Board meeting | 30 September 2025 Public session



Venue	Watercare Services, Level 4 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams					
Time	From 9:45am					

	Meeting administration	Spokesperson	Action sought	Supporting material
1	Minutes of the previous meeting of 26 August 2025 Board meeting	Chair	For approval	Minutes
2	Public deputations	Chair	For information	Verbal
	Items for information, discussion and approval			
3	Health, safety and wellness update	Andrew Mercer	For discussion	Report
4	Review of the Corporate Governance and Board Committees' Charters	Emma McBride	For approval	Report
5	Chief Executive's report	Executive Team	For discussion	Report
	Governance			
6	Asset Management Committee meeting update	Graham Darlow	For discussion	Verbal update
7	Economic Regulation Committee meeting update	Julian Smith	For discussion	Verbal update
8	Board planner	Chair	For information	Report
9	Directors' appointment terms, committee memberships and meeting attendances	Chair	For information	Report
10	Disclosure of directors' and executives' interests	Chair	For information	Report
11	General business	Chair	For discussion	Verbal update

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	Date of next meeting	Tuesdav. 28 October 2025
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Minutes

Board meeting	Public session
Date	26 August 2025
Venue	Watercare House, Level 4 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	9:52am

	Attendance	
Board of Directors	Watercare staff	Guests
Geoff Hunt (Chair) Frederik Cornu John Crawford Rukumoana Schaafhausen Graham Darlow Julian Smith	Jamie Sinclair (Chief Executive) Mark Bourne (Chief Operations Officer) Angela Neeson (Chief Financial Officer) Richie Waiwai (Tumuaki Rautaki ā-Iwi me ngā Hononga) Meg Wiltshire (Chief Corporate Affairs Officer) Sarah Phillips (Chief People Officer) Priyan Perera (Chief Strategy and Planning Officer) Andrew Mercer (Head of Health, Safety and Wellbeing) (from the start until the end of item 7) Suzanne Lucas (General Manager – Capital Delivery) Emma McBride (Head of Legal and Governance) Via Microsoft Teams Tracey Carter (Legal and Governance Business Partner)	Members from Commerce Commission Charlotte Reed, Commerce Commission Head of Water Regulation (from middle of item 7 to the end). Members from Auckland Council Rachel Wilson, Principal Advisor CCO Governance and External Partnerships (via Microsoft Teams)

1. Opening karakia Rukumoana Schaafhausen opened the meeting with a karakia. 2. **Apologies** Councillor Ken Turner, and board member Karen Sherry sent their apologies for both the public and confidential sessions. Andrew Clark attended the board only and CE only time which ran from 8am-9.15am and attended agenda item 7 of the confidential session (approval of Watercare's FY25 annual financial statements and 2025 annual report). Andrew was otherwise an apology for the entire public meeting and the rest of the confidential meeting. 3. Quorum A quorum was established. **Declaration of any conflicts of interest** At the confidential session held earlier today, Andrew Clark noted his usual conflicts of interest related to tax issues, as he is the CFO of Ports of Auckland Limited. No other conflicts of interest were noted. Minutes of the previous meeting of 29 July 2025 board meeting 5. The board **resolved** that the minutes of the public session of the board meeting held on 29 July 2025 be confirmed as true and correct. 6. **Public deputations** There were no public deputations. 7. Health, safety, and wellness update Andrew Mercer presented the report which was taken as read. The following key points were made: • The board expressed great concern that a firearm was pointed at a Watercare traffic controller from a passing vehicle. Andrew confirmed that incident has been reported to police and is being treated seriously. We have found that public aggression towards field teams has risen since Covid-19. While aggression has mostly been verbal, this marks a significant escalation. Support has been provided to the traffic controller (a staff member of a contractor) and training has been updated to include guidance on responding to incidents involving firearms, with a focus on deescalation and personal safety.

- A staff member was involved in a high-potential incident after slipping while attempting to untangle a hose during a routine washdown. They sustained a minor cut that required stitches. In response to a query from the board, it was clarified that the staff member was not wearing a hard hat, as the nature of the task did not require such equipment under existing safety protocols.
- The board queried an incident where a bolt was accidentally dropped into a shaft. Although no injury occurred, the contractor reported the event to WorkSafe. The key learning reenforced to staff and contractors was that nobody should be working in exclusion zones while people are working overhead.
- The board highlighted that upcoming changes to the Health and Safety at Work Act 2015, which may impact what incidents are reportable. A summary of these changes will be provided in the next HSW report.
- The board thanked Andrew for his paper and noted the reports are much improved.

The board **noted** the report.

8. Trust deep dive

The CE and Meg Wiltshire introduced the presentation, which was taken as read. The following key points were made:

- Our community trust score has remained within a narrow range since 2018, when it was first introduced.
- This highlights the ongoing challenge of building trust in a monopoly environment.
- The trust score captures perceptions from both customers and tenants across all of Auckland, including those with whom we have no direct relationship. It is heavily influenced by external factors such as media headlines and major events. In May 2024, trust declined noticeably, driven by price increases, negative media attention, and broader government narratives concerning the lack of investment in infrastructure.
- While the current score currently sits a few points below our target, we have been actively course-correcting since last year to rebuild the score.
- There are six key drivers of trust. The prevailing narrative remains one of under investment in infrastructure, and the perception of value for money has not shifted since before 2018. This is a common theme across utilities; few people feel positive about paying for utilities, and polling suggests it is difficult, maybe impossible, to change that value for money mindset. Our focus therefore should be on the other drivers.
- The board noted that we have many positive stories to tell, particularly around financial sustainability and long-term planning, and the development programmes we offer our people.
- The board noted that commercial businesses continue to have the highest level of trust and suggested building trust may involve Watercare establishing a distinct identity.
- For future CE reports, the board requested a one-page summary of customer insights (including all the various metrics) to provide a clear, high-level overview.
- There was a robust debate about what returns could be expected if we increase our trust score and discussion around how our score is still well above other industries, including supermarkets, telcos, insurance companies, KiwiSaver providers, banks, and electricity providers (see new presentation slide Attachment 1).
- We know that if people know us and our business, they score us higher.
- To build trust, we plan to focus on: meaningfully engagement with communities; sharing authentic stories about our people and impacts; positioning Watercare as a visible industry leader nationwide; strengthening relationships in underperforming areas, particularly with Māori communities, through authentic, consistent, and inclusive engagement.

- It was noted that lwi/Māori storytelling is a powerful influence tool, particularly as 12.3% of Auckland's population identify as iwi/Māori.
- Maintaining trust is more effective than rebuilding it and billing inaccuracies are a key risk to trust.
- The board considered Watercare to be one of Auckland's "best-kept secrets", and success should be measured through a broad set of metrics, not just trust.

The board **noted** the presentation.

9. Chief Executive's report.

The CE introduced the report, which was taken as read. The following key points were made.

Key performance measures

- In July, Auckland's water supply dams reached 100% capacity and remain at 99% today.
- July was a busy month, with the finalisation of key plans and template quarterly reports, and good progress made on the asset management improvement plan and pricing review plan.
- Regarding smart meters, the board acknowledged that the messaging to customers was delayed. The switch from digital to manual reads was not well
 communicated to some customers, and an opportunity to take a more proactive approach was missed.
- Our new Central Development Programme team has now been stood up, led by Sophie Jeffries. The team will provide meaningful engagement with property developers and other industry groups. The board commended this initiative, and encouraged the team to conduct fresh surveys and ensure we keep measuring developer sentiment. It was noted this is a very challenging environment.

Iwi and mana whenua engagement

• The Waikato Awa digital twin initiative models future outcomes with science. Te Ao Māori knowledge, grounded in centuries of river observation, will provide a critical check and balance.

People

- Workday implementation was a significant achievement; delivered smoothly with minimal impact and has been well received across the business.
- The board noted that FTEs are more than benchmarked and have increased by 60 people year on year. There were concerns that this number keeps rising. Management explained that we have reduced our reliance on contractors, which meant our permanent staff numbers have grown.
- The board highlighted the importance of having the right people in the right roles and ensuring a balanced team. They asked for more detail on where staff are positioned within each department.

Operations

- Mark Bourne provided a summary of Auckland's water demand over history. Demand has risen with population growth, but usage/person/day has fallen
 due to economic shifts, droughts, universal metering, and the introduction of wastewater charges. Urban development trends, like increased apartment
 living, and behavioural changes such as using water-efficient appliances and commercial car washes have also contributed.
- Auckland will reach an eventual plateau because we are still a commercial hub with 30% of our production used by businesses.

Programme delivery

- Snell Beach Wastewater Treatment Plant is on track for practical completion by the end of August and full handover later this year.
- Work has commenced on the Archboyd Avenue wastewater pump station and associated pipework.
- The Örakei Main Sewer (OMS) lining programme in Parnell has been delayed due to rain, with crews temporarily reassigned to the Zoo OMS project.

The board **noted** the report.

10. Asset Management Committee meeting update

Graham Darlow, Chair of the Asset Management Committee (AMC), provided an update.

- The 8 August 2025 meeting discussed the company's shift away from a project focus to a programme-based approach.
- The AMC received an update on the Rosedale Solids Stream project and the associated Governance Group; an update on the strategic partnership we have with Stantec and Aurecon; as well as updates on the ongoing improvements to the Developer Services team.
- The programme delivery dashboards are improving with automation options currently being assessed.
- An out of cycle board report for an Ōtara project was circulated to the AMC after the 8 August meeting and is included in the confidential board pack for approval.

11. Audit and Risk Committee meeting update

Julian Smith, member of the Audit and Risk Committee (ARC), provided an update on behalf of Chair Andrew Clark, who was an apology for this part of the meeting:

- Capitalisation remains a focus as we work to establish, clear operating principles.
- The ARC received the insurance workplan for FY26.
- Mark Bourne provided a deep dive into training and succession planning for the operations team.
- Andrew Feringa provided a deep dive into SCADA and the plans we have in place should the system fail.
- The remainder of the meeting focused on the financial accounts.

12. Economic Regulation Committee meeting update

Julian Smith, Chair of the Economic Regulation Committee (ERC), noted that the ERC met on 14 August 2025, where the draft quarterly report on performance standards was reviewed, as well as the draft asset management improvement plan that is presented to the board today via the confidential meeting pack.

13. Board planner

The board **noted** the board planner.

14.	Directors' appointment terms, committee memberships and meeting attendances				
	The board noted the report.				
15.	Disclosure of directors' and executives' interests				
	The board noted the report.				
16.	General business				
	There was no general business.				
	The public session closed at 11:02am.				

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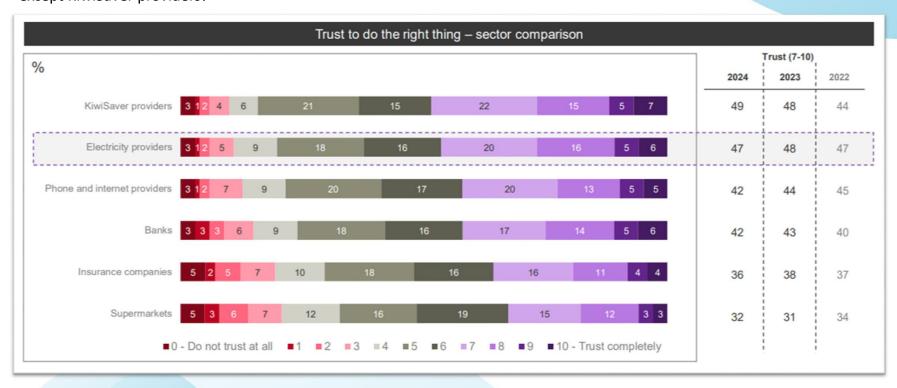
Geoff Hunt, Chair

Attachment 1

New slide

A comparison with other sectors

NZ electricity consumer sentiment survey: Trust remained relatively stable or declined in most sectors except KiwiSaver providers!



Confidence in the electricity sector providing a reliable supply over the next five years also dropped from 48% (2023) to 41% (2024)

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Health, safety, and wellbeing update

For discussion

Document ownership / Whaimana tuhinga

Prepared by / Kaiwhakarite

Andrew Mercer Head of Health, Safety and Wellbeing Submitted by / Kaitono Jamie Sinclair Chief Executive Officer

1. Purpose / Whāinga

This report provides an update on health, safety and wellbeing outcomes and performance at Watercare for August 2025.

2. Executive summary / Whakarāpopototanga matua

The report includes a summary of monthly activity across five core areas of HSW focus:

- Leadership
- Staff / Kaimahi engagement
- Insight into critical risk management
- Continual improvement
- Performance trends and analysis
- Health & safety reform and what that means for Watercare.

3. Supporting information / Pārongo tautoko

3.1 Leadership

	June	July	August	Commentary
	2025	2025	2025	
Leadership walks	130	151	142	Sustained focus on strong leadership engagement as a key feature of our approach
Target to be determined by business unit	Feedback	Feedback	feedback	to safety at Watercare.
	173	191	165	
	inspection	inspection	inspection	

	June 2025	July 2025	August 2025	Commentary
Training — Safety leadership in action Target: 100% of people leaders	92%	95%	96%	A total of 426 people participated in this training to date. The total number of people leaders against this measurement this month is 259. The natural cycle of change in roles and people moving into new leadership positions means that the pursuit of 100% completion is a moving target. Leadership capability development remains a key focus in our approach to successful safety performance.
Health and safety executive engagement meeting Target: 1 per month compulsory attendance	1	1	1	Executive safety meetings are held monthly, providing a dedicated leadership focus on HSW performance and improvement, including critical risk management, safety leadership and worker engagement.

3.2 Kaimahi engagement

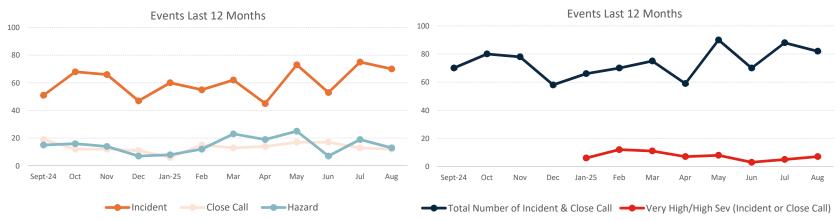
	June 2025	July 2025	August 2025	Commentary
HSW climate The team targets a HSW climate rating of ≥8/10 in each six-monthly Watercare climate survey	8.2 (+0.3 above benchmark)		nark)	The most recent staff survey was completed in June 2025, with a 0.1 point improvement from the November 2024 survey.
Reward and recognition All business units to have a way to reward and recognise positive health, safety and wellbeing	193	334	232	Sustained recognition of good work, performance and living our values.
Training – induction (HSW Essentials) Target: 100% of Kaimahi	99%	99%	99%	A few outstanding people yet to complete this induction.
Communication / engagement	Due to multiple aggressive dog incidents, the maintenance field team issued a dog awareness alert. They have also logged known properties with dangerous dogs on asset records. For faults related queries, we ask the customers whether they have dogs on their property. This record helps the maintenance team to learn any access issues before entering the property. August safety alerts also covered: suspended load failure, tool theft, needle/sharps safety, working around 5G, and Respirable Crystaline Silica safety focus.			

3.3 Risk management and insight into the permit audits

	June 2025	July 2025	August 2025	Commentary
Permit audits per site Target: One per site	68/36	65/36	49/36	Sustained focus on presence and effectiveness of critical risk control
	94%	93%	92%	
	compliance	compliance	compliance	

	June 2025	July 2025	August 2025	Commentary
Critical risk inspection Measured as: number of inspections completed	28	40	27	Summary of critical risk inspections at Section 3.3.3
Emergency preparedness Measured as: number of emergency drills completed	8	4	4	Emergency drills included: chlorine gas, chemical spill, medical emergency, fire evacuation
No. of high/very high potential of harm events (incidents and close calls)	3	5	7	High potential events: Watercare employees (5) and Contractors (2)

3.3.1 Details of events with very / high potential of harm



Since January 2025, incident and close call reports have increased, while high-severity cases have slightly improved. Hazard reports rose in July compared to June but have decreased over the last two quarters. We will continue to encourage event reporting and critical risk inspections for staff and contractors.

3.3.2 Summary of high-potential events in August

High potential events involving Watercare employees

HSW0026157 – A mechanical fitter was sprayed with raw wastewater from an air release valve, when the isolation valve failed to seal while draining pipework at a wastewater pump station for pump maintenance. The team shut down all pumps to stop the flow and secure the area. The fitter used the eye wash station, mouthwash, and antibacterial wipes for personal cleanup. The fitter was ill due to wastewater ingestion and had time off work due to a mild stomach bug. The fitter's vaccinations were up to date. The review of the incident suggests that the isolation valve had an arrow pointing in both directions, with no with no external indication to confirm whether it was open or closed. When the team drained the pipework, the valve appeared sealed. However, once the second pump started up, it caused the reflux valve (in the vertical position) to bypass. This allowed wastewater to flow back into the pump and ultimately spraying the fitter as the air bleed and drain valve was open. The arrow on the valve has been rectified.

HSW0026166 – Members of the public damaged reticulated gas pipe fittings near a watermain renewals site, and then fired fireworks at the gas, causing a fire. Fire service responded and made the site safe. Security at this work site has been reviewed.

HSW0026206 – A maintenance serviceperson was bitten on the face by an uncontrolled dog while installing a meter restrictor in a meter box. First aid was administered, followed by a doctor visit and first aid treatment. The employee is back at work. The incident was reported to Animal Control.

HSW0026626 – A maintenance serviceperson was bitten on the arm by dog when knocking on a customer's door to advise of work activity. The owner had attempted to keep the dog inside, but it escaped and bit our employee. The owners quickly took control of the dog. The incident was also reported to the Animal Control.

HSW0026638 – A serious near miss occurred when a member of the public was driving on the wrong side of the road towards a Watercare vehicle.

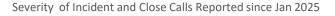
High potential events involving Contractors

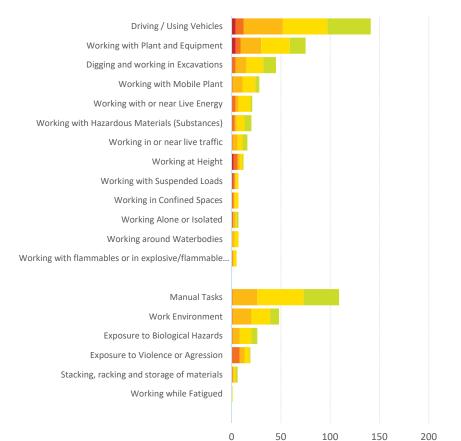
HSW0026575 – During digester asset renewal works, a contractor experienced discomfort due to oxygen depletion. The recorded oxygen level dropped to 19.0%, and the team adjusted ventilation and re-entered the space. The oxygen level then dropped to 19.4% upon re-entry. The site manager stopped the work. A full review of work methodology and ventilation systems was completed, lessons and improvements communicated, and work restarted.

HSW0026626 – A contract technician was installing monitoring equipment in the wastewater network when he was approached by a member of the public. The encounter became aggressive, and the Police were called. The Police arrived promptly and made an arrest, recovering a knife from the scene. No one was injured.

Critical risk inspections and events 3.3.3

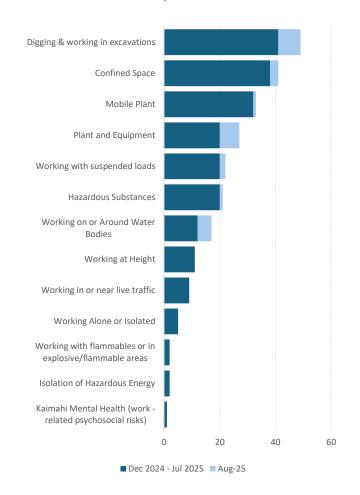
The chart below shows the number of critical risk inspections completed and severity of events reported this year, across the identified critical and noncritical risk areas.





■ Very High ■ High ■ Medium ■ Low ■ Very Low

Critical Risk Inspection since Jan 2025



100

150

3.4 Continual improvement

	June 2025	July 2025	August 2025	Commentary		
Learnings identified and shared	1	1	6	A series of safety alerts and lessons shared		
Digital safety systems	Managemen straightforwa	The project team has conducted three workshops with the wider business to review the proposed future ideal-state processes for Risk Management and Control of Work. A strong consensus emerged on the necessity of designing common processes that are straightforward enough to handle high-volume, low-risk work while also being flexible enough to manage highly complex jobs. These are key principles for the project team to consider when ensuring the new processes are fit for purpose.				

3.5 Performance trends and analysis

	June 2025	July 2025	August 2025	Commentary			
Health and wellbeing support	The next phase of our wellbeing strategy is underway, focusing on assessing and addressing work factors (psychosocial risks) that have the potential to protect or harm wellbeing. This is in line with our commitment to both physical and mental health. In September, the HSW team will trial our first "Mentally Healthy" workshop to identify and assess these workplace factors. The trial will help us develop and improve the workshops before we offer it to the wider organisation. In August, the Newmarket Wellbeing Committee began developing guidance for Lone Worker support for Newmarket based teams and began organising events for Blue September (prostate cancer awareness month).						
Open iCare cases Target:<5% of iCare cases last 12 months	816 13%	868 13%	1165 16%	Most of the open cases have no actions but need to be reviewed and closed. An efficient method for cleaning up the data under review.			
ACC performance monitoring	In August, Watercare recorded five injuries among employees: one resulted in lost time, and four required medical treatment. Starting from 1 April 2026, ACC will adopt five key performance measures as part of its national performance monitoring framework for work injury claims. Those measures are set out below, with the 12 month rolling performance data for Watercare, up to August 2025: The five performance measures: 1. Timeliness of cover decisions – non-complicated claims Average days on straightforward claims – 23.2 days 49.09% vs target of at least 50% of these decisions within 8 days (base size of 55 claims). 2. Timeliness of cover decisions – complicated claims Average days on more complex claims – 53.7 days						

	June 2025	July 2025	August 2025	Commentary		
	66.67% vs target of at least 50% of these decisions within 62 days (base size of 3 claims). 3. Timeliness of first Weekly Compensation assessment Average days we process weekly compensation payments once someone is entitled – 15.2 days. 72.7% vs target of at least 50% completed within 10 days.					
	 4. Timeliness of initial Individual Rehabilitation Plan (IRP) – for work related time off required >14 days. 60% vs target of at least 80% completed within 28 days. 5. Average number of days from first incapacity to full return to work to their pre-injury role. Average of 34 days vs target of 63 days or fewer. 					
Contractor Management	New general requirements and performance measures for contractors have been drafted and issued to a number of contractor representatives for feedback. These updated requirements are expected to be finalised in October 2025.					

3.6 Health & Safety Reform and what it means for Watercare

The Government initiated a review and reform of the Health and Safety at Work Act 2015 (HSWA) with the intention to simplify compliance, reduce regulatory burden, and refocus efforts on managing serious workplace risks. Consultation with the public and industry sectors was undertaken during 2024, and announcements made earlier in 2025 with a range of proposed changes, including:

- Enhance focus on managing critical risks (those likely to cause death, serious injury, or illness) rather than addressing every possible hazard
- Small, low-risk businesses would mainly need to manage critical risks and provide basic workplace facilities (such as first aid kits, emergency plans)
- Clarification of overlapping duties between HSWA and other regulatory systems to reduce over-compliance.
- Streamlined incident notification to WorkSafe, requiring only significant workplace incidents to be reported.
- Clearer distinction between governance duties of directors and operational responsibilities of managers to reduce director liability concerns.
- Changing the Approved Codes of Practice framework so industries can submit their own ACOPs for government approval, with compliance deemed as meeting HSWA obligations.
- Landowners will no longer be liable under HWSA for injuries related to recreational activities on their land.

Timeline for legislative changes

- Legislation introduction: The Government plans to introduce the reform legislation before the end of 2025.
- Legislation passage: The goal is to pass the new laws in early 2026.
- Further announcements: Additional reform details and Cabinet decisions are expected to be released throughout the remainder of 2025.

What do these proposed changes mean for Watercare?

Watercare has already been on a journey of health and safety improvement. This journey of change generally reflects the refocus of contemporary safety concepts (such as Safety II) and has seen a shift from absence of error as a measure of performance, through to the presence of controls, and moving towards the verification of effectiveness of controls.

This journey of change is not complete and will require relentless effort. The core components of Watercare's approach to health and safety improvement includes:

- · Leadership: emphasising the importance of visible and engaging safety leadership that seeks to understand and learn from work
- Kaimahi/worker engagement: recognising that our workers are the answer to safety success, and the importance of effective enablement
- Critical risk management: focusing our attention on the activities that present the greatest risk of serious harm
- Systems: supporting our leaders and kaimahi with the systems to enable them to do good work easily and safely.

The focus on critical risk management through the proposed safety reform is well-aligned with the Watercare's approach to health and safety. The focus on improving guidance and codes of practice is welcome and is aligned with the intent to improve consistency and competency among our kaimahi and supply chain.

References to reduced requirements for safety compliance activity for small and low risk businesses does not relate to Watercare, as our work is defined by large-scale complex infrastructure services and critical risk management (particularly our operations, maintenance and construction activity).

Watercare is generally very comfortable with interpreting obligations under the HSWA, and we maintain a positive working relationship with Worksafe as the regulator. Any adjustment to thresholds for what incidents require notification to Worksafe will be reflected appropriately in the incident management component of Watercare's health and safety management system.

In summary, the proposed reform of HSWA is unlikely to have any material impact on how we approach health and safety at Watercare, as the changes are consistent with the approach that Watercare already has in place. Watercare leads health and safety from a position of genuine care, rather than simple compliance, and that approach will not change under this reform.

4. Recommendation / Te tūtohunga

That the Board notes and discusses this report.



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Review of the Corporate Governance and Board Committees' Charters

For approval

Document ownership / Whaimana tuhinga

Prepared by / Kaiwhakarite Emma McBride Head of Legal and Governance Submitted by / Kaitono Jamie Sinclair Chief Executive Officer

1. Purpose of the report / Te take mō te pūrongo

The purpose of this report is to seek the Board's feedback and approval on the revisions made to the Corporate Governance and Board Committees Charters (**Charters**).

2. Executive summary / Whakarāpopototanga matua

- In light of the <u>Local Government (Water Services Preliminary Arrangements) (Watercare Charter) Order 2025</u>, gazetted by the Cabinet on 6 March 2025, the Corporate Governance Charter, and the terms of reference for each of the committees has been reviewed by Management.
- Changes have been made to reflect the Watercare Charter and other changes in the way the committees are run. These changes have been highlighted in green in the attached Charters.

3. Supporting information / Pārongo tautoko

3.1 Corporate Governance Charter

<u>Attachment 1</u> sets out the Corporate Governance Charter. The Corporate Governance Charter was last reviewed in June 2024. Management suggests the following key changes to the Corporate Governance Charter:

- Clause 2 Role of the Board: The section has been updated to include the Watercare Charter.
- Clause 3
 - o Key activities of the Board: The section has been updated to include the role of the Crown monitor.
 - o Legislative responsibilities: The section has been updated to include the Watercare Charter.
 - Oversight of management: The section has been updated to include the treasury functions as required under the Treasury Management Policy.
 - o Governance: The section has been updated to include the role of the Crown monitor and to mention key board governance policies.

- o Our stakeholders and partners: The section has been updated to include the role of the Crown monitor.
- Clause 4 Board committee: The section has been updated to include the reference of 'Economic Regulation Committee' and remove the reference of 'Capital Finance Committee'.
- Clause 5 Duties imposed on Board members: In light of the discussion held at the April 2025 Board meeting, the section has been updated to reference the relevant clause from the Watercare's Constitution.
- Clause 7 Role of Chair: The section has been updated to include the reference of the Crown monitor.
- Clause 9.2 Public representation: The section has been updated to include the updated policy title.

Attachment 1 reflects the changes highlighted in green.

3.2 Audit and Risk Committee Charter

Attachment 2 sets out the Audit and Risk Committee (ARC) Charter. The ARC Charter was last reviewed and approved by the Board in June 2023. Clause 7 of the Charter requires that any changes to the Charter must be approved by the Board. Management suggests the following key changes to the ARC Charter:

- Clause 1 Purpose and composition: Adding the below aspects, required under the:
 - o the Watercare Charter and in particular, the operating and capital expenditure planning and reporting (Watercare Charter clauses 26 and 27).
 - o the Risk Financing Policy and in particular, developing and execution of risk financing strategy
- Clauses 2 and 5 Meetings and relationship with auditors: Updating role titles.
- Clause 6.2 Responsibilities/Financial Management adding a reference to the Risk Financing Policy
- Clause 6.5 Responsibilities/Audit Functions Adding the responsibilities required under the Treasury Management Policy and in particular, review of the scope of an internal audit of Treasury.

Attachment 2 reflects the changes highlighted in green.

3.3 Asset Management Committee Terms of Reference

Attachment 3 sets out the Asset Management Committee (AMC) Terms of Reference (ToR). The AMC ToR was last reviewed and approved by the Board in July 2024. A review is not scheduled until next year. However, in light of the Watercare Charter, the review has been brought forward.

Clause 6 of the AMC ToR requires that any changes to the ToR must be approved by the Board. Management suggests the following key changes to the AMC ToR:

- Clauses 1, 3 and 5: The AMC to oversee the matters related to the Infrastructure Delivery and Asset Management Improvement Plan as required under the Watercare Charter.
- Clause 2: Adding Watercare's Lead Councillor's attendance to the AMC meetings.

• Clause 5: Clarifying that the AMC's review of portfolio performance as it relates to health and safety (H&S) performance is limited to capital delivery and noting that overall H&S governance sits with the Board.

Attachment 3 reflects the changes highlighted in green.

3.4 Economic Committee Terms of Reference

Attachment 4 sets out the Economic Regulation Committee (ERC) Terms of Reference (ToR). The ERC ToR was last reviewed and approved by the Board in June 2025 and is scheduled for review in June 2026. In light of the Watercare Charter, the review has been brought forward.

Clause 6 of the ERC ToR requires that any changes to the ToR must be approved by the Board. Since the ERC ToR was approved by the Board in June 2025, no further changs to the ERC ToR is required, apart from minor updates to ensure consistency with the other Charters/terms of Reference, and updating the dates. Attachment 4 reflects these changes highlighted in green.

4. Proposed budgetary implications / Ngā ritenga ā-pūtea kua marohi

If the Charters are not regularly reviewed, they will become outdated and not accurately serve the governance purposes of Watercare. The report does not have any direct budgetary implications.

5. Next steps / Ngā mahi ka whai ake

Subject to the Board's approval, the Charters will next be reviewed as per their scheduled review period.

6. Recommendation / Ngā taunakitanga

That the Board approves the revisions made to the:

- Corporate Governance Charter (attachment 1),
- Audit and Risk Committee Charter (attachment 2),
- Asset Management Committee Terms of Reference (attachment 3), and
- Economic Regulations Committee Terms of Reference (attachment 4).

7. Attachments / Ngā whakapiringa

Attachment number	Description
1.	A marked-up version of the Corporate Governance Charter
2.	A marked-up version of the Audit and Risk Committee Charter
3.	A marked-up version of the Asset Management Committee Terms of Reference
4.	A marked-up version of the Economic Regulations Committee Terms of Reference

Watercare **

Attachment 1

Corporate Governance Charter

September 2025

1. Purpose

This is the Corporate Governance Charter (Charter) for Watercare Services Limited (Watercare). This Charter identifies the principles of corporate governance that assist the Board of Directors of Watercare (Board) in performing their duties.

2. Role of the Board

The Board members have been appointed by Auckland Council (shareholder) to govern Watercare. Within the constraints of the legislation, Constitution, the Statement of Intent¹ (SOI), the Statement of Expectations (SOE), and the Watercare Charter² the Board:

- establishes Watercare's purpose
- · defines desirable outcomes
- approves major strategies for achieving these outcomes
- sets the overall policy framework within which the business of Watercare is conducted
- monitors Management's performance with respect to the above matters.

The Board delegates day-to-day management to the Chief Executive (CE). The CE in turn delegates authority to Management.

Watercare's obligations to deliver water and wastewater services for Auckland (Watercare's Obligations) are set out in Part 5, sections 57 and 58 of the *Local Government (Auckland Council) Act 2009*. Section 57(1) stipulates that an Auckland water organisation:

 must manage its operations efficiently with a view to keeping the overall costs of water supply and wastewater services to its customers (collectively) at the minimum levels consistent with the effective conduct of its undertakings and the maintenance of the long-term integrity of its assets;

¹ Watercare became a Council-Controlled Company on 1 July 2012 and is governed under a Statement of Intent (SOI).

- must not pay any dividend or distribute any surplus in any way, directly or indirectly, to any owner or shareholder;
- is not required to comply with section 68(b) of the Local Government Act 2002;
- must have regard for public safety (for example, the safety of children in urban areas) in relation to its structures

Section 58 stipulates that an Auckland water organisation:

- must give effect to the relevant aspects of the LTP; and
- must act consistently with the relevant aspects of any other plan (including a local board plan) or strategy of the Council to the extent specified in writing by the governing body of the Council.

The Board members should align themselves with the Institute of Director's Four Pillars of Governance Best Practice for New Zealand directors:

- Determining purpose and strategy for the organisation
- Delivering an effective governance structure
- Holding management to account through effective and independent oversight
- Ensuring effective compliance with statutory and other frameworks.

3. Key activities of the Board

The primary role of the Board is to exercise leadership, enterprise, integrity and judgement in delivering Watercare's Obligations, having regard to the interests of our shareholder, Crown monitor and stakeholders and achieving sustainability.

Key activities of the Board include:

Legislative responsibilities

- Setting the price of water and wastewater services
- Complying with Part 5 of the Local Government (Auckland Council) Act 2009, as set out above at point 2

² Local Government (Water Services Preliminary Arrangements) (Watercare Charter) Order 2025

 Complying with all relevant obligations the Board has under the Companies Act 1993 and other statutes and secondary legislation, including the Watercare Charter.

Oversight of Management

- Appointing the Chief Executive
- Reviewing the terms and conditions of the Chief Executive's total remuneration package annually
- Setting objectives for the Chief Executive and monitoring the Chief Executive's performance against those objectives
- Overseeing the operation of Watercare's business to ensure it is being managed appropriately
- Reviewing progress on major projects, strategic plans and operating plans
- Reviewing and approving Watercare's Treasury Management Policy, as well as reviewing treasury performance and compliance
- Monitoring the financial performance of Watercare including approving:
 - the forecast borrowing programme in line with the Treasury Management Policy
 - o the sustainable finance framework
 - o budgets
 - capital expenditure and investments above delegations
 - operating expenditure outside budgets and delegations.
- In the normal course of events, day-to-day management of Watercare will be in the hands of the Management.

Ethics

- Ensuring Watercare adheres to high standards of ethics and corporate behaviour
- Ensuring business is conducted in an honest, ethical, responsible and safe manner
- Safeguarding the reputation of Watercare, the Watercare brand and building public trust and confidence in Watercare and the wider Council Group
- Effectively and confidently manage complaints regarding unacceptable behaviour that are escalated to the Board
- Promote ethical and responsible corporate behaviour, including leading by example.

Governance

- Acting in the best interests of Watercare in a manner based on transparency, accountability and responsibility³
- Balancing these interests against Auckland Council's expectations of Watercare as a council-controlled organisation⁴
- Monitoring the effectiveness of our governance practices, including overseeing compliance with other key board governance policies including the Treasury Management Policy and the Risk Financing Policy.
- Monitoring the integrity of all financial and non-financial reporting to the shareholder and Crown monitor

Strategy

- Defining Watercare's purpose
- Overseeing Management's implementation and achievement of the strategic directions, plans and expectations set by the shareholder
- Exercising due care, diligence and effective oversight of all matters relating to the Asset Management Plan (AMP).

Our stakeholders and partners

- Serving the legitimate interests of the stakeholders and community partners of Watercare and accounting to them in a clear, transparent and accessible manner
- Ensuring that Watercare communicates effectively with the shareholder, the Crown monitor, customers, other stakeholders, and community partners
- Ensuring that Watercare complies with all relevant laws and regulations and that it meets its contractual obligations.

lwi and mana whenua partners

- Provide mechanisms to ensure iwi and mana whenua are active partners, decision makers and participants
- Ensure Watercare's iwi and mana whenua engagement approach is centred on the relationship and connectedness of Māori to wai (water) and whenua (land)

³ Note: Under Watercare's Constitution, Directors may act in the best interests of the shareholder

⁴ Auckland Council's expectations of Watercare are set out in the CCO Accountability Policy and the Statement of Expectations for substantive Council-controlled Organisations (July 2021). Expectations are also set by Council via the yearly letter of expectation/statement of intent process.

 Ensure that Watercare communicates effectively with iwi, mana whenua, and Houkura (Independent Māori Statutory Board).

Achieving outcomes for Māori

Foster positive and productive relationships between Watercare and Māori, develop the ability of Watercare and its people to contribute to Māori social, cultural, environmental and economic wellbeing outcomes by fostering strong Māori communities.

Our people

- Approving and monitoring Watercare's health, safety and wellbeing systems, with a view to ensuring the health, safety and wellbeing of Watercare's employees, contractors, agents, and also the public at all Watercare sites
- Ensuring Watercare is a good employer and acts in accordance with Watercare's Good Employer Policy
- Ensuring sound policies and processes are in place to attract and retain outstanding people to Watercare
- Oversee Watercare's people strategies, renumeration policies and practices
- Monitoring Watercare's workforce diversity (including gender and culture)
- Reviewing Watercare's people strategies, remuneration policies and practices.

Sustainability and reducing carbon emissions

Exercise due care, diligence and effective oversight of all matters relating to the actions taken by Watercare to reduce carbon emissions and contribute towards a sustainable, climate resistant future.

Risk management

- Ensuring Watercare has appropriate risk management and regulatory compliance policies in place, including defining the limits to acceptable risk
- Regularly reviewing processes and procedures to ensure the effectiveness of internal systems of control
- Report to Council quarterly including any new or emerging risks.

4. Board committee

To assist in the process of corporate governance, the Board currently has the Audit and Risk Committee (ARC), Asset Management Committee (AMC) and an Economic Regulation Committee (ERC).

The Board is responsible for oversight of any committee. Committees may make recommendations

to the full Board, but do not make decisions on behalf of the Board unless specifically mandated to do so.

Committee Chairs and members are appointed by the Chair.

The Board may establish or disestablish committees to assist in the process of corporate governance.

5. Duties imposed on Board members

Each Board member must understand the specific legal requirements of their position since this will form the basis of the duties and responsibilities of the individual Board member.

There are three types of duties imposed on Board members:

Fiduciary duties

The fiduciary duties of a Board member are to act honestly, avoid conflicts of interest, and generally act in what the Board member believes to be the best interests of Watercare as a whole. Noting that under Clause 11.4 of the Constitution, a Board member may act in the best interests of the shareholder, even though it may not be in the best interests of Watercare.

Duty of care and diligence

Each Board member must exercise the care, diligence and skill that a reasonable person would exercise in the same circumstances.

Legal and statutory duties

These are duties imposed upon Board members by statute and common law, and the Constitution.

In accordance with these requirements, Board members of Watercare must:

- Ensure Watercare gives effect to Te Tiriti o Waitangi, its principles, and its broader legal obligations including being more responsible and effective to Māori
- Discharge their duties in good faith and honesty in what they believe to be the best interests of Watercare and with the level of skill and care of a well-informed Board member of an important company
- Promote a corporate culture that embraces diversity and inclusiveness
- Owe a fiduciary duty to Watercare using the powers of office only for a proper purpose, in the best interests of Watercare as a whole
- Act with required care, diligence and skill, demonstrating reasonableness in their decisions
- Make adequate disclosure to the Board of any actual or potential conflicts of interest

- Act in accordance with the Constitution and the law relating to Watercare and companies generally
- · Act for the benefit of Watercare as a whole
- Not make improper use of information gained through their position as Board members
- Not take improper advantage of the position of a Board member
- Not allow personal interests, or the interest of any associated person, to conflict with the interests of Watercare
- Make reasonable inquiries to ensure that Watercare is operating efficiently, effectively and legally towards achieving its goals
- Undertake diligent analysis of all proposals placed before the Board
- Not agree to Watercare incurring an obligation unless the Board member believes at the time, on reasonable grounds, that Watercare will be able to perform the obligations.

6. Role of individual Board members

The Board decides what matters are delegated to either specific Board members or Management and what controls are in place to oversee the operation of these delegated powers.

Board members have no individual authority to participate in the day-to-day management of Watercare. This includes making any representations or agreements with any other party including employees unless such authority is expressly delegated by the Board. The delegation is by resolution, to the Board member (including the Chair) either individually or as a member of a sub-committee.

Board members are expected to give of their specific expertise generously to Watercare.

In respect to any matters not dealt with in an open meeting, Board members will keep Board discussions and deliberations absolutely confidential.

Board members are expected to be forthright in Board meetings. They have a duty to question, request information, raise any issue, and fully canvas any aspects of any issue. Votes must be cast on any resolution according to their own opinion. Outside the Boardroom, Board members will support the letter and spirit of Board decisions in discussions with all external parties including staff.

A Board member present at a Board meeting will be presumed to have voted in favour of a resolution of the Board unless they expressly dissent or expressly abstain from voting.

Confidential information received by a Board member in the course of the exercise of their duties remains the property of Watercare. It is improper to disclose it or to allow it to be disclosed. An exception would be if disclosure has been authorised by the person from whom the information was obtained, or is required by law.

A Board member will not engage in any conduct likely to bring discredit upon Watercare.

A Board member must not agree to the business being carried in such a way that there is substantial risk of serious loss of reputation.

A Board member has an obligation at all times to comply with the spirit as well as the letter of the law and with the principles of this Charter.

Board members are expected to provide feedback to the Chair if they have any suggestion to improve the performance or effectiveness of the Board.

Board members will act in good faith and conduct themselves in a manner that is consistent with generally accepted procedures for the conduct of meetings at all meetings of the Board.

6.1 Disclosure of interest and conflicts of interest

Board members must make adequate disclosure to the Board of any actual or potential conflicts of interest. These include the interests of Watercare, the Board member and associates of the Board member. All disclosures of interest are recorded and tabled at each Board meeting.

Generally, when a Board member has a conflict of interest, the individual is expected to withdraw for the relevant portion of the meeting.

7. Role of Chair

The role of the Chair is to lead the Board. The Chair is expected to fulfil the following responsibilities:

- Ensure that the Board provides leadership and vision to Watercare
- Assess and implement a balanced Board membership within the confines of the shareholder appointment process
- Ensure that the Board is participating in setting the aims, strategies and policies of Watercare
- Ensure that there is adequate monitoring of the pursuit and attainment of the goals of Watercare
- Ensure that the Board reviews the human resources of Watercare

- Make certain that the Board has adequate information to undertake effective decision making and actions
- Ensure that administrative tasks such as the circulation of Board papers are carried out efficiently and effectively
- Direct the Board discussion to effectively use the time to address important issues
- Develop an ongoing and healthy relationship with the Chief Executive
- Guide the ongoing development of the Board as a whole and individual Board members
- Lead the Board's relationship with the shareholder and Crown monitor
- Ensure that all Board members are encouraged to actively participate in Board discussions and decisions
- Ensure that all new Board members are provided with an appropriate induction programme.

The Chair will also:

- Chair board meetings
- Establish the agenda for board meetings in conjunction with the Chief Executive.

8. Board process and proceedings

8.1 Board meetings

Board members will meet either in-person or virtually at least 8 times per year. Additional meetings (including via teleconference) may be scheduled at the discretion of the Board members. Board members may also be required to participate in strategy and professional development workshops.

The agenda and papers for the meeting will be circulated to all Board members in the week prior to the meeting.

The agenda will be constructed having regard to the Board's annual board planner.

The agenda will allow the Board to exercise adequate monitoring of company performance.

Agenda items will be supported by sufficient information to allow effective decision making.

8.2 Conduct of meetings

The Chair will determine the degree of formality required at each meeting while maintaining the decorum of such meetings.

The Chair will ensure that all members are heard.

The Chair will maintain sufficient control to ensure that the authority of the Chair is recognised so that a degree of formality can be reintroduced when required.

The Chair will ensure that the decisions and debate are completed with a formal resolution recording the conclusions reached.

The Chair will take care that decisions are properly understood and well recorded.

8.3 Board minutes

Minutes will contain a brief review of the discussion plus the official resolution adopted by the Board.

All decisions will be recorded by way of a formal resolution.

Board members who dissent or abstain may ask to have their dissention or abstention recorded in the minutes.

Material conflicts of interest will be recorded in the minutes.

9. Key Board functions

9.1 Delegation of authority

Legislation and Watercare's Constitution provide the Board with all the powers necessary for managing, directing and supervising the management of the business and affairs of Watercare.

The Board has in turn delegated an appropriate level of authority to the Chief Executive, for the operation and management of Watercare. Under the Constitution Board members remain accountable for all delegated authority.

9.2 Public representation

Official representation of Watercare publicly (including news media comments) will be by the:

- Chair;
- · Chief Executive; or
- in accordance with the external content and media policy.

9.3 Execution of documents

Generally, documents will be signed by the Management of Watercare, provided it is within their delegated authority. Where documents are required to be signed by two directors (including signing delegation to the Chief Executive for such documents), details of each signing will be notified to the Board in the Chief Executive's Report. Such signings are deemed to be ratified at the next Board meeting.

9.4 Supporting the Chief Executive

It is recognised that a key component of Board member duties is providing a sounding board for the Chief Executive's ideas.

In recognition that the Chief Executive–Board relationship is critical to effective governance, Board members should provide frank and honest advice to the Chief Executive. All advice should be constructive in nature and provided in a positive manner. The Chief Executive is not to regard advice from individual Board members (including the Chair) as instructions. Only the Board as a whole may instruct the Chief Executive.

9.5 Chief Executive evaluation

The Chief Executive's evaluation will be undertaken at least once a year by the Board.

9.6 Board composition

As far as possible within the constraints of the shareholder appointments process, the Board should ensure that Board appointments result in a diverse mix of directors which has a balance of:

- · skills; knowledge;
- · experience; and
- perspectives, including cultural perspectives;

which together add value and bring independent judgement to bear on the decision-making process.

9.7 Board evaluation

At least every two years, the Board will conduct a formal evaluation of its performance.

The evaluation will be aligned with any process required by the shareholder including the opportunity to have input into the shareholder appointment process.

9.8 Board Member development

To continually improve Board performance, all Board members are expected to undergo continual professional development.

Where skill gaps are identified, Board members may be provided with training and resources to address them by Watercare at the discretion of the Chair.

9.9 Remuneration

Board member remuneration will be determined from time to time by the shareholder.

Remuneration will be paid on a monthly basis.

Watercare will reimburse reasonable and properly incurred travel, accommodation and other costs which must be pre-approved by the Chair. The Chair's costs must be reviewed and pre-approved by the Chair of the Audit and Risk Committee.

Payment of Board Member fees may be suspended for prolonged absence at the discretion of the Chair, after a thorough investigation of the reason for the absence.

9.10 Director indemnity and insurance

Watercare will ensure that there is current Directors' and Officer Liability insurance cover (including 'run-off insurance cover) for all Board members and for Senior Managers. Similarly, written indemnities will also be provided for these individuals.

10. Inconsistency with Constitution

To the extent that there is any inconsistency between this Board Charter and the Constitution, the Constitution prevails.

11. Review of the Charter

This Charter was last reviewed by the Board in September 2025. The next review is scheduled for September 2026.

Attachment 2

Audit and Risk Committee Charter

September 2025

1. Purpose and Composition

The Audit and Risk Committee (ARC) is a committee established by the Board of Directors (the Board) of Watercare Services Limited (Watercare).

The primary purpose of the ARC is to assist and advise the Board in discharging its responsibility around governance, risk management, and internal controls.

The ARC will review the effectiveness of the following aspects of governance, risk management and internal controls:

- enterprise risk management across Watercare, including enterprise risk level considerations as they relate to significant projects, programmes of work, or procurement
- · internal audit and external audit assurance
- insurance review and renewal
- development and execution of risk financing strategy
- operating and capital expenditure planning and reporting (required under the Watercare Charter clauses 26 and 27)
- business continuity and resilience
- integrity and investigations
- oversight of preparation of external reporting, including the Annual Report, Statement of Service Performance and annual reports required under the Watercare Charter
- determine the adequacy of Watercare's administrative, operating and financial accounting management and controls; and
- act as a forum for the free and open exchange of views and information between the Board and its internal and external auditors.

The ARC will be independent of management and comprise at least three directors. The ARC will be structured to ensure that, as a collective group, it has the qualifications, skills, experience and knowledge to fulfil its purpose and responsibilities.

At least one member of the ARC will have accounting expertise or a financial background. To perform their role effectively, each committee member must develop and maintain their skills and knowledge, including an understanding of the ARC's responsibilities, and of Watercare's business, operations and risks. Any member of the ARC who does not have an accounting or financial background should be financially literate and conversant with risk management but may not represent themselves to

be an expert in those fields simply by being a member of the ARC

The Board will appoint, remove or replace the members and the Chair of the ARC (Committee Chair). The Chair of the Board may be a member of the ARC, but not the Committee Chair of the ARC.

This Charter should be read in conjunction with the Corporate Governance Charter, which outlines the Board's overarching governance responsibilities and the role of its committees.

2. Meetings

Meetings of the ARC must be held not less than four times a year in months that align with the reporting and audit cycle and meet shareholder requirements.

Meetings of the ARC will be held at the discretion of the Committee Chair at any time or if requested by any ARC member, the Board, the Chief Executive, Chief Financial Officer, Chief Corporate Affairs Officer, the external auditor or the internal auditor.

A quorum shall be a majority of members.

Members may participate in, or conduct a meeting of the ARC through the use of any means of communication by which all members participating can hear each other during the meeting and participation by such means constitutes presence in person at the meeting.

A resolution in writing, signed or assented to by more than half of the members of the ARC, is as valid and effective as if it had been passed at a meeting of the ARC duly convened and held. Any such resolution may consist of several documents (including by email or other similar means of written communication) in like form, each signed or assented to by one or more members of the ARC.

The Governance Team, in conjunction with the Committee Chair is responsible for coordinating all ARC business including scheduling meetings, setting agendas, distributing papers and minutes, communicating with the Board and management and any other secretarial services.

Minutes of each meeting must be taken, and circulated in draft form to the Committee Chair within five working days of the meeting. They are then to be confirmed at the following meeting and signed thereafter by the Committee Chair as a correct record of proceedings of the meeting.



2

The ARC may have in attendance management (including the Chief Executive, Chief Corporate Affairs Officer, the Chief Financial Officer, General Manager of Risk and Assurance, Head of Internal Audit) and such others persons including internal and external auditors, external experts and others it deems necessary to provide appropriate information, explanation or assistance.

From time to time the Committee Chair may request that the ARC meet without these persons present.

Directors who are not members of the ARC may attend meetings but may not vote.

3. Authority

The ARC operates under the delegation from the Board and is authorised to deal with matters as set out in the Responsibilities section of this Charter and provide oversight in five distinct areas:

- committee governance;
- financial management, financial and performance reporting;
- audit functions;
- · internal controls and risk management; and
- such other responsibilities as the Board at any time considers appropriate.

While oversight of risk management is a responsibility that sits with the full Board (with quarterly enterprise risk reporting by management), the ARC supports the Board by being responsible for reviewing the risk management policy on a three-yearly basis (or more often as required), undertaking deep dives into specific risks, and monitoring the effectiveness of internal controls and business continuity planning.

The ARC is not responsible for the oversight of Health, Safety and Wellbeing governance matters, nor Climate Change governance, as those responsibilities sit with the full Board.

The ARC may:

- make decisions (or submit recommendations for consideration by the Board) on matters where decisionmaking authority has been delegated to the ARC by the Board [see responsibilities in section 6]; and
- submit recommendations to the Board on matters for which decision-making authority has not been delegated by the Board.

The ARC will not become involved in day-to-day operations, functions or decision-making by management or employees. The ARC is not responsible for conducting accounting or auditing reviews or procedures.

It is the responsibility of the Chief Executive to ensure that appropriate resources are applied to execute the internal audits reported to the ARC.

It is the responsibility of the Executive Team¹ to draw the Committee Chair and ARC's immediate attention to any

material matter that relates to the financial condition of Watercare, any material breakdown in internal controls, any material event of fraud or malpractice, and any significant item of legislative non-compliance.

4. Access and Independent Advice

To fulfil its functions, duties and responsibilities the ARC is authorised by the Board to have all necessary access to, and seek any information it requires from, any employee, consultant or advisor to Watercare. All employees are directed by the Board to cooperate with any request made by the ARC.

The ARC is authorised by the Board to have access to external and internal auditors without management present, to request additional information or explanations.

Individual members of the ARC are entitled at any time to access Watercare's Executive Team to request additional information or explanations.

Members of Watercare's Executive Team have an express right of direct access to the Committee Chair in relation to any matters of material concern that have been raised through normal management processes but have not been advised to the ARC.

The ARC is authorised by the Board to obtain, at the expense of Watercare, independent legal or professional advice it considers necessary to discharge its responsibilities.

5. Relationship with Auditors

The General Manager Risk and Assurance and Head of Internal Audit report to the ARC for the committee's reporting requirements and is a resource for the Chief Executive in regard to areas or activities the Chief Executive requires.

On a day-to-day basis the General Manager Risk and Assurance or Chief Financial Officer is responsible for the relationship with external auditors and will inform the ARC of any material communication between the external auditors and management.

The Executive Team is responsible for the timely and accurate provision of information to external and internal auditors

The external auditors and the internal auditor have direct access to the Committee Chair in respect of any issues considered appropriate.

Despite the existence of the ARC, both the external auditors and internal auditor have direct access to the full Board if required.

Watercare must not offer employment to employees or former employees of the audit firm appointed by the Controller and Auditor General to conduct the audit, within two years of them ceasing to be employed by that firm.



¹ Executive Team and Senior Management Team

From time to time, the external auditor (appointed by the Auditor General), may be requested by Watercare to undertake additional audit work, which is outside the terms of its Auditor General appointed role. In such situations, the Committee Chair will be responsible for approving any such additional audit work.

6. Responsibilities

The ARC must provide assistance to the Board in fulfilling its responsibility to the shareholder, and other stakeholders, relating to accounting, internal controls, risk management, reporting practices and the quality and integrity of externally published financial and performance reports of Watercare. In carrying out these responsibilities, the ARC does not relieve the Board of its responsibilities and legal obligations.

It is the responsibility of the ARC to maintain communication with the Board, the external auditor, the internal auditor, and Watercare's Executive Team.

In carrying out its responsibilities, the ARC's policies and procedures should remain flexible, in order to best react to changing conditions and enable it to assure the Board and shareholder that the accounting and reporting practices of Watercare are of the highest quality and compliant with all applicable laws, regulations, standards and codes of practice.

The duties and responsibilities of ARC members are additional to those they have as a member of Watercare's Board.

In carrying out its responsibilities, the ARC will:

6.1 Committee Governance

- Establish and review the schedule of annual activities of the ARC.
- Ensure minutes and papers (including documents tabled at meetings) for all ARC meetings are provided to the Board. The Committee Chair will report to the next Board meeting on the outcomes, findings and recommendations of the ARC meeting.
- Investigate any matter brought to its attention within the scope of its responsibilities, retaining independent legal or professional advice for this purpose if, in its judgment, that is appropriate.
- Unless identified in this charter or otherwise directed by the Board, the ARC will have no delegated authority in regard to its findings and recommendations.

6.2 Financial Management

- · Assess the performance of financial management.
- Review accounting, financial management and treasury policies and recommend any changes to the Board for approval.
- Assess whether there are adequate controls over significant, unusual or complex transactions.
- Review compliance with statutory responsibilities that affect the financial statements, related policies and other requirements.

- Review compliance with contractual obligations and conditions of bank convenants in relation to financing arrangements.
- Oversee tax management and compliance.
- Review and report to the Board on the effectiveness of Watercare's insurance policies.
- Review and assess the insurance renewal programm, and ensure alignment with the Risk Financing Policy
- Review and assess the propriety of all transactions between Watercare and related parties.
- Review policies and procedures for management expense accounts and other benefits, including use of Watercare assets and consider the results of any relevant review by the auditors (external or internal).

6.3 Financial Reporting

- Review and recommend to the Board for approval,
 Watercare's half year and annual financial statements contained in reports to the shareholder. In carrying out the reviews, the ARC will consider:
 - o all audit reports related to the financial statements;
 - all audit findings; and
 - all representations from internal audit and management.
- Review whether the financial statements and reports fairly reflect Watercare's financial position, comply with legislation and the applicable Public Benefit Entity accounting standards and whether they are adequate for shareholder needs. In carrying that out, the ARC will consider:
 - The significant estimates and judgements in the financial statements by enquiring of management about the process used in making material estimates and judgements and then enquire of the external auditors their conclusions on the reasonableness of management's estimates and judgements.
 - The degree of aggressiveness or conservatism of Watercare's accounting principles and underlying estimates.
 - How satisfied the external auditors are with the quality of management's adopted accounting principles, disclosure and financial reporting practices (including any changes in these areas), content of the financial statements and any other financial information to be presented to the shareholder.
 - Whether all taxation obligations have been adequately and appropriately discharged.
 - Any significant findings or disagreements between management and the external auditors.



6.4 Performance Reporting

- Review and recommend to the Board for approval, the non-financial performance measures contained in the annual report to the shareholder. In carrying out the review, the ARC will satisfy itself as to the reasonableness of the information and consider:
 - Whether the statement of service performance fairly reflects Watercare's achievements for the year and whether they are adequate for shareholder needs.
 - The results of external assurance providers' work to confirm that Watercare has good systems to record service performance and other non-financial measures.
 - Any recommendations made by external assurance providers on internal controls to ensure the completeness and accuracy of the nonfinancial performance measures.
 - Any observations by the external auditors on the content of the statement of service performance.

6.5 Audit Functions

- Review any reports received from legal or regulatory bodies for matters that may have a material effect on Watercare's financial statements or related compliance policies.
- Review and consider the findings of any examinations of Watercare by regulatory bodies or government agencies.
- Monitor management's execution of recommendations highlighted within external and internal auditors reports.

External audit

(Note: The Auditor-General is the auditor of Watercare and is responsible for appointing the external auditor that carries out the work on her/his behalf).

- Meet with and approve the external auditor's terms of engagement, scope and timetable for the half year and annual audit, and the associated fees.
- Review the nature and scope of all relationships with, and other non-audit services provided to, Watercare by the external auditor in order to assess whether or not that has compromised the independence of the auditor.
- Provide an opportunity for the external auditors to meet ARC members without management present. Among the items to be discussed in these meetings are the adequacy of Watercare's internal controls, the external auditors' evaluation of Watercare's financial personnel, the quality and acceptability of Watercare's judgements in relation to accounting principles, the cooperation received by the external auditors and difficulties that arose during the course of the audit, the types of services provided and fees.
- Review the performance of the external auditors.
- Report the results of the half year and annual audits to the Board.

Internal audit

- Review the internal audit function of Watercare including the independence and authority of its reporting obligations, the proposed audit plan for the coming year and the coordination of such plan with the external auditors
- Receive a summary of findings from completed internal audits and a progress report on the internal audit plan, with explanations for any deviations from the original plan.
- Ask management and the internal auditor for information on significant risks or exposures, effectiveness of risk controls and assess the steps management have taken to minimise these risks.
- Review and assess the internal auditor's activities and performance, including the scope of any internal audit of Treasury.

6.6 Internal Controls

- Review the adequacy and effectiveness of Watercare's internal control framework and structure, including information systems controls, security, conflicts of interest, the prevention and identification of fraud, and the role of internal and external auditors.
- Consider the adequacy of internal controls on major projects, that could have an effect on the way Watercare does business.
- Oversee any incidents of fraud, including disclosures made via the whistleblower service.
- Consider whether actions being taken by management are sufficient to remedy any significant failings or weaknesses in internal controls that are reported.
- Determine whether the failings or weaknesses indicate the need for more extensive monitoring or changes to the internal control framework and structure.
- Review the processes in place for continuously improving internal controls and recommend any changes to the Board for approval.
- Review the degree to which the work of the internal auditor provides assurance on compliance with Board approved policies.
- Oversee legislative and organisational compliance initiatives
- Oversee Watercare governance practices including development and review of policies and procedures (e.g. Corporate Governance Charter, Code of Conduct) and recommend any changes to the Board for approval.

6.7 Risk Management

(Note: As set out in section 3, responsibility for risk management oversight sits with the full Board, while policy and specific risk reviews may be assigned to the ARC).



- Review for Board approval, Watercare's risk management and incident management policies on a three-yearly basis (or more often as required) and undertake more detailed or rolling reviews of specific risks as required by the Board from time to time. In carrying out those tasks, the ARC will consider the effectiveness of the policy, the strategies employed and work undertaken by management and whether:
 - all material risks have been identified, taking an enterprise risk approach;
 - risks have been accurately analysed and evaluated;
 - o key controls exist and are effective;
 - enterprise risks are being properly managed;
 - an effective risk management culture is evident throughout Watercare; and
 - business continuity and resilience are in place for effective and sustainable business.

6.8 Other Responsibilities

• Examine and report to the Board on any matters referred to the ARC by the Board.

7. Review of the Committee and Charter

The ARC will conduct a review of its performance, purpose and responsibilities and report back to the Board every two years (or more often as conditions dictate).

The ARC will undertake a review of its Charter every two years (or more often as conditions dictate) to ensure clarity of purpose and responsibilities.

Any changes to the ARC Charter must be approved by the Board.

This Charter was reviewed by the Board in September 2025. The next review is scheduled for September 2027.



Attachment 3

Asset Management Committee

Terms of Reference

September 2025

1. Purpose and Composition

The Asset Management Committee (AMC) is a committee established by the Board of Directors of Watercare Services Limited ('Watercare').

The primary purpose of the AMC is to oversee Watercare's capital investment portfolio for all areas of the business and to assist the Watercare Board ('Board') to exercise due care, diligence and effective oversight of all matters relating to the Asset Management Plan (AMP), and Infrastructure Delivery and Asset Management Improvement Plan (Improvement Plan) with focus on: the delivery of the capital programmes within the AMP to meet the needs of the Auckland Region, the risk associated with aspects of non-delivery of the programmes to schedule, business cases for capital expenditure over \$50m and major capital projects (MCPs). The AMC will also have oversight of the Waikato District Council contract.

The AMC will be independent of management and comprise:

- at least three Watercare Directors, one of which should have experience overseeing major capital infrastructure projects; and
- a non-Board External Expert Advisor.

The Board will appoint, remove, or replace the AMC members and Chair of the AMC ('AMC Chair'). The Chair of the Board of Directors may be a member of the AMC, but not the Committee Chair of the AMC.

The AMC will appoint, remove, or replace the non-Board External Expert Advisor.

The AMC will be structured to ensure that, as a collective group, it has the qualifications, skills, experience and knowledge to fulfil its purpose and responsibilities.

These Terms of Reference should be read in conjunction with the Corporate Governance Charter, which outlines the Board's overarching governance responsibilities and the role of its committees.

The AMC is effective from 8 August 2023. It will be dissolved if agreed by Watercare's Board of Directors.

2. Meetings

Meetings of the AMC will be held at the discretion of the AMC Chair at any time or if requested by any AMC member, the Board or the Chief Executive.

A quorum shall be a majority of AMC members.

AMC meetings may be held in person, online, or a combination of the two, with attendance online constituting presence in person at the meeting.

Watercare 5

A resolution in writing, signed or assented to by more than half of the members of the AMC, is as valid and effective as if it had been passed at a meeting of the AMC duly convened and held. Any such resolution may consist of several documents (including transmissions by email or other similar means of written communication) in like form, each signed or assented to by one or more members of the AMC.

The AMC will appoint an appropriate person to act as Committee Secretary ('Secretary') who will be a company employee or advisor as nominated by the AMC from time to time. The Secretary, in conjunction with the AMC Chair will be responsible for coordination of all AMC business including meeting scheduling, agendas, policy reviews, distribution of papers, minutes, and communication with the Board and management.

Minutes of each meeting will be taken, circulated promptly in draft form to the AMC Chair, confirmed at the following meeting and signed thereafter by the AMC Chair as a correct record of proceedings of the meeting.

The AMC may have in attendance Management and such other persons including external experts, Watercare's Lead Councillor and others it deems necessary to provide appropriate information, explanation or assistance.

From time to time the AMC Chair may request that the AMC meet without these persons present.

Directors who are not members of the AMC may attend meetings but may not vote.

3. Authority

The AMC operates under the delegation of the Board and is authorised by the Board to oversee matters relating to Watercare's AMP, Improvement Plan and MCPs. The AMC may make recommendations to the Board, but does not have any decision making authority, unless this has been delegated to the AMC by the Board.

The AMC will not become involved in day-to-day operations, functions or decision-making by management or employees.



It is the responsibility of Senior Executives¹ to draw the AMC Chair's and AMC's immediate attention to any material matter that relates to the AMP, Improvement Plan and any MCP.

4. Access and Independent Advice

To fulfil its functions, duties, and responsibilities the AMC is authorised by the Board to have all necessary access to, and seek any information it requires from, any employee, consultant or advisor to Watercare. All employees are directed by the Board to cooperate with any request made by the AMC.

The AMC is authorised by the Board to have access to external experts without management present, to request additional information or explanations.

Individual members of the AMC are entitled at any time to access Watercare's Senior Executives to request additional information or explanations.

The AMC is authorised by the Board to obtain, at the expense of Watercare, independent legal or professional advice it considers necessary to discharge its responsibilities.

5. Responsibilities

The AMC will provide assistance to the Board in fulfilling its responsibility to the shareholder, and other stakeholders, relating to the provision of Watercare's AMP. In carrying out these responsibilities, the AMC does not relieve the Board of its responsibilities and legal obligations.

The responsibilities of the AMC include:

- Reviewing and recommend the AMP prior to the presentation to the Board;
- Serving as an independent, objective party to review information presented by senior management relating to the AMP, Improvement Plan and MCPs;
- For MCPs, reviewing the delivery and performance of these projects;
- For capital projects greater than \$50m, reviewing and making recommendations to the Board in relation to proposed business cases, change requests and early warnings;
- Providing appropriate scrutiny and governance to ensure planned investment remains balanced and optimised to achieve Watercare's strategic objectives;

- Regularly assessing portfolio performance to ensure that programmes are on target to deliver required outcomes, including health and safety performance in capital delivery (noting that overall health and safety governance sits with the full Board as outlined in the Corporate Governance Charter), within tolerable cost, time, quality requirements, and that the portfolio risk profile remains acceptable across Watercare;
- Reviewing opportunities presented by Management that could positively impact the delivery of the AMP;
- Assessing the change in business risk profile or penalties associated with the deferral of the delivery of programmes to later years;
- Reviewing any significant programme forecast overruns or under performance against Watercare priorities and making related recommendations to the Board;
- Acting as a forum for the free and open exchange of views and information between the Board and internal Managers in relation to the AMP.

The AMC will have oversight of the following:

- All portfolio and programme outcomes seeking inclusion in the annual capital budget.
- Additional capital requirements for programmes and outcomes that are not currently included in the AMP.
- The Waikato District Council contract.

The duties and responsibilities of AMC members are additional to those they have as a member of Watercare's Board. In carrying out its responsibilities, the AMC will:

- Establish and review the work plan of the AMC. It is anticipated that AMC meetings will regularly:
 - Review the company's performance against the approved AMP
 - Receive deep dives into MCPs that are either high-value or high-risk
 - Review traffic light reporting on capital projects above \$50m.
- Ensure minutes and papers (including documents tabled at meetings) for all AMC meetings are provided to the Board. The AMC Chair will report to the next Board meeting on the outcomes, findings and recommendations of the AMC meeting.
- Investigate any matter brought to its attention within the scope of its responsibilities.
- Examine and report to the Board on any matters referred to the AMC by the Board.



¹ Executive Team and Senior Management Team AMP Committee – Terms of Reference

6. Review of the Terms of Reference

The AMC will conduct, with management assistance, a review of its performance, purpose, responsibilities and Terms of Reference every two years (or as often as conditions dictate). It will advise the Board of the outcome of that review along with any recommended changes.

Any changes to the AMC Terms of Reference must be approved by the Board.

These Terms of Reference were approved by the Board in September 2025. The next review is scheduled for September 2027.





Attachment 4

Economic Regulation Committee

Terms of Reference

September 2025

1. Purpose and Composition

The Economic Regulation Committee (ERC) is a committee established by the Board of Directors of Watercare Services Limited ('Watercare').

The primary purpose of the ERC is to lead and oversee Watercare's response to economic regulation and to assist the Watercare Board ('Board') to exercise due care, diligence, and effective oversight in relation economic regulation and key deliverables under the Watercare Charter including:

- Opex & Capex expenditure plan;
- Infrastructure delivery and asset management improvement plan;
- Infrastructure Growth Charges (IGC) Policy review and redesign;
- · Operating cost efficiency improvement plan; and
- Reporting on price-quality path and performance targets and measures, and minimum service standards.

The ERC will be independent of management and comprise:

- at least three Watercare Directors (one of whom should have experience in economic regulation, and one should be the Chair of the Board).
- non-Board External Expert Advisors as required.

In addition, the appropriate members of Watercare's management team will attend ERC meetings.

The Board will appoint, remove or replace the ERC members and Chair of the ERC ('ERC Chair'). The Chair of the Board of Directors will be a member of the ERC, but not the ERC Chair.

The ERC will appoint, remove or replace any non-Board External Expert Advisors.

The ERC will be structured to ensure that, as a collective group, it has the qualifications, skills, experience and knowledge to fulfil its purpose and responsibilities.

These Terms of Reference should be read in conjunction with the Corporate Governance Charter, which outlines the Board's overarching governance responsibilities and the role of its committees.

The ERC is effective from 27 May 2025. It will be dissolved if resolved by Watercare's Board of Directors.

2. Meetings

Meetings of the ERC will be held at the discretion of the ERC Chair at any time or if requested by any ERC member, the Board or the Chief Executive.

A quorum shall be two ERC members.

ERC meetings may be held in person, online, or a combination of the two, with attendance online constituting presence in person at the meeting.

The ERC will appoint an appropriate person to act as Committee Secretary ('Secretary') who will be a company employee or advisor as nominated by the ERC from time to time. The Secretary, in conjunction with the ERC Chair will be responsible for coordination of all ERC business including meeting scheduling, agendas, policy reviews, distribution of papers, minutes, and communication with the Board and management.

Minutes of each meeting will be taken, circulated promptly in draft form to the ERC Chair, confirmed at the following meeting and signed thereafter by the ERC Chair as a correct record of proceedings of the meeting.

The ERC may have in attendance other external experts and people it deems necessary to provide appropriate information, explanation or assistance. From time to time the ERC Chair may request that the ERC meet without these persons present.

3. Authority

The ERC operates under the delegation of the Board and is authorised by the Board to oversee all matters relating to Watercare's response to economic regulation and delivery of the various Charter requirements. The ERC may make recommendations to the Board, but does not have any decision-making authority, unless this has been delegated to the ERC by the Board.

The ERC will not become involved in day-to-day operations, functions or decision-making by management or employees.

It is the responsibility of senior management to draw the ERC Chair's and ERC's immediate attention to any material matter that relates to the ERC and the needs of Watercare.



4. Access and Independent Advice

To fulfil its functions, duties and responsibilities the ERC is authorised by the Board to have all necessary access to, and seek any information it requires from, any employee, consultant or advisor to Watercare. All employees are directed by the Board to cooperate with any request made by the ERC.

The ERC is authorised by the Board to have access to external experts without management present, to request additional information or explanations.

Individual members of the ERC are entitled at any time to access Watercare's senior executives to request additional information or explanations.

The ERC is authorised by the Board to obtain, at the expense of Watercare, independent legal or professional advice it considers necessary to discharge its responsibilities.

5. Responsibilities

The ERC will assist the Board in fulfilling its obligations under the Charter. The responsibilities of the ERC include:

- Serving as an independent, objective party to review information presented by management relating to the Watercare's economic regulation.
- Working with management and external advisors to produce the necessary plans and reports required under the Charter noted above.
- Acting as a forum for the free and open exchange of views and information between the Board, management and external advisors in relation to the economic regulation needs of Watercare.

In carrying out these responsibilities, the ERC does not relieve the Board of its responsibilities and legal obligations.

The duties and responsibilities of ERC members are additional to those they have as a member of Watercare's Board. In carrying out its responsibilities, the ERC will:

- Establish and review the work plan of the ERC.
- Ensure minutes and papers (including documents tabled at meetings) for all ERC meetings are provided to the Board. The ERC Chair will report to the next Board meeting on the outcomes, findings and recommendations of the ERC meeting.
- Investigate any matter brought to its attention within the scope of its responsibilities.
- Examine and report to the Board on any matters referred to the ERC by the Board.

6. Review of the Terms of Reference

The ERC will undertake, with management assistance, an annual review (or as often as conditions dictate) of its performance, purpose, responsibilities and Terms of Reference. It will advise the Board of the outcome of that review along with any recommended changes.

Any changes to the ERC Terms of Reference must be approved by the Board.

These Terms of Reference were approved by the Board on in September 2025. The next review is scheduled for September 2026.



Chief Executive's report

Presented by: Jamie Sinclair





1. August 2025 update

In August 2025, Bill 3, the final piece of the Local Water Done Well water reform policy, passed its third reading and was enacted. This legislation introduces a number of changes — some that have immediate effect like land access and others relating to long-term strategy and reporting that will take effect later. There are some new requirements around obtaining landowner consent before entering private land and we are working with our teams in the field to ensure we are following these new laws.

We progressed the following key infrastructure projects:

- We began a \$3.3mrehabilitation project to reline more than two kilometres of sewer pipeline along the foreshore at Snells Beach and Algies Bay. This rehabilitation work aims to reduce the risk of saltwater entering the wastewater network during high and spring tides.
- We introduced smart sensors across Auckland's wastewater network, to give us real-time insights on network performance and early warning for issues like blockages and overflows. The sensors are part of a \$12m Smart Network Programme, which focuses on integrating digital technologies and artificial intelligence software with Watercare's infrastructure.
- We partnered with Waikato District Council to deliver a \$30m upgrade to the Raglan/Whāingaroa Wastewater Treatment Plant which included converting the old oxidation process to membrane bioreactor (MBR) system, coupled with membrane aerated biofilm reactor (MABR) technology. These upgrades will provide significant environmental benefits and cater for population growth.

2. Key performance measures

This section covers Watercare's performance against the Statement of Intent 2025-2028 (SOI) measures for August 2025 which also includes the measures from Watercare Charter.

ſ	No.	Key performance measures	FY26 target	Actual			Commentary
				June	July	August	
				2025	2025	2025	
1	1.	Compliance with Taumata Arowai Quality Assurance Rules	100%	100%	100%	100%	
		T3 – Bacterial water quality. The extent to which the local					
		authority's drinking water supply complies with Drinking					
		Water Quality Assurance Rules T3.					

No.	Key performance measures	FY26 target		Actual		Commentary
			June	July	August	
			2025	2025	2025	
2.	Compliance with Taumata Arowai Quality Assurance Rules	100%	100%	100%	100%	
	T3 – Protozoal water quality . The extent to which the					
	local authority's drinking water supply complies with					
	Drinking Water Quality Assurance Rules T3.					
	Compliance with Taumata Arowai Quality Assurance Rules	100%	100%	100%	100%	
	D3 – Microbiological water quality. The extent to which					
	the local authority's drinking water supply complies with					
	Drinking Water Quality Assurance Rules D3.					
4.	Compliance with the territorial authority's resource					Note the assumption is that abatement
	consents for discharge from its sewerage system					notices received relates to new notices issued
	measured by the number of:					in the financial year
	a) abatement notices	≤2	0	0	0	
	b) infringement notices	≤2	0	0	0	
	c) enforcement orders	≤2	0	0	0	
	d) convictions	0	0	0	0	
	received by the territorial authority in relation to those					
	resource consents.					
5.	The average consumption of drinking water per day per	FY26 target	257	-	-	Methodology and target are being agreed
	resident within the territorial authority district	TBC				with Auckland Council.
	(*litres/plus/minus 2.5%) (12-month rolling average).					
	(Gross PCC)					
	The succession of details a succession of details	EV2C += #= -+	New			Makka dalam and kayast ana baina Surelined
6.	The average consumption of drinking water per day per	FY26 target		-	-	Methodology and target are being finalised.
	resident within the territorial authority district (*litres	TBC	measure for			
	plus/minus 2.5%) (12-month rolling average).		FY26			

No.	Key performance measures	FY26 target		Actual		Commentary
			June	July	August	
			2025	2025	2025	
	Note: Calculation is based on bulk supply minus					
	commercial consumption, divided by connected					
	population (Residential PCC)					
7.	Median response time for attendance for urgent water	≤ 60 mins	40	39	39	
	callouts: from the time that the local authority receives					
	notification to the time that service personnel reach the					
	site (minutes) (12-month rolling average)					
8.	Median response time for resolution of urgent callouts:	≤ 5 hours	3.1	3.3	3.1	
	from the time that the local authority receives notification					
	to the time that service personnel confirm resolution of					
	the fault or interruption (hours) (water, 12-month rolling					
	average).					
9.	Median response time for attendance for non-urgent	≤ 5 days	0.8	0.8	0.8	
	water call-outs: from the time that the local authority					
	receives notification to the time that service personnel					
	reach the site (days) (12-month rolling average).					
10.	Median response time for resolution of non-urgent water	≤ 6 days	1	1	1	
	call-outs: from the time that the local authority receives					
	notification to the time that service personnel confirm					
	resolution of the fault or interruption (days) (12-month					
	rolling average).					
11.	The total number of complaints received by the local	≤ 10	7.9	7.8	7.9	
	authority about any of the following:					
	a) drinking water clarity					
	b) drinking water taste					
	c) drinking water odour					
	d) drinking water pressure or flow					
	e) continuity of supply					

No.	Key performance measures	FY26 target		Actual		Commentary
			June 2025	July 2025	August 2025	
	f) the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system (12-month rolling average).					
12.	Attendance at sewerage overflows resulting from blockages or other faults: median response time for	≤90 mins	77 min	77	76	
	attendance – from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes) (12-month rolling average).	(LTP Target = 75 min) P1: 60 min P2: 240 min	P2: 95 (against the target of ≤	P1:48 P2: 94	P1:47 P2: 94	
13.	Attendance at sewerage overflows resulting from blockages or other faults: median response time for resolution – from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (hours) 12-month rolling average.	≤ 5 hours	3.1	3.2	3	
14.	The total number of complaints received by the territorial authority about any of the following: a) sewerage odour b) sewerage system faults c) sewerage system blockages d) Watercare's response to issues with its sewerage system expressed per 1000 connections to the territorial authority's sewerage system (12-month rolling average).	≤ 50	16	17	17	

No.	Key performance measures	FY26 target		Actual		Commentary
			June	July	August	
4.5		.4.00/	2025	2025	2025	
15.	The percentage of real water loss from the territorial	≤13%	12.02%	11.93%	12.14%	Watercare calculates its leakage based upon
	authority's networked reticulation system (12-month rolling average).					the IWA (International Water Association) water loss calculation. The calculation
	oming average).					involves estimates for both volumes
						produced and utilised.
						*Water loss result is with 95% confidence
						limits of +/- 10%.
						The three months shown are for February,
						March and April 2025.
16.	The number of dry-weather overflows from the territorial	≤5	0.6	0.7	0.7	
	authority's sewerage system, expressed per 1000					
	sewerage connections to that sewerage system (12-					
17	month rolling average). Average number of wet weather overflows per	≤ 2	0.2	0.3	0.3	
17.	engineered overflow point per discharge location (12-	≥ ∠ overflows	0.2	0.3	0.3	
	month rolling average).	per year				
18.	Compliance with Taumata Arowai Quality Assurance Rules	100%	100%	100%	100%	
	T3 – Chemical water quality. The extent to which the local					
	authority's drinking water supply complies with Drinking					
	Water Quality Assurance Rules T3.					
19.	Compliance with Taumata Arowai Quality Assurance Rules	100%	100%	100%	100%	
	T3 – Cyanotoxins water quality . The extent to which the					
	local authority's drinking water supply complies with					
20	Drinking Water Quality Assurance Rules T3.	4000/	070/	4.000/	4.000/	
20.	Compliance with Taumata Arowai Quality Assurance Rules	100%	97%	100%	100%	
	D3 – Residual disinfection (chlorine) water quality. The extent to which the local authority's drinking water supply					
	extent to which the local authority's unliking water supply					

No.	Key performance measures	FY26 target		Actual		Commentary
			June	July	August	
	complies with Drinking Water Quality Assurance Rules		2025	2025	2025	
	D3.					
21.	Compliance with Taumata Arowai Quality Assurance Rules	100%	100%	100%	100%	
	D3 – Disinfection by-products water quality . The extent					
	to which the local authority's drinking water supply					
	complies with Drinking Water Quality Assurance Rules					
	D3.					
22.	Compliance with Taumata Arowai Quality Assurance Rules	100%	100%	100%	100%	
	D3 – Plumbosolvent metals water quality . The extent to					
	which the local authority's drinking water supply complies					
	with Drinking Water Quality Assurance Rules D3.					
23.	Percentage of household expenditure on water supply	< 1.5%	0.89%	0.98%	0.91%	
	services relative to average household income.					
24.	Customer Net Satisfaction Score (Previously Net promoter score).	≥45	55	55	55	
25.	Community trust score.	≥55	52%	52%	52%	
26.	Percentage of customer complaints resolved within ten days of notification.	≥95%	99.1%	99.1%	99.1%	
27.	Ratio of procurement sourced through Māori owned	5%	3.2%	2.6%	3.0%	Total Spend \$5.68m (\$3.47m Direct, \$2.22m
- 20	businesses.	.4.00.000	406.000			Indirect) \$3.17m direct via Ngā Kakau Paraha.
28.	Operational greenhouse gas (GHG) performance.	<108,000	106,000	Measured		The total scope 1 and 2 emissions (reported
	We will implement Mitigation measures in line with our	tonnes CO₂e	tonnes CO₂e	quarterly	quarterly	for June 2025) for FY25 were well below the
	emissions reduction targets (scope 1 and 2).					SOI target. The largest emissions sources
	Note: these targets now include emissions from Puketutu					were from wastewater processing and
	island Previously set targets, excluding Puketutu, are					biosolids management from the Mangere
	shown in orange.					wastewater treatment plant.

No.	Key performance measures	FY26 target		Actual		Commentary
			June	July	August	
			2025	2025	2025	
						In FY25, approximately 77% of Watercare's electricity was purchased from Ecotricity a carbon neutral supplier.
						GHG emissions are determined quarterly therefore there is no value reported to July and August 2025.
29.	Volume of real water loss from Watercare's supply	≤140	111.95	111.15	112.62	There is a lag in this reporting. The three
	network (litres per water supply connection per day) (12 month rolling average)		I/c/d	l/c/d	l/c/d	months shown are for February, March and April 2025.
30.	Monthly median resolution time for resolving urgent water supply call-outs: from the time that Watercare receives notification of the call-out, until time Watercare receives notification that the person employed/engaged to respond to the call out that they have resolved the call out (12 month rolling average)	≤5 hours	3.1	3.3	3.1	
31.	Monthly median resolution time for resolving water non- urgent water supply: from the time that Watercare receives notification of the call-out, until the time Watercare receives notification that the person employed/engaged to respond to the call out that they have resolved the call out (12 month rolling average)	≤6 days	1	1	1	
32.	Number of unplanned water supply interruptions within Watercare's networked reticulation system expressed per 1000 water supply connections (12 month rolling average)		6.9	7.0	7.1	
33.	Median resolution time for resolving wastewater overflows: from the time Watercare receives notification	≤ 5 hours	3.1	3.18	3	

No.	Key performance measures	FY26 target		Actual		Commentary
			June	July	August	
			2025	2025	2025	
	of the overflow until when Watercare receives					
	notification from the person employed /engaged to					
	respond to the overflow that they have resolved the					
	overflow (12 month rolling average)					
34.	The number of wastewater overflows, expressed per 1000	≤5	0.6	0.7	0.7	
	wastewater connections (12 month rolling average)					
35.	Credit rating	To maintain	Maintained	Maintained	Maintained	
		at least an				
		investment				
		grade credit				
		rating.				
36.	Maximum allowable revenue from prices for providing	\$845.10m	New	Measured	Measured	
	water supply and wastewater supply services.		measure	yearly	yearly	
			from FY26			
37.	Minimum allowable average increase in average	15.5%	New	Measured	Measured	
	infrastructure growth charges		measure	yearly	yearly	
			from FY26			
38.	Capital expenditure	\$1.05b	N/A	\$78.4m	\$149.4m	

3. Our customers and communities

Listening

Despite customers feeling the strain of rising living costs and feeling the full impact of our price increase in August our *Voice of the City* (trust) score remains stable at +52.

Insights show there is a lack of understanding with some customers about our charging. Our retail customers are especially interested in how wastewater charges are calculated, and our development community want greater transparency of how growth charges are determined and applied. We plan to address this through the price path engagement currently planned for next year as required under the Watercare Charter.

Voice of the Customer net satisfaction was steady in August at +55. This is largely driven by faults and field crew delivering a good experience, with proactive communication and timely resolutions; all three faults and field contractors achieved a result over 60 for the month.

Voice of the Community – continues to perform well at +62, supported by increased proactive notifications. However, feedback suggests there is room to improve communication around traffic management and road closures. With our recent announcement of \$500m in renewals investment programme, we expect this score may be impacted due to increased disruption across Auckland. We will be monitoring this closely to ensure we remain responsive to community concerns.

In August, communication continued with Aquaculture NZ in support of the oyster farmers affected by wastewater discharges into the Mahurangi River.

The bypass pipeline installed on the Elizabeth Street bridge (which became operational in mid-August) is working as expected and there have been no significant overflows. We are pleased to see that as a result of the bypass solution, oyster harvesting has resumed.

Metro Servicing Strategy workshops were conducted with several local boards to collect feedback resulting from community discussions about servicing future growth. The feedback is currently being analysed and will be shared with stakeholders later this year.

Strategic relationships

Elected members were briefed on the Charter, including progress against Charter projects. This concluded with the presentation of the first quarterly performance report, as required under the Charter, to the CCO directions and oversight committee.

Over 30 strategic stakeholder interactions occurred in August, involving the Chief Executive and executive staff. These included meetings, site visits, speaking engagements, workshops, and briefings.

Voting in the local government election is now open and will run until 12 noon on Saturday, 11 October 2025. Voting papers are being mailed to enrolled voters between 9 and 22 September. There are 477 candidates running for 172 positions across Auckland. 12 mayoral candidates, 80 ward councillor candidates, and 385 local board candidates. Watercare's elected member team have reached out to all the candidates to provide accurate and transparent information about our activities.

4. Iwi and mana whenua engagement

Focus

This month's focus has been on strengthening relationships with Mana Whenua, deepening our understanding of their priorities across the project lifecycle, and assessing Watercare's internal capability to uplift, mitigate, and fulfil our engagement commitments.

Key highlights

- Ngāti Whātua Ōrākei partnership: A significant milestone was the delivery of a rich engagement experience including hīkoi, takahi whenua, kōrero tuku iho, and shared kai. These interactions have laid a strong foundation for enduring partnership.
- Broader engagements: Whakawhanaungatanga has been extended to Ngāti Manuhiri, Te Uri o Hau, Ngāti Maru, Ngāti Pāoa, Ngā Maunga Whakahii o Kaipara, and Ngāti Whanaunga. Site visits were undertaken with Ngāti Manuhiri to Snells Beach, Waiwera, and Red Beach, and with Te Uri o Hau at Kaiwaka.
- Recurring hui: Monthly hui are now confirmed with 12 iwi, ensuring consistent engagement and visibility across kaupapa.
- Kaupapa engagements:
 - o Kupu Wai: Agreements reached with 5 iwi; 2 remain outstanding.
 - o Biosolids & Metro Servicing: Socialised with all iwi. Waiohua iwi have expressed interest in engaging collectively.
- Strategic relationships:
 - Ngāti Te Ata and Ngāti Tamaoho are seeking a programme-based strategic relationship with a focus on partnership.
 - o Te Ahiwaru is focused on Whare Manaaki, business support, and rangatahi education.
 - Tupuna Maunga Authority collaboration is progressing well, including asset reviews and internal comms alignment.

Internal capability and framework delivery

- Mana Whenua Engagement Framework (MWEF): Socialised with internal teams, including a presentation to Capital Delivery. Positive feedback received; workshops are planned to embed the framework further.
- Internal engagement: Ongoing hui and project interactions have enhanced cross-team understanding of roles in delivering authentic engagement.

Strategic delivery contributions

Tāmaki Ora & Achieving Māori Outcomes (AMO): The AMO Plan is with the CE and executive for final review before being presented to the Board.

- Houkura board hui: Successful cross-CCO wānanga. ARO monitoring tool presented.
- Metro service strategy & biosolids: EOI process closed with strong response. Iwi engagement specialist appointed. Direct engagement with Mana Whenua underway.
- Organisational survey: Developed with P&C to establish a cultural capability baseline.
- S&P projects:
 - Supporting CVA response for Hingaia.
 - o Input into PC78/IIPC and iwi engagement.
 - Biosolids hui with Te Ahiwaru and Te Motu a Hiaroa.
 - OMS stub issue raised by Ngāti Whātua Ōrākei escalated to Chief S&P.

5. Our people

At Watercare, one of the things we're most proud of is the strong engagement of our kaimahi in health, safety, and wellbeing. Across the organisation, our teams consistently demonstrate care and commitment to working safely and fostering healthy habits. Their proactive efforts and innovative ideas reflect a deep sense of ownership and engagement in these critical areas.

In August, our Ata women's network marked Women's Health Week with an impactful panel discussion focused on gender-specific health issues. The event featured an informal Q&A hosted by our Occupational health team, where several team members courageously shared their personal experiences. In September, a former Watercare Executive joined us to share his own health journey, helping to highlight the importance of having open conversations around men's health. These initiatives are vital in encouraging our people to seek support, understand their options, and take proactive steps toward their wellbeing.

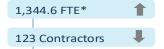
Alongside this, the Executive team has taken further steps to strengthen our understanding of frontline work and the challenges our teams face. Together we have established a new Executive Health, Safety and Wellbeing Sub-Committee, providing a direct channel to hear from representatives across the business. At our inaugural session, we heard from our Headworks team, who operate in remote areas where safe driving is essential. Their openness and commitment have led to outstanding driver safety ratings across the team - a testament to the shared responsibility we all have in keeping each other safe.

On the industry front, our GM of Capital Delivery, Suzanne Lucas, represented Watercare at the Building Nations conference in a panel discussion on "Getting to Market Faster." Suzanne shared insights into our renewals programme, which is set to scale up significantly this financial year, and highlighted key lessons learned. The positive reception from infrastructure partners, contractors, financiers, and policymakers was a strong endorsement of the great work our teams are doing.

As we begin shaping our response to the Charter, we're embracing the opportunity to fundamentally transform how we operate. Broadly our focus areas include improving asset management and capital delivery, reviewing our pricing methodology and IGCs, and delivering greater value for our customers. This transformation will be driven by our people - those with the knowledge, context, and ideas to lead meaningful change.

Recently, our workstream leads presented at our leadership hui, sparking curiosity and enthusiasm across the organisation. This work presents exciting opportunities for our talented teams to help shape Watercare's future. While the journey ahead will be intense and require adaptation, we remain united in our commitment to creating capacity, support, and resourcing that enables long-term successful outcomes for Aucklanders all while maintaining excellence in our core operations.

Actual FTE & Contractors



FTE & Contractors

- · Actual FTE continues to steadily increase, an increase of 3.9 from July.
- · The total number of contractors has decreased slightly from 124 in July to 123 in August.







^{*} Actual FTE by month is calculated using actual hours worked (not contracted hours). FTE, Headcount, and Positions exclude Interns

Workforce Status Positions, Vacancies & Headcount

1,487 Total Positions

1,360 Headcount

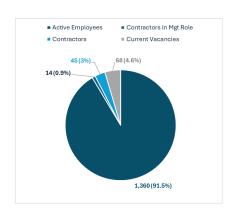
Positions & Vacancies

- There were 1,487 total positions at the end of August, an increase from 1,476 in July.
 - +5 Active Employees, -7 Contractors, +11 vacancies

Headcount

• Headcount has increased from 1,355 in July to 1,360 in August.



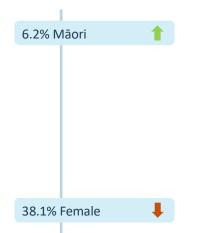


*Contractors, Directors, and Interns are excluded (22 Interns were Fixed Term from Nov-24, left Feb-25). Long term leave and parental leave employees are included.



** There may be minor changes in Headcount and FTE results for previous months due to the snapshot nature of the data (i.e. changes not processed at the time of the data extracts). July HC down two from previously reported due to 2 July leavers who were not processed at the time of reporting.

Workforce Demographics Ethnicity, Gender, Tenure & Age



Ethnicity

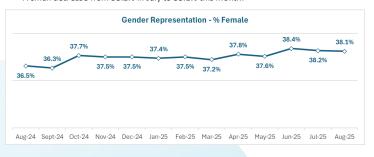
 A significant increase in Māori representation this month. 6 people who previously had no ethnicity entered have updated their profile in Workday to add Māori as their ethnicity.

				Ethnic	ity Rep	resenta	ition - %	Mãori				
→	5.7%	6.0%			5.8%			5.6%		5.7%		6.2%
5.7%			6.0%	6.0%		5.7%	5.7%	*	5.6%		5.7%	
Aug-24	Sept-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25

	*	1
Board	25.0%	75.0%
Executive	33.3%	66.7%

Gender

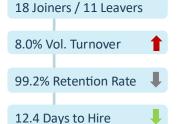
• A small decrease from 38.2% in July to 38.1% this month.



		Ť
Perm. Part Time	1.8%	0.4%
Perm. Full Time	34.9%	59.3%
Fixed Term	1.0%	1.4%
Casual	0.4%	0.4%
	38.1%	61.5%



Joiners, Leavers & Turnover



Joiners and Leavers

- Joiners increased to 18, up from 12 in July
- No change from July in number of leavers 11 leavers in August
- Details per business group in the adjacent chart.

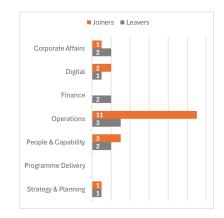
Attrition

 Voluntary turnover edged up slightly from 7.6% to 8.0% due to rolling 12-month effect. However, the broader trend is still down compared with last year.

Hiring

 Due to go-live of Workday, recruitment metrics have essentially reset with old vacancies being closed off. As a result, there were 11 hires completed in August with average time to hire of 12.4 days (from recruitment start to offer completed).







• Annual leave liability increased from \$10.9 million at the end of July to \$11.3 million at the end of August.

Leave Liability

\$11.3m Total Annual Leave Liability

1

• Average liability increased to \$8.3k per employee, up from \$8.1k in July.

\$8.3k Average Annual Leave Liability



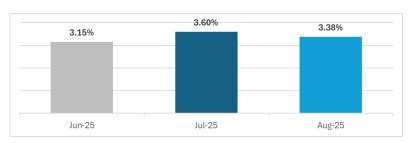


Sick Leave by month & Rolling Total

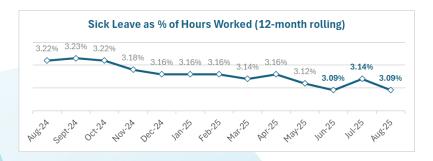
3.38% Sick Leave
(as % of total hours worked)

3.09% Average (Rolling 12 Months)

 $\bullet \quad \textbf{Sick leave by month:} \ \text{leave processed in August shows a surprising decrease from July}.$



• Rolling total also decreasing this month with a return to 3.09% (as it was in June).





6. Our operations

6.1 Water supply update

Rainfall totals for August were below normal for the Hunua Ranges (60%) and the Waitakere Ranges (56%). Northern non-metropolitan rainfall totals for August were near normal (89%), while southern non-metropolitan areas were slightly below normal (75%). Over the next three months, current climate forecasts suggest that Auckland rainfall is likely to be above normal.

Total system storage (TSS) at the end of August was 99.7%, down 0.3 percentage points from the end of July but remains around 13 percentage points above historical average.

Metropolitan daily demand for August ranged between 400 and 440 MLD. Average metro demand for the month was slightly below budget forecast (421 MLD vs. 438 MLD).

6.2 Water quality (WQ)

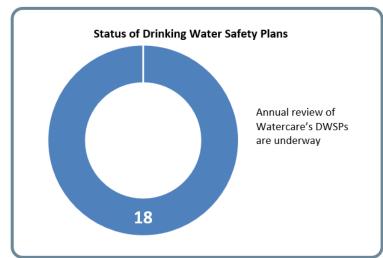
Microbiological and chemical compliance has been achieved for the month of August for all water treatment plants (WTPs) and distribution zones (DZs).

Residual disinfection compliance has been achieved in all distribution zones.

Annual review of our Drinking Water Safety Plans is underway. The review will be completed by November 2025 and updated DWSPs will be resubmitted to Taumata Arowai by December 2025.

Scorecard

The water quality report for August 2025 is set out below.

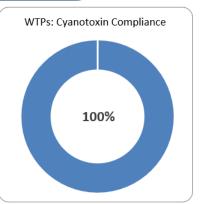


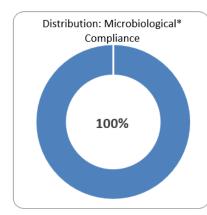
Complianc	e Summary
WTPs (17 total)	
Bacterial	100%
Protozoal	100%
Chemical	100%
Cyanotoxins	100%
Distribution Zo	nes (40 total)
Microbiological	100%
Disinfection by- products	100%
Plumbosolvent metals	100%
Residual disinfection	100%

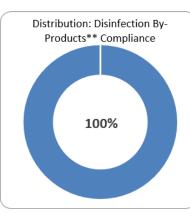


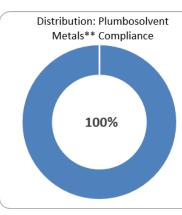


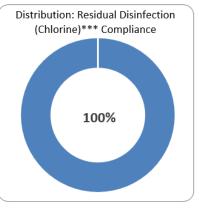










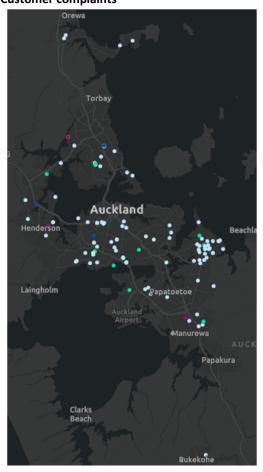


^{*}At the WTPs bacterial compliance is assessed on continuous monitoring results. In the distribution network microbiological compliance is based on E. coli monitoring to indicate the probable presence of bacterial contamination of water supply.

^{**} Chemical compliance: At the WTPs determinands present in the source water at concentrations >50% MAV and those associated with chemicals dosed during the treatment process are monitored. In the distribution network disinfection by-products (DBPs) are monitored in each zone, and chlorates monitored in four zones where chlorine booster stations are utilised as best practice monitoring.

^{***} Residual disinfection (Chlorine) – 85% of free available chlorine (FAC) samples in a month must be >0.20 mgL in each distribution network zone, with no results <0.1 mgL.

Customer complaints





Actions Taken

Illness Complaints*: Provision of WQ compliance data to customer, water testing and proactive hydrant flushing if appropriate.

Main cause: Unrelated health issue

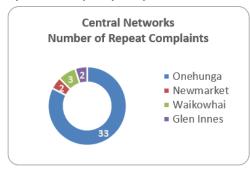
Tainted Water: Network flush with field FAC and turbidity testing.

Main causes: Taste and odour, usually caused by chlorine residual.

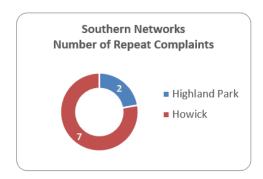
Discoloured Water: Network flush at nearest fire hydrant or water meter as appropriate Main causes: Brown/yellow water, black/white particles. Often caused by mineral and sediment build-up coming off pipes when there are changes in flow. Sometimes caused by household plumbing.

*Illness complaint —arises when a member of the public has an illness that they think is related to water quality. All such complaints are investigated and in all cases our drinking water has been found to be compliant. Persons with an illness complaint are referred to their medical professional.

Repeat water quality complaints – March to August 2025



Northern Networks No Repeat Complaints arising August 2025



Actions taken for repeat complaints*

Central

- Onehunga Networks to undertake long-term solution for Onehunga zone from December 2025.
- Onehunga, Forbes St A further 9 complaints this month take this to 24 complaints of brown/yellow discoloured water from one customer in this period. Flushing organised after most complaints, engineering investigations found the water quality acceptable, customer liaison involved. WQ Scientist previously supplied complying Water Quality Reports. Head of Water has spoken to customer and explained there will be a mains renewal program. An offer was made to install an auto-flusher if the customer pays her unpaid water bills.
- Onehunga, Hill St Seventh brown discoloured water complaint from customer (property also known as Gloucester Park Rd). Escalated to Customer Liaison.
- Onehunga, Oranga Ave 2 colour discoloured water complaints, resolved by flushing.
- Waikowhai, Stranolar Drive 3 black sediment complaints. Dialysis patient present. Resolved by flushing.
- Newmarket, Kent St 2 Brown water complaints, resolved by flushing.
- Glen Innes, Eastview Rd 2 brown water complaints, resolved by flushing.

North

No repeat complaints arising this month.

South

- Andrew Rd, Howick

 Cloudy/milky water. Likely due to dissolved air bubbles.
- Botany Rd, Howick-Cloudy/milky water. Likely due to dissolved air bubbles.
- Botany Rd, Howick- Brown water. Resolved by flushing.
- Lewisham St, Highland Park Cloudy/milky water. Likely due to dissolved air bubbles.

6.3 Leak detaction programme

The proactive leakage detection programme has surveyed 2,000 km to date this financial year and found over 400 leaks with an estimated saving of 4 MLD.

The district metering and pressure management work is ongoing, with construction work occurring in Onehunga, Devonport, and Mangere.

7. Risk and compliance

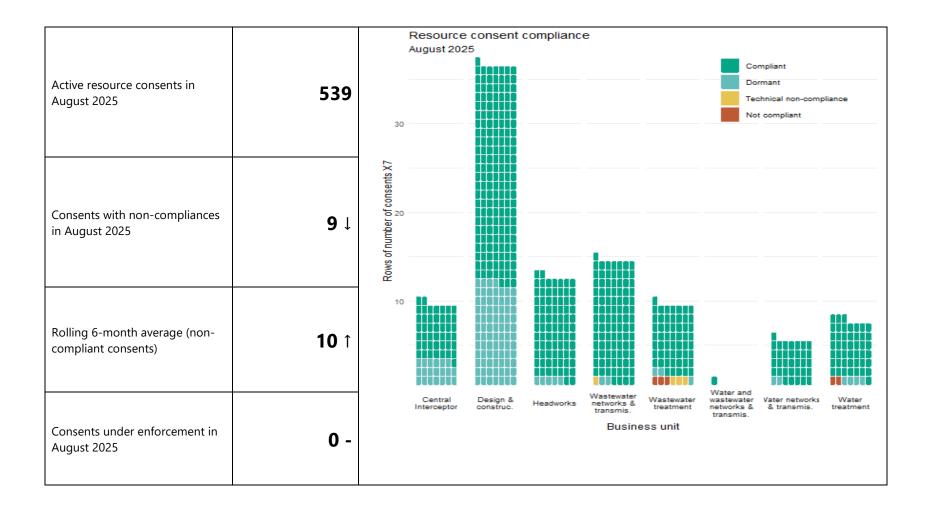
7.1 Non-compliance with resource consents

Overall consent non-compliance for operations decreased to nine in August, down from 11 in July 2025. Of these, four were classified as technical non-compliances, while five facilities had non-technical issues. A summary of the technical non-compliances is provided below, with detailed information on the five non-technical cases available in the consent table within this section:

- Central network (DIS60083245): Technical non-compliance with Condition 45 due to late submission of the Level 3 dry weather overflow report. The 27 Exmouth Street overflow (14 August 2025) was reported outside the 10-day timeframe.
- Clarks Beach WWTP (DIS60084111): The site remains technically non-compliant with the 12-month 92nd percentile limit for faecal coliforms. With effluent volumes expected to decrease, compliance is anticipated within the next reporting cycle.
- Kingseat WWTP (DIS60401948 & DIS60401927): The site remains non-compliant with the 12-month 92nd percentile limit for total suspended solids (≤30 mg/L), due to exceedances earlier in the reporting period. A new backwash filter has been installed, improving solids removal and indirectly enhancing E. coli treatment.

^{*}Repeat complaints – A customer WQ concern raised this month which has been raised at least once before within the last 6 months by the same customer.

• Waiuku WWTP (DIS60334129): The site remains non-compliant with the 12-month 92nd percentile limit for total inorganic nitrogen (≤20 gN/m³), primarily due to earlier exceedances. No breaches have been recorded since November 2024, and seasonal declines suggest compliance could be restored, though spring remains the critical period for nitrogen removal.



The rating Watercare applies in the detailed breakdown of non-compliance is consistent with Auckland Council's criteria. The rating is below:

Rating	Detail
Category 1	Watercare has complied with the consent condition.
Category 2	Watercare has not complied with the consent condition. Watercare has assessed the non-compliance as technical or having no more than a minor adverse effect.
Category 3	Watercare has not complied with the consent condition. Watercare has assessed that non-compliance has the potential to result in minor adverse effects on the environment. Alternatively, since the last audit, there is evidence of repeat Category 2 non-compliance.
Category 4	Watercare has not complied with the consent condition. Watercare has assessed the non-compliance as having the potential to cause significant adverse effects on the environment. Alternatively, since the last audit, there is evidence of repeat Category 3 non-compliance.

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and commentary (i.e. adverse effects)	Resolution	Category
Waikato WTP	AUTH137497 .01.01	Condition 5	Total suspended solids in the discharge exceeded the consent limit of 50 mg/L on 13th August, with a result of 81 g/m ³	The exceedance was caused by the cleaning of Clarifier 1. Instead of being pumped directly to the off-spec discharge line, sludge was diverted through the thickeners. Staff suspect that the additional load, combined with insufficient polymer dosing, led to turbid supernatant overflowing into the off-spec stream.	This issue is ongoing. A project to capture and treat discharges to the off-spec pipeline is in the design phase and is expected to reduce the intermittent, short-term exceedances that occur during clarifier cleaning. In the meantime, WTP operators are taking all practicable steps to limit Total suspended solids peaks during these events, including maximising sludge removal through blowdown valves prior to draining.	Category 2
Huia WTP	26979 / DIS80297101	Condition 3	Total aluminium concentrations in the lagoon exceeded the consent limit of 1 mg/L in 4 of the 5 weekly samples.	Persistently elevated aluminium levels can harm aquatic life in low pH conditions. While pH remains stable, the discovery of a second adjacent stormwater drain may account for the ongoing exceedances. Additional bund socks have been installed,	Previously discussed prevention measures are underway. The discovery of an unknown stormwater drain enables additional controls to be implemented. Auckland Council is	Category 3

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and commentary (i.e. adverse effects)	Resolution	Category
			Following an overflow from the sludge balance tank on 20 August, total suspended solids discharged from the lagoon exceeded the 30 mg/L limit.	and work on the construction of a concrete bund wall should start next month. The Lagoon valve was shut to allow settling.	aware and awaiting construction of the concrete wall.	
Beachlands WWTP	DIS60263339	Condition 0	Effluent discharge volumes exceeded 2,800 m³/day on 1 days during the month, reaching 3,656 m³ on 1 August.	A new consent is due in late 2025, with the associated treatment upgrades included in the Asset Management Plan. The application for the consent has been lodged. Effluent quality is maintained throughout the period.	Ongoing	Category 2
Wellsford WWTP	DIS60068492	Condition 24	Faecal coliform exceedances were recorded on the 5th and 19th of August with results exceeding the 95th percentile consent limit of 1,000 CFU/100 mL.	The ultra-filtration plant does not have the hydraulic capacity to avoid bypasses via the wetlands, which results in exceedances and non-compliance on our faecal coliform condition.	Ongoing	Category 2
Māngere WWTP	30083 / CST80294146 / 26682	Special Condition 25(6)	On 8 and 19 August, the applied UV dose rate fell below the consent limit of 35 mWs/cm² for varying durations, exceeding two hours in some channels. Mechanical issues with solids stream equipment, combined with elevated flows following rainfall events (though not high enough to trigger a secondary bypass), increased the solids load to the UV plant. The higher solids content and flow rate reduced the applied UV dose rate.	Notifications sent to council and the Disinfection review group for both incidents. Shellfish monitoring undertaken in accordance with consent requirements. Solids stream equipment gravity belt thinker) are since back operating under normal conditions.	Shellfish results pending	Category 2
		Special Condition 25(6)	A power dip at the plant resulted in low/no applied UV dose across all channels for approximately 30	Notification sent to council and the DRG. Shellfish monitoring undertaken in	Shellfish results pending	

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and commentary (i.e. adverse effects)	Resolution	Category
			minutes. The power issue was with the supply network, not on site. Following this incident, 2 consecutive water samples collected from the UV plant outlet exceeded the consent limit for enterococci (80 cfu/100ml). Results were 96 and 110 cfu/100ml. Both the power disruption to the UV plant, and the two consecutive samples are triggers for shellfish monitoring.	accordance with consent requirements.		
		Special Condition 25(2)	Due to the three incidents at the UV plant in August, the applied UV dose rate failed to exceed the specified dose rate (35 mWs/cm2) for 99% of measurements for the month as required by condition 25(2). 98.95% of measurements exceeded this dose rate, so the value is fractionally below the consent limit.	Notification sent to council and the DRG.	TBC subject to follow up from the DRG	

7.2 Enterprise risk management

A review of the Newmarket BCP including staff relocation prioritisation, in the event of loss of the Newmarket site, has been completed. Awareness and training to be completed in October 2025, and the BCP tested in December 2025.

Our Risk Champion programme has been refreshed, including updating online content and risk toolkit. Risk training and workshops commenced in September 2025. All business units should have a trained risk champion by the end of October 2025, to work on updating their relevant risk registers.

Workshops to review Watercare's enterprise risks have commenced, in preparation for the October 2025 Enterprise Risk Report.

7.3 Privacy Act 2020

There have been no matters disclosed to the Privacy Commissioner since the last Board update.

7.4 Whistleblowing update

There have been four disclosures to the PwC whistle-blower line since the last Board meeting:

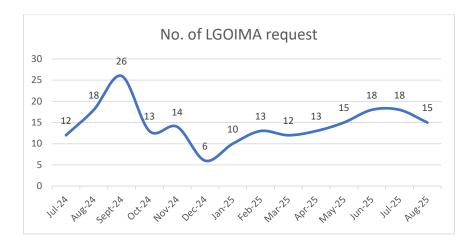
- an allegation was made that a staff member has falsified his/her timesheets to include more hours than actually worked. The matter has been investigated, and the allegations were not substantiated. At the time of writing this report, a final report is being prepared to close out the investigation.
- an allegation was made that a staff member has engaged a vendor to do work in an area outside his/her area of responsibility. This was investigated and there were reasons for the vendor being engaged. No further action required.
- an allegation was made of a potential conflict of interest with a staff member and a family relationship with a vendor used by the staff member's business area. This was investigated and although there is a family relationship, the staff member does not engage or approve any activities of the vendor. A formal contract is in place and the activities undertaken by the vendor will be tendered in the market by the end of the year. No further action required.
- an allegation was made that a contractor has been using the EV charger at a treatment plant to charge his/her personal vehicle. This is against Watercare policy. All staff have been reminded of this Policy and site staff will be monitoring EV charger usage. No further action required.

All disclosures have been advised to the Chief Executive and Chair of the Audit and Risk Committee.

7.5 LGOIMA requests

In August 2025, we received 15 requests for information under the Local Government Official Information and Meetings Act 1987 (the Act). Three of these requests were transferred from Auckland Council. The graph below is a monthly comparison graph with the number of LGOIMA requests received.

Watercare responded to 13 requests in accordance with the Act (within 20 working days). At the time of writing this report, we have two outstanding requests for information, received in August 2025. We aim to process them in accordance with the Act.



7.6 Non-RMA related legal actions

- There is currently one claim for \$1.2m for alleged damage to a residential property from a burst watermain. The matter is being handled by our insurers. A technical meeting was held with the plaintiff's experts and Watercare's experts in late February 2024. We have reviewed the plaintiff's engineering report into possible causes of damage to the residential property. The next step is to file an updated defence and either enter into mediation, or a Judicial Settlement Conference. If a settlement is not reached, a trial has been set down for April 2026.
- In February 2023, Watercare was served with a copy of proceedings lodged in the Māori Land Court by Te Runanga o Ngāti Whatua, Ngāti Manuhiri Settlement Trust concerning the legal status of the Hōteo Awa bed and customary ownership. Watercare owns property in Wellsford that adjoins the awa and draws water from it. Watercare filed a notice of intention to appear in late March 2023. In December 2024, Watercare filed evidence in the proceedings, setting out the history of the Wellsford WTP and the intake structure in the awa, and information about our consents and take from the awa via the intake structure. Awaiting further update from the Court.
- Watercare is involved in a legal dispute concerning a housing development in Red Hills.

8. Programme delivery

8.1 Central Interceptor

- In August 2025, the Health and Safety Performance Index (HSPI) increased three points to 91%.
- The Lost Time Injury Frequency Rate (LTIFR) remained at zero.
- Progress continued in general accordance with the Contractor's Programme Rev 8.1.
- Underground works progress included: Pt Erin Adit pipeline installed, works nearing completion. Tunnel-shaft connection works continue to progress well at all locations. Tunnel infiltration testing to date has been less than specification limits. PE tunnel liner production welding 97% complete.
- Surface works progress: Works progressed to schedule at all northern sites, with the exception of disruption at Haverstock Road, due to adverse ground conditions. Tawariki St GRP shaft commenced installation. May Rd mining operation fully demobilised, with shaft lift and gantry crane demobilised from site.



8.2 Queen Street wastewater upgrade

- Microtunnelling commenced from the Mayoral Ave jacking pit, jacking down Queen St towards the Wellesley St shaft. At the end of August, the micro tunnel boring machine (MTBM) had advanced 246m, 42% of the first drive toward Victoria St.
- Construction of the temporary shaft at Victoria St, which will ultimately receive the MTBM, is now expected to be on track for reception of the MTBM. At the end of August, shaft excavation and temporary support had proceeded to the level of the top of the Orakei Main Sewer, and temporary concrete encasement works were underway.
- Consent has been approved for the next phase of tunnelling, heading south under Queen St from Mayoral Drive to Marmion St. Service relocation works for Marmion Shaft will commence in October 2025, and shaft piling will commence in August 2026.
- A revised business case will be presented in September to reflect the impacts of delays requested by Auckland Transport to cater for commissioning of the CRL. Overall completion has been delayed 24 months to December 2028.



Victoria Street shaft, OMS crown reinforcement

Mayoral Drive and Queen intersection

8.3 Herne Bay wastewater upgrade

• The preferred design solution for connecting the St Mary's Bay Pump Station to the new Herne Bay Collector has been selected.

- The contractor is now engaged and is progressing with their design and construction proposal, including physical utility and ground investigation works along the tunnel route.
- The time frame for completing the Design & Construct procurement process has extended to October 2025 to provide additional time for the contractor's design process.

8.4 Southern wastewater scheme

- There was one minor incident in August 2025 when a worker turned his ankle, it did not result in a lost-time injury.
- The HDPE section of the outfall pipe has been installed, and the marine piling work is complete. The diffuser sections are forecast to be completed in September.
- The MABR team have now installed the UV units and continue installing pipework, cable trays, access platforms, and concrete slabs for the new plant upgrade.
- Watercare began geotechnical investigations for the main scheme in August.



Newly installed the UV units

Other works

The requisite plans have been approved to begin decommissioning the dam at 372 Glenbrook Beach Road, which is forecast to start September 2025.

8.5 Northeast wastewater scheme

Snells Beach WWTP

- No lost time injuries were recorded in August 2025. The project recorded one minor close call/near miss, two minor property damages and one minor incident from grit blowing into the eye of a scaffolder.
- Construction has reached practical completion.
- Acceptance to Service 3 was approved, and untreated wastewater from Warkworth is being transferred in stages to the new Snells WWTP via the Lucy Moore Pump station, starting 5 September 2025. The plant was officially opened on 15 September 2025.
- Hot commissioning of the Dewatering system is outstanding and will be completed once excess sludge is produced by the reactors.
- Decommissioning of existing plant will follow hot commissioning of the new plant. Completion of the new plant overflow system will follow decommissioning of existing plant.
- The forecast for completion (end of hot commissioning) remains end September 2025.
- Minor change to the cost estimate reported by Fletchers in August 2025. The current forecast remains below approved capex.
- Risk relating to commissioning and specifically the impact of late scope changes and equipment defects are the key risks on site that could impact target completion.







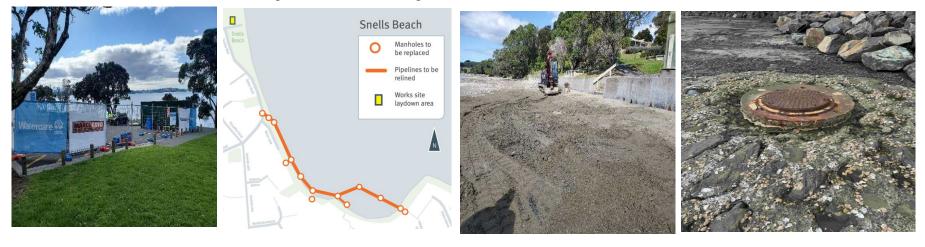
Plant UV Reactors

Motor Control Room with Variable Speed Drives

Sludge Reactor during Commissioning

Warkworth to Snells transmission

- There were no H&S incidents reported for August 2025.
- Local WW network flows have been diverted to the new Drainage Pump Station Warkworth Snells (DPWWS) wastewater pump station. The transmission system is in use and performing as expected.
- The Snells Outfall has been successfully connected to the new Snells Wastewater Treatment Plant and is operating as expected. Flows from the existing plant are now diverted through the new Plant and pumped out to the new Outfall into Martins Bay.
- The Construction Contract for the Snells-Algies Saline Intrusion Rehabilitation Project is underway. Construction started on Monday the 1 September 2025 after a team cultural induction and a morning blessing by leaders of Nghati Manuhiri.
- The following works are being completed under a Minor Works Contract:
 - Modifications to the Lucy Moore Park Wastewater Pump Station (DPWWS) is complete. This work is to accommodate the planned Warkworth
 Wastewater Growth Servicing transmission pipeline connection and is expected to be fully completed by mid-August.
 - o Horizontal Directional Drilling (HDD) installation of the Snells Water Treatment Plant waste pipeline to the new Transmission sewer will be undertaken during September.
 - o Construction of the Goodall Parking area to commence during November 2025.



Saline Intrusion Rehab Site office

Snells Network Rehabilitation

Algies Bay Collection Rehabilitation

Typical Manhole to be replaced

Warkworth – Growth servicing wastewater pipeline

The project involves installing a wastewater pipeline between the Warkworth Showgrounds and the new Wastewater pump station at Lucy Moore Park, with a total length of approximately 2 km. The project aims to provide a necessary capacity upgrade to support growth in the Warkworth area, eliminate wastewater discharges from Warkworth WWTP and reduce overflows into the Mahurangi River from the Engineering Overflow Point (EOP) at Elizabeth Street.

- Stakeholder Engagement: NE Programme leadership engaged throughout the month with oyster farmers to ensure their concerns and required outcomes are integrated into programme delivery.
- Resource Consent: Consent Packages 1 and 2 were lodged, and we are now in the process of responding to the s92 queries.
- Design & Engineering: The design team is completing the detailed design for both the Elizabeth Street open-cut section and the pipe bridge over the river. Ongoing engagements with Auckland Transport (AT), Healthy Waters, and the Council Parks team are in progress to finalise design elements and ensure coordination.
- Execution:
 - Site layouts, shaft locations, and occupation timeframes for each site along the pipeline alignment has been confirmed. Landowner access
 approvals for these construction sites and shafts were submitted in July 2025. Some sites will involve Public Works Act Section 18 Notices,
 which are a work in progress.
 - o Investigation of underground utility services was completed in August, as planned.
 - o The construction services procurement is a work in progress; tender pricing is due to close by the second week of September.
 - The Heritage Bridge over-pumping system at Elizabeth Street, Warkworth, to mitigate local network overflows into the Mahurangi River, was completed during July and is operational. Based on the monitoring data, the over-pumping system is performing very well and is preventing many rainfall spikes that previously caused overflows into the Mahurangi River.

8.6 Wesley Stage 2 Watermain and bulk supply point – Kāinga Ora (KO)

As part of the shovel ready projects for KO, this project will deliver 4.2km of new watermain ranging in diameter 200mm to 500mm and a new Bulk Supply Point (BSP). This will allow growth of 7,200 KO dwellings and 770 infill housing.

Mt Albert Works (Richardson Road & La Veta Ave)

• 46m of 508OD CLS watermain is remaining to be completed on Richardson Rd. The crew will then move to La Veta Ave to construct new valve and air valve chambers.

Mt Roskill Works (Denny Avenue, May Road and Memorial Avenue)

- May Road pipeline is nearly completed, 347m of 3150D PE pipe and 179m of 3240D CLS pipe laid to date.
- The crew will come back next month to complete 30m by the shopfronts & tie-in at Denny Ave itself.
- Works on Memorial Ave is progressing well after a slow start, with sub-contractor Pipeline Civil carrying out the work. 77m out of 398m of 4570d CLS watermain has been installed to date.





Pipelaying work on Memorial Ave

Work in progress on May Road

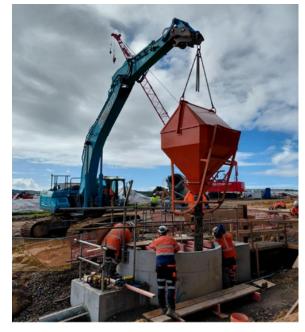
8.7 Rosedale Northern Interceptor Integration

This project is the last phase of the NI wastewater pipeline construction, completing the connection from Hobsonville Wastewater Pump Station into the Rosedale WWTP and livening flows. 200m pipeline; new inlet confluence chamber for NI, Wairau Valley Branch Sewer and future Rosedale Rising Main; flows relocation of Septage Facility at Rosedale WWTP; Structural lining of the last 200m of the Wairau Valley Branch Sewer; Livening and commissioning of the entire system, (including chemical dosing plant) from Hobsonville PS to Rosedale WWTP (10km).

- NI pipeline discharge chamber completed pour of benching, gravity line construction completed up to hold point before confluence chamber works begin.
- Septage facility snag list and commissioning preparation continuing.
- Lining works for Wairau Valley Branch Sewer manhole construction complete, liner specs approved, on order from China ETA mid-September.

- Rosedale Rising Main diversion manhole installed, work on second manhole and pipework into inlet channels begins.
- NI Odour filters retrofit 2 completed this month, 2 remaining.





Gravity main 24m section welded above ground then lifted into trench

Concrete pour for benching in NI diversion chamber

8.8 Archboyd Avenue wastewater pumpstation and associated pipework

This project caters for predicted increases in housing density within the catchment. The intensification of Favona, Buckland/Wickman and Māngere East neighbourhoods will result in a population increase from ≈11,800 (2018) to ≈22,900 by 2068. A 1.5km long gravity main, of which a 174m section will act as an emergency online storage with a 1.8m diameter. 100 L/s pump station located. 355mm diameter, 236m long rising main and additional 475mm diameter, 177m long gravity discharging to the Eastern Interceptor; and an engineered overflow point of 400mm diameter.

- Pump Station Installed 90% of the Driveway Sheet Piles and 80% of the bulk cut.
- Market cove Laydown Area Earthworks for Market Cove is complete, Compound is fully functionable.
- MH02 Works Existing services has delayed the start of excavation works. Gas has been relocated, and stormwater is currently being relocated.





Archboyd Avenue Driveway sheet pile and bulk cut to working

Archboyd Avenue Location 675mm Stormwater diversion in around MH02

8.9 Mängere WWTP Renewals – Digester eight

As part of the renewals programme at the Mangere WWTP the Digester 8 is the current digester in refurbishment. The initial project scope was to refurbish the tank, roof, and piping. Following the condition assessment of the roof, it was decided that replacing the fixed roof was necessary due to its condition.

• No health and safety incidents in August 2025.

- Construction work onsite has been suspended until the replacement roof arrives onsite, currently scheduled for December 2026. Roof replacement supplier has been selected (Ovivo) and working with the main contractor on the design and fabrication contract.
- There is a risk of reduced sludge processing capacity if another digester fails and taken out of service. The Operations team has scheduled a workshop in early September to discuss the digester emergency management plan to mitigate risk of failure.





Digester eight at Mangere WWTP with the roof removed.

8.10 Ōrakei Main Sewer

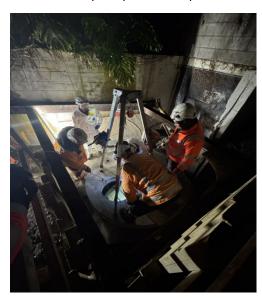
The Ōrakei Main Sewer (OMS) rehabilitation is a 5-stage rehabilitation, using a GRP ovoid-shaped liner. Total length to be rehabilitated is 1.6km, from MH18 in the Auckland Domain through to MH13 in Hobson Bay. The project will extend the operational life of the Ōrakei Main Sewer by 100 years.

No physical progress was made on site during August. The delivery team was temporarily redeployed to other projects due to elevated flow levels in the sewer, which have not yet dropped to a safe threshold for re-entry. As a result, grouting works remain on hold until conditions allow for safe continuation

Western Springs

In May 2025, two significant defects were identified within the Auckland Zoo between MH35 and MH34. These defects required urgent intervention to prevent unplanned failure. The Project is to identify the defects and repair the OMS in this area.

- The arch section of the OMS was fully removed, and the first identified defect has been successfully resolved.
- The new manhole installation has commenced.
- Sewer entry completed to inspect the second defect.





New manhole installation

8.11 Branch 3B Judges Bay

The purpose of the project is to replace the Branch 3B Judges Bay wastewater main which collapsed during the January 2023 rain event. The scope includes the installation of a new prefabricated pump station in the road reserve and a new rising main, consisting of both open trenching and horizontal directional drilling sections.

All remaining project works were successfully completed during August 2025. Final activities included:

- Permanent pump station fence.
- Removal of temporary pump station.
- Full reinstatement of the carriageway at the intersection, restoring normal traffic flow.

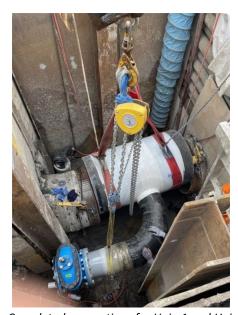


Reinstated carriageway

8.12 Huia 1 and Nihotupu replacement

This project is upsizing the existing watermain for both the Huia 1 and Nihotupu 1 watermain.

- Connections to both the Huia 1 and the Huia 2 for the new BSP on Atkinson Road have been completed. Precast walls for new BSP are installed and local network watermains works progressing as per programme.
- Network watermain pipe installation percentage complete: Atkinson Rd 80%, Kaurilands Rd 70%, Konini Rd 80%, Daffodil St 40%, Scenic Drive 50%.
- Network modelling was completed for the new zone implementation plan. This identified major issues with the Nihotupu 1 concept plan which the detailed design has been based on, and we are currently constructing. A consultant has been engaged to find a solution Indications are an extra 750m of 150mm dia pipe will be required and changes to the network zoning. A solution is forecast in September which will delay the programme by at least 3 months.







Completed connections for Huia 1 and Huia 2

Completed precast walls for new BSP

9. Matters for noting

9.1 Letters from Auckland Transport

Attachment 1 sets out a letter from Auckland Transport in response to our letter dated 7 August 2025 regarding works at Vincent Street and Mayoral Drive intersection.

9.2 Significant meetings attended by the CE

- GSS Auckland Council
- GSS Governance Board meeting
- Auckland Council Group CCO CEs meeting
- Commerce Commission
- Waikato District Council
- Auckland Transport
- Ministry for Primary Industries
- Minister Watts
- Chatham Islands Council: Mayor Monique Croon & CE Paul Eagle
- Hon Nicola Willis Boardroom Series
- Under Secretary Simon Court
- Aquaculture NZ: Mahurangi Oyster Farmers
- Raglan Wastewater Treatment Plant Opening
- WorkSafe
- Westpac
- Bank of China
- Bank of New Zealand
- Stantec
- McConnell Dowell
- Fletcher Building
- PricewaterhouseCoopers

- Downer
- Citycare
- Jacobs
- Ngāti Whātua Ōrākei
- ComplyWith
- Fulton Hogan
- Hobson Leavy
- Building Nations Conference
- IAWAI Flowing Waters Chair
- Harvard Business School Association of New Zealand
- Rush Digital
- Water Services Association of Australia
- Gentrack
- Minter Ellison NZ
- National Infrastructure Funding & Financing
- Heart of the City
- Civil Contractors New Zealand
- Hampton Road Sanitation District, US Dr Charles Bott, Chief Innovation Officer
- AEIRA Partners.

10. Execution of documents

In accordance with the authority delegated, for the month of August 2025:

- there were four documents required to be signed by the Chief Executive in relation to deeds, instruments and other documents.
- there was one document signed by the two members of the Watercare Board.
- there were 34 capex approvals signed by the Chief Executive that were below a threshold of \$50m.

• there were three contracts approved by the Chief Executive that were over \$100,000. They were as follows:

Contract description	Successful supplier
Deployment of Digital Employee Experience (DEX) tooling	Nexthink SA
FY26 project management support to wastewater and water planning teams	Frequency NZ Limited
New connections contract for FY26	Fulton Hogan Limited

Jamie Sinclair

Chief Executive Officer

Attachment 1



20 Viaduct Harbour Avenue, Auckland 1010
Private Bag 92250, Auckland 1142, New Zealand
+64 9 355 3553 | at.govt.nz

3 September 2025

Jamie Sinclair Chief Executive Watercare Services Limited

By email: Jamie.Sinclair@water.co.nz

Kia ora Jamie

Watercare works at Vincent Street and Mayoral Drive intersection

Thank you for your letter dated 7 August 2025 regarding Watercare works at Vincent Street and Mayoral Drive intersection, confirming that physical construction works will be deferred until late 2027 or early 2028. As we have discussed this is a 'best for council family' and road network customer decision with CRL going live in 2026 it was going to be very challenging to then severely restrict Vincent ST, a primary PT bus route connecting CRL and the wider network.

As requested, Auckland Transport will endeavour to expedite traffic management approvals for the other supporting network improvement works at Mayoral Drive, Marmion and White Streets. In making these applications, please ensure your teams engage early with our Work Coordination team and that all applications use the new risk based temporary traffic management approach as per the New Zealand Guide to Temporary Traffic Management.

We appreciate your understanding and cooperation in this matter.

Ngā mihi

Dean Kimpton Chief Executive



	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Board	30-Sep	28-Oct	19-Nov (Board Strategy Session) 25-Nov	8-Dec		25-Feb	31-Mar	29-Apr	13-May (Board Strategy Session) 27-May	30-Jun	28-Jul
Audit and Risk Committee			24-Nov			4-Feb			21-May		
Asset Management Committee	10-Sep	10-Oct		1-Dec			6-Mar		8-May		8-Jul
Economic Regulation Committee	10-Sep	8-Oct 29-Oct	5-Nov 18-Nov	3-Dec 17-Dec		18-Feb	18-Mar	14-Apr	6-May	9-Jun	14-Jul
Financial			Auckland Council Draft Annual Plan - approve Watercare input			Approve half year accounts		Approve financials for Draft SOI including projected 26/27 price increases		Board approval of Insurance proposal	Auckland Council and Watercare to review 30 J Treasury Interest rates Statement of Intent finan
Statement of intent		Q1 (FY26) Performance Report due to Council by 31 October 2025	2024/2025 SOI Results to be presented to Board at Public Meeting. Public deputations to be received	2026/27 Letter of Expectations to be received		Q2 (FY26) Performance Report due to Council by date TBC	Draft 2026-2029 SOI for Board's approval - to be sent to Council on or before 1 April 2026	Q3 (FY26) Performance Report due to Council by 1 May 2026		Present shareholder SOI feedback at public meeting. Public deputations to be received	Final submission of 2025- 2028 SOI to Council on or before 31 July 2026
Crown Monitor Regulation reporting	Q4/FY25 opex and capex quarterly report and publish due to Com Com by 30 September (out of cycle board approval). Draft Pricing Review Plan due to Commerce Commission for feedback by 30 September (out of cycle board approval). Annual Report FY25 to be published.		Q1 FY26 reports on performance targets due to Com Com by 30 November Consider feedback from Com Com on Infrastructure Delivery and Asset Management Improvement Plan. Consider Feedback from Com Com Com on IGC Policy Review and Redesign, update and publish	quarterly report and publish - due to Com Com by 31 December. Operating Cost efficiency							
Community and Stakeholder Relationships	Stakeholder Update on Māori Outcomes	lwi Decardbonisation roadmap Achieving Māori Outcomes Plan	Stakeholder	lwi		Stäkeholder	lwi	Stakeholder	lwi	Stakeholder	lwi

		Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
	Board	30-Sep	28-Oct	19-Nov (Board Strategy Session) 25-Nov	8-Dec		25-Feb	31-Mar	29-Apr	13-May (Board Strategy Session) 27-May	30-Jun	28-Jul
sâu	Audit and Risk Committee			24-Nov			4-Feb			21-May		
Meetings	Asset Management Committee	10-Sep	10-Oct		1-Dec			6-Mar		8-May		8-Jul
	Economic Regulation Committee	10-Sep	8-Oct 29-Oct	5-Nov 18-Nov	3-Dec 17-Dec		18-Feb	18-Mar	14-Apr	6-May	9-Jun	14-Jul
	Governance	Governance and Board Committee Charters	Review of Watercare's Enterprise Risks Compliance with statutory obligations for Q1 FY26	Good Employer Policy update Submissions on future bills update	Board delegations to the CE Policy Board performance review		Review of Watercare's Enterprise Risks Submissions on future bills update Compliance with statutory obligations for Q2 FY26		Review of Watercare's Enterprise Risks Compliance with statutory obligations for Q3 FY26	Submissions on future bills update		Compliance with statutory obligations for Q4 FY26 Review of Watercare's Enterprise Risks
	Karakia		Geoff Hunt	Andrew Clark	Frederik Cornu		Graham Darlow	Karen Sherry	Julian Smith	Rukumoana Schaafhausen	John Crawford	Geoff Hunt
Confidential			Q1 progress update on CE's KPIs				Q2 progress update on CE's KPIs		Q3 progress update on CE's KPIs			Approve CE's KPIs
Audit & Risk Committee		Annual update to the Auckland Council Audit and Risk Committee		Board delegations to the CE Policy Planning report for half-year accounts internal audit report and plan Enterprise Risks Deep Dive on opportunities and risk arising from use of Artifical Intelligence Annual Summary of the Performance of Watercare Dams for 2024	Enterprise Risks update to the Auckland Council Audit and Risk Committee		Presentation of Watercare's draft halfyear accounts Internal Audit Report Half year audit update from Deloitte			Present plan for Year end Deloitte's planning report for F726 year end financials Insurance renewal programme update Internal Audit Report		

		Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
	Board	30-Sep	28-Oct	19-Nov (Board Strategy Session) 25-Nov	8-Dec		25-Feb	31-Mar	29-Apr	13-May (Board Strategy Session) 27-May	30-Jun	28-Jul
sgui	Audit and Risk Committee			24-Nov			4-Feb			21-May		
Meetings	Asset Management Committee	10-Sep	10-Oct		1-Dec			6-Mar		8-May		8-Jul
	Economic Regulation Committee	10-Sep	8-Oct 29-Oct	5-Nov 18-Nov	3-Dec 17-Dec		18-Feb	18-Mar	14-Apr	6-May	9-Jun	14-Jul
Asset Management Committee		Mängere biosolids servicing project update Western isthmus Water Quality Improvement Project update	Western water supply update Mangere wastewater treatment plant (WWTP)distributed bowlers Network performance monitoring modelling programme Watercare's approach to growth Update on Beachlands WWTP Capital infrastructure delivery for the Waikato District Council Project dashboards and AMP financials Quarterly update on capitalisation of Assets		Project dashboards AMP financials, delivery report and traffic light reporting Quarterly update on capitalisation of Assets			Project dashboards AMP financials, delivery report and traffic light reporting Quarterly update on capitalisation of Assets			Project dashboards AMP financials, delivery report and traffic light reporting Quarterly update on capitalisation of Assets	
Economic Regulation Committee		Draft IGC Policy review and redesign plan Operating and Capital Expenditure Quarterly Report for the quarter ended 30 June 2025 Status update - operating cost efficiency improvement plan Programme status report										

Board meeting | 30 September 2025 Public session



Directors' appointment terms, committee memberships and meeting attendances

For information

Document ownership / Whaimana tuhinga

Prepared by / Kaiwhakarite Emma McBride

Head of Legal and Governance

Submitted by / Kaitono
Jamie Sinclair
Chief Executive Officer

1. Purpose of the report / Te take mō te pūrongo

This report is for noting and sets out:

- the tenure of the current directors of Watercare Services Limited;
- details of the committees each director is a member of;
- details of directors' attendance at Board meetings; and
- details of directors' attendance at committee meetings.

2. The details / Korero pitopito

We currently have eight directors appointed by Auckland Council.

2.1 The tenure of directors

Director	Original appointment date	End of term
Geoff Hunt (Board Chair)	12 October 2024	1 st term ends on 31 October 2027
Graham Darlow	3 February 2021	2 nd term ends on 31 October 2027
Julian Smith	1 January 2022	2 nd term ends on 31 October 2027
Andrew Clark	1 June 2024	1 st term ends on 31 October 2027
Frederik Cornu	1 June 2024	1 st term ends on 31 October 2027
Karen Sherry	1 February 2025	1 st term ends on 31 January 2028
John Crawford	1 February 2025	1 st term ends on 31 January 2028
Rukumoana Schaafhausen	1 June 2025	1 st term ends on 31 May 2028

2.2 Details of the committees

We currently have three committees to assist the Board in its corporate governance. Committee Chairs and members are appointed by the Chair. Attendance at Committee meetings by non-members is optional.

The table below sets out the membership of the current committees.

Director	Audit and Risk Committee	Asset Management Committee	Economic Regulation Committee
Geoff Hunt (Board Chair)		✓	✓
Graham Darlow		Committee Chair	
Andrew Clark	Committee Chair		
Julian Smith	✓		Committee Chair
Frederik Cornu		✓	
Karen Sherry	✓		
John Crawford			✓
Rukumoana Schaafhausen			✓

2.3 Directors' attendance at Board meetings in 2025 is detailed in the table below:

					Att	enda	nce a	at Bo	ard n	neetin	gs				
Attended ✓ Did not attend ✗ Not on the Board ■		26 February 2025	25 March 2025	29 April 2025	12 May 2025 Board strategy session	27 May 2025	11 June 2025	24 June 2025	29 July 2025	26 August 2025	30 September 2025	28 October 2025	19 November 2025 Board strategy session	25 November 2025	8 December 2025
Geoff Hunt (Board Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					
Graham Darlow	✓	✓	×	✓	✓	✓	✓	✓	✓	✓					
Julian Smith	✓	✓	✓	✓	✓	✓	×	×	✓	✓					
Andrew Clark	✓	✓	✓	✓	✓	✓	×	✓	✓	✓					
Frederik Cornu	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					
Karen Sherry	✓	✓	✓	✓	✓	✓	✓	✓	✓	×					
John Crawford	✓	✓	√	✓	✓	√	×	✓	√	✓			·		
Rukumoana Schaafhausen					√		✓	✓	√	✓	Ī	·		·	

2.4 Directors' attendance at committee meetings in 2025 is detailed in the table below:

Attended ✓ Did not attend ✗ Not on the committee ■		udit a Comr mee		_			t Mai	_					Econ	omic	Regul	ation	Comi	mitte	e mee	tings		
	4 February 2025	21 May 2025	14 August 2025	24 November 2025	7 April 2025	6 June 2025	8 August 2025	10 September 2025	10 October 2025	1 December 2025	17 June 2025	2 July 2025	16 July 2025	30 July 2025	14 August 2025	10 September 2025	8 October 2025	29 October 2025	5 November 2025	18 November 2025	3 December 2025	17 December 2025
Geoff Hunt (Board Chair)					✓	✓	✓	✓			✓	✓	✓	✓	✓	✓						
Graham Darlow					✓	✓	✓	✓														
Julian Smith	✓	✓	✓				✓	✓			×	✓	✓	✓	✓	✓						
Andrew Clark	✓	✓	✓																			
Frederik Cornu	✓				✓	✓	✓	✓														
Karen Sherry	✓	✓	✓																			
John Crawford											✓	✓	✓	✓	×	✓						
Rukumoana Schaafhausen											×	✓	×	✓	✓	×						

3. Recommendation / Te tūtohunga

We recommend that the Board notes this report outlining directors' appointment terms, committee membership and meeting attendances.



Board meeting | 30 September 2025 Public session



Disclosure of directors' and executives' interests

For information

Document ownership / Whaimana tuhinga

Prepared by / Kaiwhakarite Emma McBride Head of Legal and Governance Submitted by / Kaitono Jamie Sinclair Chief Executive Officer

1. Purpose of the report / Te take mō te pūrongo

Section 189 of the Companies Act 1993 requires the company to keep an interests register. Section 140 requires all directors to cause to be entered in the interests register, and disclose to the Board of the company, their interests.

One of key principles of good governance is transparency and having an open and honest approach to working with the wider community. Watercare not only maintains an interests register for its directors, but also voluntarily maintains an interests register for our executives.

2. The details / Korero pitopito

2.1 Watercare Services Limited's directors' interests register

The company obtains Directors and Officers (D&O) insurance for of all Watercare directors in accordance with section 162 of the Companies Act 1993.

Director	Interest
Geoff Hunt	Principal, Geoff Hunt Consulting Ltd
	Director, Preston 2 Trust Ltd
	Member, Institution of Engineering and Technology
	Member, Institute of Directors
	• Trustee, Hunt Family Trust
	Board member, New Zealand Infrastructure Commission
	Advisor to the Board, Geostabilization New Zealand Ltd (GSI).
Graham Darlow	Director, Holmes GP ANZ Ltd
	Director, Hick Group Ltd

Director	Interest
	Business Executive, Acciona Infrastructure NZ Limited
	Director and Shareholder, Brockway Consulting Limited
	Direction and Chair, Frequency NZ Limited
	Director, Hick Bros. Civil Construction Limited
	Director, Hick Bros. Heavy Haulage Limited
	Director, Hick Bros. Holdings Limited
	Director, Holmes Group Limited
	Director, Pac Tranz Limited
	Chair, The LEAD Project Alliance Board
	Project Governance Group, Sludge Minimisation Project and Major Transport Group, Wellington City Council
	Advisor, Wellington Metro Water Services Delivery Plan
Julian Smith	Board Trustee, Look Good Feel Better Trust
	Director and Shareholder of JTB Enterprises Limited
	Committee member of Institute of Directors, Auckland Committee
	• Chair, Institute of Directors Te Tai Tokerau, Northland Sub-Committee
	Body Corporate Committee member, The Connaught Residential Apartments, Auckland
	Group Secretary – Northland Corporate Group
	Member, Waikato Tainui Kawenata Joint Governance Oversight Group
	Director, Northport Group Limited
	Director, Northport Limited
	Director, Marsden Maritime Holdings Limited
	Director, Marsden Marina Coves Limited
	Director, MetService
	MyCareerBrand
Andrew Clark	Chief Financial Officer, Port of Auckland Limited
	• Director, Auckland City Water Limited (Watercare's subsidiary company)
	Member, Waikato Tainui Kawenata Joint Governance Oversight Group

Director	Interest
Frederik Cornu	New Zealand Sustainable Solutions Lead, Schneider Electric
	Vice-President and Board Member, French New Zealand Chamber of Commerce (FNZCCI)
	Executive Committee Member, New Zealand China Trade Association
	Shareholder and New Zealand Planet Leader, Team for the Planet
Karen Sherry	Director, Donnell Sherry Ltd
	Director, The Power Company Ltd
	Director, PowerNet Ltd
	Director, Electra Ltd
	Director, Sasha & Otto Limited
	Director, Electra Generation Limited
	Director, Electra Services Limited
	Director, Pylon Limited
	Director, Lakeland Network Limited
	Director, Otagonet Limited
	Director, Last Tango Limited
	Trustee, Fritz Seppel Trust
	• Trustee, Freya, Fritzi & Zorba Trust
	• Trustee of a number of Private Client Trusts which cannot be disclosed due to solicitor/client confidentiality reasons
John Crawford	Director, Tarata Investments Ltd (Family Investment vehicle)
	Director, Tier1 Advisors Ltd (not trading)
	Director, Wealth Matters Ltd (not trading)
	Director, Punganui Estate Ltd
Rukumoana Schaafhausen	Shareholder and director, Schaafhausen Inc Limited
	Director, Alvarium (NZ) Wealth Management Holdings Limited
	Director, Alvarium Wealth (NZ) Limited
	Director, Alvarium Investments (NZ) Limited
	Director, Te Whata A Tamihana Limited
	Director, Contact Energy Limited
	Shareholder and Director, Kaitiaki Guardian Services Limited

Director	Interest
	Director, Kiwi Group Capital Limited
	Director, Pathfinder Asset Management Limited
	Director, Tainui Group Holdings Limited
	• Director, Te Rau o te Korimako Limited
	Managing Director, Te Waharoa Investments (GP) Limited
	• Trustee, The King's Trust Aotearoa New Zealand
	• Trustee, The Tindall Foundation
	Trustee, Waikato Endowed Colleges Trust

2.2 Watercare's executives' interests register

Executives	Interest
Jamie Sinclair	Director and Shareholder, Sinclair Consulting Group Ltd
Priyan Perera	Board member, Water New Zealand Director and Shareholder, Popellow Limited
Mark Bourne	• Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Sarah Phillips	Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Richard Waiwai	 Director and owner, Te Hautapu Consultants Limited Trustee of Te Rana Te Araroa Waiwai Whanau Trust Relatives work for Waikato Tainui Director, Moeā Limited
Angela Neeson	Director, Tranquillo Properties Limited
Meg Wiltshire	Nil
David White	Employee, Jacobs Group (Australia) Pty Ltd Shareholder, Jacobs Solutions Inc.
Nigel Toms	 Co-Chair, Toi Ora Live Arts Trusts Director, TRN Risk & Resilience Consulting Member, Audit and Risk Committee, Institute of Risk Management

3. Recommendation / Ngā taunakitanga

We recommend that the Board notes the directors' and executives' interests.

