

GLADSTONE AREA WATER BOARD

ANNUAL REPORT

2025-2026

www.gawb.qld.gov.au



**Gladstone Area
Water Board**

About this report

This annual report provides details of Gladstone Area Water Board (GAWB)'s achievements for 2025-26, including the progress we have made towards accomplishing our strategic objectives, and the extent to which we have met or exceeded our financial and non-financial performance key performance indicators.

It aims to meet the needs of a variety of stakeholders, including the Minister for Local Government and Water and Minister for Fire, Disaster Recovery and Volunteers (Minister), Queensland Parliament, other Government agencies and customers and community members, by providing relevant information about our activities, which aim to deliver safe and reliable water services to enhance the liveability of our region.

This annual report complies with the following Queensland legislation and Government guidelines:

- *Water Act 2000*
- *Financial Accountability Act 2009*
- *Financial and Performance Management Standard 2019*
- Annual Report Requirements for Queensland Government Agencies.

An electronic copy of the annual report is available on our website: www.gawb.qld.gov.au/publications.

GAWB appreciates feedback from readers of the annual report. Please contact our Manager Corporate Secretary and Reporting on (07) 4976 3000 or email corporatereporting@gawb.qld.gov.au.

GAWB is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, please contact us and we will arrange an interpreter to effectively communicate the report to you.



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ACKNOWLEDGEMENT OF COUNTRY

The Gladstone Area Water Board proudly acknowledges the traditional owners of the land on which we work: the Byellee, Gooreng Gooreng, Gurang and Taribelang Bunda people (Gladstone Region), the Darumbal people (Rockhampton region) and Yuggera people (South Brisbane Region). We pay our respects to Elders past and present and recognise the ongoing connection of Aboriginal and Torres Strait Islander peoples to the land and water on which we rely.

Letter of compliance

1 September 2026

The Honourable Ann Leahy MP
Minister for Local Government and Water and
Minister for Fire, Disaster Recovery and Volunteers
PO Box 2247
BRISBANE QLD 4002

Der Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2025-2026 and financial statements for Gladstone Area Water Board.

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*,
- the detailed requirements set out in the *Annual Report Requirements for Queensland Government Agencies*, and
- the *Water Act 2000* (Qld).

A checklist outlining the annual reporting requirements is provided at page 89-90.

Yours sincerely



Adrienne Ward
Chair

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About us

Gladstone Area Water Board (GAWB) is a statutory authority, delivering high priority bulk water to customers in Central Queensland 24 hours a day, 7 days a week.

Our history

GAWB was established in 1973 as a Project Board under the *State and Regional Planning and Development, Public Works Organisation and Environmental Control Act 1971-73* (Qld). On 1 October 2000, GAWB commenced operations as a Category 1 Water Authority under the *Water Act 2000* (Qld) (Water Act) and on 1 July 2008, GAWB became a registered service provider under the *Water Supply (Safety and Reliability) Act 2008* (Qld). 2025-26 saw the construction phase of the Fitzroy to Gladstone Pipeline (FGP) achieve completion of the construction of the pipeline, sediment removal plant, intake and reservoirs. Works on FGP commissioning and integration into the GAWB network continue with good progression. As the entity responsible for the construction, ownership, operation and maintenance of the pipeline, GAWB is committed to on track delivery of the FGP in 2026, weather and construction conditions permitting.

Our purpose and responsibilities

GAWB owns and operates Awoonga Dam on the Boyne River, along with a network of delivery pipelines, water treatment plants and other bulk water infrastructure required to service our customers. We play an important role in the region and contribute to the economic growth and prosperity of the State by providing one of the essential inputs, water, to a number of large multi-billion dollar industries that are located in Gladstone. Additionally, GAWB is approaching the completion of delivery of Central Queensland's largest water infrastructure project, the Fitzroy to Gladstone Pipeline and associated infrastructure, to assist in delivering water security to the Central Queensland region.

Our core responsibilities are:

- **Supply bulk water services:** to provide both raw (high reliability 24/7 continuous flow) and treated water to industries located in the Gladstone region and to the Gladstone Regional Council.
- **Water treatment:** to collect, treat and distribute drinking water in accordance with the Australian Drinking Water Guidelines set by the National Health and Medical Research Council.
- **Catchment management:** to manage the impact of land and public use activities around the lake as they have the potential to impact public health and water quality.
- **Fish stocking and monitoring:** to breed and release barramundi, mangrove jack and sea mullet fingerlings into Lake Awoonga, in accordance with our regulatory obligations.

In addition to our core responsibilities, as a regional employer, we strive to enhance the liveability of the region through the provision of recreational facilities and by supporting a variety of community events and initiatives during the year.

Snapshot of our assets

We currently have \$1.98 billion of assets, including:

- Awoonga Dam and associated infrastructure
- Water intake on the Lower Fitzroy River
- Recreational facilities, including a bush camp and rail trail located on the shore of Lake Awoonga
- Hatchery facility (known as Aquaculture Gladstone)
- 346km of water pipelines comprised of
 - 212km of raw water pipelines
 - 134km of potable water pipelines
- 11 pump stations
- 19 water reservoirs comprised of
 - 11 treated water reservoirs
 - 8 raw water reservoirs (including Offline Storage)
- Two water treatment plants
- One sediment removal plant.

Our regulatory environment

GAWB's bulk water prices are typically reviewed every 5 years by the Queensland Competition Authority (QCA) as we are a declared monopoly business pursuant to the *Queensland Competition Authority Act 1997* (Qld).

GAWB's bulk water prices that apply over the 2025-26 to 2029-30 regulatory period for GAWB's business activities, excluding GAWB's water security assets, were informed by the QCA's 2025-30 Price Monitoring Investigation that was undertaken during 2024-25 and 2025-26.

Subsequently, on 16 June 2025 the QCA was issued a Referral Notice relating to GAWB's water security assets for the pricing period 1 July 2026 to 30 June 2030. This investigation considered appropriate prices related to the FGP and other associated water security assets.

The QCA's Final Report for its 2026 Water Security Assets Price Monitoring Investigation was provided to Government on 24 April 2026. The QCA's Final Report represents the conclusion of its investigation, which will inform the Water Security Price introduced from 1 July 2026 and be relevant for the next 4 years of the regulatory period.

Mission, Vision and Values

Our vision

Together delivering safe and reliable water services to enhance the success and liveability of our region.

Our mission

We are a leading water provider that supports our customers, community and people. We provide an essential service that promotes economic development and enhances the lifestyle of regional Queensland.

Our values



ONE TEAM

We Work Together.
Always.



ENGAGE

We All Contribute.
Openly.



SAFETY & WELLBEING

We Look After Ourselves.
And Each Other.



ACCOUNTABLE

We Deliver. You and I.

A message from the Chair

On behalf of the Board of Directors (Board), I am pleased to present the Annual Report for Gladstone Area Water Board (GAWB) for 2025-26.

This has been a significant year for GAWB as we prepare to transition from the delivery of a major capital project, to operating a more complex asset base which has more than doubled in size. With the Fitzroy to Gladstone Pipeline (FGP) nearing completion, GAWB has remained focused on ensuring readiness across our network, systems and workforce to support safe and reliable operations, delivering value for our customers and the community.

Objective 1: Safe, resilient and reliable water supply

GAWB takes a long-term approach to water security, underpinned by continued investment in network infrastructure and the delivery of the FGP. As the project nears completion, the focus is on organisational readiness for the two sources of water supply to be operated safely and reliably.

During the reporting period, the Drought Management Plan was updated to incorporate the FGP, strengthening GAWB's ability to manage supply and improve resilience during periods of variable rainfall and extended dry periods.

The introduction of a second water source enhances drought resilience and improves the region's water security. For every litre of water supplied from the Fitzroy River via the FGP, that's a litre of water saved in Awoonga Dam.

Independent analysis also indicates the FGP has delayed drought restrictions being implemented by approximately 3.5 years, generating around \$1.5 billion in direct economic benefit for customers.

GAWB continues to reliably deliver essential water services, moving approximately 120 million litres of water through the network each day. This consistency, combined with improved forecasting capability within the Drought Management Plan, provides earlier and clearer planning signals for customers and supports more informed decision-making.

Objective 2: High customer and community satisfaction

GAWB's community engagement program continued to strengthen our reputation and connection with the region during 2025-26.

The 2025 Community Perception Survey recorded the strongest results since tracking began, with positive sentiment reaching 75 per cent and recognition of GAWB as a valued community partner increasing to 77 per cent. Perceptions of communication also improved, with 60 per cent of respondents agreeing GAWB communicates well, while 74 per cent recognise GAWB contributes more than just water.

Lake Awoonga continued to deliver strong community value, recording satisfaction levels of 91 per cent.

Importantly, these results reflect GAWB's growing visibility and relevance across the region, supported by targeted engagement, clear messaging and a stronger digital presence. The expansion of the survey scope to include responses from Rockhampton and along the FGP corridor, aligns with GAWB's broader regional role.

These results confirm a strong foundation of trust and goodwill, with a clear pathway to further strengthen engagement with customers and the community.

Objective 3: Skilled, safe and responsive workforce

The Board recognises the critical need for a capable and resilient workforce to ensure we deliver for customers and meet our strategic objectives.

A review of remuneration and benefits ensured GAWB maintains a balanced position in attracting and retaining talent in a competitive employment market.

Workplace safety and wellbeing remained a priority, with enhancements to mandatory training, including the introduction of a psychosocial risk module for all employees and a leader focused training session on managing psychosocial risks.

Targeted, mandatory training and annual training day requirements were implemented to strengthen workforce capability and maintain consistent safety standards across the organisation. This included a dedicated Verification of Competency (VOC) day to confirm workforce capability and compliance across all teams.

Leadership development continued through the Step-Up program, focused on strengthening leaders' ability to operate effectively at the appropriate level. The program provided practical opportunities to build and apply leadership capability, supporting consistent leadership practices and embedding these skills across teams and the broader organisation.

A review of the GAWB intranet identified opportunities to improve how key information is structured, accessed and understood, particularly in relation to health and safety. This led to the development of a Health and Safety Portal, providing a clear and intuitive structure for critical policies, procedures and guidance. This change enhances the consistent application of procedures across GAWB.

These initiatives ensure GAWB is positioned with a skilled, safety-focused and responsive workforce, capable of supporting increasingly complex operations.

Objective 4: Operational excellence

We have also continued to progress initiatives which support long-term sustainability and operational efficiency. This includes investment in renewable energy through solar installations at key assets, contributing to our emissions reduction targets while improving the resilience and efficiency of our operations.

GAWB is progressing initiatives under its Climate Change Strategy and Action Plan, including solar installations at key assets. This includes the Awoonga Dam solar installation, which will generate approximately 20 per cent of the electricity required to operate the pump station, alongside rooftop solar installations at the Water Treatment Plants. These initiatives contribute to GAWB's commitment to achieving a 30 per cent reduction in operational greenhouse gas emissions by 2030 and builds on the lessons learnt throughout the 2021-24 Climate Change Strategy Action Plan.

Operational excellence is supported by disciplined asset management, efficient use of resources and a structured approach to managing climate-related risks to assets, operations and service delivery. This ensures GAWB remains responsive to changing environmental conditions while maintaining reliable water supply for customers.

During the year, GAWB also progressed the development of an Energy Management Framework to support improved energy performance, cost efficiency and compliance with regulatory requirements. This includes the establishment of energy performance indicators and a new operational baseline following commissioning of the FGP, providing a basis for ongoing monitoring and continuous improvement.

Together, these initiatives strengthen GAWB's ability to deliver efficient, reliable and sustainable water services while managing long-term cost and climate risks.

Objective 5: Growth

Central Queensland continues to be a highly attractive location for new and emerging industries and GAWB maintains a healthy queue of prospective water customers seeking to establish or expand in the Gladstone region.

Throughout the year, GAWB has continued to engage closely with key government stakeholders to understand long-term regional growth plans and the infrastructure required to support future demand. There is also ongoing work to develop long-term strategies to ensure water supply and network capacity can meet existing customer needs and new demand.

With two sources of water, GAWB has significantly strengthened water security for customers and the region, while enhancing confidence for new and potential customers to make investments into the region. GAWB is also participating in the Queensland Government's Central Queensland Regional Water Assessment to ensure water supply will be ready to support future potential growth in Gladstone, which in turn enables economic development of Gladstone and the broader Central Queensland.

Across our Natural Resources and Recreation portfolio, GAWB continues to improve how it delivers value for the region. This includes enhancements to visitor amenity at Lake Awoonga, progress on strategic planning for future tourism and education facilities and strengthened collaboration with regional partners. Targeted catchment management and environmental programs have been maintained to support water quality outcomes and sustainable land management.

Acknowledgements

I thank my fellow Board Directors for their efforts this year and welcome Director, Cr Natalia Muszkat, following her appointment in December 2025.

On behalf of the Board, I thank Darren Barlow, GAWB Chief Executive Officer, the Executive Leadership Team and employees for their commitment to delivering safe and reliable water services to our region, while preparing for the integration of the FGP into the network.

We would also like to acknowledge our responsible Minister, the Hon. Ann Leahy MP, Minister for Local Government and Water and Minister for Fire, Disaster Recovery and Volunteers and her department for their ongoing support and engagement throughout the year.



Adrienne Ward
Chair

A message from the CEO

In 2025-26, our focus has been on completing the Fitzroy to Gladstone Pipeline (FGP), progressing commissioning and preparing for integration into the GAWB network. Construction of the pipeline is now substantially complete, with commissioning underway.

This year has been about ensuring GAWB is ready to receive water from the Fitzroy River and ensuring the full water security benefits of the FGP can be realised. The FGP provides a second source of water for the region and strengthens our ability to manage variability in water inflows and reduce the impact of drought on our customers. For every litre of water supplied from the Fitzroy River, that's a litre preserved in Awoonga Dam.

The impact of the FGP on our drought management

A key focus during the year has also been strengthening how we plan for and respond to drought. Our Drought Management Plan is based on forward-looking modelling and now incorporates the FGP as a second source of water for our region. Independent analysis estimates delaying drought restrictions by 3.5 years because of the FGP, generates approximately \$1.5 billion in direct customer economic benefits.

The economic outcomes of the FGP have also been recognised through a national award – an Infrastructure Sustainability Council (ISC) Award. The project received the Award for Excellence in Economic Outcomes and was Highly Commended for Excellence in Social Outcomes. These outcomes reflect how the project delivers for the region and has been delivered in a way which supports local businesses, workforce participation, community engagement and partnerships with Traditional Owners.

While delivering the FGP, we have continued to meet our core responsibility, safe and reliable water supply for customers. On average, GAWB moves around 120 million litres of water through the network each day. We consistently deliver the water required to support industry, communities and the regional economy.

Local employment pipeline

At the same time, we have created more opportunities for young people in our region, with a pipeline of work experience, traineeships and apprenticeships opportunities across GAWB. These roles provide practical, long-term employment pathways and help build local capability in operational and technical areas that are critical to our business. By investing in locals developing their skills, we support workforce sustainability and regional economic participation.

Enhancing our recreational areas

This year was the commencement of the 2025-2030 Lake Awoonga Recreational Strategy, which aims to enhance the facilities and experience of visitors to Lake Awoonga. With even better facilities, GAWB contributes to the liveability of the region with more tourists and locals alike recognising Lake Awoonga as a desirable place to visit, fish, swim, camp etc.

Work has continued to enhance recreation assets and visitor amenity at Lake Awoonga, with upgrades progressing at key sites including the Castle Tower Lookout and our Rail Trails. We have also progressed planning for a future visitor and interpretative centre, supporting long-term tourism and education opportunities for the region.

Price review process for water security assets

Another significant activity during the reporting period has been the conclusion of the Queensland Competition Authority (QCA) price monitoring review of GAWB's water pricing for Water Security Assets (WSA Price Review). Initiated by the Queensland Government, the referral notice was issued on 16 June 2025. The Final Report into GAWB's 2026-2030 water pricing was handed down by the QCA in April 2026.

I thank the team who worked tirelessly on our submission and responses to the QCA through this review.

On behalf of GAWB's management team, I thank our employees, customers and key stakeholders for their ongoing support and engagement throughout the year. I would also like to take this opportunity to thank the Chair and Directors for their support, leadership and guidance. We are a stronger team because of the input of many and we look forward to contributing to enhanced liveability and growth in the Central Queensland region and the State.

A handwritten signature in black ink, appearing to read 'DB', followed by a long horizontal line extending to the right.

Darren Barlow
Chief Executive Officer

Our performance

Key performance measures

Key Performance Measure	Target	Actual	Achieved / Not achieved
Financial			
Earnings Before Interest & Tax (EBIT)	\$20.64M	\$29.98M	✓
Net Profit After Tax (NPAT)	\$1.07M	\$11.93M	✓
Return on Assets (ROA)	1.04%	1.46%	✓
Actual operating expenditure versus Budget	<100%	80.00%	✓
EBIT Interest cover	1.08	2.26	✓
Funds Flow Interest cover	(3.12)	0.29	✓
Funds Flow to Total Debt cover	(14.47)	(1.95%)	✓
Balance Sheet gearing (capital structure)	32.26%	33.00%	✓
Cash cover (months)	3.35	35.74	✓
Capital expenditure ¹	\$171.33	\$215.59M	✓
QTC Covenant EBITDA Interest Coverage ≥ 3 ²	2.47	5.44	✓
QTC Covenant Debt / EBITDA < 8.25 ²	10.63	7.63	✓
Non-Financial			
System Water Losses:			
- Raw water network	<6%	5.22%	✓
- Potable water network	<3%	1.70%	✓
Compliance with Drinking Water Quality Management Plan	100%	100%	✓
Lost Time Injuries (Workers) ³	≤ 2	0	✓
Notifiable safety incidents or events ³	≤ 2	0	✓
Compliance with Dam Safety Conditions (DSC) issued by the Regulator	100%	100%	✓
Environmental compliance breaches	Nil	Nil	✓
Staff retention rate	>80%	87.8%	✓
Compliance with emergency preparedness	100%	100%	✓

1. The majority of capital overspend is due to timing differences on the Fitzroy to Gladstone Pipeline (FGP) project and East End Pipeline Replacement Project (EEPL).
2. QTC has waived this ratio requirement for the duration of the FGP construction as confirmed in correspondence dated 30 June 2023.
3. NTI and LTI targets are GAWB only. FGP reporting is undertaken separately by the responsible contractor.

Our performance

Key business improvement initiatives

Advancement of the Water Security Strategy

Fitzroy to Gladstone Pipeline

Since the Queensland Government announcement of the Fitzroy to Gladstone Pipeline construction in February 2023, the contractor, McConnell Dowell BMD Constructions Joint Venture (MBJV) has carried out the following activities to 30 June 2026:

- Laid and hydrostatically tested 117km of pipeline since the start of construction in August 2023.
- Completed 108km of land rehabilitation activities.
- Completed construction of the Laural Bank Intake, Aldoga Reservoirs and Alton Down Sediment Reduction Facility.
- Commenced commissioning activities.
- Greater than two million work hours were completed since project commencement with five lost time injuries occurring over that time. MBJV has received 27 compliance notices from Workplace Health and Safety Queensland since construction commenced.
- The project has incurred 2 environmental compliance notices relating to the release of turbid water from a construction site into an adjacent waterway. MBJV self-reported each incident to the Department of Environment, Tourism, Science and Innovation.

At 30 June 2026, construction only expenditure totalled \$892 million of a \$983 million total budget.

GAWB has maintained positive working relationships with 71 private landholders, one Commonwealth Government department, four Queensland Government departments, three government related entities, eight private companies and two Traditional Owner groups to enable construction and permanent licencing of the pipeline.

GAWB has progressed discussions with the Traditional Owner groups of Rockhampton and Gladstone on voluntary Indigenous Land Use Agreements (ILUA). GAWB holds an ILUA with Darumbal, Traditional

Owners in the Rockhampton region, with formal registration occurring 16 May 2024 and has received confirmation from the FNBGGTB of acceptance of the ILUA offered. It is expected that formal registration of this ILUA will be achieved in 2026/27.

GAWB continues to inform the Department of Local Government, Water and Volunteers (DLGWV) on a routine basis through a Project Advisory Group on construction progress. GAWB also participates in a State Agency Update Forum chaired by DLGWV to inform other departments in State Government of construction progress.

The Fitzroy to Gladstone Pipeline is scheduled to be operational in 2026, weather and other conditions permitting.

Implementation of the Updated Drought Management Plan (DMP)

In 2025, GAWB completed a major revision of its Drought Management Plan (DMP). This revision was triggered by both the period since the previous major revision (five years) and the addition of the Fitzroy to Gladstone Pipeline (FGP) to GAWB's supply portfolio materially improving water security outcomes for GAWB's customers.

To inform this major revision, GAWB engaged experts to conduct interviews with our customers to estimate the economic impact of drought restrictions on them, the regional and state economies, as well as undertake additional hydrological analysis of the expected transfers via the FGP and the impact of FGP supply on the incidence of drought restrictions.

The addition of the additional supply via the FGP enabled GAWB to alter the form of the DMP. When GAWB had only one water source, the DMP focussed on prolonging Awoonga Dam water for as long as possible when in drought conditions to avoid the catastrophic impacts of not providing water to customers. The addition of Rookwood Weir allocations to GAWB's supply portfolio means the revised DMP can focus on

retaining customers at full supply for the longest period possible while retaining sufficient supply in Awoonga Dam in the event drought restrictions need to be implemented. The FGP supply also means customers connected to GAWB's network will continue to receive supply in the unlikely event of supply failure from Awoonga Dam, whereas previously this would have resulted in supply to customers ceasing.

The outcomes of the major revision of the DMP were communicated to customers in one-on-one meetings in March and April 2026. Customers acknowledged the water security benefits of the FGP and the impacts the revised DMP restrictions will have on extending the expected period customers will remain on full supply.

For every litre of water provided by the FGP, a litre of water is saved in Awoonga Dam for future use, reducing the expected frequency of drought restrictions for GAWB's customers.

STATUS – Achieved.

Central Queensland Regional Water Assessment

GAWB is also participating in the Central Queensland Regional Water Assessment (CQRWA) as a member of both the Stakeholder Advisory Group and the Working Group. GAWB has contributed to the Service Needs Analysis and Options Assessment by providing background information on known areas of current and future water demand and additional water supply opportunities.

The CQRWA entered Phase 2 in March 2025. In this Options Analysis phase, the infrastructure and non-infrastructure options shortlisted in Phase 1 were assessed in greater detail assessment to identify the preferred options to meet the identified service need in Central Queensland. The Options Analysis draft recommendations were presented to the Stakeholder Advisory Group in October 2025.

The public consultation commenced in June 2026.

GAWB remains committed to continuing to work with the CQRWA project team over the duration of the project (multiple year timeline), including providing a submission through the public consultation process.

STATUS – Partially achieved.

Financial Sustainability

To continue working with the Department of Local Government, Water and Volunteers (DLGWV) and Queensland Treasury to determine and implement the FGP cost recovery mechanism.

This initiative achieved a number of milestones including:

- Collaboration with DLGWV and Queensland Treasury to identify alternative funding models to recover costs related to the FGP and ensure GAWB's financial sustainability.
- Implementing the agreed funding model.

STATUS – Achieved.

Queensland Competition Authority (QCA) FGP Pricing Investigation

GAWB's most recent five-yearly price investigation was conducted in 2024-25 and was relevant to GAWB's business-as-usual (BAU) activities, i.e. it excluded consideration of the FGP and associated water security assets. Pricing arrangements coming out of the 2025 BAU price investigation were implemented 1 July 2025.

On 16 June 2025, the Queensland Government issued a Referral Notice directing the QCA to undertake a Price Monitoring Investigation of GAWB's business activities relevant to GAWB's water security assets for the period 1 July 2026 to 30 June 2030.

On 5 September 2025, GAWB lodged its regulatory submission to the QCA and on 19 December 2025, the QCA published its Draft Report.

On 2 March 2026, GAWB lodged its response to the QCA's Draft Report.

The QCA provided its Final Report to Government on 24 April 2026, which represents the conclusion of the QCA's investigation.

The findings of the QCA's investigation have informed the pricing arrangements for GAWB's water security assets which commenced 1 July 2026.

STATUS – Achieved.

Advancement of Climate Change Strategy

GAWB continues to support the climate-related ambitions of the Queensland Government and remains focussed on delivering GAWB's Climate Change Strategy.

A key strategic objective of GAWB and GAWB's Climate Change Action Plan is to effectively manage climate variability to provide reliable water services now and into the future. GAWB recognises its environmental and social responsibilities and is committed to responsible environmental stewardship, effective landholder engagement and improving the energy performance of its operations, while ensuring the sustainable and reliable supply of water to customers.

In 2026, GAWB refreshed its Climate Change Framework implementing the lessons learnt through 2021-2025 Climate Change Action Plan and incorporating the QCA's findings, to support business decisions to manage weather and climate variability.

With the FGP to become operational in FY2027 and significantly increase electricity consumption, GAWB will continue to review its activities to ensure alignment with Queensland Government policy, shareholder expectations and the needs of its customers and the wider community.

STATUS – Partially achieved.

Recreation Strategy

GAWB continued to progress implementation of the Lake Awoonga Recreation Strategy, which seeks to enhance recreational opportunities, tourism experiences and community liveability through targeted investment in infrastructure and visitor attractions around Lake Awoonga.

A significant milestone during the year was the completion of a comprehensive Market Assessment and Options Analysis to determine the preferred pathway for strengthening the visitor experience at Lake Awoonga. The assessment evaluated two potential options:

- Expansion of the existing Aquaculture Gladstone interpretive display and visitor experience; and
- Development of a new purpose-built Visitor and Interpretive Centre at Lake Awoonga.

Following consideration of the assessment findings, the Board resolved to pursue the development of a new purpose-built Visitor and Interpretive Centre. The proposed facility will serve as a key tourism and education asset for the region, providing opportunities to showcase GAWB's water supply operations, catchment management programs, aquaculture activities, environmental stewardship and recreational offerings. Whilst it was intended to commence in 2025-26, this phase of the initiative will now commence in 2026-27.

Implementation of other priority projects identified within the Recreation Strategy also progressed during the year, including:

Castle Tower Lookout Upgrade

- Detailed design completed.
- Construction contract awarded and site works commenced.
- Upgrade works include enhanced visitor amenities, improved accessibility, landscaping and event infrastructure.
- Practical completion is forecast for November 2026.

Boynedale Rail Trail

- GAWB secured grant funding from Department Main Roads and Transport (DTMR) to support the expansion of the existing rail trail network, with the project being delivered through a collaborative co-investment partnership between DTMR & GAWB.
- Detailed design completed for the next stage of the trail.
- Construction contract awarded with contractor mobilisation commencing in June 2026.
- The project will extend recreational trail opportunities and further strengthen Lake Awoonga's active tourism offering.
- Practical completion is forecast for September 2026.

Status – Achieved

Aquaculture Gladstone Hatchery - Operationalisation and Commercialisation

Aquaculture Gladstone continued to strengthen its position as a leading hatchery and community education facility during 2025–26, achieving significant milestones across production, research and development, commercialisation, regional development and recreational fisheries enhancement.

The hatchery maintained strong production performance, producing more than 2.5 million fingerlings during the year and achieving its maximum annual restocking licence for the third consecutive year. A total of 1,147,500 Barramundi fingerlings were released into Lake Awoonga, alongside ongoing Sea Mullet stocking activities that support water quality and the ecological health of the lake. These stocking programs remain a critical component of GAWB's environmental obligations and contribute to maintaining a world-class recreational fishery.

A major achievement for the year was the successful production and release of Mangrove Jack fingerlings into Lake Awoonga. Following several years of research and development, Aquaculture Gladstone successfully completed its first Mangrove Jack breeding and fingerling production program at the new hatchery facility, resulting in approximately 4,000 fingerlings

being stocked into the lake. This milestone represents the first significant Mangrove Jack restocking event in more than two decades and demonstrates the growing capability of the facility to support the enhancement of recreational fisheries through innovative aquaculture practices.

Improved production capability has continued to support commercial sales opportunities, with surplus Barramundi fingerlings supplied to impoundments, stocking groups and private customers across Queensland. These activities form an important part of Aquaculture Gladstone's ongoing commercialisation strategy and contribute to building a sustainable revenue stream that complements its environmental and community outcomes.

Community interest in Aquaculture Gladstone remains strong, with visitation continuing to grow through the interpretive reception, guided tours and daily fish feeding experiences. During the year, GAWB progressed market analysis and strategic planning to inform future expansion opportunities, including the development of a standalone visitor and interpretive centre that will further enhance tourism, education and recreational experiences at Lake Awoonga.

Aquaculture Gladstone also continued to invest in workforce development and industry capacity building through trainee programs, work experience placements and collaboration with educational institutions. These initiatives provide valuable pathways for local students and emerging aquaculture professionals while supporting the long-term growth of the industry within the Gladstone region.

Status – Achieved

Network Reform Program

The Network Reform Program will deliver an uplift in operational efficiency and effectiveness focusing on the following areas:

- Strategic Asset Management
- Operational and Control Technology
- Drinking Water Quality Standards, and
- Easements

The Network Reform Program has been a multi-year program of works and concluded 30 June 2026.

The Network Reform Program successfully transformed GAWB's approach to asset management, operational technology, drinking water quality and easement management, establishing the foundations required to support future infrastructure growth and long-term operational reliability. Key achievements for the respective areas include:

Strategic Asset Management

GAWB completed Asset Criticality assessments across its asset portfolio, undertook Failure Mode Effects and Criticality Analysis (FMECA) of critical assets, and updated Life Cycle Management Plans using asset condition, performance and risk data. Maintenance strategies, procedures and schedules were comprehensively reviewed and aligned to a risk-based asset management framework, enabling more informed maintenance, renewal and capital investment decisions.

Operations and Control Technology

The Operational and Control Technology environment was significantly strengthened through improved business continuity arrangements, implementation of a modern enterprise historian, and standardisation of Programmable Logic Controller (PLC), Remote Terminal Unit (RTU) and control system hardware. These initiatives improved operational resilience, system reliability, data accessibility, cybersecurity and asset performance monitoring capabilities.

Drinking Water Quality Standards

GAWB completed a comprehensive review of its Drinking Water Quality Management Plan (DWQMP), implemented audit recommendations, established a Risk Management Improvement Program and enhanced regulatory compliance processes. These improvements strengthened drinking water governance and provided greater assurance of ongoing compliance with drinking water quality obligations.

Easement Management

A comprehensive review of GAWB's easement portfolio identified access constraints, encroachments and infrastructure protection risks. A long-term rectification

and risk reduction plan has been developed with the intent to improving access to critical assets, reducing operational risks and establishing sustainable easement management practices across the network.

Status – Achieved.

Contracts and Procurement Reform Program

The Contracts and Procurement Reform Program seeks to streamline the governance functions and supporting processes to increase efficiency. This is a multi-year reform program with the key activities in FY2025-26 focused on leveraging the improvements delivered through the migration to CiAnywhere.

Milestones:

- Adapt procurement processes to align with standard CiAnywhere Supply Chain functionality.
- Improved reporting capability, with focus on proactive contract management.
- Optimise GAWB contract portfolio to reduce time spent on low value, low risk procurement activities.
- Update policies and procedures to align with new Queensland Procurement Policy (QPP 2026) requirements and for use of corporate credit cards to promote increased spend on low value, low risk procurement.

The reform program officially concluded on 30 June 2026, and all future improvement opportunities will be captured as part of the usual continuous improvement process.

Status – Achieved.

Business Development

Central Queensland continues to be a highly attractive location for new and emerging industries and GAWB maintains a healthy queue for prospective water customers seeking to establish or expand operations in the Gladstone region.

With demand for all of GAWB's Resource Operations Licence (ROL) (at 78GL) and new and potential queued customers now choosing Gladstone and

Central Queensland as their preferred location, early engagement is now crucial to the long-term planning and future success of the region.

Now with two sources of water, a significantly strengthened water security supply and a healthy queue enhancing confidence for new and potential customers, GAWB in partnership with the Queensland Government, is planning for and ensuring future water supply will be ready to support business development and growth in the region.

Milestones:

- Reliable and secure water supply for new and existing customers
- Water Seekers allotted water through the Water Supply Contracting process
- Long term infrastructure planning to enable connection for Water Seeker projects who are progressed to the Water Supply Contracting process.

Status – Achieved.

Our strategic objectives

GAWB's 2026-2031 Strategic Plan outlines our strategic objectives and key strategies which will guide our activities over the medium term. The plan enables us to ensure our continued ability to deliver high priority water to our customers, attract and retain employees who support our values, and continue to provide benefit to our local community through enhanced recreational facilities and tourism opportunities. These objectives will also assist GAWB in positioning for future growth and provide the ability to support the Queensland Government in future activities. The Board reviewed and amended the strategic objectives and underpinning key strategies in March 2026 for implementation and confirmed continued alignment with the Queensland Government objectives.

Our areas of focus

STRATEGIC OBJECTIVE 1

Safe, resilient and reliable water supply

Key strategies:

- Develop short to long term future water demand scenarios to ensure we continue to meet our customers' (both existing and potential) future consumption needs.
- Advance the Water Security Strategy to improve medium to long term water security and drought resilience for existing and future Central Queensland customers.
- Develop the range of water resource yields and demand scenarios (which reflect potential future variability) to assess network resilience to future extreme weather events and improve decision support.
- Support the development of a comprehensive water investment pipeline with trigger points for strategic planning and investment decisions.
- Maintain effective catchment management to ensure good raw water quality and stewardship of the environment.
- Effective asset management to optimise value and performance, with reliable water treatment and distribution.
- Continuously deliver water that meets quality standards, as relevant.
- Promote water efficiency among our customers and community.
- Maintain dam safety requirements and leverage any works for efficiency purposes (i.e. a dam raise).
- Regularly review our Drought Management Plan (addressing two river systems).
- Further quantify and respond to potential climate change impacts on our assets and operations (certificates/uplift from FGP).

STRATEGIC OBJECTIVE 2

High customer and community satisfaction

Key strategies:

- Prioritise customer satisfaction through the quality and reliability of our services and understanding of their needs and expectations
- Active and purposeful engagement and collaboration with our stakeholders, including Traditional Owners.
- Enhance stakeholder recognition and regard based on active participation and contribution to the Central Queensland community.
- Continue to contribute to our local lifestyle by enhancing our recreational facilities.
- Maximise economic and social benefit in Central Queensland through our procurement, local recruitment preference and business practices.
- Enhance satisfaction through development of communications and stakeholders to promote and expand on GAWB's brands through contribution to the region's facilities and events.
- Actively engage with customers in relation to the Queensland Competition Authority (QCA) processes and customer pricing outcomes.

STRATEGIC OBJECTIVE 3

Skilled, safe and responsive workforce

Key strategies:

- Continue to foster a positive workplace culture consistent with our values.
- Continuously improve our safety management system to ensure the welfare of our employees, contractors and visitors.
- Embed the hybrid resourcing model (i.e., mix of permanent or contract team members and professional service providers) to deliver GAWB's operating obligations and strategic objectives.
- Continue to reward, retain and attract new talent, while valuing diversity and inclusion.
- Provide a comprehensive training and professional development program to build the skills we need now, and into the future.
- Create opportunities for local apprentices, trainees, and internships to promote sustainable jobs in the regional economy.
- Identify procurement opportunities for local suppliers in procurement contracts with GAWB suppliers.

STRATEGIC OBJECTIVE 5

Growth

Key strategies:

- Assist industry and government partners in advancing the strategic benefits of Gladstone being the premier location for beneficial new industry in Queensland.
- Actively engage with Government for whole-of-government coordination to expand and augment our network to be capable of delivering water security and reliability to new industry customers in the Gladstone State Development Area.
- Promote the use of Common User Infrastructure funding models for network infrastructure's investment projects.

STRATEGIC OBJECTIVE 4

Operational excellence

Key strategies:

- Build, deliver and integrate the FGP network infrastructure to strengthen the resilience of our raw water network in the event of an emergency, network outage or break.
- Investigate and implement renewable energy initiatives to reduce our carbon footprint.
- Reduce exposure to operational and strategic risks and pursue opportunities to enhance our performance.
- Sustain strong commercial performance through prudent and efficient use of resources.
- Enhance capital forecasting to guide future investment and build value.
- Ongoing application of technology, systems and other innovation to drive reliability and efficiency.
- Deliver identified reform programs within the business.
- Advance Aquaculture Gladstone Commercialisation Strategy including to develop, protect and deliver commercial product opportunities.

STRATEGIC OBJECTIVE

Safe, resilient and reliable water supply

Water availability

In 2023 the storage volume of Lake Awoonga was reviewed using Light Detection and Ranging (LiDAR) technology and a bathymetric survey and adjusted for the first time in 20 years. At full capacity, Lake Awoonga can hold 730,502ML. It is Queensland's fourth largest water storage. As at 30 June 2026, the capacity of Lake Awoonga was 64.9 per cent, or 474,230ML.

The Queensland Government's approval to construct the Fitzroy to Gladstone Pipeline and the development and implementation of GAWB's Queuing Guidelines (Storage Capacity), enabled GAWB on 28 June 2023 to lift the Low Supply Alert that had been in place since 7 April 2021, as modelling of receipt of the FGP capacity for partial water security support can be included from 2026. The regular drought modelling undertaken by GAWB indicates that with the FGP delivering water for security purposes from 2028, the earliest that a Low Supply Alert would be required would be November 2032.

Inflows into Lake Awoonga over the past 10 years comprise as follows:

Reporting period	Sum of inflows received (ML)
July 2016 – June 2017	244,927
July 2017 – June 2018	340,967
July 2018 – June 2019	8,523
July 2019 – June 2020	5,439
July 2020 – June 2021	5,305
July 2021 – June 2022	137,939
July 2022 – June 2023	46,346
July 2023 – June 2024	6,561
July 2024 – June 2025	11,306
July 2025 – June 2026	188,401

Water delivery

During 2025-26, GAWB delivered 36,920 ML of raw water and 11,183 ML of treated water to customers.

Long-term security of supply

Water security is a fundamental issue for current and future potential customers as Awoonga Dam is currently the sole source of supply for the Gladstone region. GAWB plays a key role in providing water security. To do this, it must actively plan, by considering the region's potential water needs, future water supply options and demand size alternatives. Consideration is also given to the impact weather conditions will potentially have on current and future water supply options.

The investment decision by the Queensland Government regarding the approval of the Fitzroy to Gladstone Pipeline (FGP) will assist in addressing the single source of water supply risk from Awoonga Dam and enable long-term water security for GAWB's customers. For every litre of water supplied from the Fitzroy River, that's a litre preserved in Awoonga Dam.

In June 2026 the Queensland Government announced a \$10 million subsidy for bulk water to Gladstone Regional Council in 2026-27. This is a positive announcement for Gladstone ratepayers attached to the Council's Lake Awoonga Scheme. GAWB will continue to work with the Department of Local Government, Water and Volunteers on implementing this subsidy.

GAWB remains committed to enhancing water security for the Central Queensland region and will continue to engage with the relevant stakeholders to investigate all potential opportunities in this regard.

Meeting quality standards

Ensuring our customers and the community receive treated water in accordance with the National Health and Medical Research Council's Australian Drinking Water Guidelines (2011) is a fundamental priority for GAWB. During 2025-26 GAWB reported 100% compliance with our Drinking Water Quality Management Plan (DWQMP). We are currently undertaking a review of our Drinking Water Quality Management Plan which will then be submitted to the regulator for approval.

Catchment management

GAWB remains committed to the sustainable management of the Lake Awoonga catchment through the delivery of targeted environmental programs, biosecurity initiatives and land stewardship activities aligned with the 2025–2030 Catchment Management Plan (CMP).

During 2025–26, significant progress was made across a range of strategic priorities, including biodiversity conservation, invasive species management, catchment rehabilitation, grazing land sustainability, water quality protection and stakeholder engagement. These initiatives continue to strengthen ecosystem resilience while supporting the long-term security of the region's water supply. Key achievements during the reporting period are detailed below.

Riparian Zone Protection and Off-Stream Watering

GAWB continued to invest in riparian protection initiatives throughout the catchment, with additional fencing installed to restrict livestock access to environmentally sensitive waterways. The organisation also expanded its off-stream watering program through the installation of several new watering locations, improving livestock management outcomes while reducing erosion, sedimentation and nutrient inputs into waterways. These works support both sustainable agricultural practices and improved source water quality.

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Land Condition Assessment Tool (LCAT) Training and Implementation

As part of GAWB's commitment to evidence-based land management GAWB has implemented the Queensland Government science based framework, Land Condition Assessment Tool (LCAT) into operations to assess long term land condition and sustainability.

The tool incorporates standardised indicators and a mobile application that enables efficient collection and analysis of field data aligned with ecological and grazing land management principles.

Implementation of LCAT has enhanced the consistency, efficiency and accuracy of land condition assessments across GAWB-managed properties. The information gathered will assist in evaluating the effectiveness of current land management programs and support future decision-making across the broader catchment management portfolio.

Threatened Species and Regional Ecosystem Assessments

GAWB completed a range of field-based ecological surveys, including threatened species ground-truthing and verification of Endangered and Of Concern Regional Ecosystems across its landholdings. These assessments have strengthened the organisation's understanding of ecological values within the catchment and established an important baseline for future biodiversity monitoring, adaptive management and conservation planning.

Catchment Revegetation Program

Revegetation works were undertaken along sections of the Boyne River and its major tributaries to improve riparian condition and restore native habitat. A total of 140 mixed native tree species, selected for their suitability to local environmental conditions, were planted and will contribute to improved bank stability, enhanced habitat connectivity and long-term water quality outcomes within the catchment.

Pest and Invasive Species Management

GAWB's commitment to the control and management of pests and invasive species continued throughout 2025-26 with initiatives to address:

- Cat's Claw Creeper – A trial field based application using stem-injection techniques and subsequent revegetation works were completed.
- Feral Pigs – GAWB's management program continued and resulted in the removal of a significant number of feral pigs and additionally the installation of exclusion fencing and new cattle grids.
- Washdown Infrastructure and Biosecurity improvements – construction of new washdown facilities and implementation of additional boundary fencing.

These programs deliver a range of environmental and operational benefits, including reduced erosion and sediment entering waterways, protection of riparian zones, improved source water quality outcomes, reduced pressure on grazing land and fencing infrastructure, enhanced biodiversity values and recreational amenity, and a lower risk of future reinvasion.

Asset management

As the owner and operator of critical infrastructure but also having regard to the obligation to demonstrate prudence and efficiency to the QCA, our approach to asset management focuses on strategic asset management whilst planning to optimise performance and minimise the cost of ownership throughout the lifecycle of an asset. Our asset management system underwent external recertification in March 2026 which confirmed our ongoing ISO 55001:2014 accreditation and GAWB continues to ensure that our asset management practices are in line with these requirements.

Protecting our environment

Environmental stewardship remains central to GAWB's operations and long-term vision. As the custodian of critical water infrastructure, extensive catchment and recreational assets, GAWB is committed to protecting and enhancing the natural environment while delivering reliable water services to the region.

Our approach is guided by a commitment to environmental responsibility, regulatory compliance and continual improvement. Through the integration of environmental considerations into decision-making, planning and operational activities, GAWB seeks to minimise environmental impacts, strengthen ecosystem resilience and support sustainable outcomes for future generations.

Key principles underpinning our environmental management approach include:

- Maintaining compliance with all applicable environmental obligations and regulatory requirements.
- Protecting and enhancing the environmental values of Lake Awoonga catchment and surrounding natural areas.
- Embedding environmental considerations into planning, project delivery, operations, maintenance and asset management activities.
- Applying best-practice environmental and natural resource management principles.
- Supporting a culture of environmental responsibility among employees, contractors and stakeholders.
- Driving continual improvement through monitoring, evaluation and adaptive management.

To support these commitments, GAWB maintains an Environmental Management System certified to the ISO 14001 Environmental Management Standard, providing a structured framework for managing environmental risks, obligations and performance across the organisation.

During 2025–26, GAWB continued to implement a range of environmental monitoring, compliance and improvement initiatives, including:

- Delivering comprehensive water quality monitoring programs across Lake Awoonga, the Boyne River and associated operational assets to support water security and environmental health.
- Undertaking aquatic ecosystem monitoring to assess the condition and resilience of aquatic habitats and native species populations.

- Operating and maintaining an extensive environmental monitoring network, including stream flow gauging stations, water level recorders, flow meters, rainfall gauges and weather stations.
- Assessing environmental risks and impacts associated with operational activities and infrastructure projects through environmental impact assessment processes.
- Implementing targeted biosecurity management programs focused on invasive species surveillance, prevention and control.
- Completing environmental compliance monitoring, reporting and auditing activities to ensure ongoing adherence to environmental approvals and obligations.
- Progressing reviews of environmental management systems and monitoring programs to identify opportunities for improved efficiency, consistency and environmental outcomes.

Through these activities, GAWB continues to strengthen environmental performance, support informed decision-making and protect the environmental values that underpin the region's water resources, biodiversity and recreational opportunities.

Dam safety activities

GAWB demonstrates its commitment to dam safety through the implementation of a comprehensive dam safety management program in accordance with the Water Supply (Safety and Reliability) Act 2008 and the Dam Safety Conditions Schedule for Awoonga Dam issued by the Department of Local Government, Water and Volunteers (DLGWV), the Queensland Dam Safety Regulator. Additionally, GAWB maintains an annually reviewed and updated Emergency Action Plan (EAP) for Awoonga Dam, as required by the *Water Supply (Safety and Reliability) Act 2008*.

The dam safety management program is guided by various guidelines and regulations, including:

- Queensland Dam Safety Management Guidelines
- Queensland Guidelines for Failure Impact Assessment of Water Dams

- Queensland Guidelines on Safety Assessments for Referable Dams
- Queensland Emergency Action Plan for Referable Dam Guideline
- Australian National Committee on Large Dams (ANCOLD) Guidelines on Dam Safety Management.

Routine inspections and surveillance of the dam are ongoing, including the annual third-party engineering inspection, which was completed in early 2026. Furthermore, in late 2025 GAWB conducted a desktop exercise to test the readiness of the EAP and familiarise staff with its implementation. GAWB is currently in the process of a major review and update of the Awoonga Dam EAP, due to be completed and implemented in September 2026.

GAWB has also completed the current required planning activities for the Awoonga Dam Improvement Project (ADIP), a multi-year initiative aimed at ensuring compliance with regulatory requirements. This project was deemed necessary due to changes in the likelihood and magnitude of future extreme weather events and floods. Further work on the ADIP will be informed by the Queensland Government's work being undertaken to improve the coordination and prioritisation of dam upgrades across Queensland.

Aquaculture Gladstone

Aquaculture Gladstone continues to play a critical role in supporting the ecological health and sustainability of Lake Awoonga through the operation of its purpose-built fish hatchery. The facility breeds and rears barramundi, mangrove jack, sea mullet and other native species to meet GAWB's environmental obligations associated with the operation of Awoonga Dam.

Under regulatory requirements, GAWB undertakes annual fish stocking programs to mitigate the impacts of the dam on migratory fish species within the Boyne River system. These programs help maintain healthy fish populations and support broader ecosystem functions within the lake and downstream environments. In particular, sea mullet play an important role in maintaining water quality and contributing to the overall ecological balance of the lake.

During FY2025–26, Aquaculture Gladstone successfully achieved its full regulatory stocking target for barramundi for the third consecutive year, releasing 1,147,500 barramundi fingerlings into Lake Awoonga. In addition, 3,939 mangrove jack fingerlings and 1,379 sea mullet fingerlings were stocked as part of GAWB's ongoing environmental restocking program.

A significant milestone was also achieved during the year with the successful production and release of mangrove jack fingerlings from the Aquaculture Gladstone facility. This represented the first mangrove jack stocking from the new hatchery and the first release of mangrove jack into Lake Awoonga in more than 20 years, enhancing recreational fishing opportunities and contributing to the long-term diversity and resilience of the lake's fishery.

Aquaculture Gladstone also continued to support recreational fisheries enhancement programs and industry partners through the supply of surplus barramundi fingerlings to stocking associations and private customers across Queensland. During the year, a total of 528,790 surplus barramundi fingerlings were supplied to external stakeholders, including:

Restocking Associations

- Monduran Anglers Stocking Association – Lake Monduran: 361,004 barramundi fingerlings
- Moura Fish Stocking Group – Upper Dawson River: 11,568 barramundi fingerlings
- Fitzroy Fish Stocking Group: 5,700 barramundi fingerlings
- Gladstone Sportsfishing Club: 2,860 barramundi fingerlings

Private Stocking Programs

- Private impoundments and recreational fisheries enhancement projects: 147,658 barramundi fingerlings

Aquatic Practices Programs

- Rockhampton State High School
- Tannum State High School
- Calliope State High School

The continued success of Aquaculture Gladstone demonstrates the facility's growing capability to meet environmental obligations while supporting environmental outcomes, recreational fisheries, regional economic development and future commercial aquaculture opportunities across Queensland.

Our Response to Climate Related Risks

Safe, resilient, and reliable water supply, operational excellence and growth are the three key strategic objectives supporting GAWB's Climate Change Strategy. All three are reliant on GAWB's commitment to effective asset management to optimise value and performance, prudent and efficient use of resources and developing an adaptive framework approach to climate variability and potential impacts on assets and operations. Regional and seasonal characteristics and trends pose a heightened risk to water infrastructure, employees, and the services we provide to our customers. GAWB continues to prepare and adapt to build its resilience and maintain service reliability for its customers. The scope of the activities to be undertaken will be guided by legislation and regulatory frameworks, the social contract under which GAWB operates, business priorities, and associated Government policies. GAWB continues its approach through optimising the energy performance of our operations and ensuring a sustainable and secure supply of water.

STRATEGIC OBJECTIVE

High customer and community satisfaction

Customer engagement

In line with GAWB's commitment to transition to a customer centric culture, we have continued to engage with our customers throughout 2025-26. GAWB has various points of contact with customers across its business depending on the nature of the consultation required. The intention of these interactions is to build on GAWB's current understanding of customer preferences and lead to the delivery of services that reflect current and future customer requirements.

As part of this engagement process, each year GAWB looks to provide all customers with updates on at least an annual basis. These one-on-one meetings are a significant part of GAWB's strategy to provide continual engagement opportunities with our customers. The intention of these meetings is to provide customers with updates on GAWB's performance over the preceding year and highlight any key issues that may be relevant. It also provides customers with the opportunity to raise with GAWB any technical or commercial issues needing to be addressed.

The majority of formal customer engagement that has occurred during 2025-26 has been in relation to the two significant QCA pricing reviews that have been undertaken across 2024-25 and 2025-26.

In July 2025 and early August 2025, following the completion of the QCA's 2025-2030 Price Monitoring Investigation, GAWB met with customers to provide an update on the outcome of the QCA's investigation and the subsequent pricing arrangements that were introduced at 1 July 2025.

Throughout the QCA's 2026 Water Security Assets Price Monitoring Investigation, GAWB has provided regular updates to customers at relevant milestones in the process.

In September 2025, immediately following the lodgement of GAWB's initial regulatory submission, GAWB provided letters to all its industrial customers and the Gladstone Regional Council setting out GAWB's proposed pricing for its water security assets and provide further information on its submission

and the QCA's process. This update also provided an open invitation for one-on-one meetings with GAWB if required.

In March 2026 and April 2026, following the release of the QCA's Draft Report, GAWB met with customers to provide an update on the preliminary findings of the QCA and outline GAWB's response to the QCA. An update on the progress of the Fitzroy to Gladstone Pipeline project and the water security benefits it will provide, as well as an update on the revision to GAWB's Drought Management Plan was also provided at these meetings.

Following the finalisation of the QCA's 2026 Water Security Assets Price Monitoring Investigation, GAWB provided letters to all its industrial customers and the Gladstone Regional Council in late June 2026 setting out the Water Security Price that will apply from 1 July 2026 and an explanation of the variances compared to the QCA's indicative prices presented in its Final Report.

Community engagement

GAWB's community engagement program continued to strengthen our visibility, reputation and connection with the Gladstone region in 2025-26.

The 2025 Community Perception Survey¹ recorded the strongest results since tracking began in 2016, with positive sentiment reaching 75 per cent and recognition of GAWB as a valued community partner increasing to 77 per cent.

Sixty per cent of respondents agreed GAWB communicates well, representing a significant improvement since the previous survey. Community value also continues to be recognised, with 74 per cent agreeing GAWB contributes more than just water.

GAWB's recreational and community assets remain incredibly popular with the community. Lake Awoonga recreational areas recorded very high satisfaction levels (91 per cent), and Aquaculture Gladstone (which was included for the first time in the survey in 2025), was strongly supported by visitors and the broader community.

¹ The GAWB Community Perception Survey was conducted from May to June 2025, and responses were collected online and through in-person community engagement in the Gladstone region.

Held every three years, the GAWB Community Perception Survey data was collected through face-to-face engagement at community events, as well as through digital channels including social media and the GAWB website. In the 2025 survey, for the first time, questions about the Fitzroy to Gladstone Pipeline and Aquaculture Gladstone were included, to capture opinions and knowledge of both. Responses were also sought from Rockhampton residents for the first time, reflecting our expanded presence in the region.

This data has informed a review of the communications and community relations response. Key enhancements are planned over multi years and will include:

- Reinforcing trust through clear, simple messaging about water security and GAWB's role in delivering water security for the region.
- Strengthening digital channels, including website and social media, to improve accessibility of information and searchability through AI search bots such as ChatGPT.
- Increasing the use of video and visual content to explain complex topics.
- Improving visibility of community investment and ensuring stronger attribution to GAWB.
- Promoting employee stories and workplace initiatives to strengthen GAWB's reputation as an employer of choice within the region.

Overall, GAWB's community engagement program remains effective, with a strong foundation of trust and goodwill.

Stakeholder engagement

GAWB continued to strengthen engagement with stakeholders across the region and with a strong focus on supporting the delivery of the FGP.

Positive sentiment towards GAWB increased to 75 per cent in the 2025 Community Perception Survey, while 77 per cent of respondents recognised GAWB as a valued community partner. Sixty per cent agreed GAWB communicates well, reflecting continued improvement in how the organisation engages with stakeholders and the community.

The research also found awareness of the Fitzroy to Gladstone Pipeline (FGP) was strong at 62 per cent, with sentiment largely neutral. In the context of a major pipeline project, this is a sound result and indicates stability, awareness and an absence of significant negative sentiment. The findings suggest GAWB has maintained a balanced and credible position while continuing to provide information through the project lifecycle.

The outcomes achieved through the FGP were recognised at a national level in 2026 through the Infrastructure Sustainability Council Awards. The project received the Award for Excellence in Economic Outcomes and was Highly Commended in the Excellence in Social Outcomes category.

Social outcomes recognised through the awards process included partnerships with Traditional Owners, workforce participation, community engagement and a focus on delivering lasting benefits for the communities in which GAWB operates.

Community Engagement – Pikes Crossing Emergency Muster Point (PCEMP)

In 2025–26, GAWB continued to foster strong relationships with residential landowners adjoining our operational assets, with a particular focus on the Pikes Crossing Emergency Muster Point (PCEMP) facility.

On 1 October 2025, GAWB hosted its annual engagement session with Pikes Crossing residents. The session served as an important opportunity to discuss the purpose and operations of the PCEMP, reinforce emergency response protocols, and provide a refresher on access procedures, site check-in processes, and the use of SMS alerts during emergencies. Residents were also encouraged to update their contact information to ensure effective communication in the event of an incident.

Agistee Engagement

GAWB continues to recognise the important role agistees play as partners in the sustainable management of its landholdings and catchment areas. Through ongoing collaboration, communication and shared stewardship, agistees contribute significantly to maintaining land condition, supporting biosecurity

outcomes and protecting the long-term health of the Lake Awoonga catchment.

In Q2 2025, GAWB hosted its Annual Agistee Forum at the Calliope Community Function Centre, bringing together agistees and GAWB representatives to discuss key initiatives, share knowledge and strengthen relationships across the catchment. The forum provided an opportunity to update stakeholders on strategic projects, operational activities and emerging land management priorities.

Key topics and achievements highlighted during the year included:

- Progress and implementation of the Lake Awoonga Recreation Strategy 2025–2030, including future recreational infrastructure and land management initiatives.
- Updates on major projects including the Fitzroy to Gladstone Pipeline Project and the continued development of Aquaculture Gladstone.
- Installation of additional livestock water points across several agistment parcels, improving stock access to water while reducing pressure on natural waterways and sensitive environmental areas.
- Updates on pest and weed management initiatives including details of partnerships with other Queensland Government agencies and highlighting the outcomes achieved.
- Introduction of the Land Condition Assessment Tool (LCAT) to support consistent annual assessments of agistment parcels and provide improved data to guide land management decisions.

The Annual Agistee Forum continues to provide a valuable mechanism for engagement with agistees.

Engagement with Traditional Owners

The Traditional Owners for the Gladstone region include Bailai, Gurang, Gooreng Gooreng and Taribelang Bunda (FNBGGGTB) and Darumbal in Rockhampton. GAWB is committed to engaging with the two Traditional Owner groups on issues as they arise. Specifically in 2025–26 GAWB successfully negotiated an Indigenous Land Use Agreement (ILUA) with the Traditional Owners (FNBGGGTB) in Gladstone in June 2026. This agreement is expected

to be assessed and formally registered in 2026–27. The signing of this ILUA follows the registration of an ILUA with the Darumbal group in 2024.

GAWB supports various First Nations initiatives such as NAIDOC week celebrations in Rockhampton, which aims to bring community members, visitors and representatives from various organisations together for a day of cultural celebration.

Recreational Facilities and Visitor Experience

GAWB continued to progress its vision of enhancing Lake Awoonga as a premier recreational destination through the delivery of several key strategic initiatives during 2025–26 and reinforcing GAWB's commitment to delivering high-quality recreational experiences while supporting sustainable economic development and community wellbeing across the region.

A major focus of the year was the completion of a suite of planning and assessment projects designed to guide future recreational investment and improve the visitor experience. This included finalisation of the Lake Awoonga Caravan Park Commercialisation Strategy, which assessed future operating and development opportunities for the caravan park and established a framework to support its long-term sustainability and contribution to regional tourism.

To better understand the value generated by existing recreational assets and activities, GAWB also completed the Lake Awoonga Current Recreational Benefits Assessment. The assessment quantified the social, economic, health and wellbeing benefits currently delivered to the community through recreational use of the lake and surrounding facilities.

Building on this work, the Lake Awoonga Future Recreational Benefits Assessment was completed to evaluate the potential benefits associated with proposed recreational investments identified within the Lake Awoonga Recreational Strategy 2025–2030. The assessment demonstrated significant opportunities to enhance regional liveability, increase visitation, support tourism growth and deliver broader economic benefits to the Gladstone region.

GAWB also progressed several priority initiatives identified within the Lake Awoonga Recreational

Strategy 2025–2030. These activities focused on advancing planning, concept development and business case investigations for future recreational infrastructure, including visitor experience enhancements, tourism opportunities and improved recreational facilities around the lake precinct.

Aquaculture Gladstone

Aquaculture Gladstone continues to strengthen community engagement through its interpretive centre, which serves as an important gateway for visitors to learn about sustainable aquaculture, fish stocking programs, and the broader role of GAWB in supporting regional environmental and recreational outcomes.

Throughout the year, the interpretive centre remained open to the public six days per week, welcoming a growing number of visitors from across Central Queensland and beyond. Daily fish feeding demonstrations continued to be a popular attraction, providing visitors with a unique opportunity to observe native fish species and gain insights into hatchery operations.

Guided tours of the facility were offered throughout the year, providing participants with behind-the-scenes access to one of Australia's most advanced native fish hatcheries. These tours showcased Aquaculture Gladstone's breeding, production and stocking programs, while highlighting the significant contribution the facility makes to recreational fisheries enhancement and aquatic research.

As visitor numbers and community interest continue to grow, Aquaculture Gladstone remains committed to enhancing the visitor experience while fostering greater understanding of sustainable aquaculture and the environmental, economic and recreational benefits it delivers to the region.

STRATEGIC OBJECTIVE

Skilled, safe and responsive workforce

During 2025–26, GAWB continued to strengthen workforce capability, safety culture and organisational readiness for future growth. Activity focused on four key areas: workforce planning, capability development, employee experience and workforce governance.

GAWB recorded no notifiable safety incidents or lost time injuries during the reporting period.

Workforce planning and organisational readiness

In 2025, GAWB reviewed its organisational structure to align with the changing external environment, future operating needs and the transition of the Fitzroy to Gladstone Pipeline from construction to commissioning. Most business unit structures were finalised and substantially implemented from 4 August 2025, subject to recruitment.

The review considered the larger asset base, enhanced regional water security and changing resourcing requirements associated with the FGP, including expected cost recovery arrangements.

It also considered industry conditions, future demand for bulk water services, customer and stakeholder relationships, regional liveability and emerging commercial opportunities, including Aquaculture Gladstone.

Capability, training and leadership development

GAWB invested in targeted compliance, operational and leadership development programs to strengthen employee capability, support safe and reliable operations and prepare the workforce for changing organisational needs.

This year our key capability initiatives included:

- Compliance and induction training was strengthened, including a new mandatory *Managing Psychosocial Risks* module to help employees identify, manage and report psychosocial hazards, issues and incidents.
- Operational readiness was supported through targeted competency verification and marine licensing training.

- Leadership capability remained a priority through the Step-Up Leadership Development Program, with two learning days focused on managing psychosocial risk and leading at level.

Attracting and retaining talent

GAWB continued to review its remuneration and benefits program during the reporting period. Targeted remuneration adjustments helped maintain a conservative but competitive position in attracting and retaining talent in a tight regional employment market.

Systems, engagement and workplace culture

GAWB continued to optimise TechOne to improve visibility and management of key workforce processes. Enhanced reporting gives leaders and employees more timely access to information, supporting stronger oversight of compliance training, leave management, probation periods and other people-related activities.

Employee engagement and communication

GAWB surveyed employees to better understand workplace culture and identify improvement opportunities. The results highlighted internal customer experience as a key focus area, informing future work programs.

Internal communication channels

GAWB reviewed its internal communication channels to assess effectiveness and impact on employee engagement. The review identified opportunities to streamline human resources content, profile more employees, reinforce GAWB's values and culture, and introduce monthly screensavers to promote key initiatives and messages to office-based employees.

Health, safety and governance

During the reporting period, GAWB revised its Health & Safety Committee to strengthen consultation between management and workers on health, safety, environment and psychosocial wellbeing matters. Sponsored by an Executive Leadership Team member, the Committee provides advice and recommendations

to management and supports stronger governance through collaboration, communication and workforce engagement.

The Committee meets every six weeks under a formal structure, with key worker representative roles rotating annually to support shared ownership and leadership development. It also reviews its processes and meetings to identify opportunities for continuous improvement.

Safety Management System reaccreditation

GAWB continued to enhance its Safety Management System during the year, including through a successful surveillance audit that confirmed reaccreditation to ISO 45001, the international standard for occupational health and safety management systems.

Workforce profile

At 30 June 2026, GAWB's workforce profile comprised:

- 125.03 full-time equivalent employees
- 65 per cent male employees (88) and 35 per cent female employees (47)
- 67 per cent male leaders (16) and 33 per cent female leaders (8)
- 67.41 per cent permanent, 28.89 per cent temporary and 3.70 per cent apprentice or trainee employees
- 92.60 per cent full-time and 7.40 per cent part-time employees
- 21 per cent annualised turnover
- 4.65 years average workforce tenure
- 47.75 years average age

These figures exclude labour engaged by the McConnell Dowell BMD joint venture for construction of the Fitzroy to Gladstone Pipeline and other contract labour used on an as-needed basis.

STRATEGIC OBJECTIVE

Operational excellence

During the year, GAWB progressed a number of initiatives to strengthen operational performance, improve efficiency and support long-term sustainability. This included targeted investment in renewable energy, with solar installations at key assets contributing to improved energy resilience and reduced operating costs. Operational performance was further supported by a disciplined approach to asset management and maintenance, ensuring infrastructure continues to perform reliably in the context of increasing system complexity. This approach incorporates structured planning, lifecycle management and continuous improvement practices to support long-term service delivery outcomes.

Externally certified management systems

GAWB is committed to delivering safe and reliable water supply to the Gladstone region. We strive to continuously improve our systems, processes and services to ensure we meet customer expectations and demands. Working in accordance with standardised processes allows us to manage potential risks and to drive internal efficiencies to provide our customers the confidence of a reliable water supply, now and in the future.

GAWB holds external certification for the following management systems:

- ISO 55001: 2014 Asset management system (AMS640276; Expiry: 31 July 2027)
- ISO 14001: 2015 Environmental management system (EMS605190; Expiry: 31 May 2028)
- ISO 45001: 2018 Occupation health and safety management system (OHS605192; Expiry: 31 May 2028).

GAWB successfully completed the annual external surveillance audit against all three systems in March 2026, with no audit findings. As a result, GAWB retains its certification on these systems.

Technology

Technology continues to be a key enabler to sustainably delivering on our business and operational objectives. During 2025-26 GAWB has delivered on its operational and strategic technology objectives. These include:

- IT Operating Model
- Information Management
- Data Analytics
- Continuous improvements to Operational Technology
- Cyber Security Risk Management
- Generative AI readiness.

Other notable projects and activities for 2025-26 include:

- Enhanced the IT and cyber security risk frameworks to ensure that technology risks are identified and mitigated.
- Continued to deliver the TechnologyOne Ci to CiA migration project.
- Ensured that operational and corporate systems are managed effectively and efficiently, minimising legacy systems, including the replacement of SCADA systems, legacy phone systems, and ageing Windows 10 operating systems.
- Strengthened its operational resilience by increasing redundancy across key network configurations and systems.
- Processed over 6 billion security events across the environment to ensure the cyber safety and security of our systems.

Capital works program

During 2025-26, GAWB invested a total of \$213.092 million against a budget of \$170.898 million. The majority of additional capital spend relates to the timing for completion of the Fitzroy to Gladstone Pipeline (FGP) project, where late rescheduling of activities did not align with the projected financial year budget. Additionally, the East End Pipeline Replacement project initially experienced delays in commencement of design and construction due to a scope review prompted by changes in forecast customer demand and project construction subsequently progressing faster than planned, both of which impacted financial year expenditure. The remaining portfolio spend remained aligned to planned expenditure for the year. GAWB seeks to maximise economic and social benefits in Central Queensland through our procurement, local recruitment preference and business practices. In 2025-26 GAWB (excluding Fitzroy to Gladstone Pipeline expenditure) contributed a significant portion of our overall spend within the Central Queensland regions' economy including:

- 64% of our capital works expenditure (excluding salaries)
- 49% of our overall spend (excluding salaries)
- 61% of our overall spend (including Gladstone-based salaries).

The Fitzroy to Gladstone Pipeline has specific targets in relation to a number of areas including local procurement and regional employment. Reporting on performance against these targets will be progressed during the upcoming financial year.

GAWB's commitment to spending local, incorporates assessment of quotes, tenders or proposals to include local economic benefit as opposed to solely best available price to ensure that the greatest possible economic value to the regional area is provided.

The capital investment achieved in 2025-26 represents a solid outcome, with several major capital projects progressed or completed during the year. Highlights include the following:

- Fitzroy to Gladstone Pipeline – Construction Proponent (2025-26 spend of \$158.70 million) with a total project cost of \$983 million.
- East End Pipeline Replacement (2025-26 spend of \$37.46 million) with a total project cost of \$57.25 million.
- Awoonga Dam Solar Installation (2025-26 spend of \$2.43 million) with a total project cost of \$6.27 million.
- Golegumma Pipeline Replacement (2025-26 spend of \$1.03 million) with a total project cost of \$5.11 million.
- Glen Eden Moura Rail Raw Water Pipeline, (2025-26 spend of \$1.37 million) with a total project cost of \$3.46 million
- Raw Water Pipeline - Queensland Alumina Limited Raw Water Pipeline Replacement, (2025-26 spend of \$2.72 million) with a total project cost of \$9.50 million.
- Potable Water Pipeline – Dawson Highway Crossing Upgrade (2025-26 spend of \$1.73 million) with a total project cost of \$2.73 million.

Network and Operational Readiness

In preparation for the commissioning and integration of the Fitzroy to Gladstone Pipeline (FGP), Gladstone Area Water Board has undertaken a comprehensive program of works across all areas of the business to ensure the network, systems, people and processes are fully equipped to support the transition to dual-source water supply.

- **Network and Asset Readiness**

Significant work has been delivered to prepare the existing network to safely and reliably receive and distribute water from the FGP. This has included targeted upgrades, refurbishments and replacements of aging assets, alongside works to ensure operational compatibility between the current Awoonga-based system and the incoming Fitzroy supply.

- **Operational Systems and Control Technology**

Operational and control systems have been enhanced to accommodate the increased complexity of a dual-source network. Improvements to operational technology, SCADA systems and supporting infrastructure have been undertaken to ensure seamless monitoring, control and optimisation of water flows across the expanded network.

Further work has focused on strengthening redundancy across critical systems and reducing technical debt through the replacement of legacy systems, ensuring operational reliability and resilience.

- **Drinking Water Quality Compliance**

Extensive planning and system readiness activities have been undertaken to ensure that water sourced from the Fitzroy River can be confined to the raw water network to supply our industrial customers whilst the Water Treatment Plants will continue to receive water sourced from Lake Awoonga to ensure that GAWB is 100% compliant with its Drinking Water Quality Management Plan until the water treatment upgrades are completed.

- **Workforce Capability and Training**

Preparing the workforce for FGP operations has been a key focus, with targeted capability uplift delivered across the operational teams.

Additionally, four (4) new positions have been created to ensure that GAWB has the appropriate resourcing along with the operational and technical capability to effectively manage the ongoing operations of the FGP.

- **Risk Management**

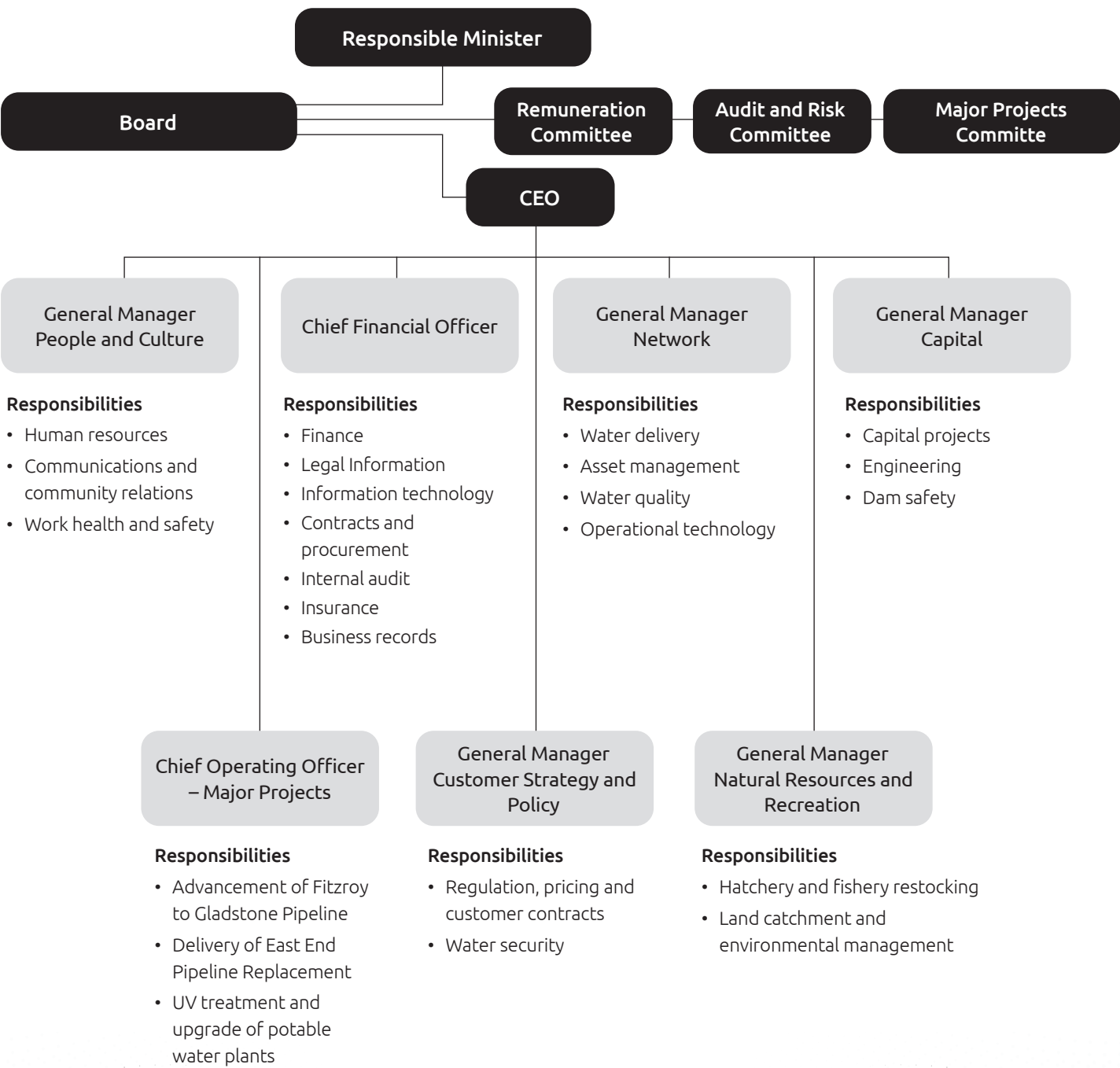
Risk management processes have been enhanced through enterprise risk framework updates, scenario testing including extreme weather and failure scenarios, and ongoing engagement with internal and external stakeholders. These measures ensure that risks associated with commissioning and ongoing operations of the FGP are identified, managed and mitigated effectively.

Governance

Organisation structure

Following amendments to the strategic pillars in 2025, a restructure of the organisation was approved for implementation in 2025-26. This restructure was completed in August 2025 and included the creation of new business units aligned to strategy.

As at 30 June 2026, our organisation structure was as follows:



Board of Directors (as at 30 June 2026)

Adrienne Ward

MAICD

Chair

Ms Ward was appointed to the Board as Chair in March 2023. Ms Ward has an extensive background in corporate and government strategy, working across senior level of Government and Business for more than 20 years. Her current roles include Chair of Gladstone Airport Corporation; Chair of The Australian Institute of Company Directors (AICD) Central Qld Regional Forum; Adjudicator, Telstra Best of Business Awards and Ambassador for the Women in Business Awards of Australia.

Ms Ward is a passionate advocate and contributor to both Gladstone and Queensland and along with her husband, owns a number of businesses in Gladstone. Ms Ward is a former Telstra Businesswoman of the Year and was also awarded The Centenary Medal in 2003 for distinguished service and achievement in business and commerce.

Suzanne Burow

B.Eng(Civil), B.EnvMan, FIEAust, CPEng, NER, APEC Engineer, IntPE(Aus), RPEQ, MAICD

Director

Ms Burow was appointed to the Board as a Director in March 2023. Ms Burow has more than 25 years' experience working as a specialist engineer in the water sector, with a specific emphasis on hydrology and hydraulic modelling studies. Throughout her career, Ms Burow has contributed to regulatory processes and business case investigations related to water planning in Queensland. Ms Burow is a Chartered Engineering Fellow and holds the role of Chair on the Board of Professional Engineers of Queensland (BPEQ) in addition to being the Engineers Australia representative to BPEQ.

Lachlan Millar

Director

Mr Millar was appointed to the Board in June 2025. With a career spanning 10 years as a rural journalist for the ABC as well as a decade as the Member for Gregory, Mr Millar brings a wealth of experience to GAWB. Originally from a farming/irrigation family in Emerald, Mr Millar understands the challenges faced by a regionally based organisation. He has previously held roles as a Ministerial Advisor and Executive of Fitzroy Basin Food and Fibre and currently works part-time for the Royal Flying Doctor Service (RFDS) in commercial and corporate affairs.

Cr Natalia Muszkat

BOHS, GAICD, FICDA

Director

Cr Natalia Muszkat was appointed as a Director in December 2025. Cr Muszkat is currently Deputy Mayor of Gladstone Regional Council, having served as a Councillor since 2018. She has nearly 20 years of experience in governance, public administration, and not-for-profit and social enterprise leadership and is a Graduate of the Australian Institute of Company Directors and a Fellow of the Institute of Community Directors Australia.

Cr Muszkat holds a Bachelor of Workplace Health and Safety with Distinction and currently serves on Council's Audit, Risk and Improvement Committee and as a Director of the Central Queensland Regional Organisation of Councils (CQROC). She is the co-founder and Deputy Chair of Strong Communities Ltd, an award-winning social enterprise delivering programs that strengthen community wellbeing, family support services and social inclusion across regional Queensland.

Mitchell Petrie

B Com., CA.

Director

Mr Petrie is an experienced director and Chartered Accountant and was appointed as a Director in December 2023. He spent 30 years with a global accounting and consulting firm, 16 years as a Partner, leading the organisation's Queensland Risk Consulting practice as well as the national Major Capital Projects Advisory practice. Mr Petrie has extensive experience in finance, risk management and corporate governance, and is currently a director of Queensland Institute of Medical Research, Hughenden Irrigation Project Company, Super Trustees Australia Ltd and Titles Queensland. He also is a member of a number of Audit Committees including Sunshine Coast Council, Redland City Council and Gold Coast Hospital Health Service, and is an Adjunct Lecturer at Bond University.

Executive leadership team

As at 30 June 2026, the Executive Leadership Team comprised:

Darren Barlow

BCom, MBA (Adv), FCPA, FAICD, Dip Fin Serv, MAPIO

Chief Executive Officer

Darren joined GAWB as the Chief Executive Officer in March 2018. Darren has extensive leadership and executive experience, having held senior roles in commercial, financial, strategic and business transformation areas across the public and private sectors. Darren was previously the Chief Executive Officer of the Residential Tenancies Authority and has held a range of senior executive positions at Aurizon, Master Builders Association of Queensland and Ergon Energy.

Hugh Barbour

CPA, BBus (Acct), GAICD

Chief Operating Officer – Major Projects

Hugh has extensive experience in overseeing the lifecycle of project development and construction, financial management, contract management and

negotiation in the mining and energy industries. Hugh has led multi-disciplinary teams in the performance review of significant assets and evaluation of acquisitions and asset improvements. Hugh is responsible for GAWB's continued operational sustainability as a reliable water provider through the development of the Fitzroy to Gladstone Pipeline project. Hugh previously held the position of Chief Financial Officer at GAWB since March 2016.

Catherine Byers

BBus (HR)

General Manager – People & Culture

Catherine joined GAWB in June 2018, bringing with her a proven track record and extensive experience in human resource management, industrial relations, and organisational development, applied across both the public sector and Government Owned Corporation environments. Catherine's pragmatic approach is complimentary to her twenty years of experience working at an operational and strategic level.

Anthony Bowman

MEng, BEng (Civil)(Hons), Grad Dip Finance, CPEng, FIEAust, NPER

General Manager - Capital

Anthony commenced with GAWB in the role of General Manager Capital in October 2025. With extensive experience in senior infrastructure delivery and commercial management roles across Senex Energy, BHP and within the Engineering Services sector primarily servicing the water industry, Anthony brings expertise in capital projects, operations management, engineering, commercial and asset management.

Ron Elliott

General Manager – Customer Strategy and Policy

Ron was appointed to the General Manager – Customer, Strategy and Policy in August 2025. With over 35 years experience in industry including executive management role, strategy, operations, maintenance and capital projects portfolios, both as a client and contractor. Ron previously held the role of General Manager - Aquaculture Gladstone since April 2022.

Jamie Petrie

General Manager – Natural Resources and Recreation

Jamie was appointed General Manager – Natural Resources and Recreation in August 2025. He leads the strategic management of aquaculture, land and property, catchment management, environmental compliance, recreation, tourism and visitor services. Jamie brings extensive executive experience to the position, having previously served as Head of Corporate Services. His career spans leadership roles that combine operational excellence with long-term strategic planning, underpinned by a strong focus on building capable teams and delivering community value.

Scott Wikman

BBus (HR & Mgmt)

General Manager – Network

Scott was appointed General Manager – Network in July 2022, bringing more than 25 years of experience in the water industry, primarily in Victoria. He is an experienced executive leader, with over 20 years in senior asset management and dam operations roles. Scott brings extensive expertise in the strategic management of critical infrastructure, with a focus on operational excellence, asset reliability and long-term network performance. He has a proven track record in people leadership, organisational development and transformational change, including leading complex programs that strengthen organisational capability, improve operational performance and enhanced asset reliability.

Andrew Foley

MAppFin, DipFinMkts, FCISI, FIML, MAICD

Chief Financial Officer

Andrew was appointed to the role of Chief Financial Officer on 16 June 2026. He has over 25 years' leadership experience in water and energy infrastructure across a variety of disciplines including finance, strategy and regulation, operations and corporate services. He has demonstrated experience of achieving measurable improvements in operational efficiency and financial performance.

Executive Leadership Team – Former

GAWB had 2 Executive Leadership Team members depart the business in 2025-26. Petrus Botes, General Manager - Capital ceased his position in October 2025 and Trang Yen, Chief Financial Officer ceased her position in June 2026.

Corporate governance

GAWB's corporate governance framework is designed to promote transparency, accountability and integrity in the way in which we operate. This is achieved through a comprehensive set of policies, procedures and standards which provide the Board, our Executive Leadership Team and employees with the clarity needed to exercise appropriate stewardship of the organisation and instil trust and confidence with our stakeholders.

GAWB's corporate governance framework aligns with the Queensland Government's Corporate Governance Guidelines for Government Owned Corporations (version 2) and has regard to the ASX Corporate Governance Principles and Recommendations (4th edition). Set out below is an overview of GAWB's approach to each of the eight principles contained in the Queensland Government's Corporate Governance Guidelines for Government Owned Corporations (version 2).

Principle 1 – Lay solid foundations for management and oversight

GAWB's Governance Charter, developed and approved by the Board, details the framework of rules, relationships, systems and processes by which authority within the organisation is exercised and controlled. The Governance Charter clearly defines the responsibilities and expectations of the Board, its Committees, the Chair, Directors and Management.

The Board, through its Authorities and Delegations Manual, has delegated the day-to-day management of the organisation to the Chief Executive Officer and other appropriately qualified employees.

A comprehensive induction process is in place for new directors, which includes detailed presentations on GAWB's operations, relevant legislation, internal policies and procedures and a tour of the network. An induction manual containing a detailed suite of governance documents is also provided.

Prior to the commencement of the 2025-26 period, the Board approved the Key Performance Indicators (KPIs) of the Chief Executive Officer. Quarterly reporting to the Board against the KPIs is in place, ensuring appropriate management and oversight of organisational performance commitments and deliverables.

Principle 2 – Structure the Board to be effective and add value

GAWB's directors are appointed by the Governor-in-Council pursuant to section 600(1) of the *Water Act 2000* (Qld) and in accordance with section 604(2) of the *Water Act 2000* (Qld), the Director continues to hold office on expiry of their term until such time as a successor is appointed. Cr Natalia Muszkat was appointed as the nominee from Gladstone Regional Council (GRC) in December 2025. All directors are independent, non-executive directors.

GAWB ensures directors are provided with appropriate professional development and training opportunities to enhance their skills and knowledge. This includes enrolling directors into the Australian Institute of Company Directors (AICD) company directors course as required. In addition, directors can access, in appropriate circumstances, independent professional advice on matters concerning the Board at GAWB's expense.

In 2025-26 GAWB provided directors the opportunity to participate in the AICD Governance Summit with various breakout sessions for directors to attend based on their requirements and preferences.

A Board performance evaluation process is completed on a regular basis with a self-assessment evaluation process completed in November 2025. This evaluation process also included evaluation of the Audit and Risk Committee and results were discussed and opportunities for improvements identified for implementation.

Details of the experience and term of office for each director is set out on page 36.

Board Sub-Committees

The Board has established the following sub-committees to assist with its governance and oversight responsibilities:

- Audit and Risk Committee.
- Remuneration Committee.
- Major Projects Committee.

Audit and Risk Committee

The Audit and Risk Committee (Committee) assists the Board in fulfilling its governance oversight responsibilities for financial reporting, monitoring the adequacy of internal controls, the audit process, compliance, risk management and governance frameworks.

In 2025-26, the Committee met on four occasions. Its activities included:

- Review of GAWB's 2025-26 financial statements;
- Oversight of the internal control framework;
- Oversight of the internal audit function, including the review and recommendation of the proposed three year internal audit plan and completed internal audit reports together with monitoring management's implementation of internal audit recommendations; and
- Review of various governance documents including the Risk Management Policy and Financial Risk Management Policies. Undertaking Risk "Deep Dive" sessions on:
 - Cybersecurity;
 - GAWB's Risk Maturity; and
 - GAWB Legal and Compliance.
- The Committee undertook a self-assessment performance evaluation process in November 2025.

The Committee operates pursuant to a Board approved Charter, which is aligned with the Queensland Treasury Audit Committee Guidelines (issued July 2020) and is reviewed in accordance with GAWB's document management framework.

Remuneration Committee

The Remuneration Committee (Committee) assists the Board in fulfilling its governance and oversight responsibilities of:

- Annual remuneration percentage increases applicable to the CEO position, having regard to relevant market rates, workforce annual market movements, and community standards and competition within the relevant employment markets;

- Remuneration and any other benefits of the Chief Executive Officer (the CEO); and
- Annual performance review and appraisal of the CEO.

In 2025-26 the Committee met on one occasion (in accordance with the charter). Activities included:

- CEO Performance Evaluation Process
- CEO Proposed Contract Extension
- CEO Remuneration and Professional Development.

Major Projects Committee

The Major Projects Committee (Committee) assists the Board fulfilling its oversight of projects that are outside of Business As Usual (BAU) and meet the criteria of receiving Ministerial Approval and also a request from the Board for oversight.

The Committees charter outlines its responsibilities as:

- Review and oversee the progress of the major project against the approved business case.
- Review and oversee the compliance of management and exercise of delegations and relevant authorities.
- Oversee the risk management processes for the delivery of the Major Project.
- Consideration of issues that impact the Board approved budget, schedule and scope.

The Committee met on four occasions in 2025-26 with the Committee's activities including:

- The FGP project including: integration activities; water chemistry and FGP pricing.
- The Water Treatment Plant Upgrade project (whilst not yet approved, as the project is related to the overarching FGP project this has been reported through to the Committee).
- The East End Pipeline Replacement Project including: capital forecast and work program.

Details of the members of the Board Sub-Committees and their meeting attendance is set out on page 86-87.

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

GAWB actively promotes and reinforces a culture across the organisation of acting lawfully, ethically and responsibly. GAWB's Board approved values provide the guiding principles to the organisation as to what is expected from its directors, management and employees. The standards of behaviour that the Board expects is clearly articulated in its Code of Conduct.

GAWB provides clear guidance on the management of conflicts of interest through its Management of Director's Interests Policy and Conflicts of Interest Policy and Procedure. A Trading in Securities Policy is also in place to specify the obligations regarding trading in Financial Products of entities with which GAWB interacts.

GAWB has zero tolerance for fraud and corrupt conduct and is committed to establishing an integrity-based culture that discourages and protects the organisation from both internal and external fraud and corruption. GAWB has a comprehensive Fraud and Corrupt Conduct System which includes a Fraud and Corrupt Conduct Policy and Standard, a separate policy and procedure for dealing with complaints of alleged corrupt conduct involving the Chief Executive Officer, as well as a Public Interest Disclosure Policy and associated procedures. GAWB's policies and procedures relating to fraud control and prevention have been reviewed and approved by the Crime and Corruption Commission. In addition, an external whistleblower hotline is available, providing employees and the public the ability to seek assistance from an impartial third party with ethical dilemmas and report suspected fraud or corrupt conduct.

GAWB has a mandatory training program that is completed by all GAWB employees as part of the induction process and ongoing mandatory training schedule. Additionally, a refresher session was held with the Board in March 2026 covering the obligations of directors in relation to disclosure responsibilities under the legislation and GAWB's internal declaration of conflicts processes.

Principle 4 – Safeguard the integrity of corporate reports

GAWB's Audit and Risk Committee assists the Board with its financial statement responsibilities by:

- Reviewing and providing advice to the Board on:
 - the appropriateness and disclosure of, or change in, significant accounting policies;
 - the treatment and disclosure of complex or unusual transactions;
 - the methodology and assumptions underpinning significant items including fair value and impairment assessments;
 - significant judgments made by management in preparing the financial statements including any significant estimates; and
 - the going concern assumptions.
- Satisfying itself that the financial statements are supported by appropriate written Management sign-off on the statements and on the adequacy of key internal controls.
- Reviewing the financial statements, including whether appropriate action has been taken in response to audit recommendations and adjustments to the adoption by the Board for signature.
- Reviewing the processes in place designed to ensure that financial information included in the annual report is consistent with the signed financial statements.

The Audit and Risk Committee comprises of a minimum of three members appointed by the Board to ensure the Committee has the depth of skills and financial expertise to fulfill its responsibilities.

Details of Committee members, meetings held and attendance at those meetings is set out on page 86-87.

Principle 5 – Make timely and balanced disclosures

As a Queensland Government statutory authority, GAWB aims to ensure that its Minister is kept informed of all major developments occurring within the organisation. We communicate information through a variety of formal documents including

an annual Performance Plan, 5-year Corporate Plan, our Strategic Plan, Quarterly Reports and our Annual Report. We also provide Briefing Notes to the Minister and Departmental officers on any emerging issues and ensure a timely response to any request for information from the Minister's office or the Department of Local Government, Water and Volunteers.

GAWB recognises the importance of ensuring individuals have access to government information to promote transparency and accountability. We provide details about how a right to information application can be lodged with us on our website. We also maintain a publication scheme, providing open access to significant corporate documents such as our Annual Report and key policies. GAWB did not receive any requests under the *Right to Information Act 2009* (Qld) during the reporting period.

Principle 6 – Respect the rights of stakeholders

The importance of building and maintaining strong relationships with our customers and the community is reflected as one of our strategic objectives – high customer and community satisfaction – in our 2026-2031 Strategic Plan.

GAWB seeks to follow the principles of the International Association of Participation's best practice Community Engagement Model and Participation Spectrum, with stakeholder engagement embedded into the revised Project Management Framework and areas of the business which interface with the public.

Stakeholder engagement is actively managed and tracked via an online platform (Microsoft Dynamics), with each business unit and department responsible for inputting engagement data and managing their individual stakeholder engagement plans.

Business as Usual (BAU) activities and projects identified within the Operational Plan also seek to achieve the stated strategic objective – high customer and community satisfaction.

We respect the rights of our local Traditional Owners and have implemented a First Nations Engagement Policy and a Native Title and Cultural Heritage Strategy

to ensure we maintain and protect the Indigenous Cultural Heritage value of specific areas as well as objects that are significant to Indigenous cultural tradition.

Principle 7 – Recognise and manage risk

GAWB is committed to a structured and proactive approach to risk management to reduce exposure to operational and strategic risks and support informed decision making aligned to the strategic objectives. Risk management is embedded across the organisation, with accountability shared by all employees. GAWB's enterprise risk management framework is aligned with ISO 31000:2018 and meets the requirements of the *Financial and Performance Management Standard 2019*. The framework is supported by key governance documents, including the Risk Appetite Statement, Risk Management Policy and Procedure, and associated risk assessment tools. During 2025–26, GAWB continued to strengthen its risk management capability, with a focus on improving alignment between risk appetite, risk assessment and business decision making, and enhancing consistency across the organisation. Key activities included:

- Progressing the operationalisation of the Board approved Risk Appetite Statements to support clearer and more consistent risk informed decision making.
- Enhancing risk assessment tools to strengthen the quality and consistency of risk evaluation.
- Undertaking targeted reviews of strategic and operational risks to improve clarity, ownership and oversight.
- Continuing to enhance risk systems and reporting to support improved visibility of risks and mitigation activities.
- Promoting risk awareness and capability through ongoing engagement and training initiatives.

GAWB maintains an enterprise wide risk profile which is regularly reviewed by management, the Audit and Risk Committee, and the Board. This structured approach supports effective oversight, timely escalation of risks, and continuous improvement in risk management practices.

Principle 8 – Remunerate fairly and responsibly

Board members

The remuneration of GAWB's Board members is set by the Minister in accordance with the Remuneration Procedures for Part-time Chairs and Members of Queensland Government Bodies. This has been supplemented by a Director Remuneration Board Policy.

Employees (including senior executives)

GAWB has a Board approved Employee Remuneration and Rewards Policy (Board Policy) which provides a fair and transparent framework for the remuneration of employees, including senior executives, and ensures compliance with relevant legislation and obligations. It is typical practice for employee remuneration to be reviewed on an annual basis, in accordance with market benchmarked data and in compliance with the Board Policy.

Internal audit

GAWB's internal audit function is a key component of our corporate governance framework, providing independent assurance on the effectiveness of our risk management, control and governance processes. GAWB's internal audit function is outsourced. Internal audit reviews are independent and conducted with impartiality and integrity in accordance with relevant professional standards with recommendations considered by the Board and/or Executive Leadership Team for implementation across the business as appropriate. GAWB's internal audit function is overseen by the Board's Audit and Risk Committee.

External scrutiny

There were no independent reviews commissioned by the Government in relation to GAWB during 2025-26.

Governance documents and record keeping

GAWB's *Records and Document Control Policy* governs the management of public records and governance documents. The policy is aligned with the *Public Records Act 2023* (QLD), *Right to Information Act 2009* (QLD) and the *Information Privacy Act 2009* (QLD). The policy

principles are implemented through the following two standards:

The Controlled Documents Procedure:

- Assigns specific roles and responsibilities for documents (including ownership and approval).
- Establishes a document hierarchy and lifecycle.
- Applies version control to ensure the most current and approved information is used for conducting business activities.

GAWB is committed to the concept of continuous improvement and gives regard to best practice when reviewing documentation.

The Records Management Procedure:

- Assigns specific roles and responsibilities for records management.
- Ensures public records are created, managed and maintained in a useable form for current and future use.
- Utilise the principles of record keeping for Queensland Government agencies

Records are managed in accordance with the State Archives' general retention and disposal schedule. To date no records have been destroyed or transferred to State Archives.

Human rights

GAWB received no human rights complaints in 2025-26. GAWB is committed to ensuring that all policies and procedures align with the requirements of the *Human Rights Act 2019* (QLD).

Public Sector Ethics Act 1994

Our Code of Conduct contains the principles and values we expect of our employees in the way they perform their work. Our principles are:

- Act with honesty and integrity.
- Abide with legislation and act professionally.
- Protect our reputation, assets and information.
- Do the right thing by our regional community.

Our human resources policies and procedures

are developed with regard to and align with the Queensland Public service values of:

- Customers first;
- Ideas into action;
- Unleash potential;
- Be courageous; and
- Empower People.

All documentation aligns with the expectations set out in our Code of Conduct and we ensure new employees are given training on the standards of behaviour expected.

Examples of this are outlined in the CEO's message on pg 10-11.

Open data

Information in relation to expenditure on consultants and overseas travel is published online on the Queensland Government Open Data Portal ([https:// data.qld.gov.au](https://data.qld.gov.au)).

Financial performance

GAWB's net profit after tax for 2025-26 was 11.93 million, representing a \$10.86 million favourable variance to budget.

We generated total revenue of \$122.89 million, which was \$11.31 million above budget, essentially due to higher than budgeted interest income.

Operating costs were also lower than budget. This was largely due to a combination of deferred operating projects and the delayed commissioning of the FGP, offset by additional depreciation following a review of useful lives of some assets.

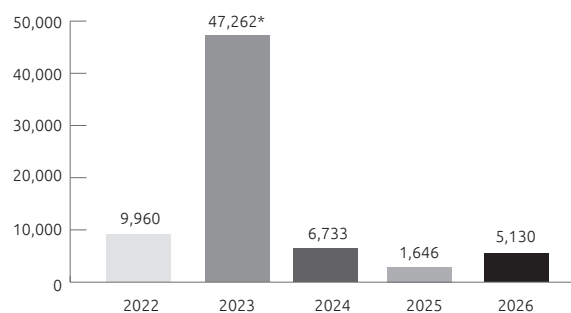
As at 30 June 2026 GAWB's net assets were \$1,023.61 million. This outcome was slightly below budget due to a small impairment from valuation and the increased depreciation following a review of useful lives for some assets.

Borrowings at the year remained relatively steady at \$504.21 million, with balance sheet gearing remaining around 33%.

During 2025-26 GAWB paid a dividend of \$1.65 million to the Queensland Government, and for 2025-26 has declared a dividend of \$5.13 million to be pay by end of calendar 2026.

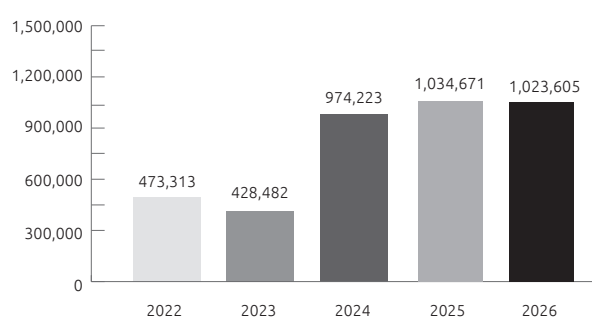
A detailed breakdown of income, operating costs, and the organisation's overall financial position is available in GAWB's Financial Statements.

Dividend paid for FY

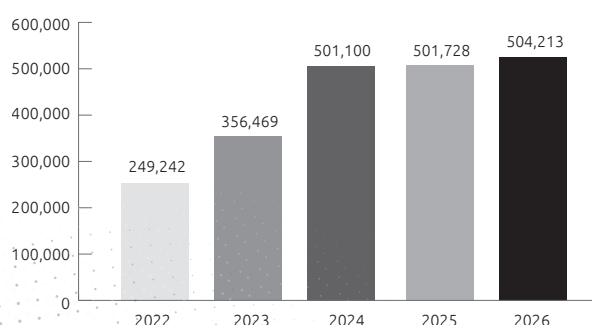


*Includes special dividend of \$37.29million

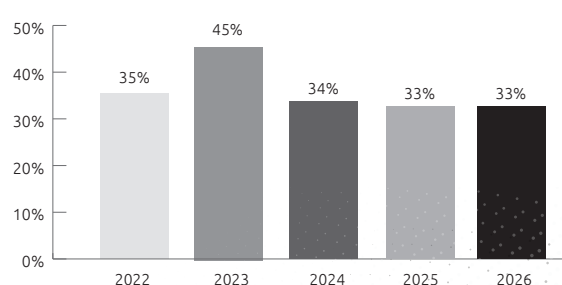
Total equity



Borrowings



Balance Sheet Gearing



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Statement of profit and loss and other comprehensive income

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026 \$'000	2025 \$'000
Income			
Water revenue	4(a)	108,512	82,441
Other income	4(a)	14,373	27,326
Total income		122,885	109,767
Expenditure			
Employee expenses	4(b)	(26,983)	(23,926)
Operational expenses	4(b)	(27,352)	(25,418)
Finance costs	4(b)	(13,251)	(6,450)
Loss on disposal of non-current assets		(213)	(425)
Write off on non-current assets	9(a)	(1,049)	(2,973)
Depreciation	9(a)	(35,973)	(24,081)
Depreciation of right of use assets	8	(690)	(519)
Amortisation of intangible assets	10	(66)	(30)
Re/devaluation of non-current assets	9(c)	(576)	(2)
Total expenditure		(106,153)	(83,824)
Profit before income tax		16,732	25,943
Income tax equivalents expense	5(a)	(4,804)	(7,781)
Profit for the year		11,928	18,162
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Revaluation of property, plant, and equipment	9(c)	(25,522)	(18,409)
Income tax relating to components of other comprehensive income	5(c)	7,657	5,523
Total other comprehensive income, net of income tax		(17,865)	(12,886)
Total comprehensive income for the year		(5,937)	5,276
Profit attributable to:			
Owners of Gladstone Area Water Board (GAWB)		11,928	18,162
Total comprehensive income / (loss) for the year attributable to:			
Owners of GAWB		(5,937)	5,276

The accompanying notes form part of these financial statements.

Statement of financial position

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026 \$'000	2025 \$'000
Current assets			
Cash and cash equivalents	6(a)	152,890	391,769
Trade and other receivables	7	15,428	12,958
Inventories		1,204	1,163
Total current assets		169,522	405,890
Non-current assets			
Trade and other receivables	7	23,684	21,507
Right-of-use assets	8	1,917	1,476
Property, plant, and equipment	9(a)	1,668,516	1,518,767
Intangible assets	10	77,046	75,805
Biological assets		166	173
Deferred tax assets	5(c)	38,610	–
Total non-current assets		1,809,939	1,617,728
Total assets		1,979,461	2,023,618
Current liabilities			
Trade and other payables	11	18,457	33,455
Lease liabilities	8	719	755
Provisions	13	9,828	5,829
Current tax liability	5(b)	54,646	46,059
Total current liabilities		83,650	86,098
Non-current liabilities			
Borrowings	12	504,213	501,728
Trade and other payables	11	363,064	363,824
Lease liabilities	8	1,241	610
Provisions	13	3,688	579
Deferred tax liabilities	5(c)	–	36,108
Total non-current liabilities		872,206	902,849
Total liabilities		955,856	988,947
Net assets		1,023,605	1,034,671
Equity			
Contributed equity		618,019	618,019
Asset revaluation surplus		310,630	328,702
Retained earnings		94,956	87,950
Total equity		1,023,605	1,034,671

The accompanying notes form part of these financial statements.

Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2026

	Contributed equity \$'000	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2024	567,019	343,149	64,055	974,223
Total Comprehensive income attributable to owners				
Profit from operations	–	–	18,162	18,162
Other comprehensive income	–	(12,886)	–	(12,886)
Total comprehensive income	–	(12,886)	18,162	5,276
Transfers within equity				
Disposal of revalued assets	–	(1,561)	1,561	–
Transactions with owners as owners				
Equity injections (Note 14)	51,000	–	–	51,000
Dividends declared (Note 13)	–	–	(1,646)	(1,646)
Adjustment to prior year dividend provision	–	–	5,818	5,818
Total transactions with owners as owners	51,000	–	4,172	55,172
Balances at 30 June 2025	618,019	328,702	87,950	1,034,671

	Contributed equity \$'000	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2025	618,019	328,702	87,950	1,034,671
Total Comprehensive income attributable to owners				
Profit from operations	–	–	11,928	11,928
Other comprehensive income	–	(17,865)	–	(17,865)
Total comprehensive income	–	(17,865)	11,928	(5,937)
Transfers within equity				
Disposal of revalued assets	–	(207)	208	1
Transactions with owners as owners				
Dividends declared (Note 13)	–	–	(5,130)	(5,130)
Total transactions with owners as owners	–	–	(5,130)	(5,130)
Balances at 30 June 2026	618,019	310,630	94,956	1,023,605

The amounts recognised directly in equity are disclosed net of tax equivalents.

The accompanying notes form part of these financial statements.

Statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2026

Notes	2026 \$'000	2025 \$'000
Cash flows from operating activities		
<i>Inflows:</i>		
Receipts from customers	105,505	84,205
Grant funds received	11 –	–
Interest received	13,625	26,087
Goods and Services Tax (GST) input tax credits from Australian Taxation Office (ATO)	24,060	36,050
GST collected from customers	181	86
<i>Outflows:</i>		
Payments to employees	(26,108)	(22,180)
Payments to suppliers and services	(26,798)	(26,101)
Borrowing costs paid	(11,997)	(6,239)
GST paid to suppliers	(23,845)	(32,418)
GST remitted to ATO	(184)	(103)
Tax equivalents paid to Queensland Treasury	(63,277)	(11,490)
Net cash provided by operating activities	6(b) (8,838)	47,897
Cash flows from investing activities		
<i>Inflows:</i>		
Proceeds from sale of property, plant & equipment	12 –	–
<i>Outflows:</i>		
Acquisition of property, plant & equipment	(226,491)	(314,737)
Acquisition of intangible assets	(1,226)	(74,850)
Interest paid on construction of NC Assets		
Net cash used in investing activities	(227,705)	(389,587)
Cash flows from financing activities		
<i>Inflows:</i>		
Proceeds from borrowings	229,400	11,500
Equity funding	14 –	51,000
<i>Outflows:</i>		
Dividends paid	(1,646)	(6,733)
Lease liability repayments	(690)	(519)
Repayment of borrowings	(229,400)	(11,500)
Net cash from financing activities	(2,336)	43,748
Net increase/(decrease) in cash and cash equivalents	(238,879)	(297,942)
Cash and cash equivalents at 1 July	391,769	689,711
Cash and cash equivalents at 30 June	6(a) 152,890	391,769

The accompanying notes form part of these financial statements.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

1. General information

GAWB is a statutory body constituted under the *Water Act 2000 (Qld)* and is a Category 1 Water Authority as well as a registered water service provider under the *Water Supply (Safety & Reliability) Act 2008 (Qld)*. GAWB's ultimate parent is the State of Queensland. GAWB is domiciled in Australia. The address of GAWB's principal place of business is 136 Goondoon Street, Gladstone, Queensland. GAWB is a for-profit entity and is primarily involved in the supply of bulk water.

2. Basis of preparation

(a) Presentation

Historical cost convention

The financial statements have been prepared on the historical cost convention, except for certain classes of property, plant and equipment which are measured at fair value. The methods used to measure fair value are discussed further in Note 9.

Functional and presentation currency

The financial statements are presented in Australian dollars which is GAWB's functional currency.

Rounding of amounts

Amounts of less than \$500 included in the financial statements are rounded to zero unless disclosure of the full amount is specifically required. Other amounts included in the financial statements are rounded to the nearest thousand unless otherwise stated.

Classification between current and non-current

GAWB presents assets and liabilities in the statement of financial position and associated notes based upon current/non-current classification. An asset or liability is classified as current when the carrying amount is expected to be realised or they are due to be settled within twelve months after the reporting date, or the entity does not have the right at the end of the reporting period to defer settlement to beyond twelve months after the reporting date. All other items are classified as non-current.

Goods and services tax

Revenue, expenses, assets, and liabilities are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the revenue, expense, asset, or liability.

(b) Statement of compliance

These financial statements are general purpose financial statements and have been prepared on an accruals basis in accordance with:

- section 62(1) of the *Financial Accountability Act 2009*
- the disclosure requirements of section 39 of the *Financial and Performance Management Standard 2019*
- the *Statutory Bodies Financial Arrangements Act 1982*
- applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB)
- the Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2025 (as applicable to statutory bodies)

These financial statements of GAWB for the year ended 30 June 2026 were approved for issue in accordance with a resolution of the directors on 18 August 2026.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

2. Basis of preparation (cont.)

(c) Changes in material accounting policies, disclosures, standards and interpretations

Material accounting policies

Unless otherwise stated, all accounting policies applied are consistent with those of the prior year. Where appropriate, comparative figures have been amended to align with the current year's presentation and disclosure.

The AASB has issued Australian Accounting Standards and Interpretations which are not mandatorily effective at 30 June 2026. These standards have not been adopted by GAWB and will be included in the financial statements on their effective date. Where the standard is expected to have a material impact for GAWB then further information has been provided in this note.

The entity is currently assessing the impact of AASB 18 – *Presentation and Disclosure in Financial Statements*. Based on a preliminary assessment, the standard is expected to impact the presentation and disclosure of GAWB's financial statements, particularly:

- the structure and subtotals presented in the statement of profit or loss; and
- the level of disaggregation and disclosure in the notes.

The standard is not expected to have a material impact on the recognition or measurement of assets, liabilities, income or expenses.

3. Material accounting judgements, estimates and assumptions

The preparation of GAWB's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. GAWB based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of GAWB. Such changes are reflected in the assumptions when they occur.

The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates significant to the financial statements are disclosed in the following notes:

- Note 5 – Income tax equivalents
- Note 8 – Right of use assets and lease liabilities
- Note 9 – Property, plant, and equipment (useful lives and revaluation)
- Note 10 – Intangible assets (useful lives)
- Note 13 – Provisions
- Note 15 – Financial risk management

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

4. Profit before income tax

(a) Revenue

Water revenue:

GAWB provides goods and services for the reservation of water and delivery of water to customers. The performance obligation for revenue from water sales is satisfied upon actual or deemed delivery to the user. GAWB's allowable revenue is overseen by the Queensland Competition Authority (QCA). The QCA pricing framework is reviewed and updated every 5 years, with price changes reflected in our Water Supply contracts and standard terms and conditions.

Water invoices comprise of administration or corporate charges, storage charges (costs associated with assets and activities of water storage at Awoonga Dam) and delivery charges (costs associated with assets and activities of the delivery network including water treatment). All performance obligations are completed by 30 June each financial year. Settlement of billed amounts is required within 30 days from invoice date.

Revenue adjustment events may result in the under recovery of regulatory revenue. The amounts due to GAWB will be recovered in line with the findings of the QCA on the pricing framework and under-recovery of revenue.

Other income:

Lease revenue: Rent and lease income is recognised on a straight-line basis over the lease term.

Grants and other contributions: Government grants are accounted for under AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*. The grant is recognised initially as revenue received in advance at fair value when there is reasonable assurance that they will be received and GAWB will comply with the conditions of the grant. They are then recognised in the statement of profit or loss and other comprehensive income on a systematic basis over the useful life of the asset.

Otherwise, grants are accounted for under AASB 15 *Revenue for Contracts with Customers*. Grants that compensate GAWB for expenses incurred are recognised initially in revenue received in advance when received and subsequently recognised as revenue as or when the performance obligations are satisfied.

Interest received

Interest received is recognised as interest accrues using the effective interest method.

	2026 \$'000	2025 \$'000
Other Income		
Interest received	13,487	26,087
Lease revenue	469	556
Hatchery income	173	217
Grants and other contributions	93	110
Other	13	356
Total other income	14,235	27,326

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

4. Profit before income tax (cont.)

(b) Expenses

	2026 \$'000	2025 \$'000
Employee benefits		
Wages and salaries	16,065	13,185
Annual leave expenses	1,703	1,723
Personal leave expenses	171	705
Long service leave expenses	349	611
Contributions to superannuation plans	2,444	2,233
Ex-gratia payment	281	34
Other employee benefits	665	614
Employee related expenses		
Labour hire costs	1,277	1,819
Payroll tax	1,279	1,077
Fringe benefits tax	517	524
Recruitment costs	1,161	447
Workers' compensation premium	160	134
Other labour related costs	911	820
Total employee related expenses	26,983	23,926

The ex-gratia payments at 30 June 2026 includes \$280,810 made on termination to three employees. The ex-gratia payments at 30 June 2025 include one amount of \$13,625 made on termination to an employee and one amount as a non-contracted bonus of \$20,000 to an employee.

Other labour related costs include staff training and conferences, staff uniforms and staff welfare expenditure.

Full-time equivalent employees (FTEs)

GAWB employed 125.03 FTE's as at 30 June 2026 (2025: 116.89 FTE's). This included both full-time employees, part-time and casual employees, measured on a full-time equivalent basis. This excludes Directors of the Board.

Wages and Salaries

Wages and salaries are recognised as the related service is provided. Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

Annual leave

Annual leave is expensed through the profit and loss and other comprehensive income as an employee accrues the right to leave. When leave is taken it reduces the provision (Note 13).

Long Service Leave

Long service leave is expensed in accordance with the provision movement per the calculation methodology in Note 13.

Personal Leave

Personal leave is expensed in accordance with the provision movement per the calculation methodology in Note 13.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

4. Profit before income tax (cont.)

(b) Expenses (cont.)

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans as determined by the employee's conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period. Liabilities are recognised in trade creditors (Note 11).

Workers Compensation

GAWB pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers compensation insurance is a consequence of employing employees but is not counted in an employee's total remuneration package. It is not employee benefits and is recognised separately as employee related expenses.

	2026	2025
	\$'000	\$'000
Operational expenses		
Contracted, professional, technical, and other services	6,907	7,924
Maintenance	3,821	3,612
Information systems expense	3,548	3,435
Administration costs	1,837	3,009
Electricity	3,021	2,991
Insurance	2,651	2,404
Chemicals	1,046	839
Operating expenses	1,069	779
Rates	386	369
Provision for make good	3,002	–
Other	64	56
Total operational expenses	27,352	25,418

The increase in operation expenses relates predominately to a make good provision provided for in relation to decommissioning a portion of the Yarwun Water Treatment Plant. Please refer to Note 13 for further details.

	2026	2025
	\$'000	\$'000
Finance costs		
Interest paid	12,128	4,316
Competitive neutrality fee (CNF)	663	1,666
Bank charges	460	468
Total finance costs	13,251	6,450

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset, whereas all other borrowing costs are expensed in the period they occur. Refer to note 9(a) for further information on borrowing costs capitalised during the financial year.

The CNF is paid to Queensland Treasury and is a mechanism used to address potential competitive advantages that government owned businesses might have over private sector entities due to their public ownership.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

5. Income tax equivalents

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit and loss, except where they relate to items that are recognised in other comprehensive income or directly in equity.

(i) Current income tax

As a Statutory Body, GAWB is required to pay income tax equivalents under the National Tax Equivalents Regime (NTER) and is required to adopt tax effect accounting in accordance with AASB 112 *Income Taxes*. GAWB's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period (2026 and 2025: 30%).

(ii) Deferred income tax

Deferred income tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised, or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

(iii) Offsetting of deferred tax balances

GAWB offsets deferred tax assets and deferred tax liabilities if, and only if:

- (a) GAWB has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

(a) Income tax equivalents expense

	2026	2025
	\$'000	\$'000
Profit before income tax equivalents	16,732	25,943
Income tax equivalents expense calculated at 30%	5,020	7,783
Non-deductible entertainment	3	3
Prior year adjustment	(219)	(5)
Income tax expense	4,804	7,781
Comprised of movements in:		
Income tax payable	(2,983)	56,399
Deferred tax asset	(15,666)	(45,745)
Deferred tax liability	18,649	(2,873)
Income tax expense	4,804	7,781

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

5. Income tax equivalents (cont.)

b) Income tax payable/(receivable)

	2026	2025
	\$'000	\$'000
Opening balance	46,059	1,149
Charged to income	72,083	56,404
Prior year adjustments	(219)	(5)
Payments	(63,277)	(11,489)
Closing balance	54,646	46,059

c) Deferred tax assets and liabilities

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to use those temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the probable availability of future taxable amounts. Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2026	2025	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property, plant & equipment	–	–	(76,294)	(91,547)	(76,294)	(91,547)
Intangible assets	8,317	8,306	–	–	8,317	8,306
Trade & other payables	127	121	–	–	127	121
Employee benefits	1,683	1,452	–	–	1,683	1,452
Lease assets and liabilities	13	–	–	(33)	13	(33)
Fish prizes	60	62	–	–	60	62
Revenue received in advance	104,704	45,531	–	–	104,704	45,531
Tax assets/(liabilities)	114,904	55,472	(76,294)	(91,580)	38,610	(36,108)

Movement in temporary differences during the year:

	Balance 1 July 2024	Recognised in income	Recognised in equity	Balance 30 June 2025
	\$'000	\$'000	\$'000	\$'000
Property, plant, and equipment	(99,871)	2,801	5,523	(91,547)
Intangible assets	8,298	8	–	8,306
Trade & other payables	93	28	–	121
Employee benefits	1,060	392	–	1,452
Lease assets and liabilities	(105)	72	–	(33)
Fish prizes	63	(1)	–	62
Revenue received in advance	213	45,318	–	45,531
Movement in temporary differences	(90,249)	48,618	5,523	(36,108)

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

5. Income tax equivalents (cont.)

(c) Deferred tax assets and liabilities (cont.)

	Balance 1 July 2025 \$'000	Recognised in income \$'000	Recognised in equity \$'000	Balance 30 June 2026 \$'000
Property, plant, and equipment	(91,547)	7,655	7,598	(76,294)
Intangible assets	8,306	11	–	8,317
Trade & other payables	121	6	–	127
Employee benefits	1,452	231	–	1,683
Lease assets and liabilities	(33)	46	–	13
Fish prizes	62	(2)	–	60
Revenue received in advance	45,531	59,173	–	104,704
Movement in temporary differences	(36,108)	67,120	7,598	38,610

6. Cashflow information

(a) Cash and cash equivalents

	2026 \$'000	2025 \$'000
Cash at bank	4,334	5,429
Deposits at Queensland Treasury Corporation, at call	148,556	386,340
Total cash and cash equivalents	152,890	391,769

For the purposes of the Statement of Financial Position and Statement of Cash Flows, cash includes cash on hand, deposits at call and term deposits with banks and Queensland Treasury Corporation where maturity is no more than 90 days. Cash at bank is held with bank counterparties, which are rated Aa2 based on Moody's 30 June 2026 ratings. Cash assets include all cash and cheques receipted but not banked as at 30 June 2026. Cash at bank earns interest at floating rates based upon daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value. At 30 June 2026 \$108.560 million (2025: \$329.552 million) of the cash funds are quarantined in relation to the completion of the FGP project. Any excess funds not utilised will be returned to the Queensland Government in accordance with the underlying funding agreements.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

6. Cashflow information (cont.)

(b) Reconciliation of operating result to net cash from operating activities

	2026	2025
	\$'000	\$'000
Operating profit after income tax equivalents	11,928	18,162
Non-cash items included in operating result:		
Adjustments for: Depreciation	35,973	24,081
Amortisation	757	549
Re/devaluation of non-current assets	3,577	2
Movement in biological assets		(41)
Loss on disposal of non-current assets	212	425
Write off on property, plant, and equipment	1,049	2,973
	53,496	46,151
Change in assets and liabilities:		
Decrease/(increase) in trade and other receivables	(4,640)	5,372
Decrease/(increase) in inventory	(42)	(96)
Decrease/(increase) in deferred tax assets	(64,910)	(45,745)
(Decrease)/increase in trade and other payables	(1,581)	(1,677)
(Decrease)/increase in deferred tax liabilities	(9,802)	(8,396)
(Decrease)/increase in current tax liabilities	8,582	44,910
(Decrease)/(increase) in provisions	1,147	1,227
(Decrease)/(increase) in borrowing costs	1,255	628
(Decrease)/increase in tax regarding asset revaluation surplus	7,657	5,523
Net cash from operating activities	(8,838)	47,897

(c) Reconciliation of liabilities arising from financing activities

	Balance 1 July 2024	Financing cash flows	Other cash flows	Non-cash changes	Balance 30 June 2025
	\$'000	\$'000		\$'000	\$'000
Long term borrowings	501,100	–	628	–	501,728
Lease liabilities	1,700	(519)	(416)	600	1,365
Total debt	502,800	(519)	212	600	503,093

	Balance 1 July 2025	Financing cash flows	Other cash flows	Non-cash changes	Balance 30 June 2026
	\$'000	\$'000		\$'000	\$'000
Long term borrowings	501,728	–	2,485	–	504,213
Lease liabilities	1,365	–	(923)	1,518	1,960
Total debt	503,093	–	1,562	1,518	506,173

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

7. Trade and other receivables

	2026 \$'000	2025 \$'000
Current		
Trade receivables	11,797	8,376
Accruals	26	349
Contract assets	725	1,720
Other receivables and prepayments	2,880	2,513
Total trade and other receivables	15,428	12,958
Non-current		
Contract assets	23,684	21,507
Total trade and other receivables	23,684	21,507

Receivables are measured at amortised cost which approximates their fair value at reporting date. Trade receivables are recognised at the amounts due at the time of service delivery at the agreed contract price. Settlement of these amounts is required within 30 days from invoice date. Other receivables mainly relates to prepayments and GST receivables.

Contract assets arise from contracts with customers and are transferred to receivables in line with the terms of the contract. The payment terms of under recovery revenue amounts are set out in the customers contract with a default (unless otherwise negotiated) commencement date of 1 July 2022. There is a concentration of credit risk with respect to current and non-current receivables as GAWB has a small number of customers. GAWB policy is that water sales are only made to eligible customers. The carrying amount of receivables represents the maximum exposure to credit risk. GAWB's most significant customer accounts for \$3.26 million of trade receivables at 30 June 2026 (2025: \$2.54 million).

Ageing analysis of trade receivables at the reporting date:

	2026 \$'000	2025 \$'000
Trade receivables not impaired		
Not due	8,881	6,183
Overdue <31 days	2,908	2,192
Overdue 31–60 days	—	—
Overdue >60 days	8	1
Total	11,797	8,376

As at 30 June 2026 GAWB had current trade receivables of \$nil (2025: \$nil) that were impaired. All the current net trade receivables that are past due are with long standing customers who have a good payment history.

As at 30 June 2026 GAWB had contract assets of \$nil (2025: \$nil) that were impaired. All contract assets are with long standing customers who have a good payment history.

GAWB manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by monitoring all funds owed on a timely and ongoing basis. Refer to Note 15(b) credit risk for further information.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

8. Right of use assets and lease liabilities

Leases as a lessee

GAWB assess whether a contract is or contains a lease, at inception of the contract. GAWB recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (defined as leases of less than \$10,000). For these leases, GAWB recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. If this rate cannot be readily determined, GAWB uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments
- Variable lease payments that depend upon an index rate, initially measured using the index or rate at the commencement date
- Monthly lease abatement offset against the monthly variable lease payment
- The exercise of purchase options if the lessee is reasonably certain to exercise the options
- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest rate method) and by reducing the carrying amount to reflect the lease payments made.

GAWB remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to a change in index rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate.
- When measuring the lease liability GAWB uses its incremental borrowing rate where the interest rate implicit in the lease cannot be readily determined, which is the case for GAWB's building and property leases. To determine the incremental borrowing rate GAWB uses the weighted average cost of capital rate used for the latest pricing determination that corresponds to the commencement date and term of the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the period of the lease term. The depreciation starts at the commencement date of the lease.

As a practical expedient AASB 16 Leases permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. GAWB has used this practical expedient.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

8. Right of use assets and lease liabilities (cont.)

Leases as a lessee (cont.)

As a practical expedient AASB 16 Leases permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. GAWB has used this practical expedient.

Right-of-use assets	2026	2025
	\$'000	\$'000
Land and buildings		
At cost	1,198	1,314
Accumulated depreciation and impairment	(144)	(1,031)
Total land and buildings	1,054	283
Motor vehicles		
At cost	2,765	2,435
Accumulated depreciation and impairment	(1,902)	(1,242)
Total motor vehicles	863	1,193
Total right-of-use assets carrying amount	1,917	1,476

Reconciliation	Land and buildings	Motor vehicles	Total
	\$'000	\$'000	\$'000
Carrying amount at 1 July 2024	654	1,397	2,051
Additions	6	476	482
Disposals	–	(349)	(349)
Depreciation – profit and loss	(240)	(279)	(519)
Depreciation - capitalised	(137)	(52)	(189)
Carrying amount at 30 June 2025	283	1,193	1,476

Reconciliation	Land and buildings	Motor vehicles	Total
	\$'000	\$'000	\$'000
Carrying amount at 1 July 2025	283	1,193	1,476
Additions	1,056	462	1,518
Disposals	–	–	–
Depreciation – profit and loss	(39)	(651)	(690)
Depreciation - capitalised	(246)	(141)	(387)
Carrying amount at 30 June 2026	1,054	863	1,917

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

8. Right of use assets and lease liabilities (cont.)

Leases as a lessee (cont.)

Lease liabilities	2026	2025
	\$'000	\$'000
Current	719	755
Non-current	1,241	610
Total	1,960	1,365

Expenses recognised in statement of profit or loss and other comprehensive income	2026	2025
	\$'000	\$'000
Interest expense on lease liabilities	100	76
Expenses relating to short-term leases	–	1

Total cash outflow for leases	2026	2025
	\$'000	\$'000
Outflow	1,058	935

Leases as lessor

GAWB recognises lease payments from operating leases as income on a straight-line basis over the lease term. These leases relate to land and buildings. Undiscounted lease payment receivables at reporting date are exclusive of anticipated GST if the GST is recoverable, otherwise they are inclusive and are receivable as follows:

	2026	2025
	\$'000	\$'000
Not later than 1 year	28	304
Later than one year not later than five years	52	280
Later than five years	312	162
	392	746

During the year ended 30 June 2026, \$0.47 million was recognised as other income in the Statement of Profit and Loss and Other Comprehensive Income in respect of operating leases (2025: \$0.56 million).

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

9. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant, and equipment, are initially measured at their cost at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition, including costs incurred in getting the assets ready for use. The cost of assets constructed by GAWB includes the cost of investigation and design, all materials used in construction, capitalised borrowing costs and direct labour. The asset recognition thresholds are as follows:

• Land	\$1
• Plant and equipment	\$5,000
• Buildings	\$10,000
• Infrastructure	\$10,000

In accordance with the requirements of AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* and Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector, land, buildings and improvements and infrastructure assets are measured at fair value less any subsequent accumulated depreciation and subsequent impairment loss where applicable. Assets under construction are measured at cost and are not depreciable until they are commissioned. Minor plant and equipment and motor vehicles are measured at cost.

(ii) Subsequent costs

Subsequent expenditure includes major replacements, overhauls, refurbishment, or major inspections and is capitalised if it is probable that the future economic benefits embodied within the expenditure will flow to GAWB and its cost can be measured reliably. Any remaining carrying value of parts replaced, or previous inspections is derecognised on recognition of the subsequent expenditure.

(iii) Depreciation

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each item of property, plant, and equipment.

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

	2026	2025
Buildings and improvements	8–60 years	8–60 years
Infrastructure assets:		
Dam structure	40–150 years	40–150 years
Pump stations, reservoirs, pipelines and related plant	10–70 years	10–70 years
Minor plant and equipment	3–20 years	3–20 years
Motor vehicles	4 years	4 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date with movements recognised in profit or loss and other comprehensive income as applicable.

(iv) Derecognition

Items of property, plant and equipment are derecognised upon disposal or when no further future economic benefits are expected from their use or disposal.

(iv) Reassessment

Management completed an annual assessment of the useful lives of property, plant and equipment. The review identified a number of items of infrastructure being a) replaced and potentially being made obsolete within the next twelve months. The final list of assets impacted will be identified in the coming months. This change constitutes a change in accounting estimates, resulting in a provision for an accelerated depreciation being accounted for in the financial statements due to the written down useful lives reducing from a range of 2 to 53 years to less than 12 months. The change increased depreciation expense and reduced the written down value of PPE by \$9.22m for the year ended 30 June 2026 and is expected to reduce depreciation expense in future periods by the same amount.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

9. Property, plant and equipment (cont.)

(a) Balances and reconciliation of carrying amount

	2026 \$'000	2025 \$'000
Land, buildings & improvements		
Land:		
At fair value	17,012	17,705
Buildings & improvements:		
At fair value	44,576	49,687
Total land, buildings & improvements	61,588	67,392
Infrastructure assets		
At fair value	573,737	612,715
Total infrastructure assets	573,737	612,715
Minor plant & equipment		
At cost	32,577	29,957
Accumulated depreciation	(15,311)	(13,255)
Total minor plant & equipment	17,266	16,702
Motor vehicles		
At cost	376	225
Accumulated depreciation	(188)	(211)
Total motor vehicles	188	14
Assets under construction		
At cost	1,015,737	821,944
Total property, plant and equipment carrying amount	1,668,516	1,518,767

GAWB has commenced a significant capital project for the construction of the Fitzroy to Gladstone Pipeline (FGP). The construction is forecasted to be completed by the end of November 2026 and have a total cost of \$983 million. At 30 June 2026 assets under construction included \$949.893 million of costs in relation to this project (2025: \$791.187 million). Borrowing costs in respect to this project have been capitalised during the construction phase. The amount of \$200 million was initially borrowed on 31 July 2023 and currently incurring interest at 5.33% per annum. For the financial year ended 30 June 2026, GAWB capitalised \$12.16 million in borrowing costs as part of the qualifying asset (2025: \$12.32 million).

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

9. Property, plant and equipment (cont.)

(a) Balances and reconciliation of carrying amount (cont.)

Reconciliation	Land, buildings & improvements \$'000	Infrastructure assets \$'000	Minor plant & equipment \$'000	Motor vehicles \$'000	Assets under construction \$'000	Total \$'000
Carrying amount at 1 July 2024	69,167	643,717	14,530	26	531,197	1,258,637
Additions	–	–	–	–	306,020	306,020
Disposals	(6)	(353)	(66)	–	–	(425)
Transfer to/(from) assets under construction	2,637	4,969	4,694	–	(12,300)	–
Depreciation	(2,582)	(19,031)	(2,456)	(12)	–	(24,081)
Write off to Profit and Loss	–	–	–	–	(2,973)	(2,973)
Revaluation increment/ (decrement)	(1,824)	(16,587)	–	–	–	(18,411)
Carrying amount at 30 June 2025	67,392	612,715	16,702	14	821,944	1,518,767
Carrying amount at 1 July 2025	67,392	612,715	16,702	14	821,944	1,518,767
Additions	–	–	–	–	213,092	213,092
Disposals	(1)	(149)	(74)	–	–	(244)
Transfer to/(from) assets under construction	373	14,277	3,416	185	(18,251)	–
Depreciation	(3,598)	(29,586)	(2,778)	(11)	–	(35,973)
Write off to Profit and Loss	–	–	–	–	(1,049)	(1,049)
Revaluation increment/ (decrement)	(2,578)	(23,519)	–	–	–	(26,097)
Carrying amount at 30 June 2026	61,588	573,738	17,266	188	1,015,736	1,668,516

(b) Deemed historical cost

Assets that are revalued include land, buildings and improvements, and infrastructure. The deemed historical cost for these items are as follows:

	2026 \$'000	2025 \$'000
Land, buildings and improvements, and infrastructure at deemed historical cost		
Land	10,575	10,575
Buildings and improvements	48,833	41,788
Infrastructure	436,704	425,437
Total cost	496,112	480,809

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

9. Property, plant and equipment (cont.)

(c) Valuations

As required under AASB 116, GAWB has an obligation to revalue its non-current assets at least every five years.

GAWB has adopted an income-based approach, where 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, to determine fair value. An allowance against the cost is made for the exhaustion of service potential for the existing item. A comprehensive valuation is conducted annually. Revaluations are brought to account where the existing carrying value differs materially to the current fair value using this income approach. Revaluation increments are credited to the asset revaluation surplus except to the extent that they reverse a revaluation decrement previously recognised in the statement of profit and loss and other comprehensive Income. Revaluation decrements are recognised in profit and loss, except to the extent they offset a previous revaluation. In this case the decrement is recorded in the asset revaluation surplus. The net amounts of accumulated depreciation are restated to the revalued amounts.

This approach was applied internally by GAWB as at 30 June 2026 using the following key assumptions and approach:

Assumption	2026	2025
Forecast period	10-year explicit cash flow forecast	10-year explicit cash flow forecast
Terminal growth rate	2.5% per annum (mid-point of the Reserve Bank of Australia inflation target)	2.5% per annum (mid-point of the Reserve Bank of Australia inflation target)
Discount rate (WACC)	Post-tax WACC of 6.63%	Post-tax WACC of 6.48%
Terminal discount rate	Regulatory WACC of 7.29%	Regulatory WACC of 7.29%
Regulatory framework	Continued monopoly price oversight (Queensland Competition Authority -QCA)	Continued monopoly price oversight (Queensland Competition Authority -QCA)
Revenue model	Estimates are based upon the building block method for revenue and use forecasted cash flows and capital expenditure included in the 10-year forecast to calculate these forecasts	Estimates are based upon the building block method for revenue and use forecasted cash flows and capital expenditure included in the 10-year forecast to calculate these forecasts
Forecast basis	Cash flows based on approved regulatory forecasts to June 2030 and internal projections thereafter	Cash flows based on approved regulatory forecasts to June 2030 and internal projections thereafter

Land, buildings & improvements, and infrastructure assets of \$635.325 million (2025: \$680.107 million) were classified as Level 3 in the fair value hierarchy due to the use of unobservable inputs.

Asset revaluation summary:

	2026 \$'000	2025 \$'000
Revaluation through profit and loss	(576)	(2)
Revaluation through equity	(25,522)	(18,409)
Total revaluation	(26,098)	(18,411)

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

10. Intangible assets

(i) *Recognition and measurement*

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in statement of profit or loss when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and GAWB intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of professional services, materials, direct labour, and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure incurred is recognised in profit or loss and other comprehensive income.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method.

Water Rights

GAWB purchased water rights as part of the Fitzroy to Gladstone Pipeline (FGP) project to enable access to water for delivery through the pipeline. These water rights are classified as having an indefinite useful life and are recognised at cost in accordance with accounting standards. As the water rights have an indefinite useful life, no amortisation is recognised.

Software

Software has a finite life and is carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method.

Land reservations and easements

These assets have an infinite life and are carried at cost.

(ii) *Subsequent expenditure*

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 profit or loss as incurred.

(iii) *Amortisation and impairment*

Capitalised development expenditure has currently been determined to have remaining expected useful lives of 1 to 9 years. The intangible asset is amortised on a straight-line basis once it is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Software includes a fully written down ERP system and minor business software assets.

Intangible assets included the purchase of water rights totalling \$74.751 million to allow water to be taken from the Fitzroy River in relation to servicing the FGP project. These assets have an indefinite useful life and are not amortised.

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, GAWB 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 GAWB. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use. GAWB did not identify any impairment events during the 2026 financial year.

(ii) *Subsequent expenditure*

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 profit or loss as incurred.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

10. Intangible assets (cont.)

	2026 \$'000	2025 \$'000
Water Rights		
At cost	74,751	70,704
Software		
At cost	5,486	5,486
Accumulated amortisation	(5,229)	(5,163)
Total software	257	323
Land reservations		
At cost	29	29
Easements		
At cost	631	631
Assets under construction		
At cost	1,378	4,118
Total intangible assets	77,046	75,805

The reconciliation of movement by class for the year are shown below:

	Water Rights \$'000	Software \$'000	Land reservations \$'000	Easements \$'000	Assets under construction \$'000	Total \$'000
Balance at 1 July 2024	–	159	29	631	186	1,005
Additions	–	–	–	–	74,830	74,830
Transfer to/(from) assets under construction	70,704	194	–	–	(70,898)	–
Amortisation	–	(30)	–	–	–	(30)
Balance at 30 June 2025	70,704	323	29	631	4,118	75,805
Balance at 1 July 2025	70,704	323	29	631	4,118	75,805
Additions	4,047	–	–	–	1,307	5,354
Transfer to/(from) assets under construction	–	–	–	–	(4,047)	(4,047)
Amortisation	–	(66)	–	–	–	(66)
Balance at 30 June 2026	74,751	257	29	631	1,378	77,046

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

11. Trade and other payables

	2026 \$'000	2025 \$'000
Current		
Trade creditors	2,984	1,385
Security deposits	54	54
Accruals	12,781	30,661
Revenue received in advance	2,638	1,355
Total current trade and other payables	18,457	33,455
Non-current		
Revenue received in advance	363,064	363,824
Total non-current trade and other payables	363,064	363,824

Trade creditors represent liabilities for goods and services provided to GAWB prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within the terms agreed with the supplier.

Accruals represent liabilities for goods and services that have been received or provided to GAWB but for which an invoice has not yet been received. These amounts are estimated based on the best available information at reporting date and include both capital and non-capital items. Many capital projects including the FGP, invoices are not received prior to the end of the financial year due to the time taken in issuing a progress claim, have the work verified and approved prior to issuing a tax invoice. Due to the short-term nature of trade creditors and accruals, their carrying amounts approximate fair value.

For more information on GAWB's credit risk management process refer to Note 15(b).

Revenue received in advance primarily relates to grant revenue (refer Note 4a). Grants are initially recognised as revenue received in advance when there is reasonable assurance that the grant will be received and that GAWB will comply with the associated conditions. These amounts are subsequently recognised in the statement of profit or loss and other comprehensive income on a systematic basis over the period in which GAWB recognises the related costs or over the useful life of the associated assets.

	2026 \$'000	2025 \$'000
Revenue received in advance		
Grants - infrastructure	285,700	285,700
Grants - water rights	79,300	79,300
Capacity preservation fee	132	1
Other	570	178
Total revenue received in advance	365,702	365,179

In June 2024 GAWB received a capital grant of \$365 million from the Queensland Government in relation to the completion of the FGP project. The income is classified as deferred grant income and will be amortised in accordance with AASB 120 *Accounting for Government Grants and Disclosure of Government Assurances*. The portion relating to the FGP pipeline and associated assets (\$285.7 million) will be amortised from the projected project completion date of November 2026 in accordance with the average rate of depreciation of the FGP assets (56 years). The portion relating to the purchase of water rights (\$79.3 million) will not be amortised as this relates to an intangible asset with an indefinite useful life. This portion is classified as non-current.

GAWB has entered into future water supply contracts with several customers in line with its queuing guidelines. As a result of these contracts, a capacity preservation fee (CPF) has been charged. The charge is fully refundable to the customer at the point that water delivery commences under these contracts. Where the customer decides not to proceed with the contract GAWB retains these funds. The revenue is therefore deferred and included in revenue received in advance, until either GAWB is entitled to the revenue (upon cessation of the contract) or refunds the balance to the customer (upon delivery of water to the customer).

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

12. Borrowings

During 2025 all QTC facilities were consolidated into a variable rate debt pool facility. At 30 June 2026 the interest rate on this facility was 4.86% (2025: 4.445%). All loans and borrowings are initially recognised at fair value plus any transaction costs directly attributable to the loans and borrowings. Subsequently the loans are held at amortised cost using the effective interest rate method. Interest rates on non FGP borrowings are 5.233% (2025: range of 0.935% to 2.030%).

Non-Current	2026 \$'000	2025 \$'000
Queensland Treasury Corporation loans	504,213	501,728

Fair Values

Unless disclosed below the carrying amount (book value) of GAWB's non-current borrowings approximate to their fair value. The fair values have been calculated by discounting the expected future cashflows at prevailing market interest rates and represents the value of the debt if GAWB repaid at that date. As it is the intention of GAWB to hold the debt for its term, no provision is required to be made in these accounts. GAWB's loan with Queensland Treasury Corporation is level 2 on the fair value hierarchy. There were no transfers between levels during the year.

	2026 \$'000	2025 \$'000
Carrying value	504,213	501,728
Fair value	507,862	509,972

13. Provisions

A provision is recognised if, as the result of a past event, GAWB has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the amount expected at reporting date for which the obligation will be settled in a future period, determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Employee benefits

(i) Short-term benefits

Liabilities for employee benefits for wages, salaries, annual leave, and long service leave represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that GAWB expects to pay within 12 months after reporting date including related on-costs, such as workers' compensation insurance and payroll tax. Personal leave was provided for the first time in 2025 and is payable on termination using a capped system based upon length of service and the available leave balance at that time. Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to GAWB as the benefits are taken by employees.

(ii) Other long-term employee benefits

GAWB's net obligation in respect of long-term employee benefits (long service leave) is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs, such as workers' compensation insurance and payroll tax; that benefit is then discounted to determine its present value. The calculation includes an assumption for expected settlement date based on usage patterns to calculate the provision.

The discount rate is the yield at the reporting date on high quality corporate bonds that have maturity dates approximately equivalent to the terms of GAWB's obligations.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

13. Provisions (cont.)

Employee benefits comprise of long service leave, annual leave, personal leave, purchased leave, TOIL leave and rostered day off provisions. These provisions are categorised as either current or non-current. Provisions are presented as current in the Statement of Financial Position if GAWB does not have a right at the end of the reporting period to defer settlement for at least twelve months after the reporting date regardless of whether the actual settlement is expected to occur. The benefit provision is calculated through application of a discount calculation to derive the present value of the future payment. GAWB utilises the Millman Group of 100 Discount Rate for this purpose. GAWB expects to settle \$1.381 million of annual leave and \$0.173 million of long service leave in the next 12 months.

Dividends

A provision for dividends is recognised at the reporting date where the dividends have been declared, determined or recommended by the Directors prior to the reporting date. A corresponding amount is recognised directly in equity. Dividends provided calculations are based on 80% of net profit after an adjustment for revaluation increments/decrements and other items as agreed with Government including a reduction by the interest earned on cash held from equity contributions and grant funds for the FGP project. All dividends are unfranked. Dividends are declared after reporting date but before the financial statements are authorised for issue.

Restoration

A provision for restoration is recognised at the reporting date to reflect the estimated future costs required to restore assets and locations to their original condition at the end of their useful life or upon the cessation of the assets purpose. The provision represents managements best estimate of the present value of the expenditure expected to be incurred in meeting GAWB's legal and constructive restoration obligations. The estimate is based on current rehabilitation plans, cost assumptions and the anticipated timing of the work. The provision is reviewed at each reporting date and adjusted as necessary to reflect changes in estimates and regulations with any revision recognised in accordance with the applicable accounting standard. During the reporting period a provision for restoration work at the Yarwun Water Treatment Plant was provided for as a result of planned obsolescence of activities currently undertaken at the site. The restoration work is estimated to be completed over the next two years with work scoped and tendered over the next 12 months.

	2026 \$'000	2025 Restated \$'000
Current		
Dividend	5,130	1,646
Long service leave	1,732	1,595
Annual and other leave	2,966	2,588
Total current provisions	9,828	5,829
Non-current		
Long service leave	300	200
Annual and other leave	61	49
Fish prizes	200	205
Restoration	3,127	125
Total non-current provisions	3,688	579

Annual and other leave includes a provision of \$1.763 million (2025: \$1.605 million) for annual leave and \$0.876 million (2025: \$0.705 million) for personal leave.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

13. Provisions (cont.)

Provision movements

	Dividend		Long service leave		Annual and other leave		Restoration		Fish prizes	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current provision	5,130	1,646	1,732	1,595	2,966	2,637	–	–	–	–
Non-current provision	–	–	300	200	61	–	3,127	125	200	205
Closing balance at 30 June	5,130	1,646	2,032	1,795	3,027	2,637	3,127	125	200	205
Opening balance of provision at 1 July	1,646	12,551	1,795	1,498	2,637	1,702	125	125	205	210
Payment of provisions	(1,646)	(6,733)	(107)	(317)	(2,557)	(2,413)	–	–	(5)	(1)
Movement in provision calculation	5,130	(4,172)	344	614	2,948	3,348	3,001	–	–	(4)
Closing balance at 30 June	5,130	1,646	2,032	1,795	3,027	2,637	3,127	125	200	205

14. Equity Injections

Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* specifies the principles for recognising contributed equity by GAWB. A transfer to a wholly-owned public sector entity shall be recognised by the transferee as a contribution by owners when and only when it satisfies the definition of “contributions by owners” in AASB 1004 Contributions.

For financial year, GAWB did not receive any equity injections (2025: \$51.0 m). GAWB has currently recognised deferred grant income of \$365.0m (2025: \$nil) in relations to grant funds received for the Fitzroy to Gladstone Pipeline.

15. Financial risk management

(a) General objectives, policies and processes

GAWB has exposure to credit risk, liquidity risk, interest rate risk and capital management risk from its use of financial instruments. GAWB's financial instruments comprise trade and other receivables, trade and other payables, dividend provision, loans and borrowings and cash and cash equivalents. The Directors have reviewed GAWB's held to maturity financial assets in the light of its capital maintenance and liquidity requirements and have confirmed GAWB's positive intention and ability to hold those assets to maturity.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. GAWB manages its exposure to key financial risks, including credit risk, liquidity risk and interest rate risk, in accordance with its financial policies. The objectives of the policies are to support the delivery of GAWB's financial targets whilst protecting future financial security.

The Board reviews and agrees policies for managing each of the risks summarised below:

(b) Credit risk

Credit risk arises from the financial assets of GAWB, which comprise trade and other receivables. GAWB is exposed to credit risk from the possibility of counter parties to trade and other receivables failing to perform their obligations. GAWB does not hold any credit derivatives to offset its credit exposure. The level of exposure is disclosed in the Statement of Financial Position and in Note 7 with the carrying amount stated net of any provision for impaired debts.

(c) Liquidity risk

GAWB is exposed to liquidity risk in respect of its payables and borrowings from Queensland Treasury Corporation for capital works. Water sales are on a contracted basis to customers with payments monitored for compliance with contract terms. GAWB manages liquidity risk through the use of a liquidity management strategy which aims to reduce the exposure to risk by ensuring GAWB has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring maximum levels of cash are at hand to match the expected duration of various employee and supplier liabilities.

Funding arrangements are in place with Queensland Treasury Corporation which will allow sufficient funding to cover planned requirements within GAWB's corporate planning period. New borrowings are subject to an approved loan program with the sanction of the Treasurer of Queensland. GAWB has access to a \$10 million (2025: \$10 million) working capital facility provided through

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

15. Financial risk management (cont.)

(c) Liquidity risk (cont.)

Queensland Treasury Corporation. This facility was not drawn upon during the financial year. The working capital facility may be drawn down at any time but may be terminated by QTC without notice.

In 2025 GAWB restructured its borrowing facilities into a single debt pool facility. The loan facilities \$504.21 million is fully drawn and has a maturity of between one and nine years (2025: \$501.73 million).

GAWB has a bank credit card facility of \$0.400 million (2025: \$0.15 million) of which \$17 thousand was being utilised at 30 June 2026 (2025: \$0.12 million).

GAWB has a bank facility of \$5.0 million (2025: \$5.0 million) for the provision of bank guarantees. These are used for guarantees given to government departments and council authorities when undertaking construction works. At 30 June 2026 \$0.25 million was utilised (2025: \$2.95million).

Maturity analysis	Fixed interest maturing in:			Floating interest rate	Non interest bearing	Total
	1 year or less	1 to 5 years	Over 5 years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2025						
Financial liabilities						
Trade and other payables	–	–	–	–	32,100	32,100
Interest-bearing liabilities	49,815	87,267	493,933	–	–	631,015
Lease liabilities	755	377	233	–	–	1,365
Dividend provision	–	–	–	–	1,646	1,646
Total	50,570	87,644	494,166	–	33,746	666,126
2026						
Financial liabilities						
Trade and other payables	–	–	–	–	15,819	15,819
Interest-bearing liabilities	25,765	104,255	498,064	–	–	628,084
Lease liabilities	719	1,170	71	–	–	1,960
Dividend provision	–	–	–	–	–	–
Total	26,484	105,425	498,135	–	15,819	645,863

The risks implied in the table above reflect a balanced view of cash inflows and outflows.

Interest bearing loans and borrowings relate to Queensland Treasury Corporation borrowings which are interest only with no fixed repayment date for the principal component. For the purposes of completing the maturity analysis, the principal component of these loans has been included in the more than five-year time band with no interest payment assumed in this time band.

All trade payables and other financial liabilities originate from the ongoing operations of GAWB.

To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, GAWB has established comprehensive risk reporting that reflects expectations of management of settlement of financial assets and liabilities.

GAWB monitors rolling forecasts of liquidity reserves on the basis of expected cash flow.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

15. Financial risk management (cont.)

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows for financial instruments will fluctuate because of changes in market interest rates. This applies specifically to cash and cash equivalents and loans and borrowings held by GAWB.

Interest on the QTC cash fund deposits is received at variable interest rates. However, these balances are subject to an insignificant risk of changes in value.

GAWB is exposed to the risk of interest rate movements within and between each five-year regulatory period on differences between the cost of debt being recovered in customer prices and the cost of debt for any borrowings made. To minimise the uncertainty of this risk, GAWB employs the following debt management strategy:

- For borrowings existing at the commencement of the regulatory period, the resetting of the debt is aligned with the regulatory pricing period.

GAWB manages its finance costs using a mix of fixed and variable rate debt. To minimise the impact of this variation, annual reviews of the underlying loan portfolio are undertaken by QTC and realigned as required. The current debt pool funding relating to the FGP project exposes GAWB to interest rate risk due to its variable nature. This will be realigned at the next regulatory period. Until the FGP Project is commissioned, there is no current impact on profit as interest is being capitalised as part of the project. Commissioning of the FGP Project is expected in the next financial year where interest will be expensed from the commissioning date.

Without alignment, the effect of changes in interest rate risk of more or less than 100 basis points is shown in the sensitivity analysis below:

	Interest rate risk				
	Carrying amount \$'000	-100 bpts		+100 bpts	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2025					
Cash at bank	5,429	—	—	—	—
Deposits at Queensland Treasury Corporation, at call	386,340	(3,863)	(3,863)	3,864	3,864
2025					
Cash at bank	4,334	—	—	—	—
Deposits at Queensland Treasury Corporation, at call	148,556	(1,486)	(1,486)	1,486	1,486

(e) Capital risk management

GAWB manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. GAWB considers its capital to comprise its contributed equity, asset revaluation surplus and accumulated retained earnings.

The capital structure of GAWB consists of borrowings disclosed in Note 12 and equity comprising issued capital, reserves and retained earnings. In order to achieve this overall objective, GAWB's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the financiers to immediately call on borrowings. GAWB has negotiated with QTC an exemption to meeting these covenants during the construction phase of the FGP Project as the covenants were breached in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 30 June 2026 and 30 June 2025.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

16. Commitments and contingencies

Capital and other commitments

Capital expenditure commitments (excluding GST) contracted for but not provided for and payable:

	2026 \$'000	2025 \$'000
Amounts to be expensed:		
Not later than one year	36,960	141,208
Later than one year, but not later than five years	196	86
	37,156	141,294

Contingent assets and liabilities

As at the date of these financial statements, the Board is not aware of any material contingent assets or liabilities.

17. Auditors' remuneration

	2026 \$'000	2025 \$'000
Audit services		
Queensland Audit Office		
Audit and review of financial reports	245	233

For the 30 June 2026 audit, the amount quoted for the audit fee was \$0.222 million (2025: \$0.216 million). There are no non-audit services included in these amounts.

18. Director, key executive management personnel and related party disclosures

Shareholding Ministers

GAWB's responsible Minister is identified as part of GAWB's key management personnel (KMP) consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. This is the 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. GAWB 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 for 2026, which are published as part of Queensland Treasury's Report on State Finances.

Directors emoluments

Directors are appointed under the *Water Act 2000* and the compensation for each director is set by the Minister in line with s624 of the *Water Act 2000*.

Specified Executives

Compensation for the CEO was approved by the Board with compensation for the other key executive management personnel endorsed by the Board on the recommendation of the CEO having regard to GAWB's employee remuneration policy and government guidelines. It includes:

- Short term employee benefits, consisting of:
 - Salary, allowances and leave entitlements, expected to be used within 12 months, paid, and provided to KMP during the year while they were a KMP, that were recognised as expenses in the Statement of Profit and Loss and Other Comprehensive Income;
 - Non-monetary benefits in the form of salary packaging, including the provision of a motor vehicle (including the associated fringe benefits tax), less any business use cost.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

18. Director, key executive management personnel and related party disclosures (cont.)

Specified Executives (cont.)

- Long term employee benefits, consisting of long service leave accrued.
- Post-employment benefits, consisting of superannuation contributions to accumulation funds.
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide for notice periods and payments on termination only.
- No KMP remuneration packages provide for performance or bonus payments.

Director compensation included the following:

2026 Director	Appointment (A)/ Resignation(R) date	Short term benefits \$'000	Post-employment benefits \$'000	Total remuneration \$'000
Ms Adrienne Ward (Chair)	9 March 2023 (A)	62	8	70
Ms Suzanne Burow	9 March 2023 (A)	34	4	38
Mr Mitchell Petrie	8 December 2023 (A)	35	4	39
Mr Lachlan Millar	19 June 2025 (A)	37	5	42
Ms Natalia Muszkat	11 December 2025 (A)	–	–	–
Total remuneration		168	21	189

Sitting Councillors are not remunerated. Following approval by the Governor in Council as the Gladstone Regional Council (GRC)-nominated successor, Cr Natalia Muszkat was appointed to the Board on 11 December 2025.

2025 Director	Appointment (A)/ Resignation(R) date	Short term benefits \$'000	Post-employment benefits \$'000	Total remuneration \$'000
Ms Adrienne Ward (Chair)	9 March 2023 (A)	62	8	70
Ms Suzanne Burow	9 March 2023 (A)	34	4	38
Mr Mitchell Petrie	8 December 2023 (A)	35	4	39
Mr Lachlan Millar	19 June 2025 (A)	–	–	–
Mrs Tina Zawila	19 June 2025 (R)	35	4	39
Mr Kahn Goodluck	8 August 2024 (A) 5 June 2025 (R)	7	1	8
Mr Peter Masters	29 June 2021 (A) 8 August 2024 (R)	6	1	7
Total remuneration		179	22	201

No non-monetary benefits, long term employee benefits or termination benefits were paid to any directors.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

18. Director, key executive management personnel and related party disclosures (cont.)

Details of key executive management personnel

Name	Position	Position Responsibility
Mr D Barlow	CEO	Leadership and overall management of GAWB
Mr H Barbour	COO Major Projects	Is responsible for the progression of the Gladstone to Fitzroy Project
Mr R Elliot	General Manager Customer Strategy and Policy	Is responsible for regulation pricing, customer contracts and water security
Mr S Wikman	General Manager Network	Is responsible for the reliability of GAWB's water network and the delivery of water to customers
Ms C Byers	General Manager People and Culture	Is responsible for safety, organisational culture strategies and initiatives and the HR functions of GAWB
Mr A Bowman Mr P Botes	General Manager Capital	Is responsible for the planning and delivery of GAWB's capital projects. This role also includes engineering services.
Mr J Petrie	General Manager – Natural Resources and Recreation	Is responsible for recreational area and facilities, catchment management and environmental factors, fisheries and hatchery
Ms T Yen Mr A Foley	CFO	Is responsible for the financial management of GAWB including – contracts and procurement, land management, facilities management, legal, risk and internal audit, regulatory and technology

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

18. Director, key executive management personnel and related party disclosures (cont.)

Key executive management personnel compensation

2026 Position	Contract expiry date / (termination date)	Short term employee benefits		Other long- term benefits	Post-employment benefits	Termination benefits	Total remuneration
		Monetary \$'000	Non- monetary \$'000				
Mr D Barlow (CEO)	19 March 2028	719	15	28	30	–	792
Mr H Barbour (COO Major Projects)	31 December 2027	389	10	13	30	–	442
Mr R Elliot (General Manager Customer Strategy and Policy)	30 June 2030	323	22	22	30	–	397
Mr S Wikman (General Manager Network)	3 February 2030	295	30	9	30	–	364
Ms C Byers (General Manager People and Culture)	Tenure	325	–	13	30	–	368
Mr A Bowman (General Manager Capital)	23 March 2029	308	79	–	22	–	409
Mr J Petrie (General Manager – Natural Resources and Recreation)	17 January 2031	199	–	12	23	–	234
Ms T Yen (CFO)	14 July 2025 (8 June 2026)	336	94	–	31	181	642
Mr P Botes (General Manager Capital)	(16 October 2025)	87	24	–	12	63	186
Mr A Foley (CFO)	18 December 2026	11	–	–	1	–	12
Total remuneration		2,992	274	97	239	244	3,846

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

18. Director, key executive management personnel and related party disclosures (cont.)

Key executive management personnel compensation

2025 Position	Contract expiry date / (termination date)	Short term employee benefits		Other long- term benefits	Post- employment benefits	Termination benefits	Total remuneration
		Monetary \$'000	Non- monetary \$'000				
Mr D Barlow (CEO)	19 March 2028	615	29	34	30	–	708
Mr H Barbour (COO FGP Project)	27 May 2026	330	15	18	30	–	393
Mr R Elliot (General Manager Aquaculture Gladstone)	23 December 2029	268	44	13	29	–	354
Mr S Wikman (General Manager Network)	3 February 2030	302	7	7	30	–	346
Ms C Byers (General Manager People and Culture)	Tenure	300	8	17	29	–	354
Mr P Botes (General Manager Capital Planning and Delivery)	10 July 2026	260	15	5	30	–	310
Mrs A Moody (CFO)	(16 April 2025)	282	15	2	28	–	327
Mrs R Miller (General Manager Hydrogen)	(17 April 2025)	230	7	(1)	26	–	262
Total remuneration	–	2,587	140	95	232	–	3,054

* Non-monetary benefits consist of fringe benefits tax applicable to the KMP.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

18. Director, key executive management personnel and related party disclosures (cont.)

Transactions with directors and director related entities

The terms and conditions of transactions with director related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

There were no director related party transactions during the financial year ended 30 June 2026.

Transactions - Purchases

Director	Related party	2026 \$'000	2025 \$'000
Tina Zawila, Kahn Goodluck and Peter Masters	Gladstone Area Group Apprentices Limited (GAGAL)	–	(11,273)
Tina Zawila	Yaralla Sports Club	–	(6,351)
Total		–	(17,624)

Balances – Receivable / (Payable)

There were no outstanding receivable or payable balances for directors at 30 June 2026 (2025: \$nil).

Transactions with key executive management personnel and key executive management personnel related entities

The terms and conditions of possible transactions with key executive management personnel (KEMP) and key executive management personnel related entities are no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key executive management personnel related entities on an arm's length basis.

There were no transactions recorded with KEMP during the financial year 30 June 2026 or the prior period.

Transactions with Government-related entities

GAWB transacts with other State of Queensland controlled entities. All material transactions are negotiated on terms equivalent to those that prevail in an arms-length transaction.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

18. Director, key executive management personnel and related party disclosures (cont.)

	2026 \$'000	2025 \$'000
Revenue		
Water and interest revenue from CS Energy	6,785	3,602
Water and interest revenue from Gladstone Ports Corporation	1,885	1,298
Water revenue from Gladstone Regional Council	32,643	24,664
Water revenue from Minister for Economic Development	17	–
Interest received from QTC	10,254	25,853
Other	2	18
Total revenue	51,584	55,435
Expenditure		
Water rights and water charges from Sunwater	4,590	57,188
Stamp duty to the Queensland Revenue Office re purchase of water rights	–	4,047
Interest, loan fees and account fees on QTC borrowings and accounts	24,868	17,732
Dividend, NTER, Payroll Tax, Rates equivalent and competitive neutrality fee paid to Queensland Treasury	68,688	23,007
Electricity payments to State of Queensland controlled entities	802	633
Gladstone Ports Corporation	113	99
Gladstone Regional Council	546	473
Other	1,308	786
Total expenses	100,920	103,965

Amounts receivable from and payable to other State of Queensland controlled entities at the reporting date comprise:

	2026 \$'000	2025 \$'000
Receivables		
CS Energy	7,965	8,589
Gladstone Ports Corporation	765	516
Gladstone Regional Council	2,559	1,907
Minister for Economic Development	4	–
Total receivables	11,293	11,012
Payables		
Borrowings from QTC	504,213	501,728
Accrued interest and fees payable to QTC	2,121	1,357
Trade creditors to State of Queensland controlled entities	345	275
Total payables	506,679	503,360

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

19. Climate risk

Whole of Government climate related reporting

The State of Queensland, as the ultimate parent of the GAWB, has published a wide range of information and resources on climate related risks, strategies and actions accessible at <https://www.energyandclimate.qld.gov.au/climate> and <https://www.treasury.qld.gov.au/energy-and-climate/>.

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting policy oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>.

GAWB accounting estimates and judgements – climate-related risks

GAWB considers climate-related risks when assessing material accounting judgements and estimates used in preparing its financial report. Key estimates and judgements identified include the potential for changes in asset useful lives, changes in fair value of assets, impairment of assets, the recognition of provisions or the possibility of contingent liabilities.

No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting GAWB.

GAWB continues to monitor the emergence of material climate-related risks that may impact the financial statements of GAWB, including directives from Government or Queensland Treasury.

20. Events after reporting period

The commissioning of the FGP is expected to occur in November 2026. After commissioning raw water from the Fitzroy river will flow into the water network for distribution to customers. No other events have occurred subsequent to the balance date that materially impact on these financial statements.

Management certification of the financial statements

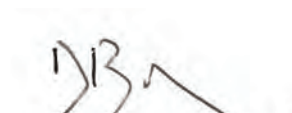
These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- (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 the Gladstone Area Water Board for the financial year ended 30 June 2026 and of the financial position of the Gladstone Area Water Board at the end of that year;

We acknowledge responsibility under section 7 and section 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.



A. Ward
Chair



D. Barlow
Chief Executive Officer



A. Foley
Chief Financial Officer

Gladstone Area Water Board
18 August 2026

Independent Auditor's Report

TO THE BOARD OF GLADSTONE AREA WATER BOARD

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Gladstone Area Water Board.

The financial report comprises the statement of financial position as at 30 June 2026, the statement of profit and loss and other 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.

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.

Independent Auditor's Report (cont.)

TO THE BOARD OF GLADSTONE AREA WATER BOARD

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/ar4.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

This description forms part of my auditor's report.



Lisa Fraser
as delegate of the Auditor-General

20 August 2026

Queensland Audit Office
Brisbane

Appendix 1

Government body summary

Name of Government body: Gladstone Area Water Board

Act or instrument	<i>Water Act 2000 (Qld)</i> – section 1084.
Functions	Principally the ownership, management, operation and maintenance of dams, treatment plants, pipelines and other bulk water distribution infrastructure, hatchery and dam recreational areas and any other occupation incidental thereto.
Achievements	Refer to Message from the Chair & CEO (pages 7 – 11).
Financial reporting	Financial results are presented in the financial statements. GAWB is not exempt from a financial statement audit by the Auditor-General.

Remuneration as at 30 June 2026

Position	Name	Meetings/sessions attendance	Approved annual fee ¹	Approved sub-committee fees if applicable ¹	Actual fees received ²
Chair	Adrienne Ward	Board: 12 Audit and Risk Committee: 4 Remuneration Committee: 1	\$55,000	\$4,000 (Chair) \$3,000 (Member)	\$61,999.86 ⁸
Director	Suzanne Burow	Board: 12 Major Projects Committee: 4 Remuneration Committee: 1	\$27,500	\$3,000 (Member)	\$33,499.70 ⁸
Director	Mitchell Petrie	Board: 10 Audit and Risk Committee: 4 Major Projects Committee: 4	\$27,500	\$4,000 (Chair)	\$35,430.90 ⁸
Director	Lachlan Millar	Board: 11 Audit and Risk Committee: 4 Major Projects Committee: 4 Remuneration Committee: 1	\$27,500	\$3,000 (Member)	\$37,145.77 ⁸⁹
Director	Natalia Muszkat ³	Board: 6 Major Projects Committee: 1	\$0	\$0 (Member)	\$0 ⁸
No. scheduled meetings/sessions	Board: 12 ⁴ Audit and Risk Committee: 4 ⁵ Remuneration Committee ⁶ : 1 Major Projects Committee ⁷ : 4				
Total out of pocket expenses	\$1,551.74				

Appendix 1

Government body summary

1. Board and Committee fees are pro-rated where the director was not a member for the full year.
2. Actual fees received include approved fees excluding superannuation. Actual fees also include payment of approved sub-committee fees attributable to the 2025-26 period.
3. Cr Natalia Muszkat was appointed to the Board as the Gladstone Regional Council (GRC) nominee (Councillor) on 21 December 2025 for a term up to 24 March 2028. Cr Muszkat was appointed as a member of the Major Projects Committee on 24 February 2026.
4. There were 8 ordinary board meetings, and 4 special board meetings held during 2025-26.
5. There were 4 ordinary Audit and Risk Committee meetings held during 2025-26.
6. There was one Remuneration Committee meeting held during 2025-26.
7. There were 4 Major Projects Committee meetings held in 2025-26.
8. Actual fees received 2025-26.
9. Director Millar's total fees includes a back pay amount to his appointment date of 19 June 2025.

Appendix 2

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	Page 3
Accessibility	- Table of contents - Glossary	ARRs – section 9.1	Page 4 Page 91
	Public availability	ARRs – section 9.2	Page 2
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Page 2
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	Page 2
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	Page 2
General information	Introductory Information	ARRs – section 10	Pages 5-11
Non-financial performance	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	Pages 12-34
	Agency objectives and performance indicators	ARRs – section 11.2	Page 12 Pages 12-34
	Agency service areas and service standards	ARRs – section 11.3	Pages 12-34
Financial performance	Summary of financial performance	ARRs – section 12.1	Page 45
Governance – management and structure	Organisational structure	ARRs – section 13.1	Page 35
	Executive management	ARRs – section 13.2	Page 37-38
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	Pages 87-88
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Page 43-44
	Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5	Page 43
	Queensland public service values	ARRs – section 13.6	Page 43-44

Appendix 2

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Governance – risk management and accountability	• Risk management	ARRs – section 14.1	Page 42
	• Audit committee	ARRs – section 14.2	Page 40
	• Internal audit	ARRs – section 14.3	Page 43
	• External scrutiny	ARRs – section 14.4	Page 43
	• Information systems and record keeping	ARRs – section 14.5	Page 43
	• Information Security attestation	ARRs – section 14.6	Page 43
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	Pages 30-31
	• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Pages 30-31
Open Data	• Statement advising publication of information	ARRs – section 16	Page 44
	• Consultancies	ARRs – section 31.1	https://data.qld.gov.au
	• Overseas travel	ARRs – section 31.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 31.3	https://data.qld.gov.au
	• Charter of Victims' Rights	<i>VCSVRB Act 2024</i> ARRs – section 31.4	https://data.qld.gov.au
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Page 84
	• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Page 85-86

FAA *Financial Accountability Act 2009*

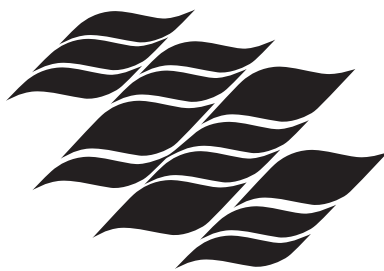
FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirement for Queensland Government agencies*

Glossary

AG	Aquaculture Gladstone
ANCOLD	Australian National Committee on Large Dams
BAU	Business as Usual
Board	GAWB's Board of Directors
BOOT	Better Off Overall Test
CCC	Crime and Corruption Commission
CCF	Community Consultative Forum
CPMG	Capricorn Pest Management Group
CQRWA	Central Queensland Regional Water Assessment
DLGWV	Department of Local Government, Water and Volunteers
DRDMW	Department of Regional Development, Manufacturing and Water
DMP	Drought Management Plan
DSC	Dam Safety Conditions
DTMR	Department of Transport and Main Roads
DWQMP	Drinking Water Quality Management Plan
EAP	Emergency Action Plan
ECI	Early Contractor Involvement
EDQ	Economic Development Queensland
EOI	Expression of Interest
ERP	Enterprise Resource Planning
FGP	Fitzroy to Gladstone Pipeline
FTE	Full Time Equivalent
GAWB	Gladstone Area Water Board
GHG	Green House Gas
GLNG	Santos GLNG Gladstone
ICT	Information and Communication Technologies
ISO	International Organisation for Standardization
ILUA	Indigenous Land Use Agreement

KPMG	KPMG Australia
LCAT	Land Condition Assessment Tool
LiDAR	Light Detection and Ranging
LTI	Lost Time Injuries
MBJV	McConnell Dowell BMD Constructions Joint Venture
MBJV	McConnell Dowell BMD Constructions Joint Venture
MSQ	Maritime Safety Queensland
Minister	Minister for Regional Development and Manufacturing and Minister for Water
ML	Megalitres
ML p.a.	Megalitres per annum
NTI	Notifiable Incidents
PCEMP	Pikes Crossing Emergency Muster Point
PMF	Project Management Framework
QCA	Queensland Competition Authority
QTC	Queensland Treasury Corporation
Recreational Strategy	Lake Awoonga Recreational Strategy
ROL	Resource Operations Licence
TUMRA	Traditional Use of Marine Resources Agreement
Water Act	<i>Water Act 2000 (Qld)</i>
WSS	Water Security Strategy



**Gladstone Area
Water Board**

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