

Our purpose

Our purpose is to manage water services sustainably to make WA a great place to live and invest.

Our employees at a team building event, helping to create a waterwise garden.

Water Corporation is the principal supplier of water, wastewater, drainage, and bulk irrigation services in Western Australia (WA) to hundreds of thousands of homes, businesses and farms. Directly employing more than 4,000 people, we provide a high level of expertise and strong commitment to our customers, community and state.

We manage \$50 billion (replacement value) of assets to deliver water, wastewater, and drainage services across more than 2.6 million square kilometres.

Water sources

Today, our **water supply** is from **three** main sources



Desalination



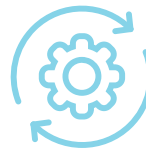
Dams and surface water



Groundwater and groundwater replenishment

Treatment

Water is **treated** at one of our...



87

Water treatment plants



76

Recycled water schemes

Water network

We **service** and **maintain**...



35,288^{km} of water mains



17,904^{km} of sewer mains



2,538^{km} of drains

Customers

Across **WA**, we **supply water** to more than



2 million people

Wastewater

We **collect** almost



40 million litres of wastewater a day

Wastewater is **99.97 per cent water** and comes mostly from **baths, showers** and **washing machines**

Return to environment

After **wastewater** is **treated**, it can be used for a **range of purposes** including



industrial reuse


public open space



woodlot irrigation

or be returned to the **water cycle** by replenishing our **groundwater**

Our vision



Our vision is for our
people, communities,
and state to thrive.

Thrive 2035

Thrive2035 is our long-term strategy, which is centred around our six ambitious goals. Launched last financial year, it guides our future direction and highlights the need to work together.

To thrive can mean different things to different people depending on their context. Whether it be our people thriving each day as they come to work, enabling a new hydrogen industry, providing water services to Aboriginal communities, or enabling a first home buyer to

establish their first home and garden. With water being so fundamental to life, we have a unique opportunity and obligation as the state's provider of water services to support our people, communities, and our state to thrive.

We are continuing to build strong foundations to meet the challenges of climate change, rapidly evolving community expectations around social and environmental outcomes, cost escalation pressures and a competitive labour market to deliver our vision.

Our drive to deliver this is woven into the work each of us do every day.



Safe for all

Advancing safety for our customers, communities and employees.



Environmentally sustainable

Accelerating environmental sustainability of the water cycle as our climate changes.



Satisfied customers

Developing local solutions in partnership with communities.



Supporting state development

Being the water services partner of choice for state development.



Efficient

Enabling us to sustainably finance our vision.



Great place to work

Empowering our people to achieve our best performance.

Our values

Our values are the heartbeat of our business. They are central to our journey toward achieving our Thrive2035 goals.



Our employees on the launch day of our new corporate values.

Working as one

We make a bigger impact together, working towards a shared purpose to benefit all of WA.

Finding better solutions

We are curious to learn, with courage we challenge the status quo.

Delivering on our promises

We achieve our goals efficiently, delivering on what we say we will do.

Leading with care

We care for our communities and each other.

Our values work in partnership with our six goals and lay the foundation for how we work together. They guide our decision making and set the tone for how we interact with each other, our customers, and our stakeholders. They are more than just words on a page – they need to be felt and lived every day.

Find out more on page 52!



Our Environmental, Social, and Governance journey

Last year, we published our inaugural Environmental, Social, and Governance (ESG) materiality assessment, reflecting what matters most to our communities and stakeholders. Since then, we have progressed our ESG ambitions through a cohesive suite of projects, programs and initiatives.

This report and our continued success are thanks to the ideas, support and efforts of our people. Engaging with ESG topics has strengthened our operations and made us a more insightful, robust, and flexible organisation. We look forward to improving on our efforts in the coming years, using our ESG program to be better informed and prepare for material risks and opportunities we face.

For the last 12 months, Water Corporation has been one of 19 key government agencies and public corporations engaged in a pilot program aimed at assessing and enhancing the maturity of agency climate risk assessment, management, and reporting capability. The two-year pilot is a part of the Climate Risk Framework being developed by the State Government to inform a whole of government approach and will also assist the public sector in preparing to meet formal climate-related disclosure requirements in the future.



Our Splash of Colour Program engages local artists to celebrate our community's connection to water through art.

Environment



Climate change and asset resilience

Alkimos Seawater Desalination Plant

Adapting to climate change impacts and securing water supply for more than 2.5 million Western Australians.

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Energy transition & net zero (GHG emissions)

Woodman Point upgrades

Supporting our net zero emissions target by upgrading our largest water resource recovery facility whilst keeping pace with a growing population.

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Treated wastewater discharge effects

Broome case study

Actively managing treated wastewater discharge effects to protect an area of high conservation value and support future community development.

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Social



Safety and wellbeing

Equipping our people

Empowering the workforce with skills and knowledge needed to perform their jobs safely and effectively through a new approach to training.

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Water security and quality

Regional Water Security

Planning for future sources and managing demand to ensure safe, reliable and long-term water security in the regions.

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Aboriginal Community Water Services

Mowanjam Case Study

Working with Aboriginal communities to improve water services and support future population growth in the community.

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Governance



Corporate governance, ethics and transparency

Values refresh – drive to thrive

Introducing refreshed values to outline how we will work together to achieve Thrive2035 goals.

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Cyber security and data/privacy

Better connection across the state

Maintaining efficient connection with assets by upgrading our sites to the 4G network.

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Financial sustainability









Strategic Industrial Areas

Optimising environmental and financial value of investment decisions by servicing Strategic Industrial Areas.

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One year targets

		2023/24 Target	2023/24 Actual
Outcome: Reducing total recurring expenditure to fund our key priorities and provide socially equitable outcomes for communities:			
 Efficient	Total cost per property (\$)	2,291	2,380
Outcome: Engaging and enabling our employees to perform at our best			
 Great place to work	Employee Experience Survey - engagement (%)	NA	70
Outcome: Providing safe and secure water to meet or exceed UN Sustainable Development Goal 6			
 Safe for all	Customers and communities we serve with access to safe water in line with UN Sustainable Development Goal 6 (%) ¹	>=70	95.94
Outcome: Improving employee and public safety outcomes			
 Safe for all	Total Recordable Injury Frequency Rate (TRIFR) (per million hours worked)	<3	5.6
Outcome: Driving value for money and customer satisfaction across all regions and segments			
 Satisfied customers	Individual measurement of value for money, across regions and segments (% of customers who rate Water Corporation strongly (7-10))	61	56
Outcome: Building trust among the communities we serve			
 Satisfied customers	Individual measurement of community trust, across regions and segments (% of customers who rate Water Corporation strongly (7-10))	71	68
Outcome: Accelerating to net zero for scope 1 and 2 greenhouse gas emissions			
 Environmentally sustainable	Reported greenhouse gas emissions (CO ₂ equivalent kilotons) ²	568	545
Outcome: Educating the community on climate change impacts, driving waterwise outcomes and ramping up wastewater recycling			
 Environmentally sustainable	Wastewater recycled (%)	21	19.1

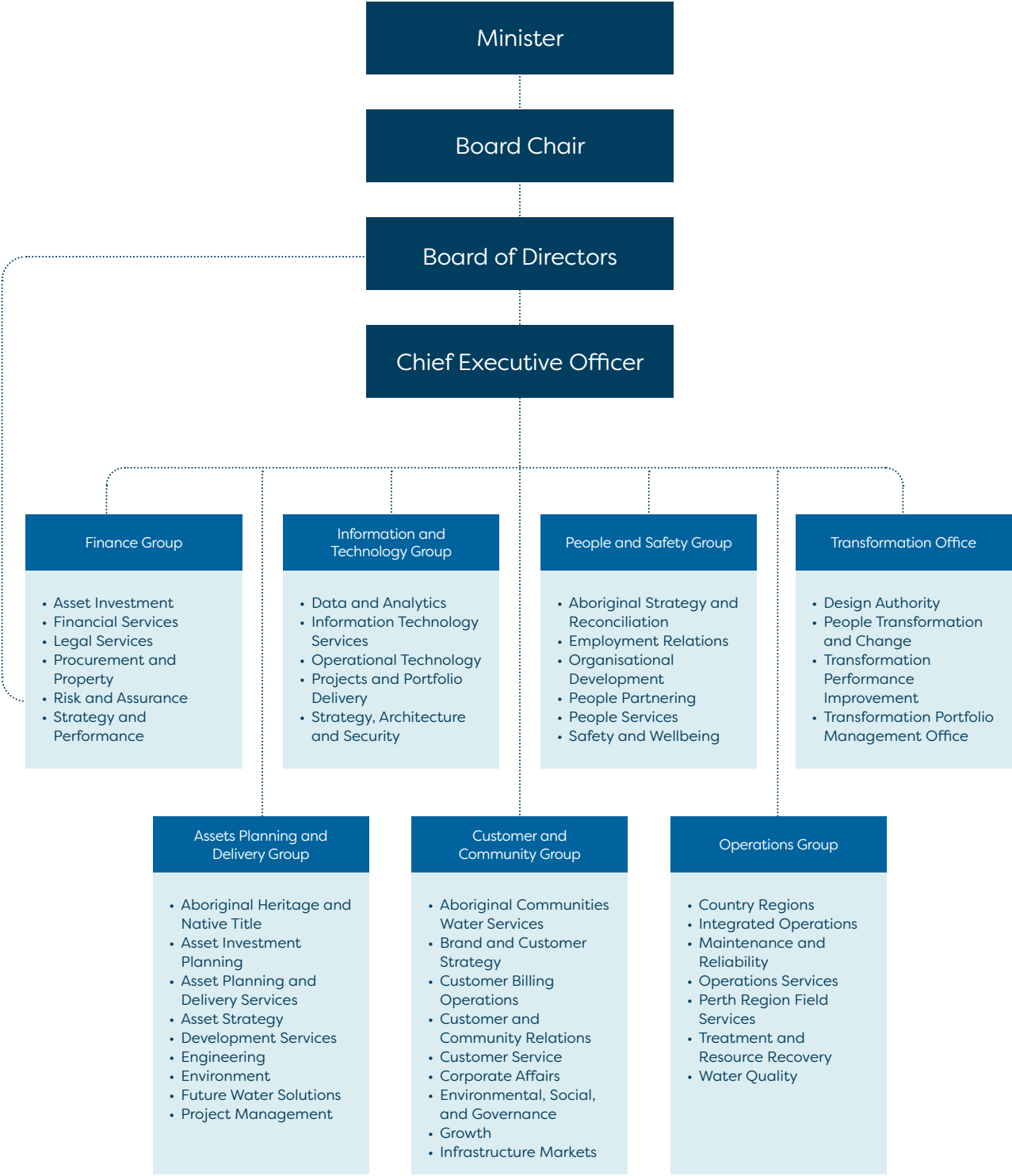
¹ SDP Goal 6: Ensure availability and sustainable management of water and sanitation for all. The target includes Aboriginal Communities' schemes transferred to Water Corporation in 2023. 2024-25 target is based on 2023-24 Estimated Actual, as the glidepath is still being finalised.

² Long-term target of net zero greenhouse gas emissions by 2035. Current measure is consistent with National Greenhouse Energy Reporting Scheme (NGERS) methodology (scope 1 and scope 2, does not include offsets).



Artist Mariah Yarran-Hill in front of the 200m mural that runs along the Vasse Diversion Drain.

Organisational structure





Left to right: Janine Freeman, Andrea Sutton, Pat Donovan, David Smith, Helen Creed and Gningala Yarran-Mark.

Board profiles

Andrea Sutton

Chair

BEng Chemical (Hons), GradDipEcon, GAICD

Andrea has over 25 years experience across a range of operational and corporate functions. She brings broad expertise, having held executive roles in health, safety and environment, human resources and infrastructure management.

Andrea was previously CEO and Managing Director of Energy Resources of Australia (ERA). Prior to this she held numerous roles across a 19-year career with Rio Tinto. Notably, Andrea held the position of General Manager of Infrastructure within Rio Tinto's Iron Ore business.

Andrea also has extensive experience as a non-executive Director for ASX-listed, government and not-for-profit organisations and currently serves as a Board member of National Association of Women in Operations, Australian Nuclear Science and Technology Organisation and Australian Naval Infrastructure. She is a non-executive Director of Perenti, Iluka Resources and Red 5 Limited. Andrea was previously a non-executive Director of DDH1 Limited, ERA and Infrastructure WA.

**Appointed 1 January 2024,
term expires 31 December 2026.**

Member: People and Safety Committee

Helen Creed

Deputy Chair

BA/Dip Soc Studs

A social worker by background, Helen brings a wealth of experience to Water Corporation from her senior roles in state government, the non-government sector and in the union movement.

Helen has held various board and committee positions across these sectors and is currently a Board member of the Gaming and Wagering Commission. Helen is a recipient of several awards and in 2018 was inducted into the WA Women's Hall of Fame.

**Appointed 7 April 2021,
term expires 31 December 2025.**

Member: People & Safety Committee

Pat Donovan

Chief Executive Officer

Bachelor of Engineering (BA BAI) Mechanical Engineering (Trinity College, Dublin), FIEAust, GAICD

With more than 25 years' experience in the gas utility sector in Australia and Ireland, Pat brought a strong utility background to the role at Water Corporation. He previously served as President of ATCO Gas Australia where he led the delivery of safe, reliable and affordable energy to over 750,000 customers across the southwest of Western Australia. In addition, Pat has previously held senior executive roles at ATCO and Alinta.

Pat's qualifications in engineering and finance are complemented by his completion of the Ivey Business Executive Program at Western University in Canada. He is also an active member of the Australian Institute of Company Directors and currently serves on the board of the Water Services Association of Australia, where he chairs the Liveable Communities Committee.

Throughout his career, Pat's demonstrated a proven track record of leading customer focussed business strategies and achieving sustained commercial success and business growth. Pat is a passionate proponent of delivering service and operational excellence at a sustainable cost to customers and the community.

**Appointed 1 January 2019,
term expires 31 December 2028.**

Gningala Yarran-Mark

LLB MBL BSc (Hon)

Gningala is an experienced Board Director. Following an early legal career, Gningala moved into commercial roles with BHP and large contracting firms, where she managed Aboriginal engagement. Her remit was inclusive of employment outcomes, diversity in the supply chain, internal and external stakeholder partnerships and commitments under company reconciliation action plans. After 15 years of building and growing Aboriginal engagement across a number of industry players, Gningala is now undertaking a Phd with a focus on social procurement and Aboriginal contracting entities. Gningala has in-depth working knowledge of the execution and implementation of reconciliation action plans and is adept to the intricacies of Native Title and Traditional Owner negotiations.

Gningala has a deep understanding of diversity, cultural intelligence, change management, stakeholder relations and currently holds a Director position on the Edith Cowan University Council and is a member of Council Executive and other committees of the Edith Cowan University. Gningala's recent appointment has been to the Australian Wildlife Conservancy Board as a non-executive Director.

**Appointed 12 November 2019,
term expires 30 September 2025.**

Chair: People & Safety Committee

Janine Freeman

BEC, GradDipOH&S, CertIVFinServices, GAICD

Janine is a social equity advocate and former Member of WA Parliament who proudly served her diverse community for 13 years as the Member for Mirrabooka. Janine has spent her career representing working people and their families including the role of Assistant State Secretary of UnionsWA. Janine has extensive board and committee experience. Since joining her first board in 1993, she has filled roles such as Chair of the WA Legislative Assembly Education and Health Committee, has been a Member of the WA WorkCover Board and Deputy Chair of the industry superannuation fund, HESTA.

She is currently the independent chair of Fair Food WA (auspiced by WACOSS). Janine is also a Board member of Anglicare WA, a member Director of the Government Employees Superannuation Board and advisory member UWA School of Population and Global Health.

Appointed 9 March 2022, term expires 31 December 2024.

Member: Audit and Risk Committee.

David Smith

BComm(Melb), FCA

David has over 33 years' experience working for PricewaterhouseCoopers including as Assurance Lead Partner in Perth.

David is a chartered accountant with significant experience in audit and assurance, corporate governance and boards and committees. David brings broad business acumen, having worked with clients across mining and resources, media, agriculture and property, among others.

David is currently a member of the Audit, Risk and Finance Committee at the Royal Fremantle Golf Club Inc. David was previously a board member of Royal Fremantle Golf Club, St Bartholomew's House Inc, St Bartholomew's Foundation and Fremantle Port Authority. His board and committee experience has encompassed financial governance, strategy and risk management assessment.

**Appointed 1 January 2024,
term expires 31 December 2026.**

Chair: Audit and Risk Committee.

Executive profiles

Deb Evans

Chief Financial Officer

Term commenced May 2024

BA (Hons), Grad Dip (Applied Finance and Investment), CPA and GAICD

Sarah Bagshawe

General Manager People and Safety

Term commenced January 2023

BBus, CAHRI

Barry Ford

General Manager Operations

Term commenced December 2019

BEng, MBA, GAICD

Evan Hambleton

General Manager Assets Planning and Delivery

Term commenced April 2019

BEng (Hons), MBA, GAICD

Jane Mitchell

General Manager Information and Technology

Term commenced November 2023

BASc (Hons), GAICD

Karen Willis

General Manager Customer and Community

Term commenced April 2019

BA (Joint Hons), GradDip (Marketing) GAICD

Jacque Harding

General Manager Transformation Office

Term commenced May 2023



Left to right: Karen Willis, Deb Evans, Pat Donovan, Sarah Bagshawe, Barry Ford, Jane Mitchell, Evan Hambleton and Jacque Harding.

Key capital projects

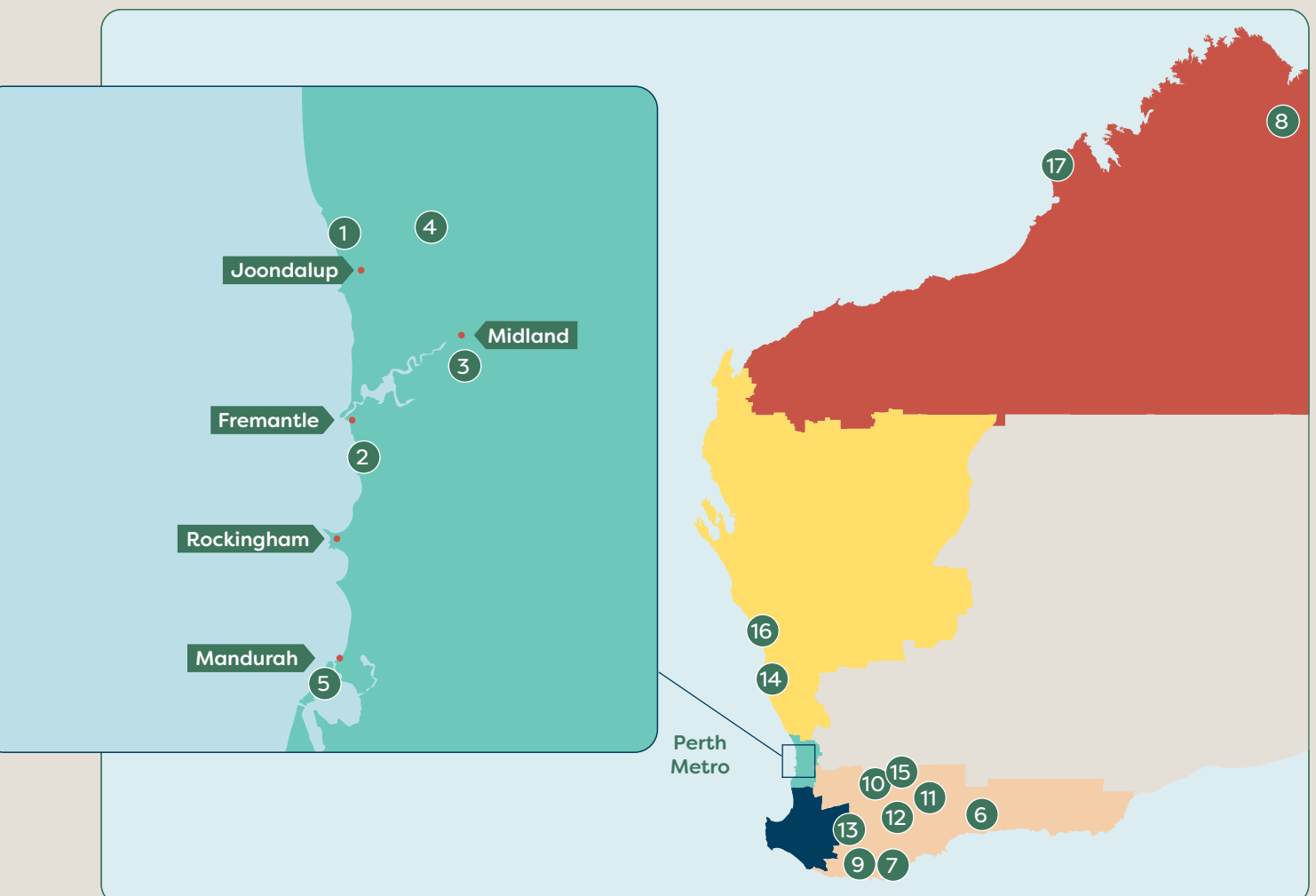
Our capital investment program for 2023-24 totalled \$988.3 million.

Metro

- 1 Alkimos Seawater Desalination Plant stage 1
- 2 Woodman Point Wastewater Treatment Plant upgrade
- 3 Hazelmere and Helena Valley Water pipeline
- 4 Bullsbrook to Ellenbrook Wastewater pipeline
- 5 Gordon Road Water Resource Facility upgrades

Regional

- 6 Floating Dam Covers for southern WA (Ravensthorpe, Lake King and Salmon Gums)
- 7 Albany Ulster Road pipeline replacement (currently in construction – expected completion March 2025)
- 8 Ord Irrigation expansion (M1 channel upgrades)
- 9 Denmark Wastewater pipeline
- 10 Cranbrook Dam relining
- 11 Jerramungup Dam relining
- 12 Katanning – Kojonup underground pipeline replacements
- 13 Manjimup Karri Street pump station replacement
- 14 Cervantes Water Tank upgrade
- 15 Cranbrook Water Treatment Plant upgrades
- 16 Glenfield Beach wastewater upgrades
- 17 Broome North upgrades





Our employees onsite.

Financial highlights

We continue to make a significant contribution to the WA economy, stimulating and supporting the state's growth through the provision of water and wastewater infrastructure.

Our surplus for 2023-24 was influenced by solid revenue receipts from our core activities, combined with higher levels of land development and building activity due to a state economy that continues to perform strongly, driven by strong population and employment growth.

The results featured a total revenue of \$3.6 billion, but lower overall returns to the State Government of -\$170.7 million. This was due to the Government's decision for us to retain the dividends that were forecast to be paid in 2023-24 to contribute to funding the Alkimos Seawater Desalination Plant.

Our operating business delivered a surplus of \$1,059.7 million.

Operating revenue increased by 8.7 percent primarily due to increased water consumption, a rise in service charges, higher non-standard business activities, and greater reimbursement works.

Contributions from land developers towards infrastructure for new housing developments added a further \$278.6 million. These contributions were received either as cash (\$165.7 million) or infrastructure handed over such as pipes and pumps (\$112.9 million).

Total expenditure increased by 7.5 percent to \$2.1 billion, reflecting the cost of operating and maintaining our growing and diverse infrastructure. The increase includes the effects of inflation on materials and services, a labour market with intense competition, and increased depreciation for infrastructure and technology assets. Our total cost per property increased by 5.5 percent and our operating costs per property increased by 8.1 percent. Despite these rises, we remain one of the lowest cost businesses in the Australian water industry for large scale supply.

Over the year, we repaid \$638.7 million of fixed borrowings.

Investing in Infrastructure

We invested \$998.3 million in new capital projects to expand our water infrastructure. Our capital investment program benefits the community and leverages off a wide range of local private sector partners to assist us in our construction, maintenance, and operations activities. In doing so, we employ, both directly and indirectly, a significant number of Western Australians. The capital investment program for 2023-24 included \$399.3 million spent on our water business, \$267.7 million on our wastewater business with the remainder on a range of programs including irrigation, drainage, facilities management and Government sponsored work programs such as Metronet.

Aboriginal Communities Water Services

On 1 July 2023, Water Corporation officially took over the management and delivery of water and wastewater services to 137 Aboriginal communities, primarily located within the north west and goldfields and agricultural regions. The first year of the program has focused on operations, maintenance, and enhancing water quality issues across these communities. Key support activities have focused on community engagement, assessing the condition of water infrastructure in each community, planning programs to address significant water quality issues, and developing long-term upgrade options.

Net accrual to government

\$million	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19
Dividend	-	-	-	642	4	605
Tax equivalents	467	419	392	369	373	360
Operating subsidy	(606)	(614)	(519)	(469)	(431)	(420)
Less: RESP, RCF & RfR ⁽²⁾	(32)	-	-	-	-	-
NATG	(171)	(196)	(127)	543	(54)	545

Performance summary

Financial Outcomes

	Units	2023/24 Projected	2023/24 Actual
Operating Surplus before income tax			
Operating business	\$m	1,097	1,237
Developer asset handover before tax	\$m	57	113
Developer cash contributions before tax	\$m	157	166
Operating Surplus after income tax			
Operating business	\$m	768	886
Developer asset handover after tax	\$m	40	79
Developer cash contributions after tax	\$m	110	116
Capital expenditure (including capitalised interest)	\$m	1,131	988
Borrowings taken - (repaid)	\$m	206	639
Financial Performance Measures			
Return on equity	%	7.2	7.5
Return on assets	%	6.1	6.2
Debt to total assets ratio	%	28.9	22.8
Accruals to Government			
Indirect tax equivalents	\$m	8	8
Income tax equivalents (net of deferred tax adjustments)	\$m	436	459
Dividends provided	\$m	-	-
Total	\$m	445	467

Payments from Government

	Units	2023/24 Projected	2023/24 Actual
Operating Subsidies			
Country Water, Sewerage and Drainage Operations	\$m	431	411
Pensioner and Senior Concessions ⁽¹⁾	\$m	189	195
Metropolitan Operations	\$m	1	(0)
Total operating subsidies	\$m	621	606
Less: RESP, RCF and RfR ⁽²⁾		-	32
Net Accrual to Government	\$m	(176)	(171)

(1) Includes Pensioners and Senior concessions, and concessions provided for non-rated and exempt properties.

(2) RESP - Remote Essential Services Program
RCF - Remote Communities Fund
RfR - Royalties for Region