



# Annual Report

2025-26



**seqwater**  
WATER FOR LIFE

# Acknowledging the first Australians

Seqwater acknowledges the Traditional Custodians of the land, catchments and waterways on which we live, work and dream – the Kabi Kabi First Nations peoples; the Jinibara peoples; the Turrbal peoples from the north side of the river and the Jagera peoples of the south side of the river; the Quandamooka peoples; the Danggan Balun representing the Yugambeh peoples; the Yuggera Ugarapul peoples; and the Gold Coast Native Title Group.

**We pay our respects to Elders past and present and acknowledge their continuing cultural, spiritual and custodial connection with land and water.**

31 August 2026

Hon Ann Leahy MP  
Minister for Local Government  
and Water and Minister for Fire,  
Disaster Recovery and Volunteers  
GPO Box 2247  
BRISBANE QLD 4002  
lgww@ministerial.qld.gov.au

Hon David Janetzki MP  
Treasurer, Minister for Energy and  
Minister for Home Ownership  
GPO Box 611  
BRISBANE QLD 4001  
treasurer@ministerial.qld.gov.au

Dear Ministers

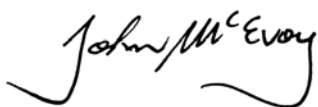
I am pleased to submit for presentation to the Parliament the Annual Report 2025-26 and financial statements for the Queensland Bulk Water Supply Authority, trading as Seqwater.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the Annual report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements is provided at page 93 of this annual report.

Yours sincerely



**John McEvoy, FIEAust FAICD**

Chairperson, Seqwater Board

# About this report

This report records Seqwater's achievements in 2025-26. Performance is measured against the objectives and targets established in the Strategic Plan 2025-29 and Operational Plan 2025-26 and details financial performance for the year. This report is to be read in conjunction with Seqwater's Corporate Governance Statement 2025-26.

This report has been produced in accordance with the standards detailed in the following Queensland legislation and Government guidelines:

- *Financial Accountability Act 2009*
- *Financial Performance Management Standard 2019*
- *South East Queensland Water (Restructuring) Act 2007*
- Annual report requirements for Queensland Government agencies (2025-26 reporting period)
- Corporate Governance Guidelines for Government Owned Corporations, Version 2.0 (Queensland Treasury: February 2009).

This report and Seqwater's Corporate Governance Statement 2025-26 are available on Seqwater's website **[www.seqwater.com.au](http://www.seqwater.com.au)**.

A printed copy of the report is available on request.

Seqwater Annual Report 2025-26

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## Translation and interpreting assistance

Seqwater is committed to providing accessible services to people from all culturally and linguistically diverse backgrounds.

If you have difficulty understanding this annual report, please contact Seqwater to arrange an interpreter to share the report with you.

## Contact information

**Telephone:** 1300 737 928

**Email:** [communications@seqwater.com.au](mailto:communications@seqwater.com.au)

**Website:** [www.seqwater.com.au](http://www.seqwater.com.au)

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# About Seqwater

Water is essential to every home, business and community across South East Queensland. At Seqwater, its people work every day to ensure communities have access to safe, affordable, reliable and sustainable water, now and for generations to come.

Seqwater supplies drinking water for around 3.8 million people, including around 75,800 people living in 16 off-grid communities where water is sourced, treated and supplied locally. Beyond supplying water, Seqwater helps protect communities from floods, cares for catchments and waterways, provides recreational opportunities and supports agriculture and industry.

As one of Australia's most geographically diverse water businesses, Seqwater's operations extend from the New South Wales border to Gympie, and west to the foothills of the Toowoomba ranges. Across this region, Seqwater manages 26 dams and a network of essential infrastructure that underpins water security for South East Queensland.

Of the region's largest storages – Wivenhoe, Somerset and North Pine dams – provide both water supply and flood mitigation storage benefits. The Wivenhoe and Somerset system plays a particularly important role in helping to manage flood risks for downstream communities. Through continued investment in water infrastructure across South East Queensland, Seqwater is strengthening the resilience and connectivity of the region's Water Grid.

Seqwater sources, stores, treats and supplies bulk drinking water to its five retailer customers, Unitywater, Urban Utilities and the water businesses of the Logan, Redland and Gold Coast city councils, which deliver drinking water to homes and businesses across the region. Working together, Seqwater and its partners plan and deliver whole-of-system solutions that meet the needs of growing communities.

Seqwater also supplies water to Gympie Regional Council, major power generators and around 1,200 irrigation and other customers across seven water supply schemes, supporting agriculture, industry and regional communities. Planning for the future is a core part of Seqwater's role. Seqwater invests in and operates its assets to support the Queensland Government's level of service objectives and ensure South East Queensland's growing population continues to have access to safe, affordable, reliable and sustainable water.

Seqwater also provides access to a wide range of recreation experiences across several of its lakes and its land, while operating its dams to help reduce the impacts of floods and severe weather on downstream communities.

# From the CEO

Every day, more than 3.8 million people depend on the drinking water and services we provide, and with that comes a responsibility we are proud to carry.

As our region grows, our role has never been more important. In 2025-26, Seqwater delivered on its Operational Plan by planning for future needs, improving operational efficiency and investing in the infrastructure, assets and capabilities required to meet South East Queensland's growing water demands.

Through this work, we supported Queensland Government service level objectives, met the strategic performance expectations of our responsible Ministers and advanced our strategic objectives.

## **Delivering for communities**

This year, we supplied approximately 343,554 megalitres (ML) of safe, reliable drinking water through our retailer customers, delivered 79,920ML to commercial customers and 27,967ML to irrigation customers. We also welcomed close to two million visitors to our lakes and recreation areas.

Favourable seasonal conditions kept South East Queensland's water storages above 80 per cent, reinforcing the region's water security heading into 2026-27. Our teams remained ready to respond when communities needed us most, with our Flood Operations Centre moving to a state of readiness during periods of heavy rainfall. Continued investment in technology and network capability further strengthened our ability to provide timely information and support informed decision-making during periods of heightened operational activity.

Beyond supplying water, Seqwater is entrusted with the stewardship of more than 1.2 million hectares of catchments and more than 68,000 hectares of land we manage. These landscapes protect drinking water sources and represent more than half of South East Queensland's green space outside national parks, contributing to enduring environmental and community benefits.

In 2025-26, Bunya Dreaming was celebrated at Ewen Maddock Dam, continuing an important tradition of connection to Country and community. We also joined Engineers Australia in recognising the significance of Enoggera Dam through the installation of a Heritage Marker, acknowledging its continuing contribution to Queensland's history, development and prosperity.

## **Building trust**

Building trust with our customers, communities and stakeholders remains central to everything we do.

During the year, we strengthened relationships with our retailer customers, irrigation customers, government partners and local communities, contributing to record levels of trust and customer satisfaction measured annually. Through open engagement, transparent decision-making and the continued publication of weekly water quality reports, we reinforced our commitment to accountability and earned confidence in the essential services we provide.

Trust is built not only through the services we provide, but through the way we work. Across the organisation, our people demonstrated a strong commitment to collaboration, safety and service excellence, ensuring we continue to realise value for customers and maintain confidence in our organisation and performance.

As South East Queensland grows, maintaining that trust will remain fundamental to delivering sustainable outcomes for future generations.

### **Investing for the future**

Securing water for a growing region requires long-term thinking and disciplined investment.

In 2025-26, we invested more than \$500 million in capital infrastructure and progressed major programs that will strengthen water security, dam safety and asset resilience for decades to come.

We also continued to improve how we work. Investments in technology, digital systems and new ways of working are enabling better decision-making, stronger governance and greater operational efficiency. These capabilities will help us optimise our assets, enhance resilience and achieve greater value over the long term.

Looking ahead, we will implement our refreshed strategy and enterprise operating model, placing customers at the centre of everything we do and strengthening how value is created across the water system.

Supported by a new Board and guided by a clear purpose and vision, we are well positioned to support the Queensland Government's water security priorities and deliver sustainable value to the people, communities and businesses that depend on us.

I thank our employees, Board, customers, partners and communities for their continued support and collaboration. Their trust, expertise and commitment are fundamental to our success and to delivering *Water for Life*, now and for generations to come.

Emma Thomas

Chief Executive Officer

# Queensland Government Objectives for the Community

Seqwater supports and contributes to the Queensland Government's objectives for the community. It supports **building a better lifestyle through a stronger economy** and **planning for Queensland's future**.

Seqwater's customers and communities in South East Queensland (SEQ) are at the heart of everything it does.

As the region's bulk water supplier, Seqwater plays a crucial role in planning SEQ's water supply for the future, managing long-term water security, flood mitigation and recreational services.

It ensures a safe and secure water supply for current and future generations by managing water catchment health, operating and maintaining the SEQ Water Grid and water treatment assets.

Seqwater contributes to a strong economy by meeting cost of living challenges through the supply of affordable, reliable and sustainable water while planning long term investments that support future water security and service needs.

# Performance

Seqwater manages its finances to keep water affordable while securing South East Queensland's water future. As a statutory authority, Seqwater aligns every dollar of operating and capital investment to the State's water security and dam-safety objectives.

Each year, Seqwater works with responsible departments to develop an Operational Plan that sets out its commitments to its responsible Ministers, including the services it will deliver, performance targets it will achieve and investments it will make.

The Operational Plan outlines the annual budget against which Seqwater's performance is measured and reported throughout the year and against which it is held to account.

## Financial performance

### Summary of financial performance

Net profit after tax (NPAT) for 2025-26 was \$51.0 million, \$1.6 million above the budget of \$49.4 million (\$86.7 million in 2024-25). The year-on-year movement primarily reflects non-cash and non-operating asset adjustments recognised during 2025-26, partially offset by increased bulk water sales.

#### Operating income

Operating income for 2025-26 totalled \$1,247.9 million (\$1,188.1 million in 2024-25), \$30.6 million higher than budget. This was primarily due to higher bulk water sales revenue.

#### Operating expenditure

Operating expenditure was \$471.8 million, \$2.6 million (0.5%) below the \$474.3 million budget. Savings from lower insurance premiums and the reprioritisation of business-initiative funding more than offset higher variable water production costs and higher asset maintenance activity. The result includes delivery of a 3% (\$10.3 million) efficiency target.

#### Capital expenditure

Capital expenditure for 2025-26 was \$534.8 million – the largest annual capital program in Seqwater's history and around 37% higher than the prior year (\$389.2 million). It was almost four times the average annual spend of the four years to 2021-22 (approximately \$145 million), reflecting a maturing delivery model, stronger governance and greater delivery capability.

The program was \$212.5 million below the \$747.3 million budget, primarily due to the delay in receiving Environment Protection and Biodiversity Conservation approval and developing staging options for the Toowoomba to Warwick Pipeline. Excluding this project, Seqwater delivered around 86% of the adjusted program of approximately \$625 million – demonstrating disciplined execution across the portfolio.

Alongside this record delivery, Seqwater continued to embed capital efficiency – through smarter scoping and value engineering, competitive procurement, selective in-sourcing and consolidation of projects onto enterprise platforms. These initiatives delivered tangible savings and cost

avoidance during the year, helping protect value for customers while investing in the region's long-term water security.

### Cash flow, funding and debt

Seqwater funds its capital program through a combination of operating cash flows and borrowings from Queensland Treasury Corporation. Net operating cash flows for 2025-26 were \$344.7 million.

Operating cash flows are directed first to servicing interest and debt, with borrowings used to fund the growth capital program that delivers long-term infrastructure. During the year, Seqwater drew the full \$500 million approved under the 2025-26 State Borrowing Program, supporting a record capital program while maintaining prudent liquidity.

The balance sheet strengthened over the year. Liquidity closed at around \$401 million, above the Treasury Policy minimum, and the current ratio improved to 1.25 times. Net debt was \$8.6 billion against property, plant and equipment of \$11.0 billion at 30 June 2026. Leverage of 79% (net debt to Regulated Asset Base) remains above the 60% benchmark, consistent with the current debt-funded investment program.

**Table 1 – Comparison of actuals 2024-25 to 2025-26**

|                                                | 2024-25 Actual | 2025-26 Target | 2025-26 Actual |
|------------------------------------------------|----------------|----------------|----------------|
| EBIT (\$m)                                     | 517.3          | 465.5          | 452.5          |
| Net profit after tax (NPAT) (\$m) <sup>1</sup> | 86.7           | 49.4           | 51.0           |
| Return on equity (%)                           | 4.5            | 2.5            | 2.6            |
| Return on assets (%)                           | 4.7            | 4.1            | 4.0            |

**Table 2 – Financial performance**

| Performance metric                             | 2025-26 target | 2025-26 actual |
|------------------------------------------------|----------------|----------------|
| Operating expenditure (\$m) <sup>2</sup>       | 474.3          | 471.8          |
| Net profit after tax (NPAT) (\$m) <sup>3</sup> | 49.4           | 51.0           |
| EBITDA Interest coverage (times) <sup>4</sup>  | 1.9            | 1.9            |
| Debt to RAB ratio (times) <sup>5</sup>         | 0.8            | 0.8            |
| Return on equity (%) <sup>6</sup>              | 2.5            | 2.6            |

<sup>1</sup> Measures the profit (expressed as a dollar amount) that is available to the organisation to distribute to shareholders each year after interest to debt investors and corporation taxes have been paid.

<sup>2</sup> Total expenditure incurred during operations of the business including employee expenses, fixed expenses, variable expenses and bulk water charge but excluding depreciation, amortisation and interest expense.

<sup>3</sup> Measures the profit (expressed as a dollar amount) that is available to the organisation to distribute to shareholders each year after interest to debt investors and corporation taxes have been paid.

<sup>4</sup> Profit from operations before interest, tax, depreciation, amortisation and asset revaluations as a multiple of interest cost.

<sup>5</sup> Measure of overall debt compared to the overall value of the Regulated Asset Base (RAB).

<sup>6</sup> Measures (as a percentage rate) the profitability of an organisation in relation to its average total equity.

# Non-financial performance

## Key performance indicators

Table 3 – Key performance indicators

| Key performance indicator                | 2025-26 target                         | 2025-26 actual                         | Performance | Comments                                                                                                                                                                                                                                                                                     |
|------------------------------------------|----------------------------------------|----------------------------------------|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Supply continuity</b>                 |                                        |                                        |             |                                                                                                                                                                                                                                                                                              |
| Water quality                            | 100%                                   | 100%                                   | Achieved    | Seqwater delivered bulk water in compliance with the Australian Drinking Guideline values in alignment with the Bulk Water Supply Agreements with its five retailer customers.                                                                                                               |
| Continuity of supply <sup>7, 8</sup>     | ≤2                                     | 0                                      | Achieved    | There was no disruption of supply to customers as the result of an unplanned incident relating to Seqwater assets or performance.                                                                                                                                                            |
| Asset management system process maturity | Improvement in all subject area scores | Improvement in all subject area scores | Achieved    | Independent maturity assessment results demonstrated improved asset management capability across all subject areas in alignment with ISO 55001. Three of six subject groups exceeded the 0.75 core competency benchmark, while the remaining subject groups recorded measurable improvement. |
| Asset maintenance <sup>9</sup>           | ≥95%                                   | 98.4%                                  | Achieved    | Sustained preventative maintenance completion of statutory and operational requirement work orders were achieved through improved contractor management, operational coordination and maintenance data quality.                                                                              |

<sup>7</sup> Measured as trigger three demand management notifications issued for SEQ Water Grid connected water treatment plants and Lowood Water Treatment Plant.

<sup>8</sup> An event where Seqwater agrees to issue a request to the community to reduce demand due to an unplanned failure in a Seqwater asset or process.

<sup>9</sup> A measure of the percentage of Preventative Maintenance Statutory and Preventative Maintenance Operational Requirements workorders completed to schedule.

| Key performance indicator                              | 2025-26 target | 2025-26 actual       |   | Performance | Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------|----------------|----------------------|---|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Process safety incidents <sup>10</sup>                 | major          | ≤2                   | 0 | Achieved    | There were no actual process safety incidents that met the nominated major or critical thresholds with respect to the release of hazardous materials or energy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                                        | critical       | 0                    | 0 |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Process safety completion <sup>11</sup>                | ≥90%           | 100%                 |   | Achieved    | The Process Safety Program met its annual objectives delivering significant progress in process safety information improvement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Water security and catchment health and dam management |                |                      |   |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Capital investment <sup>12</sup>                       | +/- ≤15%       | -14.5% <sup>13</sup> |   | Achieved    | 2025-26 capital expenditure of \$534.8 <sup>14</sup> million was below the approved 2025-26 budget of \$747.3 million, primarily due to the delay in receiving Environment Protection and Biodiversity Conservation approval and developing staging options for the Toowoomba to Warwick Pipeline and delays due to rescoping the Gold Coast Desalination Plant Augmentation project within the Water Security sub-portfolio.<br><br>Dam Improvement sub-portfolio underspend was driven by realised savings as well as schedule changes and streamlined resourcing efficiencies within the Somerset Dam Improvement Project. Downstream benefits from organisational and governance reforms are anticipated to improve the forward program. |
| Significant projects schedule variance <sup>15</sup>   | ≥85%           | 92% <sup>16</sup>    |   | Achieved    | Seqwater achieved 12 significant project deliverable milestones in 2025-26, with one missed and one transferred to 2026-27.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

<sup>10</sup> Process safety incidents with an actual severity of major or above.

<sup>11</sup> Process Safety Program deliverables to schedule achieved (within +30 days of schedule).

<sup>12</sup> Percentage variance to the approved capital program. The approved capital program is the Board approved Asset Portfolio Management Plan value approved on 27 March 2025 and may be updated and communicated through quarterly performance reporting in line with investment decisions.

<sup>13</sup> Reflects a KPI baseline adjustment that reduces expenditure by \$122.3m following the decision to defer the Toowoomba to Warwick pipeline.

<sup>14</sup> Excludes a \$21m historical expenditure write off for accounting purposes.

<sup>15</sup> Reported against milestones (≤ +3 months) and included in the KPI definition or referenced document.

<sup>16</sup> Seqwater met 12 of 13 significant project milestones deliverables as of 30 June 2026.

| Key performance indicator                                           | 2025-26 target         | 2025-26 actual | Performance | Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------|------------------------|----------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Value</b>                                                        |                        |                |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Earnings Before Interest Tax Depreciation and Amortisation (EBITDA) | \$742.9m <sup>17</sup> | \$776.1m       | Achieved    | EBITDA of \$776.1m was \$33.1m (4.5%) above target, reflecting higher bulk water sales revenue and lower operating expenditure.                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Lost Time Injury Frequency Rate (LTIFR) <sup>18</sup>               | ≤3.5                   | 2.3            | Achieved    | Seqwater's Lost Time Injury Frequency Rate has decreased from 3.4 in 2024-25 and remains within target. This improved performance demonstrates Seqwater's strong safety leadership culture, where leaders actively support employee safety and take decisive action when concerns are raised.                                                                                                                                                                                                                                                                         |
| Community trust <sup>19</sup>                                       | ≥7.3                   | 7.5            | Achieved    | Building on its 2024-25 community trust score (7.4), Seqwater achieved its highest result on record in its independent annual Water Attitudes and Insights across five trust attributes.<br><br>Four of the five trust attributes targets (≥7.5) have been achieved, reflecting continued community confidence in Seqwater's delivery of safe drinking water (7.7), dam operations and management (7.5), bulk water service delivery (7.5) and commitment to safety (7.6). Seqwater's preparedness to ensure the region's long-term water supply security scored 7.3. |

<sup>17</sup> Tolerance of +/- ≤5%.

<sup>18</sup> Seqwater's target for injuries of any type is zero with an upper maximum LTIFR of ≤3.5 for 2025-26, 12 month rolling average.

<sup>19</sup> Measures the community's trust in Seqwater to deliver affordable, reliable and sustainable bulk water supply, based on a survey of a sample of the SEQ community calculated on the average of all responses of the trust based questions on a score of 1-10.

# Delivering on strategy

The Queensland Government's 2025-26 strategic expectations for the state-owned water entities set a clear focus for Seqwater to:

- focus on the reliability and operational efficiency of existing water assets
- maximise value from existing water assets
- strategically prioritise and deliver water projects on time and on budget
- focus on customer service.

## Seqwater's strategic framework

During 2025-26 Seqwater pursued four strategic outcomes:

- **Water security:** *meet long-term demand supply for South East Queensland in accordance with the desired level of service objectives set by Government*
- **Supply continuity:** *maintain a continuous supply of safe drinking water to customers, in accordance with regulatory standards and contractual obligations*
- **Catchment health and dam management:** *manage dams and stewardship of South East Queensland water supply catchments for community benefit and sustainable water resource*
- **Value:** *meet the expectations of responsible Ministers for financial performance, affordability and sustainable value of the business for Seqwater's customers and communities.*

As key enablers in the short-term, Seqwater's four focus areas ensure its resources are directed toward high value activities that continue to improve core services:

- **Asset management and capital delivery:** *continue a program to drive uplift in asset management and capital delivery capability to meet future service delivery needs*
- **Operational transformation:** *continue a program to drive uplift in asset management and capital delivery capability to meet future service delivery needs*
- **Social licence:** *build Seqwater's social licence to operate as a key enabler for operational activities and delivery of capital projects*
- **Talent culture and performance:** *harness and leverage technology, empowering people and creating a culture of high-performance along with innovative approaches to adapt and respond to the increasing pace of change.*

Seqwater's strategic framework is set out in its Strategic Plan 2025-29<sup>20</sup>.

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<sup>20</sup> Seqwater's Strategic Plan 2025-29 can be found on its website: <https://www.seqwater.com.au/corporate-publications>.

# Strategic outcomes

## Water security

With South East Queensland's forecast population growth alongside changing expectations and variable weather patterns presenting current and long-term challenges, Seqwater remains committed to securing the region's water future.

Key enabling water security achievements in 2025-26 included:

- advanced early works and business cases for Somerset, North Pine and Wivenhoe dam upgrades, and progressed construction works on Lake Macdonald Dam
- progressed delivery of asset optimisation and resilience projects including at Mt Crosby North Pine, Landers Shute and Mudgeeraba water treatment plants and planning for new water security investments for the off-grid communities of Lowood, Kilcoy, Esk and Dayboro
- finalised procurement for the staged delivery of the Toowoomba to Warwick Pipeline project to support the Queensland Government's objective to deliver immediate water security benefits to growth areas, preserve future drought resilience options and ensure investment is aligned to demand and affordability
- collaborated with Department of Local Government, Water and Volunteers on the Source Review, SEQ Water Grid Supply Optimisation and its assessment of long-term water security requirements, including the evaluation of potential new water sources.

## Supply continuity

In 2025-26, Seqwater continued to deliver transformational outcomes across its operations, asset management and capital programs, in line with the Queensland Government's desired level of service objectives.

Key enabling supply continuity achievements in 2025-26 included:

- deployed Seqwater's digital procurement platform – a portal for all sourcing, contract and supplier information, delivering time and cost savings, improved governance and real-time insights into procurement pipelines and outcomes
- strengthened process safety through a targeted approach that develops and embeds capability within operating and engineering systems
- deployed enterprise-wide capability enabling near real-time access to operational data to strengthen decision-making across Seqwater.

## Catchment health and dam management

Seqwater plays a critical role in protecting the catchments and source waters that underpin South East Queensland's drinking water supply, managing approximately 68,000 hectares – around 5% of the catchment area surrounding its dams.

In 2025-26, key source protection activities included:

- maintained and protected Seqwater's catchments and natural assets across Seqwater-owned land, supported by more than \$7 million in operational expenditure
- delivered more than \$15 million of catchment projects across source protection, land and environmental management and recreation areas, improving catchment resilience for water quality and meeting levels of service for Seqwater's estate and recreation sites
- published water quality reports on its website<sup>21</sup> including taste and odour and PFAS (per- and polyfluoroalkyl substances) results.

## Value

In 2025-26, Seqwater defined customer<sup>22</sup> and developed a customer charter which guides how it delivers the right outcomes as a trusted critical service provider. With an emphasis on transparency, collaboration and responsiveness. Seqwater's relationship with its customers is based on the fundamental value of trust, measured annually through customer and community surveys:

- retailer customer trust score<sup>23</sup> result of 7.5 (6.8 in 2024-25)
- irrigator customer trust score<sup>24</sup> result of 8.3 (7.9 in 2024-25)
- community trust score of 71%<sup>25</sup> marked Seqwater's highest community trust score to date and a three per cent increase against the 2024-25 survey result.

## Focus areas

### Asset management and capital delivery

Seqwater's capital investment supports the Queensland Government's water investment and security priorities and is committed to delivering sustainable value to its responsible Ministers, customers and communities.

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<sup>21</sup> <https://www.seqwater.com.au/pfas-and-drinking-water>.

<sup>22</sup> Seqwater's definition of Customer is the people, communities and organisations that depend on the services provided by Seqwater.

<sup>23</sup> Average of all responses of trust based question on a score of 0-10.

<sup>24</sup> Based on survey of irrigators undertaken by Seqwater. Average of all responses of trust based question on a score of 0-10.

<sup>25</sup> Measures the community's trust in Seqwater to deliver affordable, reliable and sustainable bulk water supply, based on a survey of a sample of the SEQ community calculated on the average of all responses of the trust based questions on a score of 1-10.

## Capital planning and delivery

In 2025-26, Seqwater invested \$534.8 million in its capital infrastructure, including:

- \$186.9 million in dam improvement projects – including on-site construction at Lake Macdonald, early and enabling works on Somerset Dam (prior to construction), North Pine Dam staged strengthening activities and business case development for construction of upgrades to Somerset, North Pine and Wivenhoe dams
- \$83.9 million in water security improvement projects – including the Toowoomba to Warwick Pipeline Stage 1, planning and procurement activities for Wyaralong Water Treatment Plant and associated infrastructure projects, planning for the Gold Coast Desalination Plant augmentation and planning for off-grid communities such as Lowood and Dayboro
- \$181.4 million in asset sustaining capital projects covering renewal of Seqwater's existing assets through smaller and less complex projects, including Mt Crosby water treatment plants resilience program and the Leslie Harrison Dam spillway repair
- \$36.1 million in digital initiatives to sustain digital platforms, business and operating systems and hardware.

### Capital program highlights included:

- completed the Lake Macdonald upstream cofferdam and successful demolition of the spillway
- achieved 50% milestone with 27 of 54 non-overflow monolith anchors installed at North Pine Dam as part of the stage strengthening activities while the full dam upgrade project is planned and delivered
- opened the repurposed 97-year-old Mt Crosby Weir pedestrian bridge
- installed new 11kV motors at Mt Crosby East Bank Raw Water Pump Station<sup>26</sup>
- completed water filter refurbishment at Landers Shute Water Treatment Plant.

### Asset management program highlights included:

- delivered an optimisation program across its water distribution network to address constraints and enhance flow capacity
- improved process maturity through the Asset Management Improvement Program and delivery against the Maintenance Maturity plan
- completed condition assessments and data capture for 45,677 assets.

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<sup>26</sup> A network resilience milestone under the Mt Crosby Critical Electrical Infrastructure upgrade project.

## Operational transformation

Seqwater continued delivery of its multi-year Operational Transformation Program to strengthen network and operational resilience through improvements to systems, processes and assets.

Key 2025-26 milestones included:

- more than 90% of chemical spend brought under contemporary performance-based contracts
- expanded telemetry and forecasting-enabled replenishment to cover 87% of production for critical chemicals, improving live inventory visibility and supplier coordination
- consolidated operational data in a single platform to enhance visibility of water production, demand, distribution and storage performance.

## Social licence

Seqwater continues to engage with stakeholders across all levels of government, customers, agencies and the community to understand long-term service needs and increase awareness and support of its activities.

In 2025–26, Seqwater engaged with government and industry stakeholders on key water security and regulatory matters including:

- draft regulatory asset base (RAB) pricing submission as part of QCA's review of RAB-based irrigation prices 2027-29
- the SEQ Regional Water Assessment program
- amended the Bulk Water Supply Agreement with Toowoomba Regional Council
- consulted with irrigation customers on draft RAB pricing methodology and Seqwater's pricing submission as part of QCA's review of RAB-based irrigation prices 2027-29
- water security and local project initiatives.

Seqwater continued to strengthen relationships with communities across South East Queensland. In 2025-26 it:

- engaged on major infrastructure projects
- hosted over 1,100 visitors to community open days and asset tours
- supported water and environmental conservation, agriculture, technology, innovation and cultural awareness through its community sponsorship program and events
- developed its Murrumba Uplift Plan, providing a strategic pathway for First Nations engagement and the embedding of cultural capability across the organisation
- reached large audiences through 1.8 million website visits, 13 million social media impressions and more than 2,300 stakeholder and community interactions and 4,160 students through its education program.

## Talent, culture and performance

Seqwater recognises the relationship that culture has with performance, productivity, employee engagement, attraction, retention and safety.

In 2025-26 Seqwater:

- refreshed its employee engagement roadshow program to strengthen leadership visibility, employee connection and organisational alignment. The regional events provided opportunities for employees to engage directly with the Executive through presentations and question-and-answer sessions
- developed a new Enterprise Target Operating Model designed to provide clearer accountability, streamlined workflows and improved decision-making to support customer-focused outcomes
- retained certification of its WHS Management System and received a Certificate of Completion from WorkSafe Queensland's Injury Management and Prevention program in recognition of Seqwater's demonstrated commitment to improving the maturity of its safety and injury management systems.

# Governance

## Corporate governance

The Queensland Bulk Water Supply Authority (trading as Seqwater) is a statutory authority established by the Queensland Government under the *South East Queensland Water (Restructuring) Act 2007*. Seqwater is a statutory body for the purposes of the *Financial Accountability Act 2009* and the *Statutory Bodies Financial Arrangements Act 1982* and complies with the Bulk Water Supply Code and Bulk Water Supply Agreements.

Seqwater has prepared a Corporate Governance Statement 2025-26 (the statement)<sup>27</sup>.

The statement contains general corporate governance information and explains how Seqwater complies with the expectations for statutory authorities as set out in the *Corporate Governance Guidelines for Government Owned Corporations*, Version 2.0 (Queensland Treasury: February 2009), relevant legislation and government guidelines.

This Annual Report is to be read in conjunction with the Corporate Governance Statement 2025-26. Specific corporate governance disclosures required under *Annual report requirements for Queensland Government agencies* are set out below.

## Management and structure

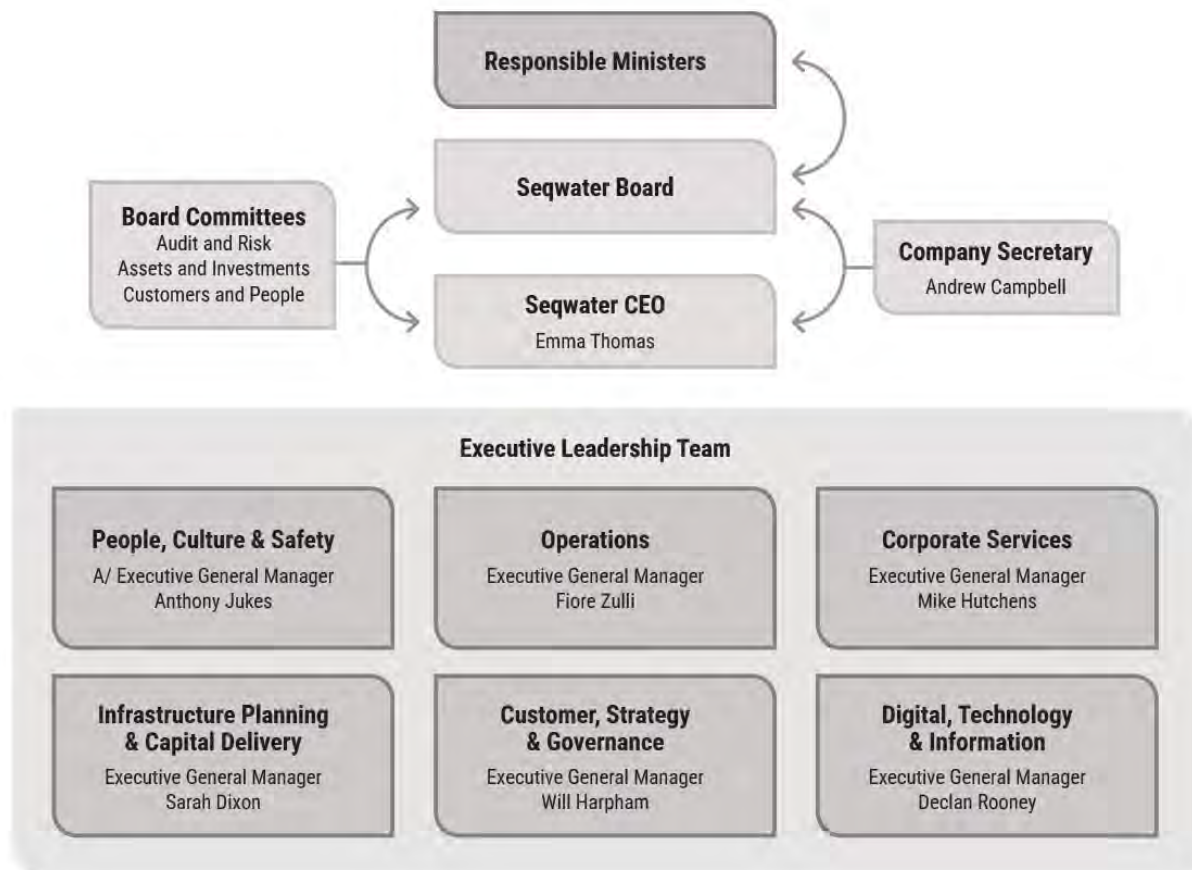
On 30 June 2026, Seqwater had six Executive General Managers (EGM) with functional responsibilities outlined in the Key executive management personnel table on page 82. As at 30 June 2026, an acting arrangement was in place for the EGM People, Culture and Safety.

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<sup>27</sup> <https://www.seqwater.com.au/corporate-publications>.

# Organisational structure

Figure 1 – Seqwater organisational chart



# Seqwater Board

General information related to Seqwater's Board is covered in its Corporate Governance Statement 2025-26<sup>28</sup>.

## Government bodies reporting summary

Table 4 – Government bodies reporting summary

|                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name of Government body</b> | Seqwater Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Act</b>                     | <i>South East Queensland Water (Restructuring) Act 2007</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Functions</b>               | Accountable to its responsible Ministers for financial and non-financial performance and overall governance of the organisation, the Board sets the strategic and policy direction consistent with government policy, oversees the performance of Seqwater and the CEO and directs and monitors the affairs of Seqwater on behalf of its responsible Ministers.                                                                                                                                                                                                                                                                                                        |
| <b>Achievements</b>            | <p>During 2025-26 the Board's key achievements included:</p> <ul style="list-style-type: none"><li>• oversight of Seqwater's general business operations and strategic planning</li><li>• oversight of Seqwater's financial and non-financial performance</li><li>• oversight of Seqwater's capital program involving approval of major dam and water infrastructure development and upgrade projects</li><li>• oversight of Seqwater's organisational transformation project</li><li>• approval of Seqwater's Annual Report 2024-25, Operational Plan 2025-26 resubmission, consideration of the draft Strategic Plan 2026-30 and Operational Plan 2026-27.</li></ul> |
| <b>Financial reporting</b>     | The Board, through the Audit and Risk Committee, oversees financial reporting. The audited 2025-26 financial statements and related disclosures were approved by the Board on 18 August 2026.                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

The Seqwater Board met every month in 2025-26 except September 2025.

Six ordinary meetings were conducted in 2025-26. In addition to these meetings, to enable timely consideration of significant organisational matters (generally emerging from Board Committee meetings), 10 short-form meetings were also conducted during the period.

<sup>28</sup> <https://www.seqwater.com.au/corporate-publications>.

**Table 5 – Board member remuneration: 29 August 2025 – 30 June 2026**

| <b>Name<sup>29</sup></b>  | <b>Position</b>                                     | <b>Meetings/<br/>sessions<br/>attendance</b> | <b>Approved<br/>Board fee<sup>30</sup></b> | <b>Approved committee fees<br/>if applicable</b>                                                       |
|---------------------------|-----------------------------------------------------|----------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------|
| John McEvoy               | Chairperson<br>(28 August 2025 –<br>30 June 2026)   | 12 Board<br>10 Committee                     | \$100,000<br>p.a.                          | \$4,500 per committee<br>p.a. (Committee<br>member)                                                    |
| Amanda Cooper             | Deputy Chairperson                                  | 10 Board<br>10 Committee                     | \$50,000 p.a.                              | \$8,000 per committee<br>p.a. (Committee Chair)<br>\$4,500 per committee<br>p.a. (Committee<br>member) |
| Amanda<br>Kenafake        | Board member                                        | 9 Board<br>8 Committee                       | \$50,000 p.a.                              | \$8,000 per committee<br>p.a. (Committee Chair)<br>\$4,500 per committee<br>p.a. (Committee<br>member) |
| Antonia<br>Mercorella     | Board member                                        | 11 Board<br>4 Committee                      | \$50,000 p.a.                              | \$4,500 per committee<br>p.a. (Committee<br>member)                                                    |
| Catherine Mickel          | Board member                                        | 11 Board<br>10 Committee                     | \$50,000 p.a.                              | \$4,500 per committee<br>p.a. (Committee<br>member)                                                    |
| Pauline<br>Thomson        | Board member                                        | 12 Board<br>11 Committee                     | \$50,000 p.a.                              | \$8,000 per committee<br>p.a. (Committee Chair)<br>\$4,500 per committee<br>p.a. (Committee<br>member) |
| Mark Girard <sup>31</sup> | Board member<br>(28 August 2025 –<br>31 March 2026) | 7 Board<br>3 Committee                       | \$50,000 p.a.                              | \$4,500 per committee<br>p.a. (Committee<br>member)                                                    |

<sup>29</sup> This table represents meeting attendance and details full-year fees. Actual remuneration is disclosed under Key Management personnel in the Annual Financial Report section of the Annual Report.

<sup>30</sup> Excludes superannuation contributions and committee fees.

<sup>31</sup> Mr Girard was appointed to Seqwater Board on 28 August 2025 and ceased his appointment effective 31 March 2026.

**Table 6 – Seqwater Board remuneration: 1 July 2025 – 28 August 2025**

| Name <sup>32</sup> | Position                                        | Meetings/<br>sessions<br>attendance | Approved<br>Board fee <sup>33</sup> | Approved committee fees<br>if applicable                                                      |
|--------------------|-------------------------------------------------|-------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------|
| Neville Ide        | Chairperson<br>(30 June 2025 – 28 August 2025)  | 4 Board<br>3 Committee              | \$100,000 p.a.                      | \$4,500 per committee p.a. (Committee member)                                                 |
| John McEvoy        | Board member<br>(30 June 2025 – 28 August 2025) | 3 Board<br>3 Committee              | \$50,000 p.a.                       | \$8,000 per committee p.a. (Committee Chair)<br>\$4,500 per committee p.a. (Committee member) |
| Catherine Mickel   | Board member                                    | 4 Board<br>2 Committee              | \$50,000 p.a.                       | \$4,500 per committee p.a. (Committee member)                                                 |
| Penny Tovey        | Board member<br>(30 June 2025 – 28 August 2025) | 3 Board<br>2 Committee              | \$50,000 p.a.                       | \$8,000 per committee p.a. (Committee Chair)<br>\$4,500 per committee p.a. (Committee member) |
| Gail Ker           | Board member<br>(30 June 2025 – 28 August 2025) | 4 Board<br>2 Committee              | \$50,000 p.a.                       | \$4,500 per committee p.a. (Committee member)                                                 |

**Table 7 – Board meetings**

| Board meetings                        |                                                                                                                                                    |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Number of scheduled meetings/sessions | Board: 16<br>Audit and Risk Committee: 4<br>Assets and Investments Committee <sup>34</sup> : 6<br>Customers and People Committee <sup>35</sup> : 4 |
| Out of pocket expenses                | Nil                                                                                                                                                |

<sup>32</sup> This table represents meeting attendance and details full-year fees. Actual remuneration is disclosed under Key Management personnel in the Annual Financial Report section of the Annual Report.

<sup>33</sup> Excludes superannuation contributions and committee fees.

<sup>34</sup> Formerly Investment and Procurement Committee.

<sup>35</sup> Formerly People and Culture Committee.

# Board member profiles

Members of the Board are non-executive (independent) appointees and are not directors for the purposes of the *Corporations Act 2001*.

The following reflects Seqwater's Board on 30 June 2026.

## Mr John McEvoy (Chairperson)

**Chair appointed** 28 August 2025 | **Board appointed** 1 October 2020 | **Reappointed** 1 October 2023

**Appointment expiry:** 30 September 2026

John is a Fellow of the Australian Institute of Company Directors and an invited Fellow of the Institution of Engineers Australia, with deep experience in the governance, oversight and service delivery of government-owned entities.

He has more than 40 years' experience in the mobilisation and delivery of major Australian and international water, energy, road, rail, public transport, hospital and justice schemes ranging from \$100 million to over \$15 billion.

His earlier engagements in South East Queensland's water supply assets include Project Director of the Western Corridor Recycled Water Scheme as well as leadership in the delivery of a range of dams, water treatment plants and trunk mains across the region.

**Committee membership:** John is a member of the Assets and Investments Committee, the Audit and Risk Committee and the Customers and People Committee. John was Chairperson of the Investment and Procurement Committee (now known as the Assets and Investments Committee) until 9 September 2025.

## Amanda Cooper (Deputy Chair)

**Board appointed** 28 August 2025 | **Appointment expiry:** 31 May 2028

Amanda was a Brisbane City councillor for 12 years and has held non-executive board roles with Urban Utilities and Infrastructure Australia. She has significant experience in infrastructure planning, project delivery, customer-centric engagement, public policy, town planning and development assessment.

Her wide-ranging background has given her valuable insight into community expectations and deep knowledge of government processes. She is a staunch advocate for the prioritisation of projects based on community benefit, improved resilience and project viability.

**Committee membership:** Amanda is Chairperson of the Assets and Investments Committee and a member of the Audit and Risk Committee.

## **Catherine Mickel (Member)**

**Board reappointed** 1 October 2023 | **Appointed:** 1 October 2020

**Appointment expiry:** 30 September 2026

Catherine is a physiotherapist with more than 30 years' experience spanning public, private, and community health. She is the former National President and long-serving spokesperson of the Australian Physiotherapy Association, where she influenced policy in Aged Care and Palliative Care.

An experienced Director, Catherine has served on multiple national and state-based boards and is currently a Director on the Nursing and Midwifery Board of Australia (Queensland), Diego & Co Pty Ltd, and South Brisbane Medical Group.

**Committee membership:** Catherine is a member of the Assets and Investments Committee and the Customers and People Committee.

## **Amanda Kenafake (Member)**

**Board appointed** 28 August 2025 | **Appointment expiry:** 31 May 2028

Amanda is a results-orientated professional with a proven track record of identifying and capitalising on business opportunities. Her strategic direction and leadership have been instrumental in shaping the success of Power Tynan, where she has served as an Executive Director since 2004 and CEO since January 2018.

Amanda is a Council Member for the University of Southern Queensland (UniSQ) and also chairs the Finance and Facilities Committee and is a member of the Audit and Risk Committee. Her extensive career spans various senior roles, including Senior Tax Accountant, Business Advisor, Non-Executive Director, Executive Director, and Chief Executive Officer.

**Committee membership:** Amanda is Chairperson of the Customers and People Committee and a member of the Audit and Risk Committee.

## **Antonia Mercorella (Member)**

**Board appointed** 28 August 2025 | **Appointment expiry:** 31 May 2028

Antonia is the CEO of the Real Estate Institute of Queensland. She is widely recognised for her expertise in public policy, government and stakeholder relations, corporate strategy, governance and innovation.

Antonia's legal experience spans private practice and in-house roles. She has a strong interest in alternative dispute resolution and has previously trained and worked as a mediator.

Antonia is currently the Chair of Carter Newell Lawyers, a director on the Queensland Theatre Company Board and a member of the Australian Institute of Company Directors. She previously served as a director on the Sycamore School Board.

**Committee membership:** Antonia is a member of the Customers and People Committee.

## Pauline Thomson (Member)

Board appointed 28 August 2025 | Appointment expiry: 31 May 2028

Pauline is an accomplished executive and board director with more than 25 years' leadership experience in strategy, finance and transformation across infrastructure, utilities and energy. She brings water sector experience from her decade as Chief Financial Officer at Unitywater, where she also served as Acting Chief Executive Officer.

Pauline serves on the Audit and Risk Committees for the Department of Environment, Tourism, Science and Innovation, Queensland Fire Department and Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development and is the Chief Financial Officer with Brisbane Housing Company. She is a Certified Practising Accountant and a Graduate Member of the Australian Institute of Company Directors.

**Committee membership:** Pauline is Chairperson of the Audit and Risk Committee and a member of the Assets and Investments Committee and a previous member of the Customers and People Committee.

## Performance evaluation

The Seqwater Board conducted an internal review of its performance and function in 2026.

At its June 2026 meeting, the Board discussed the review outcomes. In summary, the Board agreed that it is operating at a high level and in a diligent way.

## Standing committees of the Board

The Board has three standing committees that meet periodically<sup>36</sup>:

- **Audit and Risk Committee** – the committee's role, functions and responsibilities are outlined in the Audit and Risk Committee Charter
- **Assets and Investments Committee**<sup>37</sup> – the committee's role, functions and responsibilities are outlined in the Assets and Investments Committee Charter
- **Customers and People Committee**<sup>38</sup> – the committee's role, functions and responsibilities are outlined in the Customers and People Committee Charter.

In 2025-26 the Audit and Risk Committee considered audit reports, prepared by the Queensland Audit Office, which outlined all audit recommendations made by the Queensland Audit Office.

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<sup>36</sup> General information related to the Board's standing committees is in Seqwater's 2025-26 Corporate Governance Statement. Committee Terms of Reference can be found on Seqwater's website: <https://www.seqwater.com.au/governance>.

<sup>37</sup> Formerly Investment and Procurement Committee to August 2025.

<sup>38</sup> Formerly People and Culture Committee to August 2025.

## Board committee membership and meetings

The membership and meeting record of the Board and its committees in 2025-26 is outlined in the table below. All Board members are entitled to attend committee meetings.

**Table 8 – Board Committees – Audit and Risk Committee membership and meetings**

| Period                                     | 1 July 2025 – 28 August 2025                                                                                  | 29 August 2025 – 30 June 2026                                                                                                                                                                          |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Audit and Risk Committee Membership</b> | <ul style="list-style-type: none"> <li>• Neville Ide</li> <li>• John McEvoy</li> <li>• Penny Tovey</li> </ul> | <ul style="list-style-type: none"> <li>• Pauline Thomson (Chairperson)</li> <li>• John McEvoy</li> <li>• Amanda Cooper</li> <li>• Amanda Kenafake</li> <li>• Mark Girard (to 31 March 2026)</li> </ul> |

**Meetings held in 2025-26:** August, October, February and April.

### **Audit and Risk Committee achievements summary:**

Monitoring and oversight of:

- annual budget process and financial reporting
- Annual Report and Corporate Governance Statement 2024-25
- external audit function and consideration of associated reporting
- Queensland Treasury Corporation's management of Seqwater's debt pool in accordance with its Client Mandate proposed annual return for 2025-26
- proposed annual return for 2025-26
- the internal audit function and consideration of associated reporting, including:
  - recommendation to the Board of the Annual Internal Audit Work Plan
  - approach to conformance with the Global Internal Audit Standards
- the Enterprise Risk Management Framework and consideration of associated reporting including Critical Infrastructure Risk Management Plan and cyber security
- Chief Engineer's report
- regulated pricing update reporting
- annual insurance program renewal
- external reporting obligations including the Payment Times Reporting Scheme Report, Modern Slavery statement, *Security of Critical Infrastructure Act 2018 Act* (SOCl Act), Queensland Government Chief Information Officer Information Standard 18 reporting
- periodic business reporting including integrity, asset management and sustainability and environment, social and governance (ESG) matters
- compliance with the requirements of the Committee's Terms of Reference.

Review and updating of related governance documents including:

- the Committee's Terms of Reference, the Internal Audit Charter and the Policy Framework
- Corporate Entertainment, Hospitality, Gifts & Benefits Policy
- Tax Risk and Governance Framework.

**Table 9 – Board Committees – Assets and Investments Committee membership and meetings**

| Period                                             | 1 July 2025 – 28 August 2025 <sup>39</sup>                                                                                                           | 29 August 2025 – 30 June 2026                                                                                                                                                                                                                           |
|----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Assets and Investments Committee Membership</b> | <ul style="list-style-type: none"> <li>• John McEvoy (Chairperson)</li> <li>• Neville Ide</li> <li>• Gail Ker</li> <li>• Catherine Mickel</li> </ul> | <ul style="list-style-type: none"> <li>• Amanda Cooper (Chairperson)</li> <li>• John McEvoy</li> <li>• Amanda Kenafake</li> <li>• Catherine Mickel</li> <li>• Mark Girard (to 31 March 2026)</li> <li>• Pauline Thomson (from 24 March 2026)</li> </ul> |

**Meetings held in 2025-26:** August, November, December, February, April and June.

**Assets and Investments Committee achievements summary:**

Monitoring and oversight of:

- provision of strategic guidance in the adoption of an enhanced portfolio-based approach for oversight of Seqwater's expanding capital works program
- review and endorsement of 2026-27 Asset Portfolio Master Plan
- delivery of projects in 2025-26 infrastructure improvement program, including consideration of Seqwater's dam safety upgrades and SEQ Water Grid system augmentations, with a focus on efficient and effective outcomes. Significant projects included:
  - Wyaralong Water Treatment Plan (WWTP) and associated infrastructure (including the establishment of the WWTP Board Oversight Sub-Committee)
  - North Pine Dam Staged Strengthening
  - Somerset Dam Improvement Program – early and enabling works
  - Toowoomba to Warwick Pipeline project
- major capital investment and maintenance business bases and critical supply contracts with recommendation for approval by the Board, where necessary
- critical review and optimisation of priority strategic projects undergoing investment and procurement planning within the Dam Improvement Program, the Water Security Investment Program and the Asset Sustainability Investment Program
- Management's development of investment governance updates to the Queensland Procurement Policy 2026 and the implementation and planned update to the Procurement Management Policy
- review and update to the Dam Safety Investment Policy
- review of and compliance with the requirements of the Committee's Terms of Reference.

<sup>39</sup> Formerly Investment and Procurement Committee to August 2025.

**Table 10 – Board Committees – Customers and People Committee membership and meetings**

| Period                                           | 1 July 2025– 28 August 2025 <sup>40</sup>                                                                                                            | 29 August 2025 – 30 June 2026                                                                                                                                                                                    |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customers and People Committee Membership</b> | <ul style="list-style-type: none"> <li>• Penny Tovey (Chairperson)</li> <li>• Neville Ide</li> <li>• Gail Ker</li> <li>• Catherine Mickel</li> </ul> | <ul style="list-style-type: none"> <li>• Amanda Kenafake (Chairperson)</li> <li>• John McEvoy</li> <li>• Antonia Mercorella</li> <li>• Catherine Mickel</li> <li>• Pauline Thomson (to 24 March 2026)</li> </ul> |

**Meetings held in 2025-26:** August, November, February and June.

### **Customers and People Committee achievements summary:**

Monitoring and oversight of:

- oversight of the annual Chief Executive Officer and senior executives' performance and remuneration review processes
- the annual performance and remuneration reviews for the Common Law Contract employees
- review and update of related governance documents, including the Remuneration Policy
- the Board's recruitment and selection of the Executive General Manager People, Culture and Safety
- the Health, Safety and Wellbeing Framework and associated risk management
- Management's investigation and response to emergent people and culture issues
- Management's ongoing development of Seqwater's enterprise target operating model (ETOM), associated workforce planning and the Achieving Together organisational restructure project (including the establishment of the ETOM Board Oversight Sub-Committee)
- Management's development of the Enterprise bargaining agreement strategy and ongoing negotiations
- Management's development of an updated customer definition, new Customer Charter and the 2025-26 Customer Experience Roadmap
- Management's development of Seqwater's succession planning program
- review of and compliance with the requirements of the Committee's Terms of Reference.

<sup>40</sup> Formerly People and Culture Committee to August 2025.

# Executive Management

## Executive profiles<sup>41, 42</sup>

On 30 June 2026 Seqwater's Executive Leadership Team comprised:

### **Emma Thomas, Chief Executive Officer**

Emma Thomas is an Australian public servant and engineer with a diverse career spanning both the public and private sectors. Emma brings a wealth of experience and a strong track record of leadership across sectors including aviation, rail, public transport, infrastructure and local government. Most recently Emma was the Interim CEO of Queensland Games Venue and Legacy Delivery Authority, her previous experience includes CEO of Sunshine Coast Regional Council, Director-General of Transport Canberra and City Services. She commenced her career as a RAAF Aeronautical Engineer and worked for over a decade with Boeing. Emma Thomas's extensive experience and leadership in engineering, public administration, and infrastructure development have been instrumental in shaping major projects and services across Australia.

### **Sarah Dixon – Executive General Manager, Infrastructure Planning and Capital Delivery**

Sarah is a senior executive with extensive experience leading strategy execution, major capital investment, operational performance and enterprise transformation across complex, asset-intensive organisations. She has a strong track record of delivering organisational change, building leadership capability and leading geographically dispersed teams to achieve significant commercial, operational and customer outcomes. Recognised for her ability to align strategy with delivery, Sarah fosters trusted relationships with stakeholders, partners and executive leaders. Prior to joining Seqwater, Sarah was Executive General Manager South East Queensland Assets at Queensland Rail.

### **Will Harpham, Executive General Manager, Customer, Strategy and Governance**

Will is an accomplished leader with a proven track record of success spanning more than two decades. With leadership and advisory experience across corporate and government entities, including in the areas of major projects, transport and logistics, infrastructure, and water supply, he brings a wealth of knowledge and experience to the role. Joining Seqwater in 2013, Will has been instrumental in guiding Seqwater through complex challenges and periods of change and delivering value for stakeholders.

In addition to his extensive legal and management background, Will recently completed the Oxford Advanced Management and Leadership Programme at the University of Oxford.

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<sup>41</sup> General information related to the Executive is provided in Seqwater's Corporate Governance Statement.

<sup>42</sup> As at 30 June 2026.

## **Mike Hutchens – Executive General Manager, Corporate Services**

Mike is an experienced leader and Chartered Accountant with more than 30 years of experience working in a range of businesses including regulated Government Owned organisations in the energy industry, publicly listed multi-national mining companies and financial and professional services firms. Before joining Seqwater, Mike was the General Manager Financial Control with Energy Queensland. Prior to this, he was the Chief Financial Officer at Ergon Energy.

## **Declan Rooney – Executive General Manager, Digital Technology Information**

Declan is an experienced leader with more than 25 years in the private, public, and not-for-profit sectors. He has a proven track record of driving digital business transformation and improving operational efficiency across industries such as infrastructure, oil and gas, mining, rail, health and aged care, and aviation. Before joining Seqwater, Declan served as Head of Digital Transformation at Airservices Australia. Prior to that, he served as Chief Digital and Data Officer at the Suburban Rail Loop Authority.

## **Fiore Zulli – Executive General Manager, Operations**

Fiore is an accomplished engineer with more than 30 years' experience, across a wide range of roles spanning operations, production and management. After more than 20 years in the petroleum industry in a number of key management positions, Fiore joined Seqwater in 2016 as Manager, Operations (Northern Region) before becoming Executive General Manager, Operations.

## **Anthony Jukes – Acting Executive General Manager People, Culture and Safety**

Anthony is an experienced people and culture executive with more than 20 years' experience leading strategic human resources and organisational transformation across the energy, mining, construction and infrastructure sectors. He has a strong record of building inclusive, high-performing workplaces that align culture, capability and strategy.

Before joining Seqwater, Anthony held senior leadership roles with Downer and QGC, where he led large and diverse teams through significant business change and cultural development programs. He has also worked as a leadership coach and consultant, partnering with organisations to strengthen leadership capability and employee engagement.

Anthony holds a Master of Labour Law and Industrial Relations from the University of Sydney and a Bachelor of Business (Human Resources) from Griffith University.

## **Performance evaluation**

General information related to the Executive performance evaluation process is in Seqwater's Corporate Governance Statement 2025-26.

A performance evaluation of the Executive occurred during the reporting period 2025-26 in accordance with the Government Owned Corporation Policy for *Chief and Senior Executive Employment Arrangements* and the entity's performance management process.

## **Executive committees**

Details of Seqwater's Executive committee governance is provided in Seqwater's Corporate Governance Statement 2025-26.

# Public sector ethics

General information related to Seqwater's approach to ethical and responsible decision making is detailed in Seqwater's Corporate Governance Statement and includes:

- Seqwater's code of conduct, culture and values approach to compliance with the *Public Sector Ethics Act 1994* and its principles and values
- fraud and corruption governance (i.e., conflict of interest, human rights and modern slavery risk, ethical supplier mandate and public interest disclosure controls).

## Human rights

Seqwater respects, protects and promotes human rights in everything it does.

To further the objectives of the *Human Rights Act 2019*, Seqwater conducted a review of its Board approved governance documents and Board approved policy statements for compliance with Seqwater's policy framework requirements, including their compliance with human rights.

Seqwater received no human rights complaints in 2025-26.

## Risk management and accountability

General information related to Seqwater's approach to risk management, internal audit and external scrutiny is detailed in the Corporate Governance Statement 2025-26.

### Risk management

Supporting Seqwater's Enterprise Risk Management Framework is its Corporate Compliance Management System which is aligned with ISO 37301:2021 and designed to facilitate Seqwater's compliance with legal and regulatory obligations.

Business resilience also plays an integral role in Seqwater's risk management strategy, integrating emergency response, business continuity and disaster recovery. It ensures Seqwater can anticipate, prepare for and respond to adverse events, protecting Seqwater's workers, assets and reputation throughout all phases of an event.

In 2025-26 Seqwater delivered the following:

- operationalised the Enterprise Risk Management Framework and Risk Appetite Statement, including implementation of a revised suite of enterprise risks, controls and treatments
- implemented new risk, control assurance and risk treatment plan modules within Seqwater's Governance, Risk and Compliance system, improving visibility and accountability of risk management activities across the business
- enhanced risk reporting through the development of enterprise and operational risk dashboards, improving access to risk insights and supporting a more informed assessment of risk exposure across the organisation

- strengthened the prioritisation and management of key site-based operational risks, supporting coordinated operational and capital responses to manage emerging risks and improve resilience.

## Internal audit

General information related to Seqwater's internal audit function is outlined in Seqwater's Corporate Governance Statement.

In 2025-26, the following Internal Audits were finalised:

- sustaining capital
- compliance deep dive (physical security)
- information technology and operational technology general controls
- workforce planning
- asset maintenance and planning
- Portfolio, Program and Project reporting
- cyber security third party security risk management
- compliance obligation – deep dive (water quality management).

## External scrutiny

External scrutiny undertaken in 2025-26:

- Queensland Competition Authority review of Seqwater's draft regulatory asset base (RAB) irrigation price submission 2027-29
- In June 2026, the Office of the Information Commissioner completed a desktop review of Queensland government agencies (including Seqwater) to examine their use of websites, social media and digital tools to publish government-held information and promote openness in government in line with Parliament's intent as outlined in the *Right to Information Act 2009*.

The OIC review assessed Seqwater as compliant and Seqwater has taken action to implement minor improvements to its website to further enable access to documents following the Review recommendations.

## Information systems and record keeping

General information related to Seqwater's management and compliance with its information management, record keeping and cyber security obligations can be found in Seqwater's Corporate Governance Statement.<sup>43</sup>

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<sup>43</sup> <https://www.seqwater.com.au/corporate-publications>.

## Information management and record keeping

Seqwater's records are its corporate memory and are managed as a core asset. Records are essential both for ongoing operations and to provide evidence of business decisions, activities and transactions.

Seqwater has approved policies, processes and procedures that govern the management of records from creation to disposal, resulting in 4,675,052 electronic records held in its Electronic Document and Records Management System.

Records are retained and disposed of in accordance with Queensland State Archives General Retention and Disposal Schedule as authorised under section 20 of the *Public Records Act 2023*. To maintain its statutory requirements, in 2025-26, 73 boxes containing 732 hardcopy administrative records and 56,948 digital records were appraised, sentenced and approved for destruction.

Seqwater is committed to delivering technology solutions that enhance digital capability across the organisation. This is achieved through a continuous improvement program and the application of lifecycle management practices, enabling improved system functionality, stronger integration, increased mobility, enhanced document collaboration, and robust information governance.

Key information management activities in 2025-26 included:

- upgraded the electronic Document and Records Management System, enhancing Seqwater's digital records management capability and enabling integration with Microsoft 365 improving day-to-day operations efficiency and reducing unstructured information storage risks across the platform
- strengthened compliance with Public Records requirements through enhanced capability in records captured, managed and governed in line with legislative and policy obligations, reducing organisation-wide compliance risk
- enhanced governance arrangements to align records management with approved retention and disposal schedules, access controls and security requirements, improving accountability, transparency and ongoing protection of public recordkeeping.

Under the updated *Public Records Act 2023*, Seqwater implemented a range of initiatives to strengthen compliance and enhance organisational recordkeeping practices, it:

- participated in the Queensland State Archives' Public Records Information Management Engagement Network and consultation workshops, supporting sector collaboration and the exchange of best practice
- reviewed and updated organisational policies and procedures to align with legislative changes, ensuring governance frameworks remain current and compliant
- delivered a targeted records lifecycle training program, embedding records management within routine business processes
- communicated key reforms under the *Public Records Act 2023* to staff, including enhanced oversight and auditing powers, recognition of First Nations rights and the introduction of new offences for the unlawful disposal of public records.

## Cyber security

Cyber security is a critical enterprise risk and strategic priority for Seqwater, reflecting its responsibility as a custodian of South East Queensland's critical water infrastructure. As a statutory body, Seqwater manages cyber security through an enterprise-wide governance framework that supports compliance with applicable legislation, government policy and regulatory obligation as outlined in its Corporate Governance Statement.

Seqwater experienced no reportable cyber security incidents requiring notification under the *Security of Critical Infrastructure Act 2018* (SOCIA Act) thresholds in 2025-26. Cyber risks were managed through a risk-based cyber security program supported by governance, monitoring and assurance activities.

In addition to meeting Queensland Government Information Security Policy (IS18:2018) expectations, Seqwater continues to progress its cyber security capability uplift<sup>44</sup> with a targeted maturity improvement across governance, protection, detection, response and recovery domains.

In 2025-26, Seqwater's focus has been to embed these enhanced capabilities into operational processes, aligning its cyber operating model with external benchmarking recommendations and expanding resilience across both information and operational technology environments.

Seqwater achieved the Australian Signals Directorate (ASD) Essential Eight Maturity Level One target during 2025-26, meeting the Queensland Government IS18:2018 minimum security control requirements.

Additionally, continued emphasis has been placed on addressing sector-specific risks, enhancing supply chain security and leveraging collaboration with government and industry partners to ensure Seqwater's critical infrastructure is protected against emerging threats.

Recognising the increasing complexity of the cyber threat landscape, Seqwater made substantial progress this year in focus and sector specific risk areas, including:

- continued collaboration with the Australian Signals Directorate, the Queensland Government Cyber Security Unit and the Queensland water sector to support threat intelligence sharing, capability uplift and sector-wide resilience
- secured executive approval of the three-year Cyber Uplift Program, providing a structured roadmap to improve cyber maturity aligned with the NIST CSF 2.0 and ASD Essential Eight
- strengthened cyber security governance, embedding enhanced oversight, accountability and cyber resilience across information and operational technology environments
- delivered targeted cyber awareness initiatives to strengthen organisational cyber security culture and preparedness.

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<sup>44</sup> Aligned to the National Institute of Standards and Technology Cyber Security Framework version 2.0 (NIST CSF 2.0).

# Human resources

General information related to Seqwater's human resources governance can be found in Seqwater's Corporate Governance Statement.

Total full time equivalent (FTE) employees for Seqwater at 30 June 2026 are detailed in the Financial Statements (Section 2 B2 Employee benefit expenses - full time equivalent employees) on page 55.

## Diversity and inclusion in the workplace

Seqwater demonstrated its enduring commitment to the evolution of diversity and inclusiveness across the organisation through a range of initiatives in 2025-26 which included:

- hosted Women in Water roundtable networking events attended by 80 participants
- an inaugural Women's Experience Survey with 68% response from invited participants and survey responses positive across themes of belonging, respect and freedom of expression at work (65%) with strong confidence in leaders supporting gender equality and addressing issues (68%)
- partnered with the Australian Disability Network and augmented its Neurodiversity Toolkit – a set of resources designed to help employees and leaders create a more neuro-inclusive environment
- supported BYou Network, a network of LGBTQ+ employees and their allies. Run by employees, initiatives included IDAHOBIT day and Wear Purple Day to improve awareness and understanding of challenges faced by the LGBTQ+ people
- partnered with WaterAble, a network for people with disabilities and their allies and supported an employee in the WaterAble leadership program
- completed the design of an inclusive-access kayak transfer station and launch chute onto the water at Enoggera Reservoir as the first step toward a broader collaborative Seqwater undertaking to provide all abilities water recreation accessibility at its recreation sites
- deployed an assistive technology tool designed to support users with low vision to engage with digital systems with greater confidence and independence through enhanced magnification, screen-reading and navigation features.

## Industrial and employee relations frameworks

### Employment governance and compliance

Seqwater is committed to compliance with employment obligations which includes employment security. Seqwater has implemented a range of strategies to improve employment governance and remuneration practice, process and systems.

In 2025-26, Seqwater:

- amended work practices to ensure legislative compliance resulting from the introduction of the *Secure Jobs Better Pay Act 2022 and Closing the Loopholes Act 2023* that took effect in 2024 (21 legislative amendments in total)
- implemented proactive management of employee health, safety and wellbeing with a focus on psychosocial hazards and ongoing front line leadership capability to ensure compliance with the *Respect at Work Amendment Act 2021*
- invested in the build and testing of payroll solution comprising a single easy-to-use platform that strengthens payroll compliance, facilitates data-driven decision-making and leverages the interpretive automation of Seqwater's enterprise agreement and relevant instruments.

### Enterprise bargaining

Seqwater engaged with a broad range of internal and external stakeholders on a new Staff Enterprise Agreement, entering into negotiations with relevant unions<sup>45</sup> following the Office of Industrial Relations approval of its enterprise bargaining strategy in early 2026.

On 23 June 2026, Seqwater reached In Principle agreement with bargaining representatives on the replacement its Staff Enterprise Agreement 2026 in line with *Government Owned Corporations (GOC) Wages Policy 2025*. This was followed by a submission to Office of Industrial Relations on 25 June 2026 seeking approval to proceed to an employee ballot.

With a nominal expiry date of 30 June 2026, Seqwater's Staff Enterprise Agreement 2023<sup>46</sup> remains in effect until a new agreement is ratified.

## Corporate entertainment

Table 11 – Corporate entertainment and hospitality activities costing over \$5,000

| Activity                 | Date            | 2025-26 actual (\$) |
|--------------------------|-----------------|---------------------|
| 2025 Excellence Awards   | 28 October 2025 | 11,534              |
| End of year staff events | December 2025   | 27,491              |
| <b>Total expenditure</b> |                 | <b>39,025</b>       |

## Open data

Information about overseas travel, consultancies and the Charter of Victims' Rights is available online in lieu of inclusion in the annual report. This information is on the Queensland Government open data website (<https://data.qld.gov.au>).

<sup>45</sup> Construction, Forestry, Maritime Employees Union (CFMEU), Australian Workers' Union (AWU), Australian Manufacturing Workers Union (AMWU), Electrical Trades Union (ETU), Services Union and Professionals Australia.

<sup>46</sup> Seqwater's Enterprise Agreement 2016-2019 and Seqwater Enterprise Agreement 2019-2023 continue in force until replaced or rescinded.

# Government directions

There was one direction issued to Seqwater by the responsible Ministers under section 61 of the *South East Queensland (Restructuring) Act 2007* in 2025-26:

- Toowoomba to Warwick Pipeline – Staged delivery<sup>47</sup> – 17 May 2026.

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<sup>47</sup> Refer Ministerial direction pages 90-92.

**Queensland Bulk Water Supply Authority  
(Trading as Seqwater)**

**Annual Financial Report  
For the year ended 30 June 2026**



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# Statement of comprehensive income

for the year ended 30 June 2026

|                                               | Notes                | 2026<br>\$000    | 2025<br>\$000    |
|-----------------------------------------------|----------------------|------------------|------------------|
| <b>Revenue</b>                                |                      |                  |                  |
| Water sales                                   | B1-1                 | 1,223,038        | 1,146,063        |
| Grants and other contributions                | B1-2                 | 21,648           | 15,815           |
| Other revenue                                 | B1-3                 | 3,219            | 25,403           |
| <b>Total operating revenue</b>                |                      | <b>1,247,905</b> | <b>1,187,281</b> |
| Other gains - net                             |                      | -                | 797              |
| <b>Total revenue</b>                          |                      | <b>1,247,905</b> | <b>1,188,078</b> |
| <b>Expenses</b>                               |                      |                  |                  |
| Employee benefit expenses                     | B2                   | 150,108          | 135,259          |
| Supplies and services                         | B3                   | 331,197          | 253,733          |
| Depreciation and amortisation                 | C3-7, C4-5,<br>C10-1 | 260,473          | 263,557          |
| Finance/borrowing costs                       | B4                   | 377,760          | 386,594          |
| Other expenses                                | B5                   | 53,622           | 18,195           |
| <b>Total operating expenses</b>               |                      | <b>1,173,160</b> | <b>1,057,338</b> |
| <b>Operating result before income tax</b>     |                      | <b>74,745</b>    | <b>130,740</b>   |
| Income tax expense                            | B6                   | 23,702           | 44,087           |
| <b>Profit/(Loss) after income tax expense</b> |                      | <b>51,043</b>    | <b>86,653</b>    |
| <b>Other comprehensive income</b>             |                      |                  |                  |
| Other comprehensive income/(loss)             |                      | -                | -                |
| <b>Total comprehensive income/(loss)</b>      |                      | <b>51,043</b>    | <b>86,653</b>    |

The accompanying notes form part of these financial statements.

# Statement of financial position

as at 30 June 2026

|                                      | Notes | 2026<br>\$000     | 2025<br>\$000     |
|--------------------------------------|-------|-------------------|-------------------|
| <b>Current assets</b>                |       |                   |                   |
| Cash and cash equivalents            | C1    | 101,027           | 245,945           |
| Trade and other receivables          | C2    | 177,495           | 170,950           |
| Inventories                          | C12   | 17,989            | 15,718            |
| Other current assets                 |       | 10,622            | 9,880             |
| <b>Total current assets</b>          |       | <b>307,133</b>    | <b>442,493</b>    |
| <b>Non-current assets</b>            |       |                   |                   |
| Property, plant and equipment        | C3-7  | 10,876,348        | 10,631,946        |
| Right-of-use assets                  | C10-1 | 2,639             | 3,536             |
| Intangible assets                    | C4-5  | 129,382           | 137,103           |
| Other non-current assets             |       | 1,508             | 2,190             |
| <b>Total non-current assets</b>      |       | <b>11,009,877</b> | <b>10,774,775</b> |
| <b>Total assets</b>                  |       | <b>11,317,010</b> | <b>11,217,268</b> |
| <b>Current liabilities</b>           |       |                   |                   |
| Trade and other payables             | C5    | 142,171           | 190,785           |
| Employee benefits                    | C6    | 31,916            | 28,819            |
| Interest bearing liabilities         | C7    | 58,923            | 351,731           |
| Lease liabilities                    | C10-1 | 1,052             | 953               |
| Other current liabilities            | C9    | 11,650            | 11,736            |
| <b>Total current liabilities</b>     |       | <b>245,712</b>    | <b>584,024</b>    |
| <b>Non-current liabilities</b>       |       |                   |                   |
| Employee benefits                    | C6    | 3,880             | 3,055             |
| Interest bearing liabilities         | C7    | 8,637,399         | 8,164,743         |
| Lease liabilities                    | C10-1 | 2,370             | 3,217             |
| Deferred tax liabilities             | C8-1  | 256,777           | 233,075           |
| Other non-current liabilities        | C9    | 213,853           | 225,235           |
| <b>Total non-current liabilities</b> |       | <b>9,114,279</b>  | <b>8,629,325</b>  |
| <b>Total liabilities</b>             |       | <b>9,359,991</b>  | <b>9,213,349</b>  |
| <b>Net assets</b>                    |       | <b>1,957,019</b>  | <b>2,003,919</b>  |
| <b>Equity</b>                        |       |                   |                   |
| Contributed equity                   |       | (492,788)         | (445,888)         |
| Asset revaluation surplus            | C11   | 2,551,775         | 2,551,775         |
| Accumulated deficit                  |       | (101,968)         | (101,968)         |
| <b>Total equity</b>                  |       | <b>1,957,019</b>  | <b>2,003,919</b>  |

The accompanying notes form part of these financial statements.

# Statement of changes in equity

for the year ended 30 June 2026

|                                                                           | Accumulated<br>deficit<br>\$000 | Asset revaluation<br>surplus<br>\$000 | Contributed<br>equity<br>\$000 | Total<br>\$000 |
|---------------------------------------------------------------------------|---------------------------------|---------------------------------------|--------------------------------|----------------|
| Balances as at 1 July 2024                                                | (102,020)                       | 2,551,811                             | (570,888)                      | 1,878,903      |
| Operating profit from continuing operations                               | 86,653                          | -                                     | -                              | 86,653         |
| Total other comprehensive income:                                         |                                 |                                       |                                |                |
| Transfer revaluation surplus as a result of disposal of non-current asset | 52                              | (36)                                  | -                              | 16             |
| Dividend declared                                                         | (86,653)                        | -                                     | -                              | (86,653)       |
| Transaction with owners as contributed equity                             | -                               | -                                     | 125,000                        | 125,000        |
| Balances as at 30 June 2025                                               | (101,968)                       | 2,551,775                             | (445,888)                      | 2,003,919      |
| Balances as at 1 July 2025                                                | (101,968)                       | 2,551,775                             | (445,888)                      | 2,003,919      |
| Operating profit from continuing operations                               | 51,043                          | -                                     | -                              | 51,043         |
| Total other comprehensive income:                                         |                                 |                                       |                                |                |
| Increase/(decrease) in asset revaluation surplus                          | -                               | -                                     | -                              | -              |
| Transfer revaluation surplus as a result of disposal of non-current asset | -                               | -                                     | -                              | -              |
| Dividend declared                                                         | (51,043)                        | -                                     | -                              | (51,043)       |
| Transaction with owners as contributed equity                             | -                               | -                                     | (46,900)                       | (46,900)       |
| Balances as at 30 June 2026                                               | (101,968)                       | 2,551,775                             | (492,788)                      | 1,957,019      |

*The accompanying notes form part of these financial statements.*

# Statement of cash flows

for the year ended 30 June 2026

|                                                                   | Notes | 2026<br>\$000    | 2025<br>\$000    |
|-------------------------------------------------------------------|-------|------------------|------------------|
| <b>Cash flows from operating activities</b>                       |       |                  |                  |
| <i>Inflows:</i>                                                   |       |                  |                  |
| Receipts from water services                                      |       | 1,217,304        | 1,139,227        |
| Grants received                                                   |       | 10,222           | 4,181            |
| Interest received                                                 |       | 2,230            | 9,945            |
| Other revenue                                                     |       | 1,808            | 15,097           |
| GST collected                                                     |       | 78,546           | 60,117           |
| <i>Outflows:</i>                                                  |       |                  |                  |
| Payments to suppliers and employees                               |       | (503,578)        | (389,828)        |
| Finance and borrowing costs                                       |       | (377,969)        | (386,207)        |
| GST paid                                                          |       | (80,661)         | (62,910)         |
| Other                                                             |       | (3,169)          | (3,190)          |
| <b>Net cash provided by operating activities</b>                  | CF-1  | <b>344,733</b>   | <b>386,432</b>   |
| <b>Cash flows from investing activities</b>                       |       |                  |                  |
| <i>Inflows:</i>                                                   |       |                  |                  |
| Proceeds from sale of plant and equipment                         |       | 519              | 1,312            |
| <i>Outflows:</i>                                                  |       |                  |                  |
| Payments for property, plant and equipment                        |       | (535,650)        | (373,779)        |
| Payments for intangibles                                          |       | (301)            | (6,180)          |
| <b>Net cash used in investing activities</b>                      |       | <b>(535,432)</b> | <b>(378,647)</b> |
| <b>Cash flows from financing activities</b>                       |       |                  |                  |
| <i>Inflows:</i>                                                   |       |                  |                  |
| Contributed equity                                                |       | -                | 125,000          |
| Borrowing                                                         |       | 500,000          | 209,000          |
| <i>Outflows:</i>                                                  |       |                  |                  |
| Borrowing redemption                                              |       | (319,697)        | (304,059)        |
| Contributed Equity                                                |       | (46,900)         | -                |
| Dividend                                                          |       | (86,653)         | -                |
| Lease payments                                                    |       | (969)            | (1,327)          |
| <b>Net cash provided by financing activities</b>                  |       | <b>45,781</b>    | <b>28,614</b>    |
| Net increase/(decrease) in cash and cash equivalents              |       | (144,918)        | 36,399           |
| Cash and cash equivalents at the beginning of the financial year  |       | 245,945          | 209,546          |
| <b>Cash and cash equivalents at the end of the financial year</b> | C1    | <b>101,027</b>   | <b>245,945</b>   |

The accompanying notes form part of these financial statements.

## Notes to the statement of cash flows

### CF – 1 Reconciliation of profit for the period to net cash provided by operating activities

|                                                         | 2026<br>\$000  | 2025<br>\$000  |
|---------------------------------------------------------|----------------|----------------|
| <b>Operating profit</b>                                 | <b>51,043</b>  | <b>86,653</b>  |
| <i>Non-cash items included in operating result:</i>     |                |                |
| Depreciation and amortisation expense                   | 259,576        | 262,660        |
| Losses/(gains) on sale of property, plant and equipment | 37,758         | (797)          |
| Lease                                                   | 1,116          | 1,161          |
| Income tax expense                                      | 23,702         | 44,087         |
| Doubtful debts expenses                                 | 52             | 52             |
| <i>Change in assets and liabilities:</i>                |                |                |
| (Increase)/decrease in trade and other receivables      | (4,483)        | (7,585)        |
| (Increase)/decrease in inventories                      | (2,270)        | (920)          |
| (Increase)/decrease in GST receivable                   | (2,496)        | (2,796)        |
| (Increase)/decrease in other current assets             | (60)           | (2,767)        |
| Increase/(decrease) in trade and other payables         | (11,674)       | 15,789         |
| Increase/(decrease) in employee benefits                | 3,923          | 2,306          |
| Increase/(decrease) in other liabilities                | (11,382)       | (11,517)       |
| Increase/(decrease) in loan interest payable            | (454)          | 102            |
| Increase/(decrease) in GST payable                      | 382            | 4              |
| <b>Net cash provided by operating activities</b>        | <b>344,733</b> | <b>386,432</b> |

### CF – 2 Changes in liabilities arising from financing activities

|              | Non-cash changes            |                                       |                                | Cash flows    |                        |                             |                             |
|--------------|-----------------------------|---------------------------------------|--------------------------------|---------------|------------------------|-----------------------------|-----------------------------|
|              | Opening<br>balance<br>\$000 | Transfers to /<br>(from) QTC<br>\$000 | New lease<br>acquired<br>\$000 | Other<br>\$00 | Cash received<br>\$000 | Cash<br>repayments<br>\$000 | Closing<br>balance<br>\$000 |
| <b>2026</b>  |                             |                                       |                                |               |                        |                             |                             |
| Leases       | 4,170                       | -                                     | -                              | 221           | -                      | (969)                       | 3,422                       |
| Borrowings   | 8,484,471                   | -                                     | -                              | -             | 500,000                | (319,697)                   | 8,664,774                   |
| <b>Total</b> | <b>8,488,641</b>            | <b>-</b>                              | <b>-</b>                       | <b>221</b>    | <b>500,000</b>         | <b>(320,666)</b>            | <b>8,668,196</b>            |
| <b>2025</b>  |                             |                                       |                                |               |                        |                             |                             |
| Leases       | 5,234                       | -                                     | -                              | 263           | -                      | (1,327)                     | 4,170                       |
| Borrowings   | 8,579,530                   | -                                     | -                              | -             | 209,000                | (304,059)                   | 8,484,471                   |
| <b>Total</b> | <b>8,584,764</b>            | <b>-</b>                              | <b>-</b>                       | <b>263</b>    | <b>209,000</b>         | <b>(305,386)</b>            | <b>8,488,641</b>            |

# Section 1 - About the entity and this financial report

## A1 Basis of financial statement preparation

### A1-1 Reporting entity

The Queensland Bulk Water Supply Authority trading as Seqwater (the Entity) is a statutory body under the *Financial Accountability Act 2009*, the *Statutory Bodies Financial Arrangements Act 1982* and has been established under the *South East Queensland Water (Restructuring) Act 2007*. The Entity expires at the end of 99 years from when it was established on 16 November 2007. The Queensland Government is the successor in law at the expiry date. The Entity is controlled by the Queensland Government which is its ultimate parent.

The head office and principal place of business of the Entity is Level 8, 117 Brisbane Street, Ipswich QLD 4305.

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Entity.

### A1-2 Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB)
- the *Financial and Performance Management Standard 2019*
- Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2025
- other authoritative pronouncements.

### A1-3 Going concern

The financial statements have been prepared on a going concern basis as the Board considers that there is a reasonable expectation that the Entity will be able to pay its debts as and when they fall due. Further, the Entity will remain a going concern for at least twelve months from the date of signing these financial statements for the following reasons:

- The Board relies on the Queensland Government's commitment to ensuring the solvency and ongoing viability of the Entity. This commitment was affirmed in a letter from the Hon. David Janetzki MP, Treasurer, Minister for Energy and Minister for Home Ownership, and the Hon. Ann Leahy MP, Minister for Local Government and Water and Minister for Fire, Disaster Recovery and Volunteers issued to the Entity in June 2026;
- The Government's support for the Entity will include facilitating the provision of funding facilities through Queensland Treasury Corporation (QTC) to ensure the availability of funds to meet:
  - the working capital and capital works requirements of the Entity;
  - the financial commitments of the Entity under bulk water supply agreements with its customers; and
  - the financial commitments and obligations incurred by the Entity as a result of the pricing structure, including any variations to funding requirements arising from the bulk water price path.
- The Government's commitment is provided on the basis that any funding made available to the Entity is consistent with arrangements agreed under the Entity's Operational and Strategic Plans, or as otherwise approved by the responsible Ministers under the *South East Queensland Water (Restructuring) Act 2007* or other applicable legislation (notably, the *Statutory Bodies Financial Arrangements Act 1982* (SBFA Act));
- The Entity's borrowings from QTC obtain the benefit of a State guarantee under section 21 of the SBFA Act; and
- As at 30 June 2026, the Entity has an approved working capital facility from QTC amounting to \$300 million (refer to Note C7-2) of which nil has been drawn at 30 June 2026 and has a cash balance of \$101 million at 30 June 2026 (refer to Note C1).

## A1-4 Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are found in the following notes:

|                                          |               |                                                                                   |
|------------------------------------------|---------------|-----------------------------------------------------------------------------------|
| Fair value                               | C3-3          | Valuation of property, plant and equipment including key estimates and judgements |
| Depreciation and amortisation expenses   | C3-4 and C4-2 | Including estimated useful life and assessment on asset conditions                |
| Employee benefits                        | C6            | Including estimates related to long service leave and remuneration review         |
| Income tax and utilisation of tax losses | C8            | Recoverability of deferred tax assets and recognition of deferred tax liabilities |
| Contingencies                            | D2            | Litigation in progress                                                            |

## A1-5 Basis of measurement

Historical cost is used as the measurement basis in the financial report except for the following:

- Land, building and infrastructure assets which are measured at fair value (Note C3-3); and
- Provisions expected to be settled 12 or more months after reporting date which are measured at their present value (Note C6).

A number of the Entity's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. exit price) regardless of whether the price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the Entity include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Entity's assets/liabilities, internal records of recent construction costs (and/or estimates of such costs) for assets' characteristics/functionality, and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

All assets and liabilities of the Entity for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- Level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- Level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- Level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

Except for cash and cash equivalents, none of the Entity's valuations of assets or liabilities are eligible for categorisation into level 1 and level 2 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the period.

For the purpose of fair value and impairment assessments, the Entity considers its assets as comprising a single Cash Generating Unit (CGU). This approach aligns with the regulatory building-block approach used in determining water pricing, whereby the recoverable amount of the CGU is assessed as a whole, rather than on an asset-by-asset basis.

## **A1-6 Presentation**

### **Currency and rounding**

The financial statements are presented in Australian dollars. Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

### **Comparatives**

Comparative information reflects the audited 2024-25 financial statements except where restated for identified prior period adjustments.

### **Current/non-current classification**

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Entity does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

## **A1-7 Authorisation of financial statements for issue**

The financial statements were authorised for issue by the Board 18 August 2026.

## **A2 Objectives of the Entity**

The Entity is primarily involved in the supply of water services and carrying out water activities.

As set out in the *South East Queensland Water (Restructuring) Act 2007*, the Entity must carry out its functions as a commercial enterprise. The Entity meets the definition of a for profit entity for the purposes of the accounting standards.

# Section 2 – Notes about our financial performance

## B1 Revenue

Recognition occurs when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Entity and specified criteria have been met for each of the Entity's activities as described below. The Entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

### B1-1 Water sales

Revenue from contracts with customers is recognised when the Entity transfers control over a good or service to the customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations, significant payment terms, and revenue recognition for the Entity's water sales revenue from contracts with customers.

| Type of good or service                                                                     | Nature and timing of satisfaction of performance obligations, including significant payment terms                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Revenue recognition policies                                                                                                                                             |
|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bulk water sales to distributor-retailers (DRs)                                             | <ul style="list-style-type: none"> <li>The Bulk Water Supply Agreements (BWSA) between the Entity and the DRs set out the terms and conditions for the monthly water billing.</li> <li>The unit price per megalitre is in accordance with the Ministerial set price.</li> <li>Based on the Entity's past experience, all the DR invoices are paid within the payment terms, no impairment indicator exists for the monthly billing to the DRs.</li> </ul>                                                                                                                                                                                                                                     | The Entity recognises bulk water revenue monthly based on the actual megalitres supplied to the grid customer during the calendar month.                                 |
| Bulk water sales to Stanwell Corporation, CleanCo Queensland and Toowoomba Regional Council | <ul style="list-style-type: none"> <li>The bulk water supply agreements between the parties set out the terms and conditions for the monthly water billing.</li> <li>There are fixed and variable charges in the agreement. The charge rates are listed in the agreement and subject to annual review. Meter reading points and water supply calculation methodologies are clearly documented in the agreement.</li> <li>Based on the Entity's past experience, all the Stanwell Corporation, CleanCo Queensland and Toowoomba Regional Council invoices are paid within the agreed payment terms, no impairment indicator exists for the monthly billing to them.</li> </ul>                 | The Entity recognises bulk water revenue, including both fixed and variable charges monthly, based on the agreement price and water supply allocation methodology.       |
| Water sales to irrigation                                                                   | <ul style="list-style-type: none"> <li>Section 146 of the <i>Water Act 2000</i> requires a standard supply contract to be in place when water entitlements are converted to water allocations.</li> <li>Irrigation customers have various supply contracts with the Entity.</li> <li>Charges for rural irrigation water are largely calculated based on two-part tariff charges. Part A relates to fixed costs based on water allocation volume and is applied quarterly in advance and Part B represents the charge for water use based on meter readings for the previous quarter.</li> <li>The charges for Part A and Part B are in accordance with the Ministerial set prices.</li> </ul> | The Entity recognises irrigation water sales revenue monthly, the fixed component is as per set charges and the variable component is based on the actual meter reading. |

## Revenue recognised over time

|                               | 2026<br>\$000    | 2025<br>\$000    |
|-------------------------------|------------------|------------------|
| Bulk water sales – water grid | 1,218,813        | 1,142,394        |
| Water sales – irrigation      | 4,225            | 3,669            |
| <b>Total</b>                  | <b>1,223,038</b> | <b>1,146,063</b> |

## B1-2 Government grants and other contributions

Government grants related to assets, including non-monetary grants at fair value, are presented in the Statement of Financial Position either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

In 2010, the Entity received \$408 million in capital grants from the Commonwealth department for the construction of Western Corridor Recycled Water assets. The \$408 million was recognised initially as unearned income and is recognised in the Statement of Comprehensive Income (\$11 million) on a systematic basis over the useful life of the asset (refer to Note C9).

Government grants, including non-monetary grants at fair value, are not recognised until there is reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

The Entity receives Community Service Obligation (CSO) payments from the Queensland Government in two parts. The rural water payment is for the provision of rural irrigation water to rural irrigators. The water planning development payment is for the activities to ensure compliance with regulatory and policy areas of resource management.

|                  | 2026<br>\$000 | 2025<br>\$000 |
|------------------|---------------|---------------|
| CSO              | 1,945         | 2,183         |
| Government grant | 19,703        | 13,632        |
| <b>Total</b>     | <b>21,648</b> | <b>15,815</b> |

## B1-3 Other revenue

|                  | 2026<br>\$000 | 2025<br>\$000 |
|------------------|---------------|---------------|
| Interest         | 1,251         | 9,962         |
| Insurance claims | 31            | 13,500        |
| Other            | 1,937         | 1,941         |
| <b>Total</b>     | <b>3,219</b>  | <b>25,403</b> |

## B2 Employee benefit expenses

|                                       | 2026<br>\$000  | 2025<br>\$000  |
|---------------------------------------|----------------|----------------|
| <b>Employee benefits</b>              |                |                |
| Wages and salaries                    | 110,284        | 99,565         |
| Annual leave expenses                 | 10,223         | 9,676          |
| Long service leave expenses           | 3,397          | 2,169          |
| Employer superannuation contributions | 14,904         | 13,320         |
| <b>Employee related expenses</b>      |                |                |
| Workers' compensation premium         | 95             | 123            |
| Payroll tax                           | 7,469          | 6,688          |
| Other employee related expenses       | 3,736          | 3,718          |
| <b>Total</b>                          | <b>150,108</b> | <b>135,259</b> |

## Employee benefits

Employee benefits are expensed as the related service is provided.

Employer superannuation contributions, annual leave and long service leave are regarded as employee benefits.

## Employee related expenses

Payroll tax and workers' compensation insurance are a consequence of employing employees and are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

## Superannuation schemes

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's defined benefit plan (the former QSuper defined benefit categories now administered by the Government Division of the Australian Retirement Trust) as determined by the employee's conditions of employment.

Defined contribution plans – Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined benefit plan – The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the Entity at the specified rate following completion of the employee's service each pay period. The Entity's obligations are limited to those contributions paid.

The Entity contributes to Brighter Super (formerly LGIASuper) for employees under both defined benefit scheme and accumulation superannuation scheme. The Entity has no liability to or interest in Brighter Super other than the payment of the statutory contribution. Any amount by which either scheme is over or under funded would only affect future benefits and is not an asset or liability of the Entity at reporting date. Accordingly, there is no recognition in the financial statements of any over-or-under funding of Brighter Super..

The Entity also contributes to various superannuation funds as nominated by employees under superannuation choice of fund. The Entity has no liability to or interest in these funds other than the payment of the statutory contribution.

Superannuation contributions are expensed in the period in which they are paid or payable.

## Full time equivalent employees

The number of employees including both full time and part time employees measured on a full-time equivalent basis as at 30 June are:

|                            | 2026         | 2025       |
|----------------------------|--------------|------------|
| <b>Number of employees</b> |              |            |
| Permanent employees        | 907          | 839        |
| Fixed term employees       | 118          | 79         |
| <b>Total</b>               | <b>1,025</b> | <b>918</b> |

Key management personnel and remuneration disclosures are detailed in Note E1.

## B3 Supplies and services

|                                                  | 2026<br>\$000  | 2025<br>\$000  |
|--------------------------------------------------|----------------|----------------|
| Labour hire                                      | 19,374         | 12,393         |
| Consultancies and contractors <sup>^</sup>       | 72,992         | 36,504         |
| Operational contracts                            | 42,105         | 37,361         |
| Energy                                           | 25,577         | 24,281         |
| Information technology and communications        | 20,806         | 16,631         |
| Repairs and maintenance – dams and weirs         | 6,104          | 5,469          |
| Repairs and maintenance – water treatment plants | 22,948         | 13,667         |
| Repairs and maintenance – pipelines and other    | 40,554         | 28,693         |
| Chemicals and treatments                         | 49,266         | 49,673         |
| Legal                                            | 1,284          | 1,214          |
| Suppliers and consumables                        | 23,955         | 21,779         |
| Bulk water service purchase payment              | 3,698          | 3,676          |
| Other expenses                                   | 2,534          | 2,392          |
| <b>Total</b>                                     | <b>331,197</b> | <b>253,733</b> |

<sup>^</sup>includes specialists for engineering, project management, environmental and asset management, finance and economic advice.

## B4 Finance/borrowing costs

|                                 | 2026<br>\$000  | 2025<br>\$000  |
|---------------------------------|----------------|----------------|
| Interest paid or payable to QTC | 377,514        | 386,308        |
| Interest on lease liabilities   | 220            | 265            |
| Other financial costs           | 26             | 21             |
| <b>Total</b>                    | <b>377,760</b> | <b>386,594</b> |

Finance/borrowing costs comprise:

- interest expense on bank overdrafts, short-term and long-term borrowings;
- unwinding of the discount on provisions; and
- ancillary administration charges.

Finance/borrowing costs are expensed in the Statement of Comprehensive Income using the effective interest method.

Finance/borrowing costs that are not settled in the period in which they arise are added to the carrying amount of the borrowing.

Finance/borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

\$21 million (2025: \$12 million) borrowing costs are capitalised into qualifying assets.

## B5 Other expenses

|                                       | 2026<br>\$000 | 2025<br>\$000 |
|---------------------------------------|---------------|---------------|
| Insurance                             | 10,837        | 13,121        |
| External audit fees <sup>1</sup>      | 425           | 371           |
| Rates and taxes                       | 3,939         | 3,363         |
| Special payments <sup>2</sup>         | 13            | 235           |
| Losses on disposal – net <sup>3</sup> | 37,757        | -             |
| Other                                 | 651           | 1,105         |
| <b>Total</b>                          | <b>53,622</b> | <b>18,195</b> |

1. Total audit fees quoted by the Queensland Audit Office relating to the 2025-26 financial statements are \$423,000 (2025: \$407,000).

2. Special payments represent ex gratia expenditure and other discretionary payments for which the Entity has no contractual or legal obligation. During 2025-26, special payments exceeding \$5,000 included the following:

- Payments to staff on cessation of employment.

3. The Mount Crosby Bridge, along with all associated future repair and maintenance responsibilities, was transferred to Brisbane City Council on 9 October 2025 for nil consideration. The written-down value of the bridge at the time of transfer was \$38.1 million.

## B6 Income tax equivalents

The difference between income tax expense provided in the Statement of Comprehensive Income and the prima facie income tax expense is reconciled as follows:

|                                                       | 2026<br>\$000 | 2025<br>\$000 |
|-------------------------------------------------------|---------------|---------------|
| Profit before income tax                              | 74,745        | 130,740       |
| Prima facie income tax thereon at 30% (2025: 30%)     | 22,423        | 39,222        |
| Add:                                                  |               |               |
| Recognition of under/over tax provision               | 10            | (254)         |
| Tax impact of revaluations on disposals               | -             | 16            |
| De-recognition of revenue losses                      | -             | 3,835         |
| Depreciation difference on transferred council assets | 1,261         | 1,261         |
| Non-deductible expenses                               | 8             | 7             |
| <b>Total</b>                                          | <b>23,702</b> | <b>44,087</b> |

The Entity is a State body as defined under the *Income Tax Assessment Act 1936* and exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Service Tax (GST). The Entity has been a participant in the Australian Taxation Office (ATO) National Tax Equivalent Regime (NTER) from the date of establishment.

As a result, an “equivalent” or “notional income tax” liability is payable to Queensland Treasury for payment into the consolidated fund. Income tax expense comprises current and deferred tax. Income tax expense/(benefit) is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

GST credit receivable from, and GST payable to the ATO, are recognised. (Note C2).

## Section 3 – Notes about our financial position

### C1 Cash and cash equivalents

|                     | 2026<br>\$000  | 2025<br>\$000  |
|---------------------|----------------|----------------|
| Cash at bank        | 100,933        | 97,971         |
| Short-term deposits | 94             | 147,974        |
| <b>Total</b>        | <b>101,027</b> | <b>245,945</b> |

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. There are no bank overdrafts at reporting date.

### C2 Trade and other receivables

|                                                          | 2026<br>\$000  | 2025<br>\$000  |
|----------------------------------------------------------|----------------|----------------|
| Trade debtors – retail                                   | 164,920        | 159,225        |
| Trade debtors – other                                    | 3,018          | 4,231          |
| Less: loss allowance                                     | (348)          | (296)          |
| <b>Total</b>                                             | <b>167,590</b> | <b>163,160</b> |
| GST receivable                                           | 10,515         | 8,018          |
| GST payable                                              | (610)          | (228)          |
| <b>Total</b>                                             | <b>9,905</b>   | <b>7,790</b>   |
| <b>Total</b>                                             | <b>177,495</b> | <b>170,950</b> |
| <b>Receivables arising from contracts with customers</b> |                |                |
| Balance at 1 July                                        | 159,225        | 153,235        |
| Increase / (decrease)                                    | 5,695          | 5,990          |
| <b>Balance at 30 June</b>                                | <b>164,920</b> | <b>159,225</b> |

#### Trade and other receivables

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of those amounts are required within 30 days from invoice date. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

#### Loss allowance

An allowance for impairment of receivables reflects lifetime expected credit losses. No allowance for impairment of receivables is recorded for receivables owing from local water distributor-retailers, local councils and power stations in relation to water sales, due to its near zero risk. Where there is no reasonable expectation of recovering amounts owed by debtors, the debt is immediately written off.

The collectability of receivables is assessed periodically with provision being made for impairment. The calculations reflect future cash flows with consideration to historical observed default rates calculated based on expected credit losses experienced on sales transactions in the past three years preceding 30 June 2026. Movements in expected credit losses are written-off as at 30 June.

No financial assets had their terms renegotiated to prevent them from being past due or impaired and are stated at the carrying amount as indicated.

### Individually impaired receivable position (aged)

|                       | 2026                    |           |                              | 2025                    |           |                              |
|-----------------------|-------------------------|-----------|------------------------------|-------------------------|-----------|------------------------------|
|                       | Gross receivables \$000 | Loss rate | Expected credit losses \$000 | Gross receivables \$000 | Loss rate | Expected credit losses \$000 |
| <b>Receivables</b>    |                         |           |                              |                         |           |                              |
| 1 to 30 days overdue  | 350                     | 26.7%     | 93                           | 167                     | 31.7%     | 53                           |
| 31 to 60 days overdue | 224                     | 26.7%     | 60                           | 323                     | 31.7%     | 102                          |
| 61 to 90 days overdue | 4                       | 26.7%     | 1                            | 105                     | 31.7%     | 33                           |
| >90 days overdue      | 727                     | 26.7%     | 194                          | 341                     | 31.7%     | 108                          |
| <b>Total overdue</b>  | <b>1,305</b>            |           | <b>348</b>                   | <b>936</b>              |           | <b>296</b>                   |

### Movement in allowance for impairment for impaired receivables

|                                                                  | 2026<br>\$000 | 2025<br>\$000 |
|------------------------------------------------------------------|---------------|---------------|
| Balance at 1 July                                                | (296)         | (244)         |
| Decrease/ (increase) in allowance recognised in operating result | (52)          | (52)          |
| Amount written-off during the year in respect of bad debts       | -             | -             |
| <b>Total</b>                                                     | <b>(348)</b>  | <b>(296)</b>  |

## C3 Property, plant and equipment and related depreciation expense

### C3-1 Recognition and acquisition

#### Cost of acquisition

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to acquisition, plus all other costs incurred in getting the assets ready for use.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity, are recognised at their fair value at date of acquisition.

Costs incurred subsequent to the initial asset purchase are capitalised when the expenditure improves the condition of the asset beyond its originally assessed standard of performance or capacity. Outlays that do not meet the criteria for recognition as an asset are expensed in the financial year.

#### Basis of capitalisation and recognition thresholds

Items of property, plant and equipment with a historical cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

|                       |                      |
|-----------------------|----------------------|
| Land                  | \$1                  |
| Building              | \$10,000             |
| Infrastructure assets | \$10,000             |
| Plant and equipment   | \$5,000 <sup>^</sup> |

<sup>^</sup> As an exception to the \$5,000 threshold, IT equipment connected to and forming part of the Entity's IT network (for example, laptops, tablets and similar devices) is capitalised on an individual basis, notwithstanding that the individual cost is below \$5,000.

Items with a lesser value are expensed in the year of acquisition.

Land improvements are included in either the building, or the infrastructure asset class based on their proximity to the asset to which they relate.

## Componentisation of complex assets

Complex assets comprise separately identifiable components (or groups of components) of significant value, that require replacement at regular intervals and at different times to other components comprising the complex asset.

On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. Where the complex asset qualifies for recognition, components are then separately recorded when their value is significant relative to the total cost of the complex asset. Components whose value exceeds 10% of the complex asset's total cost are separately recorded only where a material difference in depreciation expense would occur.

When a separately identifiable component (or group of components) of significant value is replaced, the existing component(s) is derecognised. The replacement component(s) are capitalised when it is probable that future economic benefits from the significant component will flow to the Entity in conjunction with the other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above. Replacement components that do not meet the asset recognition thresholds for capitalisation are expensed.

Components are valued on the same basis as the asset class to which they relate. The accounting policy for depreciation of complex assets, and estimated useful lives of components, is disclosed in Note C3-4.

### C3-2 Measurement using historical cost

Plant and equipment is measured at historical cost in accordance with the *Non-Current Assets Policies for the Queensland Public Sector*.

### C3-3 Measurement using fair value

Land, buildings and infrastructure assets are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* and Queensland Treasury's *Non-Current Asset Policies for the Queensland Public Sector*. These assets are reported at their revalued amounts, being the fair value at the date of valuation.

## Valuation of property, plant and equipment including key estimates and judgements

The Board has adopted the following policies in respect of the measurement of fair value:

| Class                                   | Method of measurement of fair value       | Frequency of measurement |
|-----------------------------------------|-------------------------------------------|--------------------------|
| Land, Buildings & Infrastructure Assets | Board adopted valuation – income approach | Annual assessment        |

The Entity has an established control framework with respect to the measurement of fair values. This includes a valuation team that oversees all significant fair value measurements and reports directly to the Executive General Manager, Corporate Services. Discussions of valuation processes and results are held between the Executive General Manager Corporate Services and the Audit and Risk Committee at least once a year in line with the Entity's annual reporting dates.

## Land, building and infrastructure assets

The carrying value of land reported in the Entity's Statement of Financial Position excludes Reserve land, which is retained by the Queensland Government. Although the economic benefits associated with the Reserve land accrue to the Entity through its operational use, the land itself is administered on behalf of the Department of Resources (held in their Statement of Financial Position).

An income-based approach to fair value (adopting market participant principles as required by accounting standard AASB13 *Fair Value Measurement*) was undertaken as at 30 June 2026. The income approach converts multiple future cash flow amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

The following key estimates and judgements have been applied in adopting the income-based approach for valuation:

- a demand forecast for physical sale projections and ongoing levels of service requirements that is considered 'most likely' given current trends;
- estimated future cash flows, based on management's estimate, have been projected over 5 years and discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset;
- the Weighted Average Cost of Capital (WACC) discount rate of 6.2% (2025: 6.2%) has been used to discount cash flows and has been developed from a market participant perspective;
- future capital expenditure and related revenues relating to restructuring or improving asset performance have been included in the cash flows;
- revenue and pricing, fixed and variable operational expenditure are in line with the Queensland Government's budget decisions and the Board approved budget and forecasts;
- the projected regulatory asset base value (at range of 1-1.3) has been used to compute the terminal value of the valuation; and
- drought likelihood probability has been factored into valuation inputs by the inclusion of a drought overlay scenario weighting, the drought and fair-weather blended profile is used when it is applicable.

The occurrence of drought materially changes key estimates and inputs. As at reporting date, the combined dam level is around 85% and the drought trigger probability of combined dam level below 50% is 0%. As a result the impact from drought on a blended model is not applicable on the asset valuation. The 2026 asset valuation has been prepared under the fair-weather assumption.

| Valuation profile | Profile assumptions                                                                                                           | Scenario weighting 2026 | Scenario weighting 2025 |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Fair-weather      | Base assumptions for demand, operational and capital expenditure and pricing.                                                 | 100%                    | 100%                    |
| Drought           | Drought overlay assumptions factor in water restrictions, increased operational and capital expenditure, and pricing impacts. | 0%                      | 0%                      |

### Level 3 significant valuation inputs and relationship to fair value

The following summarises the quantitative information on significant unobservable inputs (level 3) used in measuring fair value.

| Unobservable inputs   | Nature and range of inputs                                                                                                                                                                                                                                                                                                                                                                                                | Relationship of unobservable input to fair value                                                                |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Revenue forecast      | The indicative water prices beyond the 2026 financial year are in line with the Queensland Government's budget decisions and the Board approved budget and forecasts.                                                                                                                                                                                                                                                     | A higher allowed rate of return increases the fair value.<br>A higher demand forecast increases the fair value. |
| Operating expenditure | Operating expenditures are based on the corporate plans of management reflecting the expenditure required to operate and maintain the assets.                                                                                                                                                                                                                                                                             | A lower operating expenditure increases the fair value.                                                         |
| Capital expenditure   | Future capital expenditure required to ensure the security and reliability are based on the current Board approved Asset Portfolio Master Plan.                                                                                                                                                                                                                                                                           | A lower future capital expenditure increases the fair value.                                                    |
| Terminal value        | Terminal value is based on the QCA accepted regulated asset base and a range of 1-1.3 terminal value multiple (2025: 1 -1.3).                                                                                                                                                                                                                                                                                             | A higher terminal value and multiple increases the fair value.                                                  |
| WACC discount rate    | A post tax nominal WACC of 6.2% with a range of 5.7% - 6.7% (2025: 6.2% with a range of 5.8% - 6.5%) has been applied in the valuation. The WACC discount rate used is based on professional valuation advice and management's assessment, it is considered the best estimate of a long-term view of the market cost of capital. It includes a non-asset specific risk premium to reflect the current market environment. | The higher the nominal WACC, the lower the fair value.                                                          |

A fair value assessment for the Entity was undertaken as at 30 June 2026 using the income approach methodology which determined the fair value to be \$11.0 billion (2025: \$10.8 billion).

### Inherent uncertainty

The current methodology, and management estimates used as part of the income approach fair value calculation, contain inherent uncertainty derived from:

- pricing regulation post 2028;
- impacts of unforeseen droughts and floods to management estimates;
- impacts of unforeseen future population and consumption projections;
- the level of service obligations of a market participant in relation to expected capital augmentation outlays; and
- the restricted freedom of utilisation of the infrastructure asset base.

The Entity considered:

- the likely expectations from Queensland Government in a hypothetical sale of the assets, particularly avoidance of price shock/volatility for consumers and providing certainty to a purchaser regarding the ability to earn an adequate return on investment;
- domestic and international precedents in regard to the sale of public assets; and
- the application of a regulated pricing framework.

Management have used the most reasonable assumptions and estimates available at this time, as the basis for the fair value modelling.

The income-based valuation calculates the value of the Entity as a whole. From this value other non-current assets (plant and equipment, intangible assets and work-in-progress) are deducted, and the remaining value is apportioned to individual land, building and infrastructure assets on the basis of their current book value or depreciated replacement cost.

## Accounting for changes in fair value

Any revaluation increment arising on the revaluation of an asset is credited to the revaluation surplus of the individual asset, except to the extent it reverses a revaluation decrement for the individual asset previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that individual asset.

For assets revalued using an income-based valuation approach – accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation. This is generally referred to as the 'net method'.

### C3-4 Depreciation

Property, plant and equipment is depreciated on a straight-line basis to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life.

Land is not depreciated as it has an unlimited useful life.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is completed, and the asset is first put to use or installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

### Depreciation rates

The estimated useful lives applied for the current and comparative periods are as follows:

| Class of fixed asset    | Useful life    |
|-------------------------|----------------|
| Buildings               | 5 – 40 years   |
| Infrastructure          |                |
| Dams and Weirs          | 10 – 150 years |
| Water treatment plants  | 5 – 100 years  |
| Pipelines and others    | 5 – 150 years  |
| Plant and equipment     |                |
| Motor vehicle and boats | 3 – 15 years   |
| Other equipment         | 3 – 15 years   |

### C3-5 Capital expenditure commitments

Capital expenditure commitments inclusive of non-recoverable GST input tax credits if any, contracted for at reporting date but not recognised in the accounts are as follows:

|                                       | 2026<br>\$000  | 2025<br>\$000  |
|---------------------------------------|----------------|----------------|
| <b>Property, plant and equipment</b>  |                |                |
| Within one year                       | 230,901        | 164,583        |
| One year and no later than five years | 435,688        | 382,557        |
| More than five years                  | 68,576         | 35,134         |
| <b>Total</b>                          | <b>735,165</b> | <b>582,274</b> |

### C3-6 Impairment

#### Indicators of impairment and determining recoverable amount

All property, plant and equipment assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, the Entity determines the asset's recoverable amount under AASB 136 *Impairment of Assets*.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

#### Accounting for impairment

For assets measured at fair value, the impairment loss is treated as a revaluation decrease and offset against the asset revaluation surplus of the asset to the extent available.

Where no asset revaluation surplus is available in respect of the asset, the loss is expensed in the Statement of Comprehensive Income as a revaluation decrement to the extent the original decrease was expensed through the Statement of Comprehensive Income, the reversal is recognised in income, otherwise the reversal is treated as a revaluation increase for the asset through asset revaluation surplus.

For assets measured at cost, the impairment loss is recognised immediately in the Statement of Comprehensive Income. Where an impairment loss subsequently reverses, impairment losses are reversed through income.

**C3-7 Property, plant and equipment – balances and reconciliation of carrying amount**

| 2026                                                    | Land<br>\$000  | Buildings<br>\$000 | Infrastructure          |                                    |                                 | Plant and<br>equipment<br>\$000 | Work in<br>progress<br>\$000 | Total<br>\$000    |
|---------------------------------------------------------|----------------|--------------------|-------------------------|------------------------------------|---------------------------------|---------------------------------|------------------------------|-------------------|
|                                                         |                |                    | Dams and weirs<br>\$000 | Water treatment<br>plants<br>\$000 | Pipelines and<br>other<br>\$000 |                                 |                              |                   |
| Basis of measurement                                    | Fair value     | Fair value         | Fair value              | Fair value                         | Fair value                      | Cost                            | Cost                         |                   |
| Fair value category                                     | Level 3        | Level 3            | Level 3                 | Level 3                            | Level 3                         | N/A                             | N/A                          |                   |
| Amount                                                  | 956,400        | 14,894             | 3,112,287               | 2,493,716                          | 3,231,702                       | 78,406                          | 1,031,000                    | 10,918,405        |
| Less: accumulated depreciation                          | -              | -                  | -                       | -                                  | -                               | (42,057)                        | -                            | (42,057)          |
| <b>Carrying amount at 30 June 2026</b>                  | <b>956,400</b> | <b>14,894</b>      | <b>3,112,287</b>        | <b>2,493,716</b>                   | <b>3,231,702</b>                | <b>36,349</b>                   | <b>1,031,000</b>             | <b>10,876,348</b> |
| <i>Represented by movements in carrying amount:</i>     |                |                    |                         |                                    |                                 |                                 |                              |                   |
| Balance at 1 July 2025                                  | 934,244        | 15,180             | 3,186,402               | 2,482,492                          | 3,265,518                       | 30,544                          | 717,566                      | 10,631,946        |
| Acquisitions                                            | -              | -                  | -                       | -                                  | -                               | -                               | 534,235                      | 534,235           |
| Transfer between classes                                | 22,156         | 305                | 11,553                  | 133,118                            | 43,155                          | 15,674                          | (220,801)                    | 5,160             |
| Disposal                                                | -              | -                  | (38,068)                | -                                  | -                               | (209)                           | -                            | (38,277)          |
| Depreciation for the year                               | -              | (591)              | (47,600)                | (121,894)                          | (76,971)                        | (9,660)                         | -                            | (256,716)         |
| <b>Carrying amount at 30 June 2026</b>                  | <b>956,400</b> | <b>14,894</b>      | <b>3,112,287</b>        | <b>2,493,716</b>                   | <b>3,231,702</b>                | <b>36,349</b>                   | <b>1,031,000</b>             | <b>10,876,348</b> |
| <b>Carrying amount under cost model at 30 June 2026</b> | <b>553,424</b> | <b>13,387</b>      | <b>1,656,422</b>        | <b>1,779,104</b>                   | <b>3,072,551</b>                | <b>36,349</b>                   | <b>1,031,000</b>             | <b>8,142,237</b>  |

**C3-7 Property, plant and equipment – balances and reconciliation of carrying amount**

| 2025                                                    | Land<br>\$000  | Buildings<br>\$000 | Infrastructure          |                                    |                                 | Plant and<br>equipment<br>\$000 | Work in<br>progress<br>\$000 | Total<br>\$000    |
|---------------------------------------------------------|----------------|--------------------|-------------------------|------------------------------------|---------------------------------|---------------------------------|------------------------------|-------------------|
|                                                         |                |                    | Dams and weirs<br>\$000 | Water treatment<br>plants<br>\$000 | Pipelines and<br>other<br>\$000 |                                 |                              |                   |
| Basis of measurement                                    | Fair value     | Fair value         | Fair value              | Fair value                         | Fair value                      | Cost                            | Cost                         |                   |
| Fair value category                                     | Level 3        | Level 3            | Level 3                 | Level 3                            | Level 3                         | N/A                             | N/A                          |                   |
| Amount                                                  | 934,244        | 15,180             | 3,186,402               | 2,482,492                          | 3,265,518                       | 67,318                          | 717,566                      | 10,668,720        |
| Less: accumulated depreciation                          | -              | -                  | -                       | -                                  | -                               | (36,774)                        | -                            | (36,774)          |
| <b>Carrying amount at 30 June 2025</b>                  | <b>934,244</b> | <b>15,180</b>      | <b>3,186,402</b>        | <b>2,482,492</b>                   | <b>3,265,518</b>                | <b>30,544</b>                   | <b>717,566</b>               | <b>10,631,946</b> |
| <i>Represented by movements in carrying amount:</i>     |                |                    |                         |                                    |                                 |                                 |                              |                   |
| Balance at 1 July 2024                                  | 900,063        | 15,933             | 3,194,523               | 2,573,473                          | 3,234,695                       | 29,589                          | 547,616                      | 10,495,892        |
| Acquisitions                                            | -              | -                  | -                       | -                                  | -                               | -                               | 395,085                      | 395,085           |
| Transfer between classes                                | 34,181         | -                  | 39,655                  | 33,739                             | 107,172                         | 10,388                          | (225,135)                    | -                 |
| Disposal                                                | -              | (154)              | -                       | -                                  | -                               | (327)                           | -                            | (481)             |
| Depreciation for the year                               | -              | (599)              | (47,776)                | (124,720)                          | (76,349)                        | (9,106)                         | -                            | (258,550)         |
| <b>Carrying amount at 30 June 2025</b>                  | <b>934,244</b> | <b>15,180</b>      | <b>3,186,402</b>        | <b>2,482,492</b>                   | <b>3,265,518</b>                | <b>30,544</b>                   | <b>717,566</b>               | <b>10,631,946</b> |
| <b>Carrying amount under cost model at 30 June 2025</b> | <b>531,267</b> | <b>13,549</b>      | <b>1,705,712</b>        | <b>1,747,164</b>                   | <b>3,104,585</b>                | <b>30,544</b>                   | <b>717,566</b>               | <b>7,850,387</b>  |

## C4 Intangible assets

### C4-1 Recognition of intangible assets

Intangible assets that are acquired by the Entity are initially measured at cost.

Items of intangible assets with a cost or other value equal to, or in excess of, the following thresholds are recognised for financial reporting purposes in the year of acquisition:

|                    |           |
|--------------------|-----------|
| Land easement      | \$1       |
| Software purchased | \$100,000 |

Items with a lesser value are expensed in the year of acquisition.

Where there is an active and liquid market, intangible assets are carried at a revalued amount; otherwise they are carried at cost after initial recognition. If revalued, the same rules apply as to those for property, plant and equipment.

It has been determined that there is not an active market for any of the Entity's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses, where applicable.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the profit or loss.

Intangible assets are subject to amortisation and impairment testing.

### C4-2 Amortisation

Amortisation is recognised in the Statement of Comprehensive Income on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives applied for the current and comparative periods are as follows:

| Class of intangible asset | Useful life    |
|---------------------------|----------------|
| Land easement             | 70 – 150 years |
| Software purchased        | 5 years        |

### C4-3 Capital commitments

All intangible capital expenditure commitments are within one year, the commitments as at 30 June are \$3.2 million (2025: \$1.6 million).

### C4-4 Impairment

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Entity determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by the Entity, including discontinuing the use of software and land easements. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use.

#### C4-5 Intangible assets – balances and reconciliation of carrying amount

| 2026                                                | Land easements<br>\$000 | Software purchased<br>\$000 | Software work in<br>progress<br>\$000 | Total<br>\$000 |
|-----------------------------------------------------|-------------------------|-----------------------------|---------------------------------------|----------------|
| Gross                                               | 153,321                 | 11,602                      | 801                                   | 165,724        |
| Less: accumulated amortisation                      | (26,227)                | (10,115)                    | -                                     | (36,342)       |
| <b>Carrying amount at 30 June 2026</b>              | <b>127,094</b>          | <b>1,487</b>                | <b>801</b>                            | <b>129,382</b> |
| <i>Represented by movements in carrying amount:</i> |                         |                             |                                       |                |
| Balance at 1 July 2025                              | 128,773                 | 2,382                       | 5,948                                 | 137,103        |
| Acquisitions                                        | -                       | -                           | 299                                   | 299            |
| Transfer between classes                            | 286                     | -                           | (5,446)                               | (5,160)        |
| Disposal                                            | -                       | -                           | -                                     | -              |
| Amortisation for the year                           | (1,965)                 | (895)                       | -                                     | (2,860)        |
| <b>Carrying amount at 30 June 2026</b>              | <b>127,094</b>          | <b>1,487</b>                | <b>801</b>                            | <b>129,382</b> |

| 2025                                                | Land easements<br>\$000 | Software purchased<br>\$000 | Software work in<br>progress<br>\$000 | Total<br>\$000 |
|-----------------------------------------------------|-------------------------|-----------------------------|---------------------------------------|----------------|
| Gross                                               | 153,035                 | 11,924                      | 5,948                                 | 170,907        |
| Less: accumulated amortisation                      | (24,262)                | (9,542)                     | -                                     | (33,804)       |
| <b>Carrying amount at 30 June 2025</b>              | <b>128,773</b>          | <b>2,382</b>                | <b>5,948</b>                          | <b>137,103</b> |
| <i>Represented by movements in carrying amount:</i> |                         |                             |                                       |                |
| Balance at 1 July 2024                              | 130,736                 | 3,718                       | 579                                   | 135,033        |
| Acquisitions                                        | -                       | -                           | 6,214                                 | 6,214          |
| Transfer between classes                            | -                       | 845                         | (845)                                 | -              |
| Disposal                                            | -                       | (34)                        | -                                     | (34)           |
| Amortisation for the year                           | (1,963)                 | (2,147)                     | -                                     | (4,110)        |
| <b>Carrying amount at 30 June 2025</b>              | <b>128,773</b>          | <b>2,382</b>                | <b>5,948</b>                          | <b>137,103</b> |

## C5 Trade and other payables

|                          | 2026<br>\$000  | 2025<br>\$000  |
|--------------------------|----------------|----------------|
| <b>Current</b>           |                |                |
| Trade and other payables | 91,128         | 104,132        |
| Dividend payable         | 51,043         | 86,653         |
| <b>Total</b>             | <b>142,171</b> | <b>190,785</b> |

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Where a dividend is declared by the Board on or before the end of the financial year but not distributed at the end of the reporting period, a dividend payable is recognised for such an amount.

During the reporting period, the Entity declared dividends of \$51 million (2025: \$87 million) representing 100% of its Net Profit After Tax (NPAT).

## C6 Employee benefits

|                                  | 2026<br>\$000 | 2025<br>\$000 |
|----------------------------------|---------------|---------------|
| <b>Current</b>                   |               |               |
| Salaries and wages accrued       | 4,803         | 3,541         |
| Liability for long service leave | 15,091        | 14,075        |
| Liability for annual leave       | 12,022        | 11,203        |
| <b>Total</b>                     | <b>31,916</b> | <b>28,819</b> |
| <b>Non-current</b>               |               |               |
| Liability for long service leave | 3,880         | 3,055         |
| <b>Total</b>                     | <b>3,880</b>  | <b>3,055</b>  |

### Long service leave movement

|                                            | 2026<br>\$000 | 2025<br>\$000 |
|--------------------------------------------|---------------|---------------|
| Balance at 1 July                          | 17,130        | 16,317        |
| Additional provision made                  | 3,646         | 2,435         |
| Provision utilised through payments        | (2,003)       | (1,622)       |
| Changes in discount rate / passage of time | 198           | -             |
| <b>Balance at 30 June</b>                  | <b>18,971</b> | <b>17,130</b> |

### Wages, salaries, annual leave and sick leave

Liabilities for short-term employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided up to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Entity expects to pay as at the reporting date, including applicable related on-costs.

For those entitlements not expected to be paid within 12 months, the liabilities are recognised at their present value, calculated using yields on fixed rate high quality corporate bonds of similar maturity.

Non-vesting sick leave is recognised as an expense as it is taken.

## Other employee entitlements

Other employee entitlements are payments due to a group of current and former employees that are on individual employment contracts that have been identified to be also covered by the Seqwater Enterprise Agreement and have not received their full entitlement at the reporting date.

## Long service leave

The long service leave provision represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to balance date. The provision is calculated using the "shorthand measurement techniques" whereby 96% (2025:95%) valuation factor is applied to the aggregate accrued long service leave liability. The valuation factor is reviewed periodically by Mercer Consulting (Australia) Pty Ltd, an independent actuarial firm, to ensure that it remains appropriate. The last valuation date was 30 June 2024.

## C7 Interest bearing liabilities

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, and then subsequently held at amortised cost using the effective interest method.

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise. Borrowings are split between current and non-current liabilities using the principles set out in the foreword and preparation information section of this financial report.

On 30 June 2026, QTC issued a letter confirming that the debt owing by the Entity under its long-term debt facility is not repayable within one year from 30 June 2026.

No assets have been pledged as security for any liabilities.

All borrowings are in Australian dollar denominated amounts with interest being expensed as it accrues, except for assets under construction (refer to Note B4). There have been no defaults or breaches of the loan agreement during the financial years. There is no early debt repayment planned.

Loan interest is payable monthly in arrears on the first day of the new month.

Carrying amount of outstanding loans were as follows:

|                                  | 2026<br>\$000    | 2025<br>\$000    |
|----------------------------------|------------------|------------------|
| QTC – Water grid debt            | 723,003          | 1,043,996        |
| QTC – Core debt                  | 7,331,484        | 6,830,643        |
| QTC – Long debt                  | 641,835          | 641,835          |
| <b>Total</b>                     | <b>8,696,322</b> | <b>8,516,474</b> |
| Loans interest payable – current | 31,548           | 32,003           |
| Loans principal - current        | 27,375           | 319,728          |
| Loans principal – non-current    | 8,637,399        | 8,164,743        |
| <b>Total</b>                     | <b>8,696,322</b> | <b>8,516,474</b> |

The Weighted Average Borrowing Rate for QTC borrowings as at 30 June 2026 is 4.93% (2025: 4.77%). Interest payments are made monthly in arrears at rates ranging from 4.21% to 5.11% (2025: 4.21% to 5.05%). Refer to Note D1-2 for sensitivity analysis.

### C7-1 Funding facilities

The State Borrowing Program funding application is submitted annually by the Entity and is approved by the Queensland Government. The funding facility is administered by QTC. As at reporting date, the Entity had fully drawn the approved State Borrowing Program funding of \$500 million (2025: \$209 million).

## C7-2 Credit standby arrangement

|              | 2026<br>\$000  | 2025<br>\$000  |
|--------------|----------------|----------------|
| Drawn        | -              | -              |
| Unused       | 300,000        | 200,000        |
| <b>Total</b> | <b>300,000</b> | <b>200,000</b> |

The credit standby facility remains fully undrawn at 30 June 2026 and is available for use in the next reporting period. The current overdraft interest rate is 4.67% (2025: 4.19%)

## C7-3 Fair value disclosures for financial assets and liabilities measured at amortised cost

The Entity does not recognise any financial assets or financial liabilities at fair value, except for cash and cash equivalents.

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings which is determined for disclosure purposes is notified by QTC and calculated using discounted cash flow analysis and the effective interest rate. The fair value is determined by reference to published price quotations in an active market and reflects the value of the debt if the Entity repaid it in full at balance date. As it is the intention of the Entity to hold its borrowing for their full term, no adjustment provision is made in these accounts.

| 2026                   | Carrying amount<br>\$000 | Fair value<br>\$000 |
|------------------------|--------------------------|---------------------|
| QTC borrowings – loans | 8,696,322                | 8,508,838           |
| <b>Total</b>           | <b>8,696,322</b>         | <b>8,508,838</b>    |

| 2025                   | Carrying amount<br>\$000 | Fair value<br>\$000 |
|------------------------|--------------------------|---------------------|
| QTC borrowings – loans | 8,516,474                | 8,532,919           |
| <b>Total</b>           | <b>8,516,474</b>         | <b>8,532,919</b>    |

## C8 Deferred tax assets and liabilities

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred income tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A Deferred Tax Asset (DTA) is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. DTAs are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

## C8-1 Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

| 2026                                           | Assets<br>\$000 | Liabilities<br>\$000 | Net<br>\$000     |
|------------------------------------------------|-----------------|----------------------|------------------|
| Property, plant and equipment                  | -               | (1,068,623)          | (1,068,623)      |
| Lease liability                                | 235             | -                    | 235              |
| Provision for employee benefits                | 9,634           | -                    | 9,634            |
| Tax losses                                     | 735,119         | -                    | 735,119          |
| Government grant                               | 67,570          | -                    | 67,570           |
| Inventory                                      | -               | (895)                | (895)            |
| Accrued expenses                               | 183             | -                    | 183              |
| <b>Total deferred tax assets/(liabilities)</b> | <b>812,741</b>  | <b>(1,069,518)</b>   | <b>(256,777)</b> |

| 2025                                           | Assets<br>\$000 | Liabilities<br>\$000 | Net<br>\$000     |
|------------------------------------------------|-----------------|----------------------|------------------|
| Property, plant and equipment                  | -               | (1,088,638)          | (1,088,638)      |
| Lease liability                                | 190             | -                    | 190              |
| Provision for employee benefits                | 9,200           | -                    | 9,200            |
| Tax losses                                     | 776,145         | -                    | 776,145          |
| Government grant                               | 70,985          | -                    | 70,985           |
| Inventory                                      | -               | (1,114)              | (1,114)          |
| Accrued expenses                               | 157             | -                    | 157              |
| <b>Total deferred tax assets/(liabilities)</b> | <b>856,677</b>  | <b>(1,089,752)</b>   | <b>(233,075)</b> |

## C8-2 Movement in temporary difference during the year

|                               | 2025<br>\$000    | Recognised in<br>profit or loss<br>\$000 | Acquired in<br>equity<br>\$000 | 2026<br>\$000    |
|-------------------------------|------------------|------------------------------------------|--------------------------------|------------------|
| Property, plant and equipment | (1,088,638)      | 20,015                                   | -                              | (1,068,623)      |
| Lease liability               | 190              | 45                                       | -                              | 235              |
| Provision                     | 9,200            | 434                                      | -                              | 9,634            |
| Tax losses                    | 776,145          | (41,026)                                 | -                              | 735,119          |
| Government grant              | 70,985           | (3,415)                                  | -                              | 67,570           |
| Inventory                     | (1,114)          | 219                                      | -                              | (895)            |
| Accrued expenses              | 157              | 26                                       | -                              | 183              |
| <b>Total</b>                  | <b>(233,075)</b> | <b>(23,702)</b>                          | <b>-</b>                       | <b>(256,777)</b> |

|                               | 2024<br>\$000    | Recognised in<br>profit or loss<br>\$000 | Acquired in<br>equity<br>\$000 | 2025<br>\$000    |
|-------------------------------|------------------|------------------------------------------|--------------------------------|------------------|
| Property, plant and equipment | (1,111,743)      | 23,090                                   | 15                             | (1,088,638)      |
| Lease liability               | 240              | (50)                                     | -                              | 190              |
| Provision                     | 8,914            | 286                                      | -                              | 9,200            |
| Tax losses                    | 839,880          | (63,735)                                 | -                              | 776,145          |
| Government grant              | 74,400           | (3,415)                                  | -                              | 70,985           |
| Inventory                     | (837)            | (277)                                    | -                              | (1,114)          |
| Accrued expenses              | 143              | 14                                       | -                              | 157              |
| <b>Total</b>                  | <b>(189,003)</b> | <b>(44,087)</b>                          | <b>15</b>                      | <b>(233,075)</b> |

### C8-3 Tax losses

A DTA is recognised for unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be utilised. DTAs are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

During the year ended 30 June 2026, \$135 million of tax losses were utilised (2025: \$198 million) with tax losses carried forward at 30 June 2026 amounting to \$2,450 million (2025: \$2,587 million). A DTA of \$735 million has been recognised in relation to these carry forward tax losses as it is considered probable that future taxable profits will be generated against which the tax losses could be utilised.

## C9 Other liabilities

|                                     | Notes | 2026<br>\$000  | 2025<br>\$000  |
|-------------------------------------|-------|----------------|----------------|
| <b>Current</b>                      |       |                |                |
| Unearned revenue – government grant | B1-2  | 11,382         | 11,382         |
| Other                               |       | 268            | 354            |
| <b>Total</b>                        |       | <b>11,650</b>  | <b>11,736</b>  |
| <b>Non-current</b>                  |       |                |                |
| Unearned revenue – government grant | B1-2  | 213,853        | 225,235        |
| <b>Total</b>                        |       | <b>213,853</b> | <b>225,235</b> |

## C10 Right of use assets and lease liabilities

### C10-1 Leases as Lessee

#### Right-of-use assets

|                                   | 2026<br>\$000 | 2025<br>\$000 |
|-----------------------------------|---------------|---------------|
| <b>Building lease</b>             |               |               |
| Opening balance at 1 July         | 3,536         | 4,432         |
| Additions                         | -             | -             |
| Depreciation charge               | (897)         | (896)         |
| <b>Closing balance at 30 June</b> | <b>2,639</b>  | <b>3,536</b>  |

#### Lease liabilities

|                    | 2026<br>\$000 | 2025<br>\$000 |
|--------------------|---------------|---------------|
| <b>Current</b>     |               |               |
| Lease liabilities  | 1,052         | 953           |
| <b>Non-current</b> |               |               |
| Lease liabilities  | 2,370         | 3,217         |
| <b>Total</b>       | <b>3,422</b>  | <b>4,170</b>  |

The Entity measures right-of-use assets at cost subsequent to initial recognition. The Entity has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

Where a contract has both lease and non-lease components such as cleaning services, the Entity allocates the contractual payments to each component on the basis of their stand-alone prices. However, for leases of plant and equipment, the Entity has elected not to separate lease and non-lease components and instead accounts for them as a single lease component.

When measuring the lease liability, the Entity uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined. To determine the incremental borrowing rate, the Entity uses loan rates provided by QTC that correspond to the commencement date and the term of the lease.

### Details of leasing arrangements as lessee

|                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Office accommodation with non-related party    | The Entity has 2 leases. A 10-year commercial lease was signed on June 2019, and another 5.5 year signed on January 2024 for office accommodation in Brisbane City.<br>Lease payments for these leases are initially fixed and are subject to market rent review at the fifth year and fixed rent increments in other years, nil option to extend.<br>Refer to Note C10-1 for further details.                                          |
| Office accommodation lease with QLD Government | In March 2014, The Entity entered a 15-year office accommodation arrangement with the Department of Housing and Public Works for the Ipswich office. As this arrangement is under the Government-wide frameworks and categorised as procurement of services rather than as leases because the Department of Housing and Public Works has substantive substitution rights over the assets. The related expenses are included in Note B3. |
| Leasehold land                                 | The Entity leases land from the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development. The total annual leasehold land payments are less than \$25,000.<br>Due to the immaterial payment amount, the Entity is treating these leases under the low value exemption of AASB 16. The related payments are recognised as supplies and consumables in Note B3 when incurred.                          |

|                                                               | 2026<br>\$000 | 2025<br>\$000 |
|---------------------------------------------------------------|---------------|---------------|
| <b>(i) Amount recognised in profit or loss</b>                |               |               |
| Interest expense on lease liabilities                         | 220           | 265           |
| Expenses relating to office accommodation with QLD Government | 2,981         | 2,873         |
| Expenses relating to leasehold lands                          | 23            | 23            |
| <b>(ii) Cash outflow for leases</b>                           | 969           | 1,327         |

### C10-2 Leases as Lessor

#### Details of leasing arrangements as lessor

The Entity receives revenue from various parties for the exclusive right-to-use of the assets.

|                           |                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Grazing leases            | Amounts received for the exclusive use of land areas for cattle grazing. These leases are registered on title and can be re-assigned to new landowners. In this instance, the underlying asset is catchment land which has an enduring life and is an integral component of water allocation, hence, the land cannot be sold without restrictions that ensure the quality of catchment water. |
| Property / Facility Lease | The Entity leases residential properties and commercial facilities in various catchment areas to third parties. Due to the nature of these assets and significance to the Entity's core business, none of these assets will be sold to the lessees.                                                                                                                                           |

Lease income from operating lease is reported as other revenue in Note B1-3. The Entity does not have any financial leases.

The following table sets out a maturity analysis of future undiscounted lease payments receivable under the Entity's operating leases.

|                            | 2026<br>\$000 | 2025<br>\$000 |
|----------------------------|---------------|---------------|
| Less than one year         | 1,216         | 1,171         |
| Between one and five years | 2,787         | 2,784         |
| More than five years       | 6,703         | 7,452         |
| <b>Total</b>               | <b>10,706</b> | <b>11,407</b> |

## C11 Asset revaluation surplus by asset class

| 2026                           | Land<br>\$000  | Building<br>\$000 | Infrastructure<br>\$000 | Total<br>\$000   |
|--------------------------------|----------------|-------------------|-------------------------|------------------|
| Balance at 1 July 2025         | 288,155        | 3,786             | 2,259,834               | 2,551,775        |
| Asset revaluation on disposal  | -              | -                 | -                       | -                |
| Deferred tax liabilities       | -              | -                 | -                       | -                |
| <b>Balance at 30 June 2026</b> | <b>288,155</b> | <b>3,786</b>      | <b>2,259,834</b>        | <b>2,551,775</b> |

| 2025                           | Land<br>\$000  | Building<br>\$000 | Infrastructure<br>\$000 | Total<br>\$000   |
|--------------------------------|----------------|-------------------|-------------------------|------------------|
| Balance at 1 July 2024         | 288,155        | 3,822             | 2,259,834               | 2,551,811        |
| Asset revaluation on disposal  | -              | (52)              | -                       | (52)             |
| Deferred tax liabilities       | -              | 16                | -                       | 16               |
| <b>Balance at 30 June 2025</b> | <b>288,155</b> | <b>3,786</b>      | <b>2,259,834</b>        | <b>2,551,775</b> |

The asset revaluation surplus represents the net effect of upwards and downwards revaluation of assets to fair value.

## C12 Inventories

Stores and chemicals are valued at the lower of cost and net realizable values. Cost have been assigned to individual items on the basis of weighted average cost.

|              | 2026<br>\$000 | 2025<br>\$000 |
|--------------|---------------|---------------|
| Stores       | 15,005        | 13,208        |
| Chemicals    | 2,984         | 2,510         |
| <b>Total</b> | <b>17,989</b> | <b>15,718</b> |

# Section 4 – Notes about risk and other accounting uncertainties

## D1 Financial risk disclosure

### D1-1 Financial instrument categories

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Entity becomes party to the contractual provision of the financial instrument. The Entity has the following categories of financial assets and financial liabilities:

|                                              | Notes | 2026<br>\$000    | 2025<br>\$000    |
|----------------------------------------------|-------|------------------|------------------|
| <b>Financial assets</b>                      |       |                  |                  |
| Cash and cash equivalents                    | C1    | 101,027          | 245,945          |
| Trade and other receivables                  | C2    | 177,495          | 170,950          |
| <b>Total</b>                                 |       | <b>278,522</b>   | <b>416,895</b>   |
| <b>Financial liabilities</b>                 |       |                  |                  |
| Trade and other payables                     | C5    | 142,171          | 190,785          |
| Interest bearing liabilities – QTC borrowing | C7    | 8,696,322        | 8,516,474        |
| Lease Liabilities                            | C10-1 | 3,422            | 4,170            |
| <b>Total</b>                                 |       | <b>8,841,915</b> | <b>8,711,429</b> |

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

### D1-2 Financial risk management

The Entity's activities expose it to a variety of financial risks including credit risk, liquidity risk, and interest rate risk. Exposure to financial risks is managed in accordance with the Entity's approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Entity. The Entity measures risk exposure using a variety of methods as follows:

| Risk exposure               | Measurement Method   |
|-----------------------------|----------------------|
| Credit risk                 | Ageing analysis      |
| Liquidity risk              | Maturity analysis    |
| Market risk – interest rate | Sensitivity analysis |

### Credit risk exposure

Credit risk exposure refers to the situation where the Entity may incur a financial loss as a result of another party to a financial asset failing to discharge their obligations.

The Entity is exposed to credit risk through its customers, investments with QTC and deposits held with banks. The Entity has a concentration of credit risk from receivables due from its customers. The QTC cash fund is an asset management portfolio that invests with a wide variety of high credit rating counterparts. Deposits are capital guaranteed. Other investments are held with highly rated and regulated financial institutions and whilst not capital guaranteed the likelihood of a credit failure is considered remote.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross amount of those assets inclusive of any provisions for impairment. The carrying amount of receivables represents the maximum exposure to credit risk (refer to Note C2).

No collateral is held as security and no credit enhancements relate to financial assets held by the Entity.

The following table represents the Entity's maximum exposure to credit risk based on contractual amounts net of any allowances:

|                              | Notes | 2026<br>\$000 | 2025<br>\$000 |
|------------------------------|-------|---------------|---------------|
| <b>Financial liabilities</b> |       |               |               |
| Guarantee                    | D2    | 1,727         | 1,536         |
| <b>Total</b>                 |       | <b>1,727</b>  | <b>1,536</b>  |

## Liquidity risk

Liquidity risk refers to the situation where the Entity may encounter difficulty in meeting obligations associated with financial liabilities. The Entity is exposed to liquidity risk through its trading in the normal course of business and borrowings from the QTC for asset acquisitions and capital works. The Entity manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long-term, to cater for unexpected volatility in cash flows.

92% (2025: 88%) of QTC borrowings are interest only with no fixed repayment date for the principal component. For the purposes of producing the maturity analysis, only the principal amount has been allocated to the over five-year time band.

The following tables set out the liquidity risk of financial liabilities held by the Entity. It represents the contractual maturity of financial liabilities, calculated based on cash flows relating to the repayment of the principal amount outstanding at balance date.

| 2026                         | Payable in       |                    |                   | Total<br>\$000    |
|------------------------------|------------------|--------------------|-------------------|-------------------|
|                              | <1 year<br>\$000 | 1-5 years<br>\$000 | >5 years<br>\$000 |                   |
| <b>Financial liabilities</b> |                  |                    |                   |                   |
| QTC borrowings - loans       | 752,934          | 1,958,564          | 7,944,702         | 10,656,200        |
| Lease liabilities            | 1,052            | 2,370              | -                 | 3,422             |
| Trade and other payables     | 142,171          | -                  | -                 | 142,171           |
| <b>Total</b>                 | <b>896,157</b>   | <b>1,960,934</b>   | <b>7,944,702</b>  | <b>10,801,793</b> |

| 2025                         | Payable in       |                    |                   | Total<br>\$000    |
|------------------------------|------------------|--------------------|-------------------|-------------------|
|                              | <1 year<br>\$000 | 1-5 years<br>\$000 | >5 years<br>\$000 |                   |
| <b>Financial liabilities</b> |                  |                    |                   |                   |
| QTC borrowings - loans       | 716,532          | 2,169,335          | 7,444,702         | 10,330,569        |
| Lease liabilities            | 953              | 3,217              | -                 | 4,170             |
| Trade and other payables     | 190,785          | -                  | -                 | 190,785           |
| <b>Total</b>                 | <b>908,270</b>   | <b>2,172,552</b>   | <b>7,444,702</b>  | <b>10,525,524</b> |

## Market risk – interest rate

The Entity is exposed to interest rate risk through its borrowings from QTC and cash deposited in interest bearing accounts. The risk in borrowing is effectively managed through QTC's capacity to issue securities with variable terms allowing an appropriate duration for debt. The Entity manages its loan portfolio by setting, monitoring and adjusting the terms and duration as allowed under its commercial financing contract with QTC.

The Entity does not trade in foreign currency and is not materially exposed to commodity price ranges.

## Interest rate sensitivity analysis

The following sensitivity analysis depicts the outcome to the Statement of Comprehensive Income if interest rates change by +/- 1% from the year-end rates applicable to the Entity's financial assets and liabilities. The calculations assume that the rate would be held constant over the next financial year, with the change occurring at the beginning of that year. This is mainly attributable to the Entity's exposure to variable interest rates on its borrowings from QTC.

| 2026                                       | Net carrying amounts<br>\$000 | -1%             |                 | +1%             |                 |
|--------------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                            |                               | Profit<br>\$000 | Equity<br>\$000 | Profit<br>\$000 | Equity<br>\$000 |
| Cash and cash equivalents                  | 101,027                       | (1,010)         | (1,010)         | 1,010           | 1,010           |
| QTC borrowings – loans                     | 8,696,322                     | 4,101           | 4,101           | (3,615)         | (3,615)         |
| <b>Overall effect on profit and equity</b> |                               | <b>3,091</b>    | <b>3,091</b>    | <b>(2,605)</b>  | <b>(2,605)</b>  |

| 2025                                       | Net carrying amounts<br>\$000 | -1%             |                 | +1%             |                 |
|--------------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                            |                               | Profit<br>\$000 | Equity<br>\$000 | Profit<br>\$000 | Equity<br>\$000 |
| Cash and cash equivalents                  | 245,945                       | (2,459)         | (2,459)         | 2,459           | 2,459           |
| QTC borrowings – loans                     | 8,516,474                     | 3,540           | 3,540           | (2,865)         | (2,865)         |
| <b>Overall effect on profit and equity</b> |                               | <b>1,081</b>    | <b>1,081</b>    | <b>(406)</b>    | <b>(406)</b>    |

### D1-3 Capital management

The Entity manages its capital to ensure it can continue as a going concern while funding its capital program and meeting its obligations to the Queensland Government. For the purpose of capital management, the Entity defines capital as its interest-bearing liabilities (Note C7) and total equity.

The Entity's sources of capital are borrowings from QTC and equity contributions from, and returns to, the Queensland Government. The Board relies on the Queensland Government's commitment to ensuring the Entity's solvency and ongoing viability, affirmed in a letter issued to the Entity in June 2026 by the Hon. David Janetzki MP, Treasurer, Minister for Energy and Minister for Home Ownership, and the Hon. Ann Leahy MP, Minister for Local Government and Water and Minister for Fire, Disaster Recovery and Volunteers. The Entity's borrowing from QTC have the benefit of a State guarantee under section 21 of the SBFA Act.

The Entity is not subject to any externally imposed capital requirements other than those arising under its funding arrangements with QTC and the financial targets agreed with its shareholding Ministers through its Strategic and Operational Plans.

The Entity must provide the responsible Ministers with an estimate of its net profit for the year and a recommendation on the amount of annual return to be paid between 1 and 15 May before the end of the financial year. Before the end of the financial year, the responsible Ministers must either approve the recommendation or direct the Entity to pay another amount (not exceeding the estimated net profit previously advised), in accordance with sections 53 and 54 of the *South East Queensland Water (Restructuring) Act 2007*. The annual return must be paid within 6 months after the end of the financial year.

Consistent with its dividend recommendation, the Entity's annual return represents 100% of net profit after tax. The annual return payable in 2026 is \$51 million (2025: \$87 million). The Entity's gearing ratio remained stable at 78%, as new borrowing of \$500 million drawn during the year to fund the capital program were broadly matched by growth in the asset base.

|                                                    | Notes | 2026<br>\$000 | 2025<br>\$000 |
|----------------------------------------------------|-------|---------------|---------------|
| Total borrowings                                   | C7    | 8,696,322     | 8,516,474     |
| Total assets (excluding cash and cash equivalents) |       | 11,215,983    | 10,971,324    |
| <b>Gearing ratio</b>                               |       | <b>78%</b>    | <b>78%</b>    |

## D2 Contingencies

### Insurance claims

The Entity has the following insurance claims in progress as at 30 June 2026:

- in relation to reimbursement of expenses and costs pertaining to a statutory liability matter;
- in relation to repair of assets following storm damage; and
- in relation to 10 motor vehicle claims following various incidents on road, and due to weather damage.

### Financial guarantees and associated credit risk

|                                                                                                                                          | 2026<br>\$000 | 2025<br>\$000 |
|------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| A guarantee provided to Sandhurst Trustees Ltd, in relation to the lease premises at 200 Creek Street, Brisbane                          | 997           | 806           |
| A guarantee provided to Department of Transport and Main Road, in relation to the Canungra sewer main replacement project                | 720           | 720           |
| A guarantee provided to Australian Energy Market Operator limited as a market participant to comply with certain prudential requirements | 10            | 10            |
| <b>Total</b>                                                                                                                             | <b>1,727</b>  | <b>1,536</b>  |

No defaults have occurred and the Entity does not expect that the guarantee will be called upon. The guarantees are not recognised on the Statement of Financial Position as the probability of default is considered remote.

As financial guarantee contracts are measured in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*, the Entity has disclosed the details of the guarantee in this note, in addition to Note D1-2 for full transparency purposes.

### Litigation in progress

As at 30 June 2026, the following cases were filed in the courts:

- a claim was filed by the Entity in respect of the damages for a breach of indemnity in a contract by an insurer, and
- a claim was filed against the Entity for personal injury allegedly incurred by a person accessing a recreational area at Tukuwompa Park at Lake Samsonvale.

As at 30 June 2026, the Entity is joined as a respondent party to six native title claims in areas with Entity assets.

The Entity is responding to these matters having regard to legal advice, and liability has not been admitted. It is not possible to make a reliable estimate of the final amounts payable or recoverable, if any, and disclosure of any further information would be prejudicial to the interests of the Entity. Accordingly, no provision or asset has been recognised.

## D3 First year application of new accounting standards or change in accounting policy

### Accounting standards applied for the first time

No new accounting standards or interpretations that apply to the Entity for the first time in 2025-26.

### Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2025-26.

## **D4 Future impact of accounting standards not yet effective**

All Australian accounting standards and interpretations with future effective dates are either not applicable to the Entity's activities or have no material impact on the Entity.

## **E1 Key management personnel (KMP) disclosures**

### **E1-1 Details of Ministerial KMP and remuneration policies**

The Entity's responsible Ministers are identified as part of the Entity's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. These Ministers are the Hon. David Janetzki MP, Treasurer, Minister for Energy and Minister for Home Ownership, and the Hon. Ann Leahy MP, Minister for Local Government and Water and Minister for Fire, Disaster Recovery and Volunteers.

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The Entity does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

### **E1-2 Details of non-Ministerial KMP and remuneration policies**

The following details for non-ministerial KMP reflect those positions that had authority and responsibility for planning, directing and controlling the activities of the Entity during 2025-26. Further information on these positions can be found in the body of the Annual Report under the section relating to Governance.

## Board Members remuneration

Board members' fees include fees paid for membership of the Audit and Risk Committee, the Investment and Procurement Committee and the People and Culture Committee. The Board members who were paid, or were due to be paid directly or indirectly from the Entity were:

|                    | 2026                  |                                      | 2025                  |                                      |
|--------------------|-----------------------|--------------------------------------|-----------------------|--------------------------------------|
|                    | Salary and fees<br>\$ | Superannuation<br>contribution<br>\$ | Salary and fees<br>\$ | Superannuation<br>contribution<br>\$ |
| John McEvoy        | 105,000               | 13,388                               | 62,500                | 7,969                                |
| Catherine Mickel   | 59,000                | 7,523                                | 59,000                | 7,523                                |
| Amanda Cooper      | 52,083                | 6,641                                | -                     | -                                    |
| Antonia Mercorella | 45,417                | 5,791                                | -                     | -                                    |
| Amanda Kenafake    | 52,083                | 6,641                                | -                     | -                                    |
| Pauline Thomson    | 52,083                | 6,641                                | -                     | -                                    |
| Mark Girard        | 34,417                | 4,388                                | -                     | -                                    |
| Gail Ker           | 10,078                | -                                    | 60,475                | -                                    |
| Penny Tovey        | 10,417                | 1,328                                | 62,500                | 7,969                                |
| Neville Ide        | 18,917                | 2,412                                | 89,316                | 11,388                               |
| Anthony Lynham     | -                     | -                                    | 53,089                | 6,769                                |
| <b>Total</b>       | <b>439,495</b>        | <b>54,753</b>                        | <b>386,880</b>        | <b>41,618</b>                        |

J McEvoy was appointed as Member of the Board on 1 October 2020 and was reappointed on 1 October 2023 and appointed as the chairperson of the Board on 28 August 2025.

C Mickel appointed as Member of the Board on 1 October 2020 and was reappointed on 1 October 2023.

A Cooper appointed as Member of the Board on 28 August 2025.

A Mercorella appointed as Member of the Board on 28 August 2025.

A Kenafake appointed as Member of the Board on 28 August 2025.

P Thomson appointed as Member of the Board on 28 August 2025.

M Girard appointed as Member of the Board on 28 August 2025, his appointment ended on 31 March 2026.

G Ker was appointed as Member of the Board on 1 October 2020. Her appointment ended on 28 August 2025.

P Tovey was appointed as Member of the Board on 1 October 2018. Her appointment ended on 28 August 2025.

N Ide was appointed as Member of the Board on 1 October 2023 and subsequently appointed as the Chairperson of the Board on 19 December 2024. His appointment ended on 28 August 2025.

Hon Dr A Lynham was appointed as Chairperson of the Board on 1 June 2024. His appointment ended on 19 December 2024.

## Key executive management personnel

| Position                                                               | Responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chief Executive Officer (CEO)                                          | Ensure the efficient, effective and economic administration of the Entity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Executive General Manager Operations                                   | Lead asset management and technical services including asset information, engineering and water quality.<br>Operation and maintenance of catchment and bulk water supply services to meet customer service requirements and regulatory obligations.<br>Report on, and optimise, asset and operations performance.                                                                                                                                                                                                                                                                                                                                                                                      |
| Executive General Manager Infrastructure Planning and Capital Delivery | Undertake the delivery of projects including the design and construction of upgrades and renewals on the Entity's infrastructure.<br>Set and implement the strategy and framework for planning and delivery of the Entity's high value capital projects across the bulk water supply network.<br>Through dynamic multidisciplinary teams' plan and deliver large-scale capital projects.                                                                                                                                                                                                                                                                                                               |
| Executive General Manager Corporate Services                           | Provide bulk water supply service support functions including financial, commercial services, risk and compliance. Align corporate services to business requirements. Manage and report on corporate performance. Manage corporate assets including property, fleet and facilities.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Executive General Manager People, Culture and Safety                   | Establish strategies and systems for human resource, health, safety, quality and environment. Provide human resource, health and safety leadership including recruitment, training, investigations, standards, and assurance. Lead culture development, organisational change management and employee engagement.                                                                                                                                                                                                                                                                                                                                                                                      |
| Executive General Manager Digital Technology and Information           | Develop and implement the Entity's strategic technology framework to maximise the value of technology related business investments that assist the Entity to achieve corporate and operational goals. Implement energy management systems and technologies. Support the development of new technologies that deliver efficiency and connectivity.                                                                                                                                                                                                                                                                                                                                                      |
| Executive General Manager Customer, Strategy and Governance            | Work directly with customers to manage service delivery, service regulation and water supply planning. Undertake research, regional and local area planning with a focus on water security. Manage pricing and regulatory frameworks.<br>Develop and manage strategic direction, corporate planning, stakeholder engagement, community engagement, communications and education. Coordinate strategic relationships.<br>Provide legal support services and carry out corporate administration of the Entity with a focus on compliance to statutory and regulatory requirements. Align and report on requirements of the Board including internal audit, governance and control, fraud and corruption. |

## Fixed remuneration packages - Executives

|                                                                        | 2026<br>\$000 | 2025<br>\$000 |
|------------------------------------------------------------------------|---------------|---------------|
| Chief Executive Officer                                                | 713           | 660           |
| Executive General Manager Operations                                   | 450           | 410           |
| Executive General Manager Infrastructure Planning and Capital Delivery | 500           | 480           |
| Executive General Manager Corporate Services                           | 428           | 411           |
| Executive General Manager People, Culture and Safety*                  | 390           | 418           |
| Executive General Manager Digital Technology and Information           | 399           | 390           |
| Executive General Manager Customer, Strategy and Governance            | 380           | 356           |
| <b>Total</b>                                                           | <b>3,260</b>  | <b>3,125</b>  |

\* The 2025-26 fixed remuneration package for the Executive General Manager People, Culture and Safety reflects an acting arrangement during the reporting period.

## Key executive management remuneration policies

Remuneration policy for the Entity's key executive management is managed by the Board in accordance with the Queensland Government Policy for Chief and Senior Executive Employment Arrangements. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts.

Remuneration expenses for key executive management personnel comprise the following components:

- short-term employee expenses which include:
  - salary, allowances and leave entitlements earned and expensed for the entire year, or for the part of the year during which the employee was a key management person;
  - performance payments recognised as an expense during the year; and
  - non-monetary benefits - consisting of benefit provided together with fringe benefits tax applicable to the benefit.
- long-term employee expenses include amounts expensed in respect of long service leave entitlements earned;
- post employee expenses include amounts expensed in respect of employer superannuation obligations;
- termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

| Position         | 1 July 2025 – 30 June 2026   |                        |                              |                          |                      |                |
|------------------|------------------------------|------------------------|------------------------------|--------------------------|----------------------|----------------|
|                  | Short-term employee expenses |                        | Long-term employee expenses* | Post employment expenses | Termination benefits | Total expenses |
|                  | Monetary expenses            | Non- monetary benefits |                              |                          |                      |                |
|                  | \$                           | \$                     | \$                           | \$                       | \$                   | \$             |
| E Thomas - CEO   | 651,974                      | -                      | 17,583                       | 30,000                   | -                    | 699,557        |
| S Dixon - EGM    | 502,151                      | 8,491                  | 12,170                       | 30,000                   | -                    | 552,812        |
| W Harpham – EGM  | 346,274                      | 8,491                  | 11,175                       | 30,000                   | -                    | 395,940        |
| M Hutchens - EGM | 400,177                      | 8,491                  | 11,004                       | 30,000                   | -                    | 449,672        |
| D Rooney - EGM   | 370,349                      | 2,610                  | 9,216                        | 30,000                   | -                    | 412,175        |
| M Williams – EGM | 117,375                      | 8,491                  | (54,813)                     | 8,077                    | 209,754              | 288,884        |
| F Zulli - EGM    | 424,793                      | 8,491                  | 19,343                       | 30,000                   | -                    | 482,627        |
| A Jukes – A/EGM  | 341,463                      | -                      | 7,250                        | 42,409                   | -                    | 391,122        |
| Total            | 3,154,556                    | 45,065                 | 32,928                       | 230,486                  | 209,754              | 3,672,789      |

\*Long-term employee benefits are accrued annually. When an employee leaves or takes long service leave the resulting entry is a reversal.

E Thomas was appointed as CEO on 2 January 2025.

S Dixon was appointed as EGM on 20 May 2024.

W Harpham was appointed as EGM on 27 September 2019.

M Hutchens was appointed as EGM on 11 April 2022.

M Williams was appointed as EGM on 4 November 2019, left on 26 September 2025.

F Zulli was appointed as EGM on 25 March 2024.

D Rooney was appointed as EGM on 20 January 2025.

A Jukes was acting as EGM from 30 June 2025.

|                  | 1 July 2024 – 30 June 2025   |                        |                             |                          |                      |                |
|------------------|------------------------------|------------------------|-----------------------------|--------------------------|----------------------|----------------|
|                  | Short-term employee expenses |                        | Long-term employee expenses | Post employment expenses | Termination benefits | Total expenses |
|                  | Monetary expenses            | Non- monetary benefits |                             |                          |                      |                |
|                  | \$                           | \$                     | \$                          | \$                       | \$                   | \$             |
| Position         |                              |                        |                             |                          |                      |                |
| E Thomas - CEO   | 308,726                      | -                      | 7,209                       | 15,000                   | -                    | 330,935        |
| S Dixon - EGM    | 460,599                      | 714                    | 11,277                      | 30,000                   | -                    | 502,590        |
| W Harpham – EGM  | 412,945                      | 8,491                  | 6,069                       | 30,000                   | -                    | 457,505        |
| M Hutchens - EGM | 385,621                      | 8,491                  | 11,603                      | 30,000                   | -                    | 435,715        |
| D Rooney - EGM   | 163,991                      | -                      | 3,808                       | 12,692                   | -                    | 180,491        |
| M Williams – EGM | 396,316                      | 8,491                  | 14,185                      | 30,000                   | -                    | 448,992        |
| F Zulli - EGM    | 387,275                      | 8,491                  | 15,120                      | 30,000                   | -                    | 440,886        |
| Total            | 2,515,473                    | 34,678                 | 69,271                      | 177,692                  | -                    | 2,797,114      |

## E2 Related party transactions

### Transactions and outstanding balance with State of Queensland controlled entities

The Entity is controlled by the Queensland Government and as a result there are a significant number of interactions with other entities controlled by the same parent. The Entity procures services from a number of Queensland Government departments on normal commercial terms.

During the year, Seqwater obtained professional services from a project management company controlled by a related party of a Minister. This was under a contract entered into prior to the Minister being appointed. The company was reappointed for additional services this financial year through a competitive process. An amount of \$4.68 million was paid or payable in this financial year (2025: \$1.86 million, with \$1.37 million relating to the period the Minister was in office). The transactions were made on normal commercial terms and conditions and at market rates.

The following entities have the same controlling entity as the Entity and therefore are considered to be related parties. Transactions with these entities during the year are:

- QTC, the central financing authority for the Queensland Government, provided loan debt funding to the Entity under normal commercial terms and conditions, refer to Note C7;
- Department of Treasury – dividend and equity payments, refer to Statement of Cashflow and Note C5;
- Department of Local Government, Water and Volunteers - provided CSO payments to the Entity for the provision of rural irrigation water, refer to Note B1-2;
- QCA - investigation and recommendation on the price practices as per the Minister's Referral Notice, total amount paid for the bulk water price review in 2025-26 is \$8,588 (2025: \$67,100) and \$22,061 commitment at reporting date;
- Department of Housing and Public Works – Lease of premise, total amount paid \$3,871,426 (2025: \$3,736,038), and commitment at reporting date is \$3,958,652; and
- CS Energy – electricity energy supplier for the Entity, refer to Note B3.

## E3 Climate risk disclosure

### Whole-of-Government climate-related reporting

The State of Queensland, as the ultimate parent of the Entity, provides information and resources on climate related strategies and actions accessible at <http://www.treasury.qld.gov.au/policies-and-programs/climate/>

The Queensland Sustainability Report (QSR) outlines the Queensland Government's approach to managing key Environmental, Social and Governance (ESG) risks and opportunities, including governance structures, major commitments and policies, and how these risks and opportunities are measured, monitored and managed across government. The QSR is supported by comprehensive datasets and data dictionaries.

The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>

### Accounting estimates and judgements – climate-related risks

The Entity considers specific financial impacts relating to climate-related risks when assessing material accounting judgements and estimates in preparing the financial report. Key estimates and judgements identified includes the potential for changes in operations and cashflow, changes in the fair value of assets, and financing.

The Entity acknowledges that the climate is changing and that historic climate conditions are unlikely to reflect those that will be experienced in the future. In recognition of this, the Entity considers the most up to date and relevant climate change projections in relation to its operations and operating environment.

The financial statements have been prepared acknowledging the Entity's Climate Adaptation Strategy and the Queensland Climate Action Plan (QCAP) 2020-30 and Built Environment and Infrastructure Sector Adaptation Plan (SAP).

The former government's *Climate Adaptation Strategy 2017-2030* is currently under review.

### Operations and cashflow

The Entity's Climate Adaptation Strategy acknowledges the need for adaptation activity advancement in areas impacting water security, assets and infrastructure, research, communication, insurances, emergency management and catchment resilience, with each of these having the potential to impact financial resources.

Under the current regulatory framework, the Entity is able to recover expenditure that is prudent and efficient, with specified review events for drought, flood and other emergency responses. Given the regulatory ability to recover expenditure for these items, as well as variances in demand, it is possible that any loss of financial resources associated with climate risk is temporary, with no permanent shortfall impacting on medium to long-term financial sustainability.

### Asset valuation

The Entity considers climate change risk in the valuation of assets through the inclusion of drought associated scenario overlay, with the drought overlay valuing the impact that drought has on revenue, operations and investment.

At 30 June 2026 the drought overlay probability is 0% (2025: 0%) and is reflected in current year asset valuation.

### Financing

The solvency of the Entity is guaranteed by written commitment from the Queensland Government, including the provision of funding facilities.

In the event of climate change related risks transpiring, short-term funding needs will be met under this commitment, with medium to long-term requirements assumed to be met via the pricing recovery mechanisms of the regulatory framework.

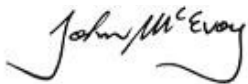
# Management certificate for year ended 30 June 2026

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 40 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Queensland Bulk Water Supply Authority for the financial year ended 30 June 2026 and of the financial position at the end of that year.

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.

John McEvoy  
Chairman



Signature

Date 18 August 2026

Emma Thomas  
Chief Executive Officer



Signature

Date 18 August 2026

Mike Hutchens  
Executive General Manager Corporate Services



Signature

Date 18 August 2026

## INDEPENDENT AUDITOR'S REPORT

To the Board of Queensland Bulk Water Supply Authority

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of the Queensland Bulk Water Supply Authority.

The financial report comprises the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2026 :

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.
- c) In my opinion, the financial report:
  - i. gives a true and fair view of the entity's financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended
  - ii. complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

**Valuation of property, plant and equipment (infrastructure assets)**

**Refer to Note C3-7 of the financial statements**

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | How my audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Management has estimated the fair value of the entity's infrastructure assets to be \$8.8 billion as at 30 June 2026. The fair value measurement is based on an estimation of future cash flows discounted to a present value.</p> <p>The valuations are dependent on certain key assumptions that require significant management judgement including the following in respect of:</p> <ul style="list-style-type: none"> <li>Revenue forecast: uncertainty of price structure post 2028 and estimation of population growth and consumption rates.</li> <li>Discount rate: a nominal post-tax discount rate reflecting what a market participant would use.</li> <li>Capital expenditure: estimating future capital required to meet demand, comply with legislative obligations and maintain service levels.</li> <li>Terminal value: a projected regulatory asset base value to compute the terminal value.</li> </ul> | <p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>Obtaining an understanding of the discounted cash flow model, and assessing its design, integrity and appropriateness for fair value with reference to common industry practice</li> <li>Checking, on a sample basis, the accuracy and relevance of the input data used to estimate the fair value, including by reconciling input data to supporting evidence such as approved budgets.</li> <li>Assessing the reasonableness of cash flow forecasts and terminal value estimates relative to the regulator-approved determination, board approved budgets, historical growth trends, long-term asset management plans and other relevant internal and external evidence.</li> <li>Evaluating whether the discount rate applied was within a reasonable range, with reference to market data and industry research.</li> <li>Challenging the reasonableness of key assumptions based on our knowledge of the entity and industry.</li> <li>Performing a sensitivity analysis on key assumptions.</li> <li>Verifying the mathematical accuracy of the net present value calculations.</li> </ul> |

**Useful lives estimated for depreciation expense**

**Refer to Note C3-4 of the financial statements.**

| Key audit matter                                                                                                                                                                                                              | How my audit addressed the key audit matter                                                                                                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The straight-line depreciation method used required significant judgements for:</p> <ul style="list-style-type: none"> <li>Identifying the significant parts of infrastructure that have different useful lives</li> </ul> | <p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>Evaluating management's approach for identifying the parts of infrastructure that have different useful lives, having regard to</li> </ul> |

| Key audit matter                                                                                                     | How my audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Forecasting the remaining useful lives of those significant parts.</li> </ul> | <p>recent replacement projects and long-term asset management plans.</p> <ul style="list-style-type: none"> <li>Evaluating remaining useful life estimates for reasonableness with reference to management's documented assessments, historical disposal rates, condition assessments for older assets, and long-term asset management plans and budgets.</li> </ul> |

### Responsibilities of the Board for the financial report

The Board is responsible for:

- the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error
- the establishment and keeping of accounts in accordance with prescribed requirements
- assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

### Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:  
[www.auasb.gov.au/auditors\\_responsibilities/ar6.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar6.pdf)

A further description of my responsibilities under the *Auditor-General Act 2009* and *Auditor-General Auditing Standards* is located at the Queensland Audit Office website at:  
[www.qao.qld.gov.au/audit-program/audit-standards](http://www.qao.qld.gov.au/audit-program/audit-standards)

These descriptions form part of my auditor's report.



Lisa Fraser  
 as delegate of the Auditor-General

19 August 2026  
 Queensland Audit Office  
 Brisbane

# Ministerial direction

*South East Queensland Water (Restructuring) Act 2007*

Section 61

## DIRECTION TO THE BOARD OF THE QUEENSLAND BULK WATER SUPPLY AUTHORITY

### Definitions and Interpretation

1. In this Direction, these terms have the following meanings:

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Act</b>              | <i>South East Queensland Water (Restructuring) Act 2007</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Board</b>            | the Board of Seqwater                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Department</b>       | the Department of Local Government, Water and Volunteers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Director-General</b> | the Director-General of the Department and includes any person acting in that office from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Project</b>          | <ol style="list-style-type: none"> <li>1 the construction and commissioning of Stage 1 of the Pipeline, including: <ol style="list-style-type: none"> <li>(a) raw water pipeline connecting upstream from Mt Kynoch water treatment plant to the offtake to the Greenmount Water Treatment Plant;</li> <li>(b) Highfields Reservoir facility; and</li> <li>(c) all associated due diligence, project governance, project mobilisation, final design, approvals, land acquisitions, agreements, procurement, construction and commissioning activities.</li> </ol> </li> <li>2 the pre-construction activities required for the future construction of Stage 2 of the Pipeline – from the offtake to the Greenmount Water Treatment Plant to the Warwick reservoir, including: <ol style="list-style-type: none"> <li>(a) preparation for construction of the Allora Pipeline connection (a separate pipeline and controls linking the Allora borefield to the main pipeline); and</li> <li>(b) all associated due diligence, project governance, final design, approvals, land acquisitions, agreements, procurement planning and tender readiness for Stage 2 of the Pipeline, progressed as far as is reasonably practicable, and to the greatest extent feasible, for procurement and construction to proceed, subject to relevant approvals.</li> </ol> </li> </ol> |
| <b>Seqwater</b>         | the Queensland Bulk Water Supply Authority (ABN 75 450 239 876)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Pipeline</b>         | Toowoomba to Warwick Raw Water Pipeline                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Stage 1</b>          | the Toowoomba to Greenmount section of the Pipeline                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Model</b>            | the ownership, operations and maintenance model arrangements for Stage 1 of the Pipeline, including how costs in relation to the Model and the implementation of the Model will be funded                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>State</b>            | the State of Queensland                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

2. A term used in this Direction which is not otherwise defined has the same meaning as that term is given in the Act.
3. Words in the singular include the plural and vice versa, unless the context otherwise requires.

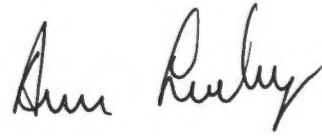
## Direction

4. Under section 61 of the Act, we, the responsible Ministers of Seqwater, direct the Board to:
- a. do all things necessary to deliver the Project by 31 July 2028, or such later date as provided by subsequent clarification by the Director-General;
  - b. prepare and recommend a Model for Stage 1 of the Pipeline to the Minister for Local Government and Water and Minister for Fire, Disaster Recovery and Volunteers for the Minister's approval within 12 months after execution of the construction contract for Stage 1 of the Pipeline or such later date as provided by subsequent clarification by the Director-General. This includes:
    - i. determine the Model arrangements in consultation with the Toowoomba Regional Council, the Department and Queensland Treasury;
    - ii. once the Model has been agreed with the Department and Queensland Treasury, recommend the Model to the Minister for Local Government and Water and Minister for Fire, Disaster Recovery and Volunteers for approval; and
    - iii. prior to receiving approval from the Minister for Local Government and Water and Minister for Fire, Disaster Recovery and Volunteer, comply with any modifications to the Model by the responsible Ministers.
  - c. once Stage 1 of the Pipeline has been commissioned, implement the Model as approved by the Minister for Local Government and Water and Minister for Fire, Disaster Recovery and Volunteers, including any transfer to the Toowoomba Regional Council or retention of ownership and operational responsibility for the Pipeline, and any funding arrangements in accordance with the approved Model;
  - d. note that the Department has provided equity funding to Seqwater for the Project's capital construction costs, with equity funding allocated to be recognised as an adjustment to contributed equity in the financial accounts of Seqwater and the Department;
  - e. fund any Project capital costs in excess of equity funding that is provided by the Department;
  - f. obtain funding for any variations to the Pipeline requested by the Toowoomba Regional Council or the Southern Downs Regional Council from the relevant Council;
  - g. not recover a return on or of Project capital construction costs from the Southern Downs Regional Council or the Toowoomba Regional Council;
  - h. work collaboratively with, and assist where necessary, the Toowoomba Regional Council and Southern Downs Regional Council in the delivery of the Project;
  - i. provide full cooperation and assistance to the State, the responsible Ministers and their respective advisors to implement this Direction;
  - j. give effect to any written request of the Director-General, or a Departmental officer on the Director-General's behalf, for the purposes of this Direction;
  - k. where there is ambiguity or doubt about the meaning or intent of this Direction, give effect to the interpretation of the Director-General as advised in a written clarifying statement.

Dated this 17<sup>th</sup> day of May 2026.

A handwritten signature in black ink, appearing to read 'David Janetzki', written in a cursive style.

**The Honourable David Janetzki MP**  
Treasurer, Minister for Energy and  
Minister for Home Ownership

A handwritten signature in black ink, appearing to read 'Ann Leahy', written in a cursive style.

**The Honourable Ann Leahy MP**  
Minister Local Government and  
Water and Minister for Fire,  
Disaster Recovery and Volunteers

# Annual report requirements for Queensland Government agencies compliance checklist

| Summary of requirement    |                                                                                                  | Basis for requirement                                                | Annual report reference                                                           |
|---------------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Letter of compliance      | A letter of compliance from the accountable officer or statutory body to the relevant Minister/s | ARRs – section 7                                                     | Annual report – inside front cover                                                |
| Accessibility             | Table of contents                                                                                | ARRs – section 9.1                                                   | Annual report – Table of contents                                                 |
|                           | Glossary                                                                                         |                                                                      | Annual report – Glossary                                                          |
|                           | Public availability                                                                              | ARRs – section 9.2                                                   | Annual report – About this report                                                 |
|                           | Interpreter service statement                                                                    | Queensland Government Language Services Policy<br>ARRs – section 9.3 | Annual report – About this report                                                 |
|                           | Copyright notice                                                                                 | Copyright Act 1968<br>ARRs – section 9.4                             | Annual report – About this report                                                 |
|                           | Information Licensing                                                                            | QGEA – Information Licensing<br>ARRs – section 9.5                   | Not applicable to Seqwater                                                        |
| General information       | Introductory Information                                                                         | ARRs – section 10                                                    | Annual report – About Seqwater<br>Corporate Governance Statement – About Seqwater |
| Non-financial performance | Government's objectives for the community and whole-of-government plans/specific initiatives     | ARRs – section 11.1                                                  | Annual report – Commitment to Queensland Government Objectives                    |
|                           | Agency objectives and performance indicators                                                     | ARRs – section 11.2                                                  | Annual report – Delivering on strategy                                            |

| Summary of requirement                          |                                                         | Basis for requirement                                       | Annual report reference                                                                                                                                                 |
|-------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                 | Agency service areas and service standards              | ARRs – section 11.3                                         | Annual report – About Seqwater and Performance<br>Corporate Governance Statement – South East Queensland's Water Supply Network                                         |
| Financial performance                           | Summary of financial performance                        | ARRs – section 12.1                                         | Annual report – Strengthen financial sustainability, Financial performance and key performance indicators                                                               |
| Governance – management and structure           | Organisational structure                                | ARRs – section 13.1                                         | Annual Report – Management and structure                                                                                                                                |
|                                                 | Executive management                                    | ARRs – section 13.2                                         | Annual report – Executive management<br>Corporate Governance Statement – Executive committees                                                                           |
|                                                 | Government bodies (statutory bodies and other entities) | ARRs – section 13.3                                         | Annual report – Government bodies reporting summary                                                                                                                     |
|                                                 | Public Sector Ethics                                    | <i>Public Sector Ethics Act 1994</i><br>ARRs – section 13.4 | Annual report – Public sector ethics<br>Corporate Governance Statement – Ethical and responsible decision making                                                        |
|                                                 | Human Rights                                            | <i>Human Rights Act 2019</i><br>ARRs – section 13.5         | Annual report – Human rights<br>Corporate Governance Statement – Human rights                                                                                           |
|                                                 | Queensland public service values                        | ARRs – section 13.6                                         | Not applicable to Seqwater                                                                                                                                              |
| Governance – risk management and accountability | Risk management                                         | ARRs – section 14.1                                         | Annual report – Audit and Risk Committee membership and meetings and Risk management<br>Corporate Governance Statement – Board committees and Risk Management Framework |
|                                                 | Audit committee                                         | ARRs – section 14.2                                         | Annual report – Board committee membership and meetings<br>Corporate Governance Statement – Board committees                                                            |
|                                                 | Internal audit                                          | ARRs – section 14.3                                         | Annual report – Internal audit<br>Corporate Governance Statement – Internal auditor                                                                                     |

| Summary of requirement       |                                               | Basis for requirement                                                                   | Annual report reference                                                                                                                                           |
|------------------------------|-----------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                              | External scrutiny                             | ARRs – section 14.4                                                                     | Annual report – External scrutiny                                                                                                                                 |
|                              | Information systems and recordkeeping         | ARRs – section 14.5                                                                     | Annual report – Information systems, record keeping and cyber security<br>Corporate Governance Statement – Information systems, record keeping and cyber security |
|                              | Information Security attestation              | ARRs – section 14.6                                                                     | Not applicable to Seqwater                                                                                                                                        |
| Governance – human resources | Strategic workforce planning and performance  | ARRs – section 15.1                                                                     | Annual report - Human Resources<br>Corporate Governance Statement – Diversity and inclusion                                                                       |
|                              | Early retirement, redundancy and retrenchment | Directive No.04/18 Early Retirement, Redundancy and Retrenchment<br>ARRs – section 15.2 | Not applicable to Seqwater                                                                                                                                        |
| Open Data                    | Statement advising publication of information | ARRs – section 16                                                                       | Annual report – Open data                                                                                                                                         |
|                              | Consultancies                                 | ARRs – section 31.1                                                                     | <a href="https://data.qld.gov.au">https://data.qld.gov.au</a>                                                                                                     |
|                              | Overseas travel                               | ARRs – section 31.2                                                                     | <a href="https://data.qld.gov.au">https://data.qld.gov.au</a>                                                                                                     |
|                              | Queensland Language Services Policy           | ARRs – section 31.3                                                                     | Not applicable to Seqwater                                                                                                                                        |
|                              | Charter of Victims' Rights                    | VCSVRB Act 2024<br>ARRs – section 31.4                                                  | <a href="https://data.qld.gov.au">https://data.qld.gov.au</a>                                                                                                     |
| Financial statements         | Certification of financial statements         | FAA – section 62<br>FPMS – sections 38, 39 and 46<br>ARRs – section 17.1                | Annual report – Financial statements                                                                                                                              |
|                              | Independent Auditor's Report                  | FAA – section 62<br>FPMS – section 46<br>ARRs – section 17.2                            | Annual report – Financial statements                                                                                                                              |

# Glossary

|          |                                                                             |
|----------|-----------------------------------------------------------------------------|
| AASB     | Australian Accounting Standards Board                                       |
| ARRs     | Annual Report Requirements for Queensland Government Agencies               |
| ATO      | Australian Taxation Office                                                  |
| BWSA     | Bulk Water Supply Agreements                                                |
| CEO      | Chief Executive Officer                                                     |
| CSF      | Cyber Security Framework                                                    |
| CSO      | Community Service Obligation                                                |
| Dr       | Doctor                                                                      |
| DRs      | Distributor-retailers                                                       |
| DTA      | Deferred Tax Asset FAA                                                      |
| EBIT     | Earnings Before Interest and Tax                                            |
| EBITDA   | Earnings Before Interest, Taxes, Depreciation, and Amortisation             |
| EGM      | Executive General Manager                                                   |
| ESG      | Environment, Social and Governance                                          |
| FAA      | <i>Financial Accountability Act 2009</i>                                    |
| FBT      | Fringe benefits tax                                                         |
| FPMS     | <i>Financial and Performance Management Standard 2019</i>                   |
| FTE      | Full Time Equivalent                                                        |
| GST      | Goods and Services Tax                                                      |
| Hon.     | Honourable                                                                  |
| IDAHOBIT | International Day against Homophobia, Biphobia, Intersexism and Transphobia |
| ISO      | International Organisation for Standardisation                              |
| ISSN     | International Standard Serial Number                                        |
| IT       | Information Technology                                                      |
| KMP      | Key Management Personnel                                                    |
| KPI      | Key Performance Indicator                                                   |
| LGBTQ+   | Lesbian, gay, bisexual, transgender, or queer                               |
| Ltd      | Limited                                                                     |
| LTIFR    | Lost Time Injury Frequency Rate                                             |
| M / m    | Million                                                                     |

|         |                                                                            |
|---------|----------------------------------------------------------------------------|
| ML      | Megalitres (Million litres)                                                |
| MP      | Member of Parliament                                                       |
| NIST    | National Institute of Standards and Technology (US Department of Commerce) |
| NPAT    | Net Profit After Tax                                                       |
| NTER    | National Tax Equivalent Regime                                             |
| p.a.    | Per annum                                                                  |
| Pty Ltd | Proprietary Limited                                                        |
| QAO     | Queensland Audit Office                                                    |
| QCA     | Queensland Competition Authority                                           |
| QGEA    | Queensland Government Enterprise Architecture                              |
| QLD     | Queensland                                                                 |
| QSR     | Queensland Sustainability Report                                           |
| QTC     | Queensland Treasury Corporation                                            |
| RAAF    | Royal Australian Air Force                                                 |
| RAB     | Regulatory Asset Base                                                      |
| SBFA    | <i>Statutory Bodies Financial Arrangements Act 1982</i>                    |
| SEQ     | South East Queensland                                                      |
| VCSVRB  | Victims' Commissioner and Sexual Violence Review Board Act 2024            |
| WACC    | Weighted Average Cost of Capital                                           |

