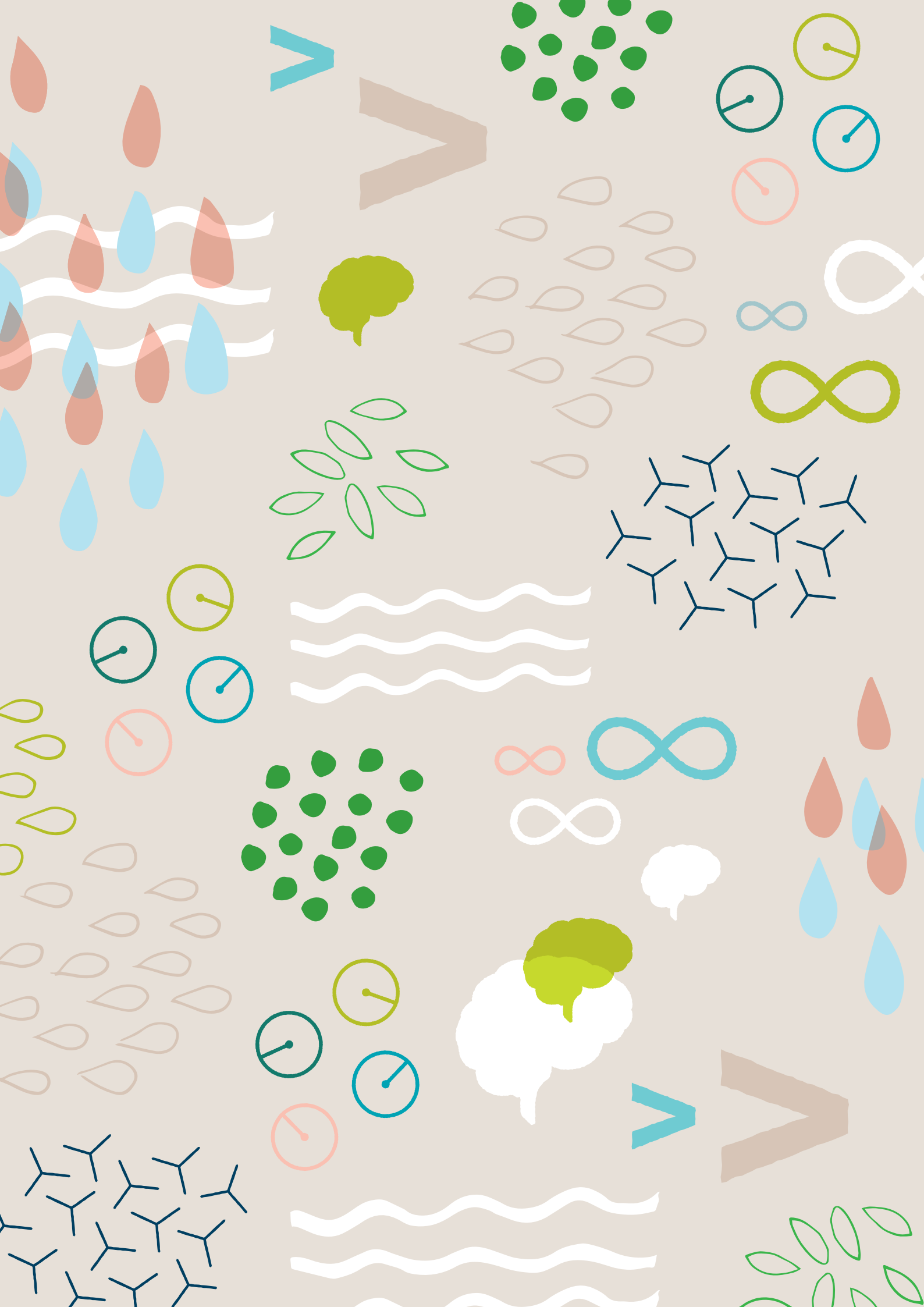


20 STRATEGY 30





20 STRATEGY 30



Barwon Water acknowledges the traditional custodians of the land on which we live today. We pay our respect to their Elders past, present and future. We recognise and respect their culture, beliefs and ongoing connection to the land over thousands of years.

We would also like to give a special thanks to “Wadawurrung” for helping guide us to see the land, water and environment around us through the eyes of a Wadawurrung person. Their willingness to share knowledge and stories assists us to understand and support Aboriginal values, while helping us to connect with country. We will continue to work with local Aboriginal groups to ensure that Aboriginal values are incorporated into our business.



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A new phase

Barwon Water has more than 110 years of experience in providing excellence in water, sewer and recycled water services to its customers and the community. This is what we do; we do it well and we need to keep doing it well.

But *how* we do what we do needs to change.

Building on our core business success, we are now entering a new phase in the organisation's history. Recognising the challenges of climate change, population growth, rapid technological advancement and economic transition, we are shifting our mindset from water utility to being a leader of the region's prosperity.

Our vision for regional prosperity not only encompasses economic, social, and environmental elements, but also recreational and cultural elements, including enhancing Aboriginal values.

The Board, management and staff have discussed the challenge of why we exist and how we undertake our business. Through these discussions, a new paradigm has developed, defining the *why*, *how* and *what* for Barwon Water:

Why do we exist?

To be an enabler of regional prosperity.

How will we deliver?

Through a diverse and high performing workforce; creating common ground for strategic partnerships; a more entrepreneurial approach to commercial opportunities; and a commitment to zero waste and zero emissions in our operations, driving innovation, efficiency and cost effectiveness.

What do we do?

Deliver outstanding value to our customers and the community by delivering high quality, affordable and reliable water services.

In making this shift we will continue to leverage our strengths of strong financials, excellence in service delivery and committed staff. However, we will also challenge ourselves to make significant step changes over the next few years. This strategy is a road-map for this new aspiration. It outlines why we need to change, how we will deliver the step-changes necessary in several key areas and what it means in terms of the functions and services we perform.

We look forward to working with our partners to deliver the strategy and playing a significant role in the prosperity of our region and the wellbeing of our community.



Jo Plummer / Chair



Tracey Slatter / Managing Director

FIGURE 1: 2030 SUMMARY

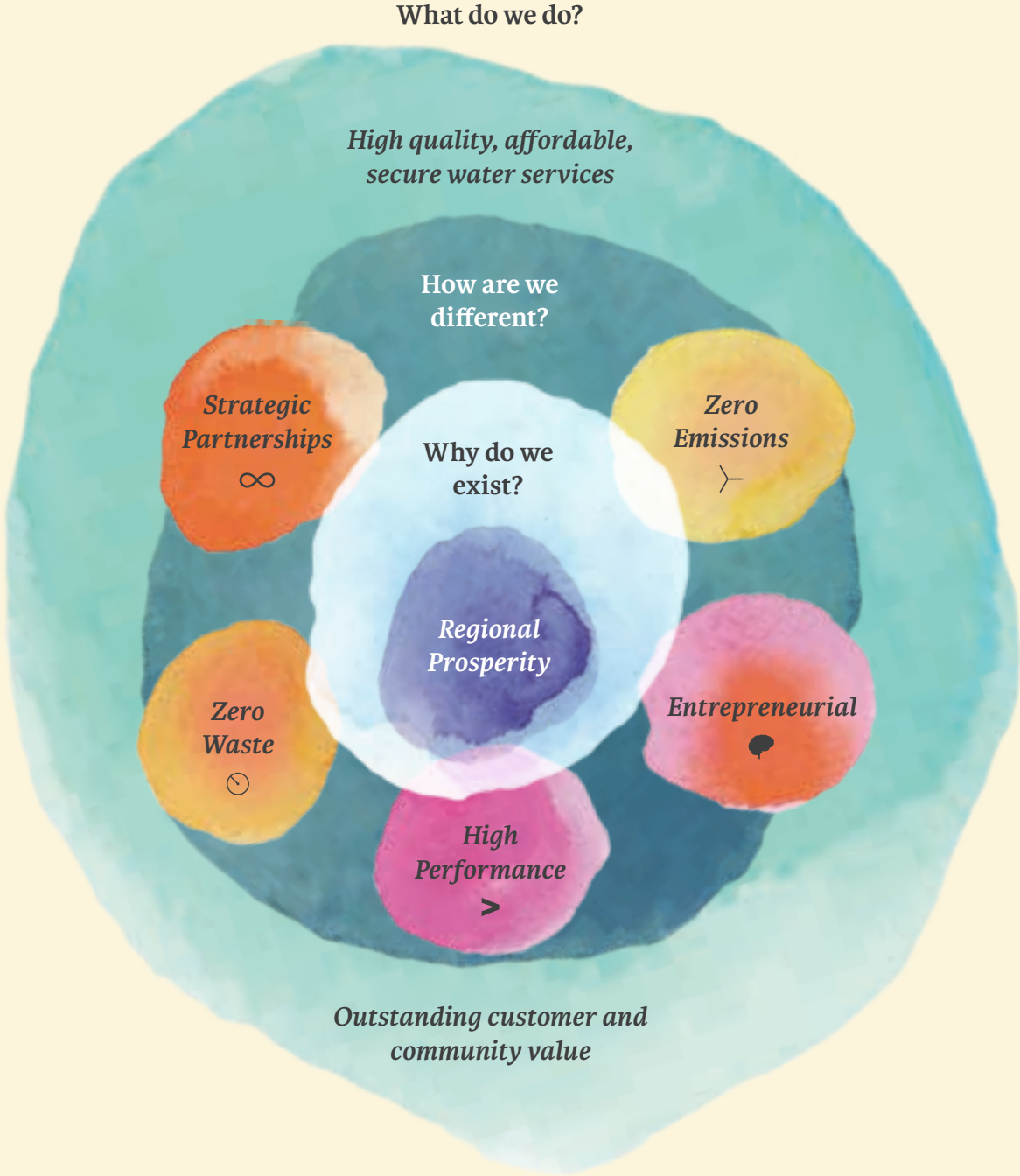
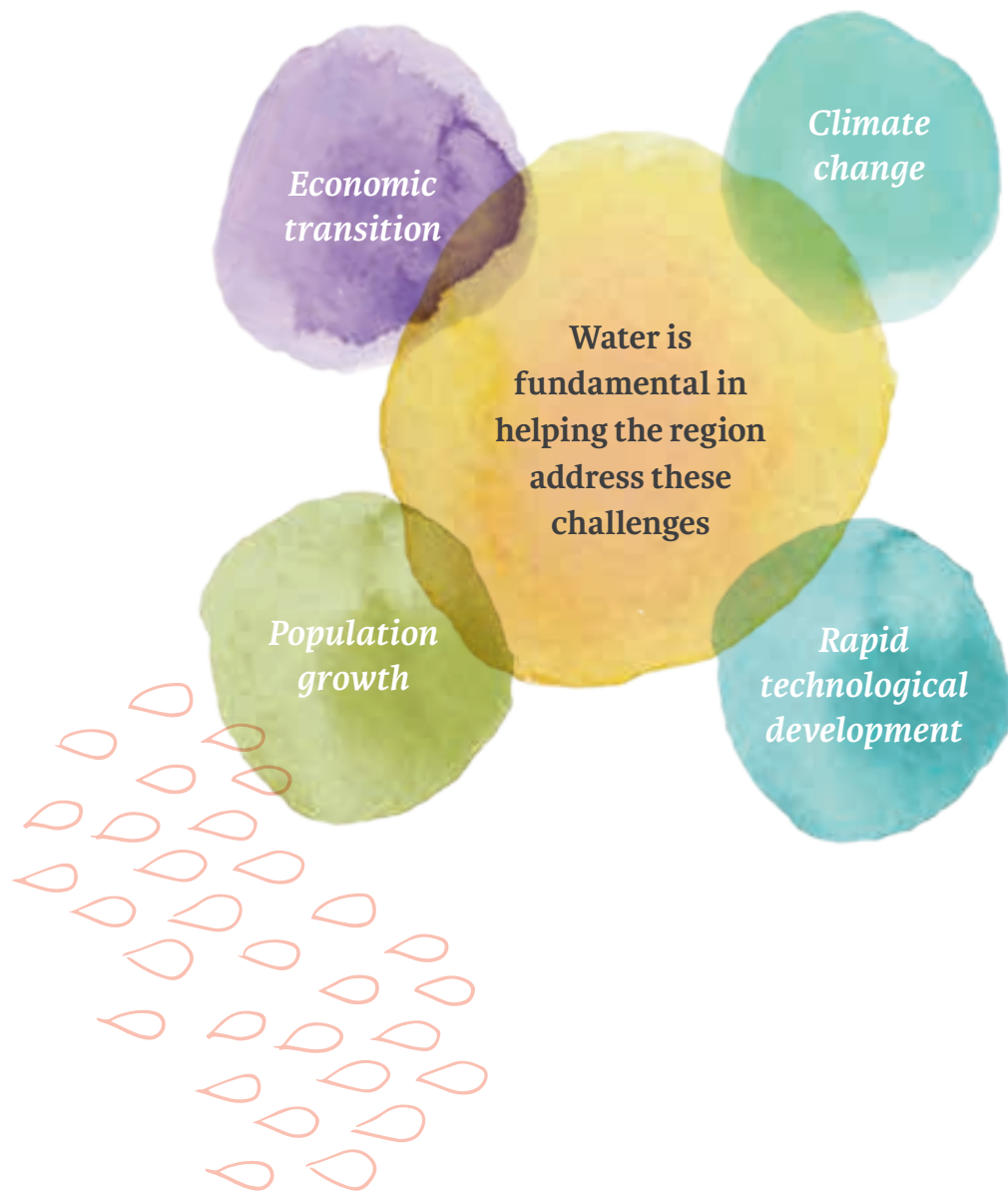




FIGURE 2: DRIVERS FOR CHANGE





Mega-trends and the need for change

We are in a time of significant and rapid change at global, national and regional scales. As a regional business, we need to be aware of these changes and understand the implications so we can continue to be a relevant and valuable organisation to our community.

Some ‘mega-trends’ are causing us to re-think what, and how, things are done:

- **The impact of climate change** will see a 7 per cent reduction in flows into our dams and reservoirs from rainfall by 2040.
- During that same period, **our region will grow rapidly**. We will see our population increase by more than 13 per cent in Colac to 16,000 and by more than 40 per cent in Geelong to 410,000.
- **Our economy is transitioning** from an industrial base to one driven by technology and services in education, health, tourism as well as niche high-value exports in agriculture and manufacturing.
- **Rapid advancements in technology** are revolutionising how we live, work and play, pushing into new dimensions of human activity.

These drivers prompt us to ask questions about why we exist, how we should be operating and what changes we need to make in delivery of our services. These questions should challenge our core assumptions, the way we think and our old paradigms.

We need to look beyond our normal timelines and spheres of control to search for new ideas and new ways of doing things better.

We need to embrace these changes as gateways to new opportunities and outcomes that make us an enabler of regional prosperity.

A photograph of a sunset over a body of water. In the foreground, a wooden pier or walkway extends into the water. Several people are standing on the pier, looking out at the sunset. A large, semi-transparent pink circle is overlaid on the center of the image, partially obscuring the sunset and the people. In the top left corner, there are several small, stylized orange raindrops.

We serve a community of nearly

**300,000
people**

across

8,000km²

A person is captured mid-jump over a wooden bar in a pool. The scene is set at sunset, with a warm, orange and pink sky. The person's reflection is visible in the water below. The wooden bar and pool structure are also reflected in the water.

Our organisation has a turn-over of

**\$200M,
\$3B**

in assets and spends

\$100M

*(on average) in capital and related
infrastructure works per year.*

The question is why?

Barwon Water is proud of its long history of delivering safe and reliable water and wastewater services. Our vision and mission have been strongly tied to the safe and environmentally responsible delivery of services.

This commitment to service delivery has been the source of our strength for more than 100 years. We continue to meet our service standards, we have secure water sources, strong financials and efficient, reliable systems.

However, we also know we are more than a service delivery organisation to our customers. We know we play a significant role in the prosperity of the region and the wellbeing of the community.

By leveraging the intrinsic value of the services we provide, we think there is further scope to explore and realise new opportunities to benefit the regional community.



Vision

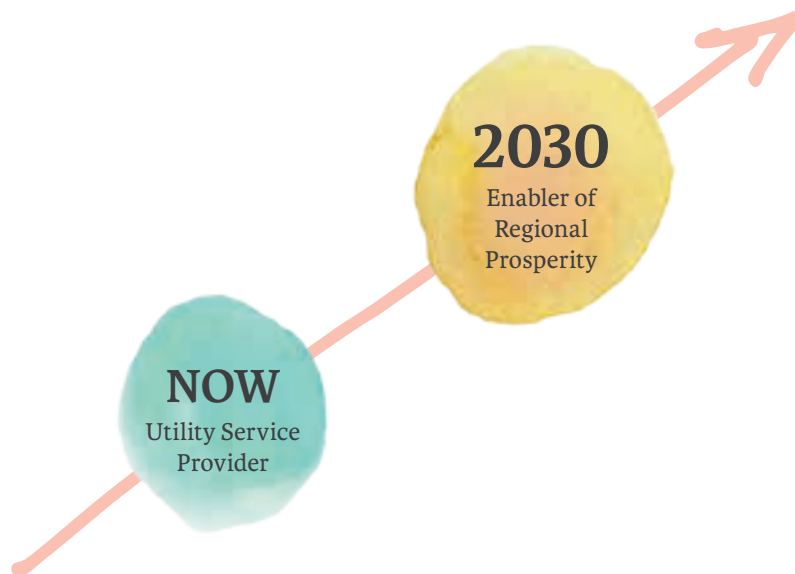
A PROSPEROUS REGION

Mission

**TO STRENGTHEN OUR REGION'S
ECONOMY, LIVEABILITY AND
SUSTAINABILITY, THROUGH
THE DELIVERY OF HIGH QUALITY
AND AFFORDABLE WATER AND
SEWERAGE SERVICES**



**WE WILL CONTINUE TO UPHOLD
OUR CORE VALUES OF RESPECT,
RELATIONSHIPS, INNOVATION, HIGH
PERFORMANCE AND LEADERSHIP IN
DELIVERING OUR MISSION**



Regional prosperity

Barwon Water's operations have a significant impact on the region's economy and liveability. Our organisation has a turn-over of \$200 million, \$2.6 billion in assets and spends \$100 million (on average) in capital and related infrastructure works a year.

As a major employer in the region, we have more than 300 highly skilled employees from a diverse range of disciplines, including operations, engineering, strategic planning, finance and administration. In addition, Barwon Water's expenditure in the region creates additional external employment opportunities. It is estimated Barwon Water's annual capital and operating expenditure sustains an additional 120 full time equivalent jobs.

We serve a community of nearly 300,000 people across 8,000 square kilometres.

Our water and sewerage services underpin the economic, social and environmental dimensions of regional prosperity:

- **Economic** – enabling a strong and diverse business sector through support, partnerships and entrepreneurship, to create new models for commercial ventures with Aboriginal and other community groups, as well as small and large businesses
- **Social** – our water services underpin the health of our communities and the liveability of our cities and towns. We need to leverage the social value these services provide by becoming a major vehicle for community connectedness, building linkages and understanding and responding to the community's views
- **Environmental** – building on our position as an environmental leader by an ethic of caring for country and protecting the natural assets upon which we all depend
- **Cultural** – benefiting from diversity, including enhancing Aboriginal values

Our new vision and mission reflects the shift from service provider to regional enabler.

We will continue to uphold our core values of respect, relationships, innovation, high performance and leadership in delivering our mission.

How we will get there

The core of our new strategy is focused on ensuring we become a driver and enabler of regional prosperity. This is why we exist. The next part of the strategy outlines how we will deliver this new paradigm.

We need to concentrate our efforts on a few key areas to make the step-changes necessary to transition from utility provider to enabler of regional prosperity.

Our leadership direction is seeking to make a step change in several areas, including:

- **Strategic partnerships** with customers, industry, the community, agencies and internally across the organisation to identify, plan and deliver outcomes from high value opportunities and initiatives
- Climate change action by achieving **zero emissions** through our operations and systems
- Improved productivity through a goal of **zero waste**, driving us to optimise the benefits of our resources to help grow the regional economy and continuously improve our organisational processes and practices
- A more **entrepreneurial** mindset by driving a culture of innovation that proactively identifies and explores new commercial and community opportunities to harness water resources and core competencies for the best possible regional outcomes and customer value
- **High performance** by building a more diverse and accountable organisation where leadership is shared and inclusive to deliver outstanding value to our customers and the community

These five focus areas reflect the expectations of our customers, the community and broader society through government policy. They are also strongly aligned with the directions for the water sector outlined in *Water for Victoria* and importantly they embrace and build on the directions outlined in our previous corporate strategy.

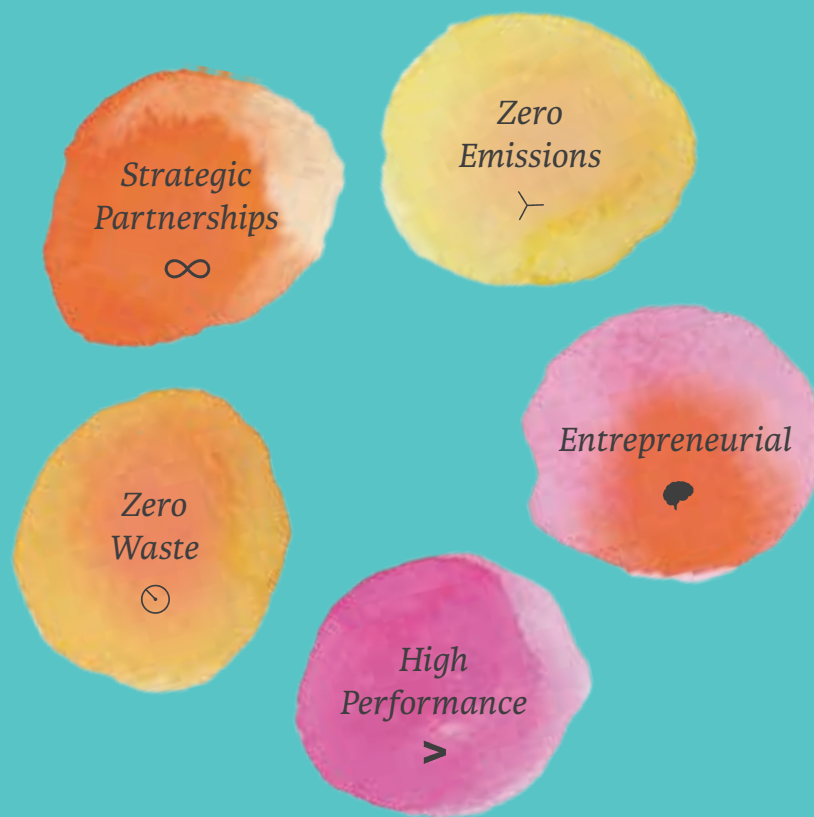
To deliver these step changes Barwon Water will undertake ongoing business transformation with a focus on what provides value to our customers. This involves both continuous improvement and disruptive projects that deliver measurable efficiency gains in our time, expenditure and performance.

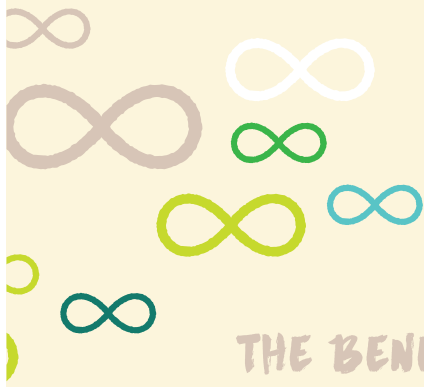
Although we will change how we operate this will build on and not compromise our strengths of sound business practices, integrity, strong financials, excellence in service delivery and committed staff.

Measures of strategic success

To monitor our progress towards enabling regional prosperity, a range of measures of success have been developed under the following categories: Customers and Community, Processes and Projects, Financial and Governance and People. These measures were developed by considering what success would look like if we achieve our vision and what the critical factors are for success. The resulting scorecard is provided as attachment 1. Targets for these measures will be reviewed and updated every 12 months.

FIGURE 3: STEP CHANGE AREAS





THE BENEFITS FROM THIS PRIORITY WILL
INCLUDE IMPROVED TRUST, TRANSPARENCY,
COMMITMENT AND ACCOUNTABILITY





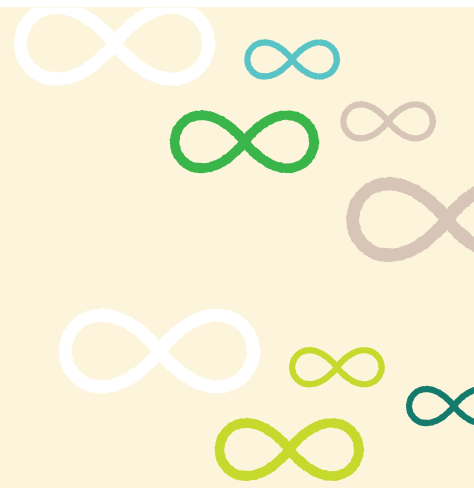
Strategic Partnerships

Our region's prosperity is underpinned by the reliable and affordable water and sewerage services we provide. We are in a unique position to create, nurture and sponsor meaningful partnerships with our residential and business customers, industry, the community and agencies across the region.

We will take a more proactive approach to leverage the value proposition already on offer by seeking out and establishing new partnerships based on shared strategy and vision. These partnerships could take several different forms, including networks for information sharing, shared roles and collaboration and working together on mutual opportunities.

The alignment and integration of the strategy and vision will not just be limited to strategic partners, but also apply to procurement and our value chain. The benefits from this priority will include improved trust, transparency, commitment and accountability and lead to better service innovation and sustainability outcomes.

At the same time we need to adopt a more collaborative approach within our own business, breaking down silos and encouraging a whole-of-business approach to solving problems and achieving solutions.



How we will deliver

BARWON WATER WILL PARTNER WITH CUSTOMERS, INDUSTRY, THE COMMUNITY AND AGENCIES TO ACHIEVE HIGH VALUE SOCIAL, ENVIRONMENTAL AND ECONOMIC OUTCOMES SUPPORTED BY A COMMITMENT TO A COLLABORATIVE, WHOLE-OF-BUSINESS APPROACH.

Objectives

Enhance customer partnerships

The partnership approach begins with our customers, recognising the economic, social and environmental value that our services provide. We will be more connected with our customers through active listening and genuine engagement.

We will also proactively explore and progress partnerships with new and existing high value business customers, who can leverage the value provided by our services to contribute to regional prosperity.

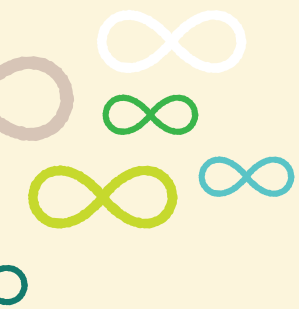
With the advent of new technology, customer expectations of how they interact with us have changed significantly. We need to embrace these changes and use technology to ensure our customer experience is second to none and the level of customer choice is enhanced.

Establish community partnerships

Our community comprises many different groups and we will proactively seek opportunities for strengthening partnerships with key groups where we have clear mutual interest. Of particular significance will be partnerships with Aboriginal people and community groups who utilise our water assets for recreational use.

Strengthen agency partnerships

It is critical that we work with the key stakeholder agencies across our region who are also helping to support regional prosperity. We will proactively seek opportunities for strengthening partnerships with key agencies within and beyond our region where we have clear mutual interest. Of particular significance will be partnerships with local governments, government agencies, universities and other research and development institutions in the area of integrated water management planning and delivery.

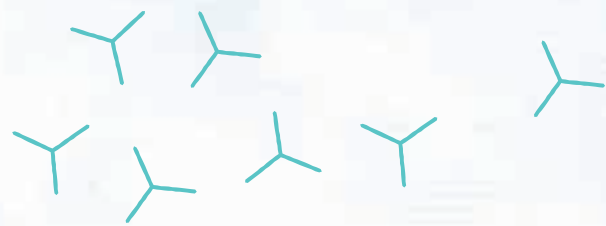


By 2030 this means...

- We are recognised globally as not just a water utility, but a leader in customer, community and agency collaboration and partnerships that optimise water-related resources for regional prosperity.
- We anticipate the needs of our customers through artificial intelligence and provide an enhanced level of customer service through human-centred processes and sustainability solutions that extend inside the home.
- We enhance the business performance of our commercial and industrial customers through water and wastewater solutions that provide synergistic benefits to overall system performance.
- We work with community groups to create economic, liveability and wellbeing opportunities by leveraging our assets, services and operations.
- We work with agencies to create regional efficiencies through shared strategic planning, services and aligned strategies for regional prosperity.
- Our workforce and systems have the capability to work beyond the boundaries of our organisation.
- We have facilitated the entrance of new and expanded industries and markets in our region.
- We are recognised and valued as a critical agency in our region, especially for delivering outstanding and innovative outcomes.
- We are recognised for creating a shift in skills, capabilities and employment opportunities towards the new economy and in non-traditional areas.

Our measures of success in 2023 will show...

- We have a strong partnership culture and framework (MOUs, systems and processes) that are delivering strategic partnership outcomes.
- We have reviewed and refined our processes to enhance the customer journey.
- We have expanded our service offering to include sustainable home solutions.
- We are utilising digital meter and sensor technologies to pre-empt service performance issues.
- We have meaningful relationships with our Aboriginal partners, including;
 - developing a strong employee understanding of Aboriginal values and culture; and
 - delivering several economic partnership opportunities with Aboriginal communities using our assets, land and water.
- We have implemented several new partnership initiatives across our region that increase the amount of green space, enhance regional productivity and create new opportunities.
- We have a partnership program in place with regional schools, TAFES and universities to build skills, capabilities and employment opportunities (particularly focusing on the new economy and creating opportunity for Aboriginals, lower socioeconomic groups and women in non-traditional areas)



**WE HAVE MADE THE
COMMITMENT TO ACHIEVE ZERO
NET EMISSIONS BY 2030**





Zero Emissions

As a major greenhouse gas emitter in our region, we need to be a leader in reducing emissions. More than 80 per cent of our emissions come from the use of electricity sourced from the grid.

As a leader in managing our emissions, we have made the commitment to achieve zero net emissions by 2030. We will put in place a comprehensive suite of measures to ensure we achieve this goal efficiently and cost effectively.

How we will deliver

BARWON WATER WILL ACHIEVE ZERO NET EMISSIONS BY 2030 BY LEADING THE APPLICATION OF NEW TECHNOLOGIES, SYSTEMS AND INFRASTRUCTURE THAT DRIVE DOWN EMISSIONS IN OUR BUSINESS

Objectives

Zero net increase in emissions in all new energy using activities

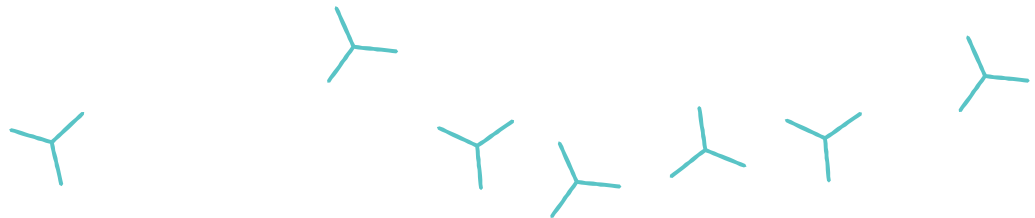
First and foremost, we will adopt a zero net emissions mindset in everything we do as a business. This means ensuring all new energy using infrastructure and upgrades incorporate zero net emissions in their design and delivery.

Reduce emissions through energy efficiencies in operations

The second tactic is continuing to ensure our energy using activities are operating as effectively and efficiently as possible. This means being vigilant about energy efficiency as a core operational requirement.

Achieve zero net emissions by 2030

The third tactic will be to fast track our switch to renewable energy. Our priority in this regard will be to install renewable energy technologies at our own sites where it is cost effective to do so. Secondly, we will look to partner with other regional emitters to secure reliable renewable energy from within our region. Finally, should we still have residual energy emissions, we will source renewable energy via the grid through partnerships with other organisations beyond our region (such as the water sector).



By 2030 this means...

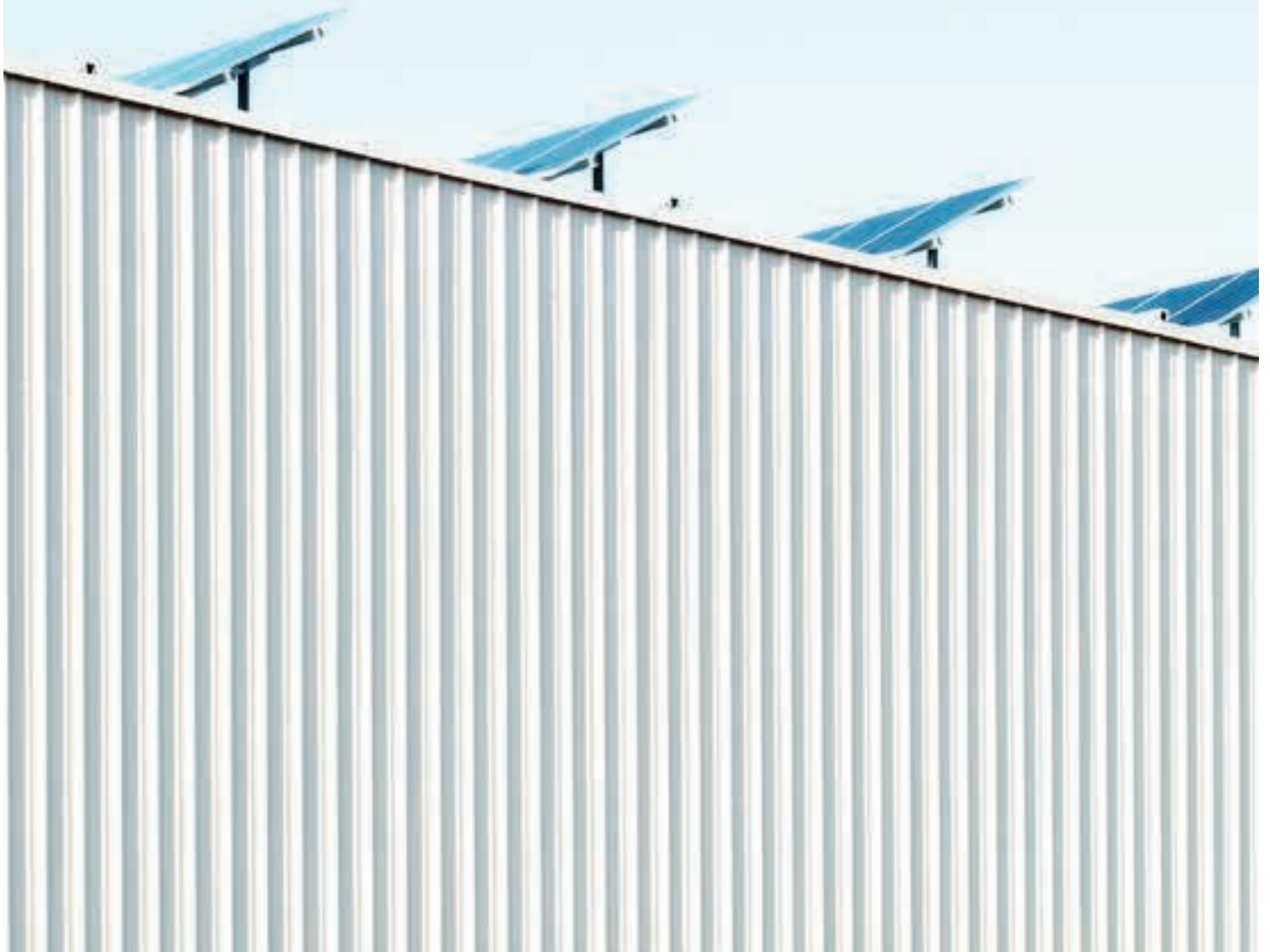
- We are recognised as one of the leading businesses driving the regional effort to act on climate change.
- We have achieved 100 per cent renewable energy.
- We have achieved zero net emissions for Scope 1 and Scope 2.
- We are on the way towards becoming carbon neutral (Scope 1, 2 and 3).
- We are at the forefront of new technology and solutions in renewable energy and emissions reduction.
- In partnership with education institutions and businesses, we have supported growth in a new economic capability in the region, leveraging off low emission technologies.
- We are commercially operating renewable energy systems for partners across the region.
- We are experts in minimising emissions across the full life-cycle of our business operations.

Our measures of success in 2023 will show...

- We are working with our partner agencies and the community and have delivered regional large-scale renewable energy projects.
- We are on track to achieving 100 per cent renewable energy.
- We have a zero emissions culture throughout the organisation and have adjusted our business practices to minimise carbon emissions.
- We are delivering innovative carbon smart designs.
- We are measuring and mitigating not only our direct emissions, but also starting to mitigate the emissions not directly owned or controlled by the business, e.g. contractors, suppliers.
- We have delivered an industry large-scale renewable energy project.
- We have built capability in renewable energy generation and operation.
- We have implemented sustainable procurement policy and guidelines and have criteria weighted to favour low emission companies, practices and technology.



**NEW TECHNOLOGIES, SYSTEMS
AND INFRASTRUCTURE THAT
DRIVES DOWN EMISSIONS**







Our target is to achieve

100%

**renewable energy
by 2025**

OUR LONG-TERM AMBITION IS TO ACHIEVE
OPTIMAL USE OF OUR RESOURCES TO THE FULL
EXTENT POSSIBLE AND ACHIEVE ZERO WASTE





Zero Waste

We understand there are sustainable limits on the use of natural resources, including water. Optimising value from existing infrastructure and available resources is essential to provide the foundation for a strong economy, healthy environment, liveable towns and cities and a prosperous region in the decades to come.

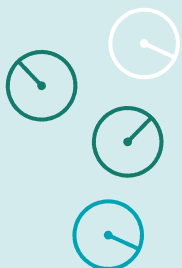
Our long-term ambition is to achieve optimal use of our resources to the full extent possible and achieve zero waste. This includes managing our water and wastewater to recover and reuse not only water, but other resources, such as energy and nutrients embodied within waste streams.

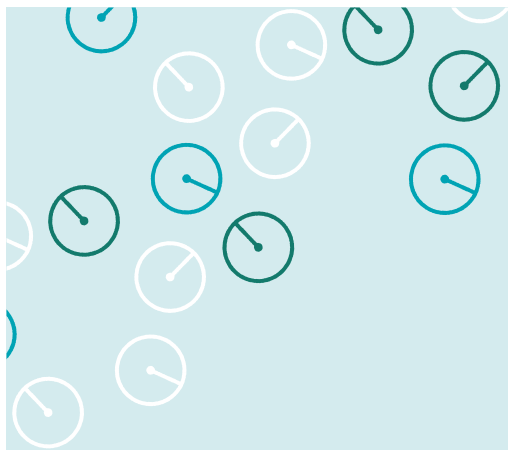
Reducing waste will not only enhance our environment, it will help drive innovation to identify and deliver greater productivity.

Internally, we will engage all staff in the identification of waste and process improvement projects that make us a more customer focused, productive and high performing organisation.

How we will deliver

BARWON WATER WILL ACHIEVE A ZERO WASTE TARGET BY TURNING OUR WASTES INTO PRODUCTIVE RESOURCES THAT HELP GROW THE REGIONAL ECONOMY AND CONTINUOUSLY IMPROVE PRODUCTIVITY AND CUSTOMER VALUE.





Objectives

Reduce resource consumption and waste production through improved efficiency

As a major producer of waste, we have a responsibility to ensure we fully understand our waste streams in our offices, sites and infrastructure and implement plans to reduce waste through operational efficiencies and new systems.

Recycle more of the wastes produced from our activities

Our top priority will be to maximise the use of our main waste stream, recycled water, from our water reclamation plants. In doing this we will optimise high value uses for this resource, with discharge being an option of last resort (rather than first resort).

Recover other resources, such as energy and nutrients that are embedded in waste streams from Barwon Water and others

As a major business involved in all aspects of infrastructure planning construction and operation, we have extensive waste streams across our business. Of particular importance is the sewerage system, which is effectively a centralised waste collection, conveyance and management system. Given the extensive nature of this waste management asset, we will explore opportunities to leverage its value for productive purposes.

Continuous improvement in customer value and productivity

We will apply a mantra of zero waste in everything we do, driving how our business evolves into a lean, zero waste organisation.

We will engage all staff in the identification of waste, and review our processes and practices to ensure they are productive and make us a more customer and community focused, high performing organisation.

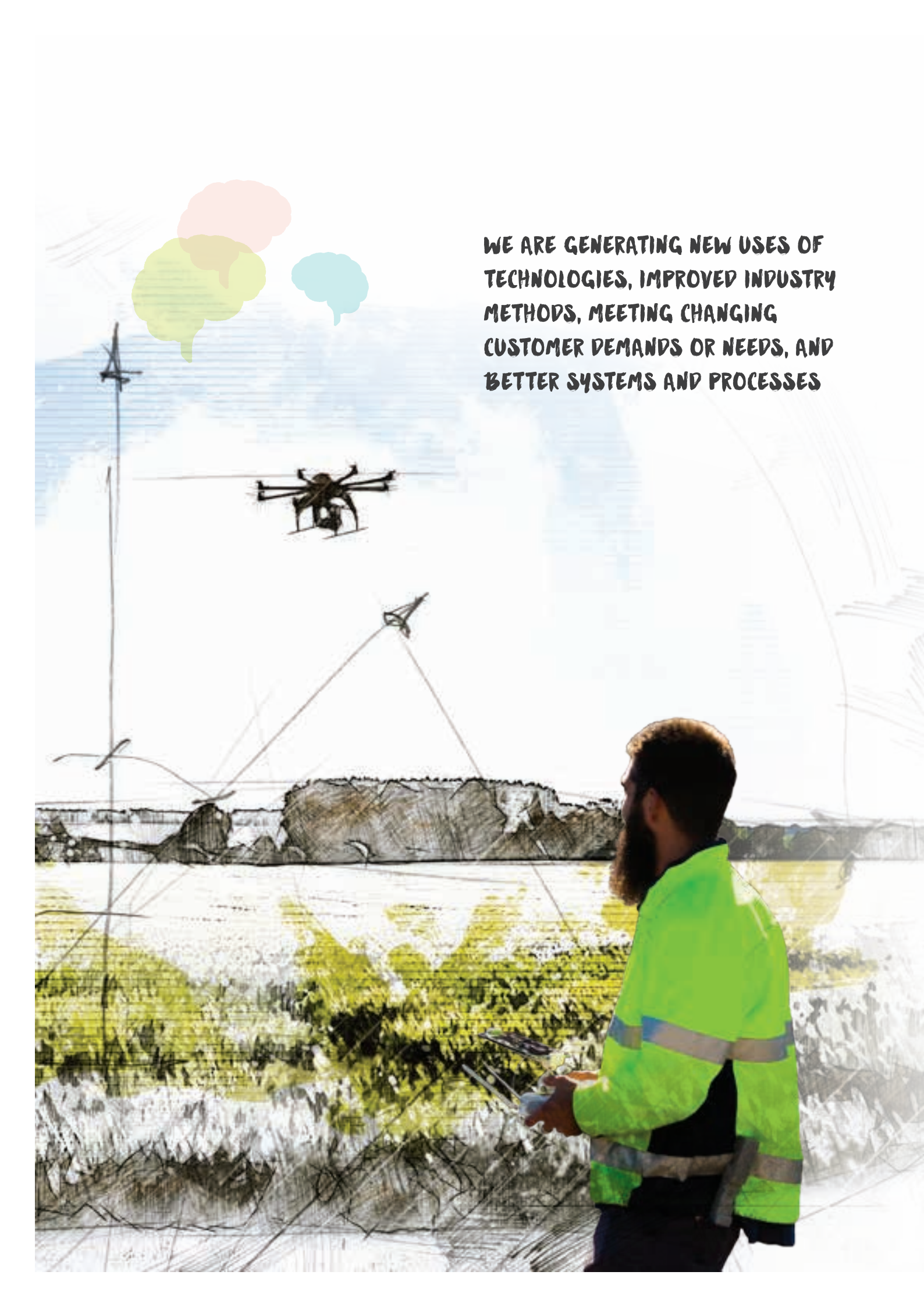


By 2030 this means...

- We are encouraging partnerships with our customers, community and stakeholders to implement 'One Planet Living' sustainability principles, to build a thriving regional economy that is meeting more of its needs from local, renewable and waste resources.
- We are industry leaders in resource recovery and waste minimisation technologies.
- We are utilising all water resources for their highest and best use, including:
 - attracting new industries to the region that turn our wastes into productive outputs and create new job opportunities, and
 - 100 per cent water recycling from our wastewater treatment plants.
- We are recovering energy from our waste streams and operations.
- We are leveraging our waste treatment and reuse facilities to inspire a 'zero waste' mindset and deliver 'zero waste' practices with our regional partners.
- We are a lean and productive business ensuring year on year increased value for our customers.

Our measures of success in 2023 will show...

- We have implemented "One Planet Living" sustainability principles across all aspects of our business, demonstrating genuine high performance and leadership to plan for, communicate and implement environmentally and socially sustainable action.
- Through transformational process improvement, we have redistributed our time and resources to deliver the outputs required under each step change area.
- We have a productivity improvement pipeline that has delivered significant improvements in customer value.
- We have engaged deeply with our customers and have general acceptance on the appropriateness of drinking high quality recycled water for long-term water supply opportunities (beyond 2030).
- We have secured alternative water supplies for the region's priority sporting and recreational facilities to limit the impact of future dry conditions.
- We have enabled several stormwater re-use projects through our expertise and partnerships.
- We have identified and developed a business case for a regional waste to energy project.
- We have attracted a new industry to the region that utilises our waste to create opportunity.



WE ARE GENERATING NEW USES OF
TECHNOLOGIES, IMPROVED INDUSTRY
METHODS, MEETING CHANGING
CUSTOMER DEMANDS OR NEEDS, AND
BETTER SYSTEMS AND PROCESSES



Entrepreneurial

*As a significant contributor to the region's future,
we need to develop a more outwardly oriented approach that
proactively seeks out innovation and new opportunities.*

We also have a role to play to invest in key areas for public good where the private sector is reluctant to be involved. Entrepreneurship also involves leading and showing others the way with an 'opportunity' mindset.

We will always ensure the scope of our entrepreneurial activities remain relevant to our business, customers and community.

How we will deliver

BARWON WATER WILL ADOPT A MORE ENTREPRENEURIAL MINDSET THAT EMBRACES INNOVATION AND DELIVERS COMMERCIAL AND COMMUNITY OPPORTUNITIES THAT HARNESS WATER RESOURCES FOR THE BEST POSSIBLE REGIONAL OUTCOMES.

Objectives

Adjust our culture to be one of seeking regional economic opportunities

We will build entrepreneurial capability in our organisation so that our organisation is attuned to identifying potential entrepreneurship opportunities.

Develop processes to support conversion of viable opportunities

Secondly, we will develop and embed systems and processes to ensure the opportunities we progress are the right ones, having assessed the likelihood of success, resources and risks.

Leverage the value of existing services to develop new commercial opportunities with customers and the community

Finally we are in an ideal position to leverage the strong networks we have across the business and community sectors to add value to the business and the region. It will require us to be more proactive in seeking out new knowledge, through research and development activities, as well as applying that knowledge in innovative ways to improve our business.



By 2030, this means...

- We are listening to our customers, community and stakeholders to draw on their ideas, needs and expectations to drive innovation and entrepreneurship across all aspects of our value chain.
- We recognise that in order to create and innovate some failure is inevitable and we realise the great potential and opportunity in learning from mistakes and failures, and even embrace these as part of the learning process.
- We have developed an entrepreneurial and innovation culture that is renowned within the industry through our behaviours, case studies and the awards we win.
- We have highly developed creativity skills within the business, which is driving our critical thinking and innovation and keeping us at the forefront of entrepreneurship.
- We are investing in innovative, water-related regional prosperity initiatives by:
 - generating significant non-regulated revenue through innovative commercial opportunities that are aligned with our business scope and goals, and
 - innovation, research and development frameworks, systems and partnerships, which are developing and commercialising leading edge technology.

Our measures of success in 2023 will show...

- We are leveraging our internal innovation culture, skill strengths and experience to deliver new services to regional partners, customers and the community.
- We have a dynamic, efficient and fun innovation program which has an effective balance of incremental, adjacent and radical (the 'big ideas') innovation.
- Our entrepreneurial and innovation capability is agile and has a broad portfolio of innovations across all aspects of our value chain – operations, corporate activities, technology, supply chain, products and services, marketing and engagement, and customer experience.
- We are generating new uses of technologies, improved industry methods, meeting changing customer demands or needs, and better systems and processes.
- We have built entrepreneurship capability and experience within the organisation which is generating new ideas and delivering positive results.
- We have delivered new commercial opportunities generating over \$1 million per year in non-regulated (net) revenue.
- We are working with our regional partners to develop a new technology that enhances sustainable living.
- We are regularly presenting at conferences on our success stories and winning awards for our achievements.
- Our entrepreneurial and innovation program is regularly measured and monitored to ensure its effectiveness and sustainability.





High Performance

High performance underpins the delivery of our strategy. Barwon Water's people are among its most important resources. A high performance culture will be achieved through diversity, accountability and inclusive leadership.

High performance will also be supported by a highly effective, continuous improvement mindset, which will be essential for the organisation to navigate, focus and improve within a rapidly changing environment.

How we will deliver

BARWON WATER WILL COMPRISE A DIVERSE AND ACCOUNTABLE ORGANISATIONAL CULTURE, ENABLED THROUGH INCLUSIVE LEADERSHIP AND ALIGNED TO STRATEGY, VALUES AND BEHAVIOURS.

Objectives

Create strong strategy ownership

Achievement of the 2030 Strategy requires a change in mindset. This will require strong engagement with the new 'Why' and 'How' at all levels of the organisation. Establishing a brand around the strategy will guide us in everything we do.

Achieve diversity, inclusion and gender equity at all levels of the organisation

Barwon Water's Diversity, Inclusion and Gender Equity Strategy and Action Plan provides the framework for a more diverse workforce through education, alignment and embedding across the business.

Develop inclusive leadership capabilities

The increasing diversity of our talent, customers and markets is reshaping the capabilities required of leaders. Leadership is also not just something that comes from the top. All people leaders across the organisation are responsible for building culture and performance. A leadership development program that builds inclusive leadership capabilities will be embedded across the organisation.

Set a high performance culture

A cultural roadmap will be developed and implemented to create alignment to strategy across the organisation, accountability for performance and ownership of agreed values and behaviours.

**A HIGH PERFORMANCE CULTURE WILL
BE ACHIEVED THROUGH DIVERSITY,
ACCOUNTABILITY AND INCLUSIVE LEADERSHIP**





By 2030 this means...

- We have an agile, future ready workforce with a high level of skill that is aligned with our strategy and leading in technological and environmental change.
- We are seen as an employer of choice for opportunities that expand beyond our organisation to the region.
- We have maintained a strong financial position and are delivering sustained value to our customers and community.
- We are providing leadership to the industry and region on process productivity and customer value.
- We are leaders in workplace inclusion and diversity, reflecting the community we serve.
- Our leaders are sought after for their inclusive and inspiring leadership capabilities and high performance outcomes.
- Our whole organisation is aligned and accountable to our strategy through a transparent performance framework.
- We work with other agencies in the region to create professional development opportunities that build the capability of our workforce at a regional level.

Our measures of success in 2023 will show...

- We have leadership demonstrated at all levels across the business and supported by a robust leadership development program.
- All staff have a deep understanding of our customer and community expectations and needs and are proactive in meeting them.
- We have a united, high performing executive leadership team who are customer and community focused, who inspire and foster high performance among our staff, partners and contractors.
- The Board, Executive and organisation continues to act as a team, with full trust and transparency, accepting that success is not the same as perfection, learning and growing from any failures as we strive to deliver our vision.
- We measure staff and contractor performance and our value to customers and the community with excellent data and knowledge.
- We have delivered significant, measurable productivity (time, cost, ease) and customer value improvements in our processes each and every year.
- We have achieved diversity, inclusion and gender equity at all levels of the organisation.
- We have implemented flexible work practices throughout the organisation.
- We have a clear strategy, brand and purpose. Our staff are fully engaged and aligned and delivering key initiatives.
- We have developed valuable and constructive employment opportunities with our regional partners and communities.





What we do

Barwon Water is recognised as an industry leader in providing outstanding value to our customers and the community by delivering high quality affordable and secure water services.

What we do is not changing, but *how* we do it, is. What we do is based on strong foundations, including **sound business and financial practices**, a commitment to **excellence in safety, quality and environmental performance** and **effective engagement with our customers and the community**.

Sound business and financial practices

- Ensure financial sustainability to deliver customer and community value
- Apply smart digital technology supporting business effectiveness
- Provide optimum service levels to existing customers through efficient infrastructure planning and asset management
- Implement an enterprise-wide risk and compliance management system to ensure strategic goals and corporate governance responsibilities are delivered

Excellence in safety, quality and environmental performance

- Drive an integrated approach to the management of safety, quality and environmental risks
- Promote employee and contractor workplace safety, quality products and services
- Drive sustainability principles and practices in all aspects of our business
- Implement leading initiatives for better safety, quality and environmental outcomes

Effective engagement with our customers and community

- Inform and engage broadly and deeply with our customers and community to build trust and value
- Provide an effortless customer experience, anywhere, any time
- Provide timely, valued and integrated service provision to new customers



Strategy scorecard

(performance measures)

*Targets for the measures of strategic success (below)
will be set and updated every 12 months.*

Customers and Community

Customer and community focus

- Measurable improvement in customers and community valuing and trusting Barwon Water

Liveability improvement

- Measurable improvement in green spaces, recreational opportunities, cultural and wellbeing initiatives

Processes and Projects

Emissions

- Reduction in emissions
- Renewable energy generated

Waste

- Decrease in wastes produced
- Increase in waste to productive use (including increased use of recycled water)
- Waste to energy capture

Business transformation

- Measurable productivity (time, cost, ease) and customer value improvements
- Measurable improvement in each of the top five capabilities required to deliver the strategy



People

Engagement

- Employee engagement with strategy

Accountability

- Personal performance and development plans in place and aligned to strategy

Exceeding KPIs

- Number of employees in the upper quadrant of performance and behaviours assessment

Diversity

- Initiatives in place that build skills, capability and employment opportunity in the new economy and non-traditional areas

Culture

- Completion of Cultural Roadmap actions in accordance with timeframes

Financial and Governance

New revenue

- Non-regulated revenue from new enterprises, commercial opportunities and waste recovery

Regional economy

- Number of jobs and economic value created through initiatives enabled by Barwon Water

Strategic performance assessment

- Key stakeholder performance rating of 6/10 for Barwon Water against each of the five Hows and the Why (including customers, industries, schools, educational institutions and regional agencies)

Short-term action plan

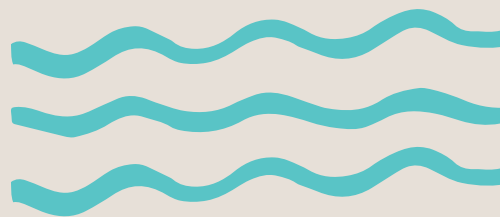
Strategic Partnerships

How we will deliver

BARWON WATER WILL PARTNER WITH CUSTOMERS, INDUSTRY, THE COMMUNITY AND AGENCIES TO ACHIEVE HIGH VALUE SOCIAL, ENVIRONMENTAL AND ECONOMIC OUTCOMES, SUPPORTED BY A COMMITMENT TO A COLLABORATIVE, WHOLE-OF-BUSINESS APPROACH.

By the end of 2018 we will have achieved these key milestones...

- Reviewed the boundaries of our existing customer charter with the aim of increasing our water service offerings.
- Commenced the transition to digital water meters.
- Provided a one contact journey for customers and developers through centralised customer service.
- Reviewed all processes and improved many of them from a customer experience perspective.
- Identified opportunities to add significant value for business and industrial customers by enhancing their water and wastewater management and deliver at least one shared initiative that boosts regional prosperity.
- Developed and launched a Reconciliation Action Plan to support and improve outcomes for Aboriginals, particularly in the areas of employment and training opportunities.
- Built capacity to facilitate increased Aboriginal participation in water management.
- Reviewed our asset portfolio for opportunities to enhance regional health and wellbeing through the recreational options they offer.
- Co-ordinated increased fish stocking at appropriate reservoirs through collaboration with the Victorian Government and community groups.
- Enhanced community understanding and access to information regarding recreational opportunities.
- Worked with regional agencies on public water fountain opportunities to promote drinking water and facilitate physical activity.
- Developed a decision making matrix for assessing and progressing opportunities as well as a model for leading through partnerships.
- Engaged regional councils and G21 to identify and rank critical public assets (parks and sporting grounds) that require water in the event of drought.
- Embedded integrated water cycle management early in urban planning for Geelong's long term growth areas (Western and Northern Geelong).
- Actively participated in the GROW program, bringing together organisations in the G21 area with the single objective of creating job opportunities for the most disadvantaged in our community.
- Successfully delivered Climate Change Adaptation Plan (Action Plan).



Zero Emissions

How we will deliver

BARWON WATER WILL ACHIEVE ZERO NET EMISSIONS BY 2030 BY LEADING APPLICATION OF NEW TECHNOLOGIES, SYSTEMS AND INFRASTRUCTURE THAT DRIVES DOWN EMISSIONS IN OUR BUSINESS

By the end of 2018 we will have achieved these key milestones...

- Commission 1000kW Black Rock solar renewable energy project.
- Implement Wurdee Boluc wind, solar and battery renewable energy project.
- Implement Leather Street maintenance centre and Ryrie HQ solar renewable energy.
- Implement on-site behind the meter (99kW) at Anglesea, Bannockburn, Colac, Apollo Bay and Birregurra.
- Implement Corio Tip joint solar hub with COGG.
- Developed partnerships and business case for a Regional Large Scale Renewable Partnership solution.
- Investigate water sector renewables partnership (Intelligent Water Network).
- Explore partnership opportunities with the Deakin Energy Nexus research hub.
- All new and upgraded assets are designed to be zero net emissions.
- Adopt carbon smart framework in all new energy using project design and construction.
- Implement ongoing efficiency reviews across our sites to reduce energy use.
- Review and reduce fleet emissions to lower emission travel.

Appendix 2 (continued)

Zero Waste

How we will deliver

BARWON WATER WILL ACHIEVE A ZERO WASTE TARGET BY TURNING OUR WASTES INTO PRODUCTIVE RESOURCES THAT HELP GROW THE REGIONAL ECONOMY AND CONTINUOUSLY IMPROVING PRODUCTIVITY AND CUSTOMER VALUE.

By the end of 2018 we will have achieved these key milestones...

- Embedded metrics for 'One Plant Living' principles across all our operations, including:
 - zero waste leaves Ryrie HQ building, a worm farm, and stormwater recycling.
- Reviewed all waste streams and developed a clear understanding of opportunities to achieve zero waste.
- Implemented a 'Target Your Water Use' water efficiency program.
- Supported local government to improve wastewater management in communities that do not currently have reticulated sewerage (e.g. Forrest/Moolap).
- Developed a plan to increase the use of recycled water, including:
 - an engagement strategy to improve community understanding and perceptions of recycled water
 - identifying and proactively approaching industries and high value agricultural options that could utilise our wastes in a synergistic way
 - assessing opportunities for using recycled water for environmental flows
 - supporting local government to use recycled for green spaces and new liveability options (e.g. wetlands), and
 - investigated a recycled water opportunity for the future Batesford Quarry lake as identified in growth area Integrated Water Management plan.
- Reviewed and revised the existing Industrial Waste Management Plan to align with the zero waste target.
- Identified stormwater re-use opportunities in the region, including for residential purposes.
- Developed a business case for a Colac waste to energy (biogas) plant.
- Reviewed regional waste needs and opportunities in the region and assess if there is a possible role for Barwon Water in managing other wastes.
- Worked with trade waste customers to identify zero waste opportunities.
- Identified reuse opportunities for the heat generated at the Black Rock Biosolids Thermal Drying Facility.
- Identified and implemented projects that measurably improve customer value and productivity.



Entrepreneurial

How we will deliver

BARWON WATER WILL ADOPT A MORE ENTREPRENEURIAL MINDSET THAT EMBRACES INNOVATION AND DELIVERS COMMERCIAL AND COMMUNITY OPPORTUNITIES THAT HARNESS WATER RESOURCES FOR THE BEST POSSIBLE REGIONAL OUTCOMES.

By the end of 2018 we will have achieved these key milestones...

- Designed and implemented an innovation and entrepreneurial capability program to build our internal capability.
- Developed a journey for innovation entrepreneurship opportunities from idea generation, to design and development, to commercialisation, using new tools and a revolutionised framework, including:
 - a clear process for assessing and analysing opportunities based on likelihood of success, resources required, risks and alignment to regional prosperity.
- Developed and implemented a program to enhance the creative skills of our staff.
- Started to broaden our innovation focus from ‘internal’ to ‘external’ via an ambitious matrix of innovation types across the spectrum, including:
 - incremental/core innovation (small improvements or upgrades to our existing products, services, processes and methods) e.g. 70 per cent
 - adjacent innovation (leveraging our existing capabilities and assets into new areas and opportunities) e.g. 20 per cent
 - radical (disruptive) innovation (has a significant impact on a market and on the economic activity of the region) e.g. 10 per cent

Appendix 2 (continued)

- Identified and assessed the viability of multiple commercial opportunities and established a register for these opportunities.
- Developed commercial management systems to deliver successful outcomes from entrepreneurship opportunities.
- Investigated shared services options for regional agencies in common spaces.
- Developed a commercial arm to deliver commercial offerings aligned with the capabilities of the business and to accelerate innovation.
- Expanded the value and use of existing partnerships (e.g. Karingal Nursery).
- Focused research and development (on zero waste, zero emissions, smart cities, high value agriculture and water technologies) is part of a diverse innovation and entrepreneurship portfolio.
- Created an innovation space combining mindset, virtual, and physical spaces (e.g. in Ryrie HQ).
- All work locations and departments are recognised for driving innovation and all employees recognise the importance of innovation as part of their role.
- Developed a monitoring and measurement program that is regularly checking the health and effectiveness of the innovation and entrepreneurial culture.
- Developed a robust on-boarding program (awareness and training) for new employees to ensure they understand and can contribute to the innovation culture.

High Performance

How we will deliver

BARWON WATER WILL COMPRISE A DIVERSE AND ACCOUNTABLE ORGANISATIONAL CULTURE, ENABLED THROUGH INCLUSIVE LEADERSHIP AND ALIGNED TO STRATEGY, VALUES AND BEHAVIOURS.

By the end of 2018 we will have achieved these key milestones...

- Business Transformation has reviewed several of our systems and activities to ensure we are continually improving our business processes and technology to deliver measurable efficiency gains in our time, expenditure and performance. Several 'major' disruptive process changes have been identified to enhance customer and community value.
- Developed and delivered an organisation-wide leadership development program.
- Established a cultural roadmap that sets out all the elements required to achieve a high performance culture.
- Delivered the elements identified by the cultural roadmap.
- Implemented a performance framework consisting of cascading action / performance plans from strategy, to corporate, to department, to individual.
- Reviewed, assessed and built consistent leadership capabilities.

- Transform from a 'role' to 'task' based organisation set up around customers, opportunities and partnerships.
- Ensured all departments, teams and employees are inspired by how they are contributing to the 2030 Strategy and are delivering their key performance indicators and other positive outcomes.
- Developed and delivered an engagement plan around the Strategy 2030.
- Developed and embedded organisational systems, processes and programs that enable and support a more inclusive workplace.
- Reviewed and improved recruitment and selection processes and practices.
- A better understanding our workforce composition to target minority groups.
- Provided a suite of education and awareness programs.
- Build employee understanding on the importance and benefits of diversity and inclusion in the workplace.
- The Board, Executive and organisation has built on the foundations of strong leadership, trust and transparency to be providing exceptional thought leadership and outstanding business strategy outcomes.





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