**	**755,739**
Total assets	**1,107,864**	**1,052,965**	**1,092,187**	**1,091,768**	**1,100,547**	**1,052,965**
LIABILITIES						
Current liabilities						
Trade & other payables	25,696	25,921	25,696	25,696	25,696	25,921
Leased liabilities	3756	3752	3756	3756	3756	3752
Provisions	26,370	19,132	24,067	22,850	21,465	19,132
Other	50,140	50,890	50,140	50,140	50,140	50,890
Total current liabilities	**105,961**	**99,694**	**103,659**	**102,442**	**101,057**	**99,694**
Non-current liabilities						
Borrowings	369,185	369,185	369,185	369,185	369,185	369,185
Provisions	1680	1680	1680	1680	1680	1680
Leased liabilities	15,607	15,087	15,607	15,607	15,607	15,087
Deferred tax liabilities	22,570	22,570	22,570	22,570	22,570	22,570
Other	180,776	173,566	178,974	177,171	175,369	173,566
Total non-current liabilities	**589,818**	**582,088**	**588,015**	**586,212**	**584,410**	**582,088**
Total liabilities	**695,779**	**681,782**	**691,674**	**688,654**	**685,467**	**681,782**
Net assets	**412,085**	**371,183**	**400,513**	**403,114**	**415,080**	**371,183**
EQUITY						
Contributed equity	510,437	540,155	517,867	525,296	532,726	540,155
Net retained earnings	(98,352)	(168,972)	(117,353)	(122,182)	(117,646)	(168,972)
Total equity	**412,085**	**371,183**	**400,513**	**403,114**	**415,080**	**371,183**

Statement of Cash Flows

	2024-25 $'000 Forecast	2025-26 $'000 Forecast	Q1 $'000 Forecast	Q2 $'000 Forecast	Q3 $'000 Forecast	Q4 $'000 Forecast
Cash flows from operating activities						
Receipts from customers	476,990	421,478	105,370	105,370	105,370	105,370
Payments to suppliers and employees	(318,170)	(311,430)	(89,519)	(74,631)	(66,775)	(80,505)
Net receipts	158,820	110,048	15,850	30,739	38,595	24,864
Government grants	0	7266	1817	1817	1817	1817
Community service obligations	8536	7233	1808	1808	1808	1808
Interest received	485	485	121	121	121	121
Other income	9225	335	84	84	84	84
Income taxes received/(paid)	0	0	0	0	0	0
Net cash inflow from operating activities	**177,066**	**125,367**	**19,680**	**34,569**	**42,425**	**28,694**
Cash flows from investing activities						
Payments (to)/from advance facility	(26,579)	70,334	10,898	52,649	3382	3405
Interest received	10,610	4919	1230	1230	1230	1230
Payments for property, plant and equipment	(173,272)	(228,432)	(63,614)	(59,526)	(49,884)	(55,409)
Net cash (outflow) from investing activities	**(189,241)**	**(153,180)**	**(51,486)**	**(5,648)**	**(45,272)**	**(50,774)**
Cash flows from financing activities						
Drawdown of borrowings	0	0	0	0	0	0
Proceeds from increase in contributed equity[1]	141,500	29,718	7430	7430	7430	7430
Interest paid	(13,546)	(17,577)	(4394)	(4394)	(4394)	(4394)
Dividends paid	(10,838)	0	0	0	0	0
Lease liabilities and interest	(7413)	(8377)	(2103)	(2092)	(2094)	(2088)
Net cash (outflow) from financing activities	**109,703**	**3765**	**932**	**943**	**942**	**948**
Net cash flows						
Net increase (decrease) cash held	97,528	(24,048)	(30,874)	29,864	(1,905)	(21,132)
Cash balance brought forward	63,288	160,816	160,816	129,942	159,806	157,900
Cash balance carried forward	**160,816**	**136,768**	**129,942**	**159,806**	**157,900**	**136,768**

1. Estimate for expected timing of proceeds from equity injection in relation to Paradise Dam Replacement Project, and Barlil and Cooranga weirs.

Appendix A | Sponsorship, advertising, corporate entertainment, donations, and other activities

Activity	Actual 2024–25 ($)	Budget 2025–26 ($)	Quarter 2025-26 ($)			
			Q1	Q2	Q3	Q4
Sponsorships						
Regional sponsorships	19,364	19,364	4841	4841	4841	4841
Corporate sponsorships[1]	21,027	21,027	5257	5257	5257	5257
Other (total sponsorships below $5,000)	63,972	63,972	15,993	15,993	15,993	15,993
TOTAL (1)	**104,363**	**104,363**	**26,091**	**26,091**	**26,091**	**26,091**
Corporate entertainment[2]						
Office end of year celebrations	27,579	27,579	0	27,579	0	0
Employee (value improvement) awards ceremony	5037	5037	1259	3778	0	0
Other (total of meetings and events below $5,000)	22,563	22,500	5625	5625	5625	5625
TOTAL (2)	**55,179**	**55,116**	**6884**	**36,982**	**5625**	**5625**
Advertising						
Wet season advertising campaign[3]	116,575	108,000	0	66,000	42,000	0
Public safety advertising campaign[4]	219,284	90,000	40,000	40,000	0	10,000
Other (total) below $5,000	0	0	0	0	0	0
TOTAL (3)	**335,859**	**198,000**	**40,000**	**106,000**	**42,000**	**10,000**
Donations						
Donations over $5,000[5]	0	40,000	0	20,000	0	20,000
Other (total) below $5,000	0	0	0	0	0	0
TOTAL (4)	**0**	**40,000**	**0**	**20,000**	**0**	**20,000**
Total (1)+(2)+(3)+(4)	**495,401**	**397,479**	**72,975**	**189,073**	**73,716**	**61,716**

1. Combined sponsorship budget for events and activities associated with Sunwater's corporate memberships.
2. All corporate entertainment is required to have due regard to cost and business benefits for Sunwater and the State.
3. Annual advertising budget to disseminate emergency preparedness messaging for downstream communities.
4. Bi-annual campaign focused on a specific public safety issue that Sunwater wishes to address with the community.
5. Value of laptop donations to a charity at end-of life.

Activity	Actual 2024–25 ($)	Budget 2025-26 No. of Activities	Budget 2025–26 ($)	Quarter 2025-26 ($)			
				Q1	Q2	Q3	Q4
Corporate entertainment under $5000[1]							
Dam events	11,550	3	11,000	2750	2750	2750	2750
Industry meetings and functions	4625	10	5000	1250	1250	1250	1250
Employee functions	3579	15	3500	875	875	875	875
Other	2809	12	3000	750	750	750	750
TOTAL (2)	22,563	40	22,500	5625	5625	5625	5625

1. All corporate entertainment is required to have due regard to cost and business benefits for Sunwater and the State.

Appendix B | Employment and Industrial Relations (E&IR) Plan

Category	Assumptions
E&IR philosophy/ direction	The E&IR philosophy and direction aligns with Sunwater's strategic goals by providing conditions for a safe, high-performance culture, employment security, labour cost certainty, and flexibility to support our business operations. This is reinforced through fair and transparent processes where performance in Sunwater is measured by both the results achieved by our people and the demonstration of our values. As a GOC, Sunwater is governed by the *Fair Work Act 2009* (Cth) and any applicable government policies. Redundancy is managed by the conditions within the Sunwater Enterprise Agreement. Sunwater complies with the Superannuation Guarantee legislation for its employees.

Award/agreement	Scope	Reference	Expiry date
Sunwater Enterprise Agreement 2022-25	Covers all Sunwater employees as per the classification schedule of the agreement.	-	30 June 2025
Common Law Contracts	Offered to employees where the position evaluation is outside Enterprise Agreement coverage.	N/A	N/A
Fair Work Act 2009 **(Cth)**	All employees.	N/A	N/A
Water Industry Award	Relevant to the making of Sunwater's enterprise agreement.	N/A	N/A

Significant and emerging issues

Issue	Assumptions
Sunwater Enterprise Agreement	Sunwater commenced negotiations in Q3 of 2024-25 to replace the existing Enterprise Agreement. Agreement is anticipated to be reached and the new agreement implementation to occur in 2025-26.
Reporting	Sunwater will provide regular reports on the implementation and progress of the productivity initiatives included in Sunwater's Enterprise Agreement to shareholding Ministers through its quarterly reports. Sunwater will actively track savings and benefits realised through the Enterprise Agreement. Workforce management and workforce planning are in place to ensure the targets are achieved. Employee Relations leader training will also continue to provide a consistent approach when managing to the objectives of the Enterprise Agreement.

Assumptions

Category	Assumptions
Employment (FTE) and workforce planning	Sunwater anticipates maintaining stable FTE levels over the next fiscal year, with minimal increases primarily allocated to strategically critical roles to support the delivery of the Paradise Dam Replacement Project, Barlil and Cooranga weirs and DIP.
GOC's remuneration arrangement for Chief Executive Officer and Senior Executives	The Chief Executive Officer and Senior Executives are remunerated in line with the GOC Chief and Senior Executive Employment Arrangements Policy. The executive employment contract states that in the event the executive's employment is terminated through redundancy, redundancy pay will be made in accordance with the *Fair Work Act 2009* (Cth).

Total directly employed workforce	As at March 2025
Permanent FTE[1]	651.94
Temporary FTE[2]	58.40
Casual FTE[3]	14.00
Total workforce FTE	**724.34**

1. *Permanent FTEs are those that are part of Sunwater's permanent workforce as at March 2025. This is current workforce only. It does not include vacancies or roles currently under recruitment. It also does not include contractors or labour hire.*
2. *Temporary FTEs are fixed term employees as at March 2025. Exclusions are as per footnote 1.*
3. *Casuals are counted as 1FTE due to the inherent nature of casual employment hours and work patterns fluctuating depending on workload requirements.*

Employment category	As at March 2025
Senior Executive FTE	7.00
Common law contract FTE (excluding Senior Executives)	46.44
Enterprise Agreement FTE	663.90
Apprentice FTE	7.00
Total directly employed workforce FTE[4]	**724.34**
Contractor & Labour Hire[5]	224.00
Total workforce FTE	**948.34**

4. *As per table above.*
5. *Contractor and Labour Hire are counted as 1FTE due to fluctuations in work patterns and workload requirements. Contractor and Labour Hire positions are now included in Sunwater's overall position count for greater visibility. In the past, such costs were recorded through procurement processes rather than position management.*

Note: Sunwater previously reported based on position numbers. The tables above reflect actual full-time equivalents (FTEs enhancing accuracy and transparency).

Position	Remuneration payable [1]
Chief Executive Officer	$776,625
Chief Financial Officer	$484,441
Chief Development Officer	$541,561
Chief People Officer	$408,911
Executive General Manager Operations	$399,728
Executive General Manager Customer and Stakeholder Relations	$378,060
Executive General Manager Engineering and Water Resources	$422,534

1. These figures are representative of total fixed remuneration only for 2024-25 and are subject to Sunwater's remuneration review processes to be finalised in August 2025. These figures have been rounded and are unaudited

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