

SA Water Governance Statement

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**Government of
South Australia**

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1 Introduction

1.1 About SA Water

SA Water is South Australia's public water utility, wholly owned by the Government of South Australia. It operates in a geographically and climatically diverse service area, with sites and locations in metropolitan Adelaide and regional areas of South Australia.

Its strength and expertise have been shaped throughout its history by many challenges: the driest state, vast distances, drought conditions and the quality and scarcity of the State's source water.

The importance of SA Water's products and services means that it has several independent regulators, overseeing and monitoring legal and regulatory compliance with State and Commonwealth obligations. It is a diverse and complex governance environment.

1.2 Purpose of this Governance Statement

Governance refers to the framework of rules, relationships, systems and processes by which an organisation is directed and controlled. It includes the mechanisms by which authority is exercised within an organisation. It ensures accountability, fairness, and transparency in an organisation's relationship with its stakeholders.

The governance landscape *typically* involves:

- a well-structured Board of **Directors** with independent oversight
- clear roles and responsibilities between Board and management
- robust risk management and internal control systems and protocols
- ethical conduct and demonstrable compliance with laws and regulations, and
- transparent reporting and regular communication with stakeholders

This **Governance Statement** is part of that landscape and is designed to provide guidance to SA Water's Board **Directors**.

This **Governance Statement** compliments and supports the legal and regulatory context in which SA Water operates and recognises the obligations imposed externally as well as those policies, systems, frameworks and protocols that the Board self-imposes. It is designed to provide guidance to SA Water's **Directors**. It is to be accorded the status of a Governance Policy.

1.2.1 Precedence

Nothing in this **Governance Statement** or in any policy or procedure adopted by the Board is intended to conflict with the applicable legal and regulatory environment. If such a conflict occurs, the legislation and regulations shall prevail.

1.2.2 Review of Governance Statement

The **Governance Statement** will be reviewed every three years by the Governance Finance & Risk Committee (or its equivalent) with any recommended changes to be submitted for consideration and approval of the Board.

1.2.3 Variations

This document may only be amended or varied with the approval of the Board.

1.3 Definitions

Where words appear in this document in **Capitalised Italicised** print, they are defined terms from legislation and other recognised sources. The same meaning given to those terms in legislation and regulations shall apply to the use of those terms in this **Governance Statement**. The definitions are set out below.

Board Member(s) is a **Director** of the Board, appointed pursuant to section 17 of the [South Australian Water Corporation Act 1994](#). This term may be used interchangeably with the term director.

CE is the Chief Executive Officer of SA Water as appointed pursuant to section 17 of the [South Australian Water Corporation Act 1994](#).

Committees shall have the meaning ascribed to that term in Section 9 of this **Governance Statement**.

Corporation means the South Australian Water Corporation, or SA Water, as set out in Part 2 of the [South Australian Water Corporation Act 1994](#).

Director(s) is a member of the Board, appointed pursuant to section 12 of the [South Australian Water Corporation Act 1994](#). This term may be used interchangeably with the term **Board Member**.

The Charter shall have the meaning ascribed to that term in the [Public Corporations Act 1993](#). It is a separate SA Water Corporation Charter with a specific purpose as defined in section 12 of that Act. It details the nature and scope of SA Water's commercial and non-commercial activities as well as special requirements of the Minister and Treasurer. **The Charter** must be reviewed annually and is available on the [SA Water website](#).

Governance Statement means this document and as amended from time to time.

Guidelines refer to the **Guidelines** for South Australian Government Boards and Committees published on the [Department of the Premier and Cabinet website](#) that are updated from time to time and referenced in [Premier and Cabinet Circular 16](#).

Minister shall have the meaning ascribed in section 4 of the [Acts Interpretations Act 1915](#) (SA), being the **Minister** to the Crown to whom the administration of the [South Australian Water Corporation Act 1994](#) has been committed by the Governor, presently the Minister of Housing Infrastructure, or any other **Minister** appointed by the Governor from time to time.

Premier and Cabinet Circular(s) are directions issued by the Premier pursuant to section 10 of the [Public Sector Act 2009](#) that are updated from time to time and available on the [Department of the Premier and Cabinet website](#).

Public Sector Code of Ethics is available is on the [Commissioner for Public Sector Employment website](#) and is updated from time to time, which fulfills the function of the Public Sector Code of Conduct as prescribed pursuant to Section 15 of the [Public Sector Act 2009](#).

Treasurer's Instruction(s) shall have the same meaning ascribed to that term in Part 4 of the [Public Finance and Audit Act 1987](#) (SA) which are updated from time to time and available on the [Department of Treasury and Finance website](#).

1.4 The Legislative Context and SA Water's Statutory Object

SA Water's enabling legislation is the *South Australian Water Corporation Act 1994* ("the Act"). It provides as its Object.¹

*"...to establish a statutory **Corporation** as a business enterprise with the principal responsibility of providing water and sewage services for the benefit of the people and economy of the State."*

SA Water's functions and powers are assigned or conferred on it by this enabling legislation and other legislation and regulatory instruments.²

The **Corporation's** primary functions are set out in the Act as follows³:

- for the supply of water by means of reticulated systems;
- for the storage treatment and supply of bulk water; and
- for the removal and treatment of wastewater by means of sewage systems,

collectively referred to as the **Corporation's** primary functions.

The Act also provides that SA Water is to:

- "...Carry out research and works to improve water quality and wastewater disposal and treatment methods;
- Provide consultancy and other services within the areas of the **Corporation's** expertise;
- Develop commercially and market products processes and intellectual property produced or created in the course of the **Corporation's** operations;
- Advise users of water in the efficient and effective use of water;
- Encourage and facilitate private or public sector investment and participation whether from within or outside the state in the provision of water and wastewater services and facilities; and
- any other function conferred on the **Corporation** by this Act."

collectively, SA Water's further functions.⁴

The extent and geographic locations of the primary and further functions are not specified. Rather, SA Water's sphere of operation has been determined by a long history as a public utility. Decisions about where and how new services are provided in the contemporary setting have an underlying commercial consideration, and are shaped by government direction and influence.

Legal requirements: there are many state laws that impact on public sector operations, particularly in the areas of accountability, transparency and ethical behaviour. These laws affect boards and committees in varying ways. Board **Directors** must understand and conduct themselves always in accordance with these Acts. They are summarised in Table

¹ Section 3, [South Australian Water Corporation Act 1994](#)

² Including the Public Corporations Act 1993, the South Australian Water Corporation Act 1994, the Public Sector Act 2009, the Public Finance and Audit Act 1997, the SA Water Charter, and others.

³ Section 7 (1) (a) – (c)

⁴ Section 7 (2) (a) – (f), [South Australian Water Corporation Act](#)

4 in the **Guidelines**,⁵ together with relevant Treasurer's Instructions which are set out in Table 5 in the **Guidelines**.⁶

1.5 Key Regulators

As a publicly owned utility, operating in a highly regulated environment, SA Water is subject to oversight by a diverse range of regulatory bodies. This reflects the breadth of its activities, the essential nature of the services it provides, and the need to uphold public trust, safety, and accountability. The volume of regulatory engagement spans economic, environmental, safety, technical, legal, and governance domains - each with distinct statutory obligations, compliance requirements and reporting frame

orks. This regulatory complexity underscores the importance of a structured and proactive approach to managing regulatory relationships and obligations.

The key regulators are:

- **The Essential Services Commission of South Australia** (ESCOSA) is the State's independent economic regulator that determines SA Water's allowable revenue, sets service standards, and monitors SA Water's performance and compliance in the delivery of essential water and sewerage services for its customers. ESCOSA's role in regulating SA Water is determined through the [Water Industry Act 2012](#) and the [Essential Services Commission Act 2002](#).
- **SA Health** sets and monitors standards for drinking water quality through the [Safe Drinking Water Act 2011](#) and regulates recycled water use in the State pursuant to the [South Australian Public Health Act 2011](#) and associated regulations.
- **The Office of the Technical Regulator** sets standards and requirements for water and sewerage infrastructure, and the operation of that infrastructure, to ensure public safety, with its operations with respect to SA Water determined pursuant to the [Water Industry Act 2012](#).
- **The Environment Protection Authority** sets standards for acceptable discharge from wastewater treatment facilities and monitors our operations and activities to minimise impact on the environment pursuant to the [Environment Protection Act 1993](#).
- **The Department for Environment and Water** regulates access to natural water sources, protects water catchments and native vegetation and is the State body responsible for the River Murray as part of arrangements for managing the Murray-Darling Basin.
- **SafeWork SA** is South Australia's workplace health and safety regulator that enforces work and safety laws, including the [Work Health and Safety Act 2012](#).

1.6 General Performance Principles

In addition to its primary and further functions set out in the Act, SA Water is also subject to the *Public Corporations Act 1993*. In this Act, there are three primary obligations imposed on SA Water. They are:

⁵ [Guidelines](#), page 15

⁶ [Guidelines](#) page 16

- That it “...must perform its commercial operations in accordance with prudent commercial principles and use its best endeavours to achieve a level of profit consistent with its functions.”⁷
- That any non-commercial operations must be performed “in an efficient and effective manner consistent with the requirements of its charter”⁸; and
That “The board of SA Water is responsible to its **Minister** for overseeing the operations of the **Corporation** with the intention of securing continuing improvements of performance and protecting the long term viability of the **Corporation** and the Crown's financial interests in it.”⁹

2 Scope of this Governance Statement

Government board and committee members hold a unique position of trust within the public sector and are expected to uphold the values of the public sector, adhere to the **South Australian Public Sector Code of Ethics** to the extent that it applies (particularly the professional conduct standards, except ‘outside employment’), comply with any legislation, whole of government policies and individual board or committee policies, and contribute to the board or committees’ functions and the government’s objectives.

This **Governance Statement** applies to all **Directors** and Officers of the Board.

Special Note: Insofar as the Act provides that the **CE** is also a **Director** of the Board,¹⁰ this **Governance Statement** applies equally to the **CE** in their capacity as a **Board Member**. To the extent of any conflict, the **Director’s** duties, responsibilities and obligations take precedence.

3 Understanding & Defining Governance Roles: Board Directors and Board Composition

The Board’s membership *must include persons who, together have, in the Minister’s opinion, the abilities and experience required for the effective performance of the Corporation’s functions and the proper discharge of its business and management functions.*¹¹

The Guidelines for Agencies and Board Members¹² published by the Department of Premier and Cabinet (“**the Guidelines**”) provide extensive information about Board composition and skills. **The Guidelines** state that representation of a full range of skills and experience on boards is a prerequisite for ensuring the board can discharge its overall obligations.

It is appropriate for the Board to advise the **Minister** of the skills it sees as critical for the effective discharge of its responsibilities.

3.1 Role of the Board

The Guidelines recognise that “...board members exercise statutory functions with significant responsibilities which may be subject to high levels of public scrutiny. For this

⁷ Section 11 (1) [Public Corporations Act](#)

⁸ Section 11 (2) [Public Corporations Act](#)

⁹ Section 14 [Public Corporations Act](#)

¹⁰ Part 3, Section 12 (2) of [South Australian Water Corporation Act](#)

¹¹ Part 3, Section 12 (3) of [South Australian Water Corporation Act](#)

¹² [Guidelines](#), pages 6 - 8

reason, members must ensure that their actions are effective, lawful and justifiable by having a good understanding of the objects and requirements of the establishing Act.”¹³

The Guidelines explicitly recognise “...the...sometimes difficult relationship between the community service obligations imposed by legislation and the financial requirements of operating an efficient business.”¹⁴

The Board has a particular challenge in balancing government and community expectations with the statutory requirements of the **Corporation**. The Board needs to be aware of these tensions and actively direct its attention, in collaboration with others, to assist government to find effective, efficient, and acceptable solutions.

Against this background and these challenges, the Board's main responsibilities are to:

- Consider the long term external environment and develop strategies for SA Water to adapt to external changes and to adopt best practice internal policies and procedures;¹⁵
- set strategic goals and long-term directions in light of the Government's strategies and policies;¹⁶
- monitor the **Corporation's** performance and provide management oversight;
- set and monitor a robust enterprise-wide risk management framework;
- set, guide, and monitor the **Corporation's** culture and ethics;
- adopt and monitor effective policies and procedures to ensure the Board is operating effectively; and
- adopt effective reporting to enable the Board to set and monitor its strategic and operational performance in accordance with all legal and regulatory requirements and the expectations of the Government.

The Board is also responsible for monitoring its own performance and for adopting policies and procedures to:

- ensure effective operation of the Board;
- ensure that the Board as a whole has the skills, expertise, and experience relevant to setting and pursuing the strategic goals of the State's public water utility;
- monitor organisational performance;
- clearly articulate the role, powers, and responsibilities of the Board;
- clearly articulate the role, powers, and responsibilities of the Chair of the Board;
- define the role, powers, responsibilities of the Chief Executive (**CE**) and to monitor their performance;
- ensure the efficient operation of the Board through the proper timing and management of meetings and distribution of relevant agendas and supporting reports and information;

¹³ [Guidelines](#), pages 6 - 8

¹⁴ [Guidelines](#), page 6

¹⁵ [Guidelines](#), page 6

¹⁶ [Guidelines](#), page 6

- subject to the wishes of the **Minister**, to define a process for determining the manner, method and bases for selection, recruitment, performance, appointment and re-appointment of **Directors**;
- subject to the Act¹⁷, establish the selection process for the **CE** and Board **Directors**;
- establish and monitor expected behaviour of individual Board **Directors**;
- maintain a Register of Declared Interests;
- manage conflicts of interest;¹⁸ and
- establish processes for the review of Board, Committees, and individual executive and non-executive Board **Director** performance.

The Board is responsible for:

- Appointing the **CE**, with the approval of the **Minister**¹⁹ and:
 - Setting their remuneration, contract terms, and conditions.
 - Conducting annual and other performance assessments of the **CE**.
 - Providing guidance and support to the **CE** in the execution of their duties.
 - Ensuring there is a clear understanding of the division of responsibilities between the Board and the **CE**.

The Board adopts all its general duties²⁰ as prescribed in the *Public Corporations Act*.

3.2 Role of (Individual) Board Directors

The expectation of **Directors** is that they will:

- be actively engaged in the development of SA Water's strategic direction using their individual knowledge, experience, and expertise;
- communicate and discuss issues with clarity and respect;
- exercise independent scrutiny and judgement;
- seek to continuously improve the Board's capacity to perform its role and discharge its responsibilities; and
- conform to SA Water policies and procedures applying to the Board, including this **Governance Statement** and SA Water's Conflicts of Interest principles enunciated in this **Governance Statement** and elsewhere in legal and regulatory contexts.

Board **Directors** must be familiar and comply with all duties stated in the *Public Corporations Act* and **The Charter**:

- where appropriate, be willing to contribute to events and meetings outside regular Board and Committee commitments when asked.

Board **Directors** are required to:

- act with reasonable care, skill, and diligence;
- act in good faith and for a proper purpose;
- use information only for a proper and lawful purpose; and

¹⁷ Part 3, Section 12 of [the Act](#), Establishment of the Board, and conditions of membership

¹⁸ Refer Conflicts of Interest and Duty section below on page 10

¹⁹ Part 4, Section 17 of [the Act](#), Staff of Corporation

²⁰ Section 14 (2) [Public Corporations Act](#)

- disclose and co-operate in the identification and management of conflicts of interest and conflicts of duty.

Each **Director** must contribute to the work of the Board and of any Committee to which they are appointed in a manner that is constructive, informed, and strategic.

"Members are required to familiarise themselves with SA Water and with their legal responsibilities. If appointed because of special skills (e.g. finance or legal skills) members are expected to contribute those skills to the board..."²¹

"Members should ensure that their agency is properly consulting and listening to its stakeholders." ²²

3.3 Duty to prefer the Public Interest

Directors of Boards and committees are "...expected to recognise that there is a duty to preference the public interest over any other interests when acting as a member..."²³. The effect of this expectation directly impacts the management of conflicts of duty and conflicts of interest. **Directors** must declare any perceived, potential, and actual conflicts of interest and ensure those conflicts are recorded, and manage them appropriately. Particular attention should be paid to any conflict of duty that may impair the fair and impartial exercise of their duties, including any apprehended bias in relation to certain decisions, and ensure information obtained in one capacity is not improperly used when acting in another capacity.

3.3.1 Conflicts of Interest and Duty

Conflicts can be actual (direct conflict), potential (possible future conflict) or perceived (appearance of conflict to others).

The requirement to manage conflicts of duty and conflicts of interest is grounded in principles of integrity, accountability and transparency. These principles ensure that personal or competing interests do not improperly influence actions or decisions made in a fiduciary or public capacity.

Transparency is a key pillar of public sector accountability. Being transparent means providing sufficient, accurate and timely information about how the Board or Committees conducts their business. This creates a culture of honesty to disclose the level of compliance with key legislative and policy requirements, and, importantly, fosters public trust.

Each Board **Director** is required to abide by conflict of interest policies, codes of conduct, and a range of statutory duties for example those embedded in the *Public Corporations Act*, the [Independent Commission Against Corruption Act 2012](#) (SA), the [Public Interest Disclosure Act 2018](#), the [Freedom of Information Act 1991](#) (SA), the [Ombudsman Act 1972](#) (SA) and other regulatory requirements, including those referred to in Table 4 of **The Guidelines**²⁴.

These rules apply in the management of both *conflicts of interest* where personal gain may be involved, and *conflicts of duty* where a duty is owed to two or more different entities or roles.

²¹ [Guidelines](#), page 21

²² [Guidelines](#), page 22

²³ [Guidelines](#), page 23

²⁴ [Guidelines](#), page 15

A conflict of interest may arise where a **Director's** personal, financial, or other interests could improperly influence, or be perceived to influence, that **Director's** decision-making on matters pertaining directly to SA Water.

A conflict of duty may arise where a **Director** owes *competing duties* to more than one organisation or person, for example where serving on multiple boards with intersecting interests, creating a risk that they cannot act *in the best interests of each*.

Perceived conflict is a situation that might reasonably be seen by *others* as a conflict even if no actual conflict exists.

As its governing body, SA Water's Board is committed to preserving the integrity, impartiality and accountability of the **Corporation**, by being clear about how individual **Board Members** are expected to identify, disclose and manage actual, perceived or potential conflicts.

The Board expects and supports a culture of strong ethical conduct to protect the reputation of SA Water, and the interests of its owner, to ensure compliance with relevant legal, fiduciary, and regulatory obligations and to recognise the potentially adverse impact on the reputations of individual **Directors** if insufficient attention is paid to this discipline.

Specifically, the **Corporation** aims to:

- Promote transparency and trust by requiring individuals to disclose actual, perceived, or potential conflicts, and to demonstrate its commitment to strong ethical governance and the preservation of public confidence;
- Prevent improper influence or bias by ensuring that decisions are made in the best interests of the **Corporation**, and are not influenced by personal gain, relationships or external interests including where conflicts of duty may arise;
- Protect individuals and the **Corporation** by providing clear guidance to help individual Board **Directors** understand their obligations, and reduce the risk of misconduct, reputational damage, or allegations or actual breaches of legal or regulatory requirements; and
- Support good governance and accountability by holding Board **Directors** to consistent standards, ensuring fair, evidence-based decision-making processes are understood and applied consistently and with rigour.

3.3.2 Expectations of Directors

All **Directors** are required to:

- Proactively disclose private interests that could conflict with official duties.
- Complete mandatory annual declarations and ad hoc updates as circumstances change.
- Understand what is expected of them for identifying, declaring, assessing, and managing conflicts.
- Ensure their conduct aligns with relevant public sector obligations (e.g. the **Public Sector Code of Ethics**²⁵, **Premier and Cabinet Circulars**²⁶, **Public Corporations Act**²⁷,

²⁵ [Public Sector Code of Ethics](#), Professional Conduct Standards page 5 to 9

²⁶ [Premier and Cabinet Circulars](#)

²⁷ Part 4, [Public Corporations Act 1993](#)

Freedom of Information Act²⁸, Independent Commission Against Corruption (ICAC)²⁹ and other relevant requirements).

- Acknowledge that the duty to identify and manage any conflict is an individual responsibility and duty and not one that rests only with the Chair.
- Recognise the special role that each Board **Director** and employee of SA Water has as a public officer under relevant integrity legislation and frameworks.

To assist **Directors** in the management of any conflicts of interest, the Board, through the leadership of the Chair, shall foster a culture of integrity and transparency by:

- Making conflict of interest management part of induction, ongoing training, and routine leadership conversations.
- Encouraging a “speak up” culture where concerns can be raised without fear of reprisal.
- Reinforcing that perceived conflicts can be as damaging as actual conflicts, and all are to be treated seriously.
- Implementing habits of robust disclosure and management by establishing and maintaining a register of declared interests.
- Augmenting active management by transparent and accountable methods with administrative mechanisms that include but are not limited to:
 - Recusal from decision-making
 - Redaction of papers (initial and ongoing)
 - Consideration of the divestment of the conflicting interest
 - Reallocation of duties or roles
 - Requirement for mandatory prior notice to the Chair of any non-Board related engagement between a **Director** and SA Water
 - At the Chair's discretion seeking independent advice on and review of proposed meetings (before the event)
 - At the Chair's discretion seeking independent advice on and review of decisions where prudent (after the event).
- Ensuring Board oversight and governance review by:
 - Requiring Board **Directors** to declare interests at the beginning of each meeting and formally record such declarations in the Minutes and on relevant Registers.
 - Inviting or requiring conflicted **Directors** to leave the room/meeting platform during relevant discussions.
 - Integrating conflict of interest management with broader integrity systems (e.g. fraud control, codes of conduct, public sector guidelines, whistleblower policies).
 - Remaining at arm's length from operational decision-making and activities.
 - Leveraging external standards and professional organisations for continuous improvement and alignment with best practice such as:

²⁸ [Freedom of Information Act 1991](#)

²⁹ Section 5, [Independent Commission Against Corruption Act 2012](#)

- AS 8001-2021 Fraud and corruption Control³⁰
- *Public Governance, Performance and Accountability Act 2013 (Cth)*³¹ and relevant State equivalents including the *Public Sector Act 2009* and the *Independent Commission Against Corruption Act 2012 (SA)*
- Recognised State and national professional bodies such as the *Australian Institute of Company Directors*³² and the *Governance Institute of Australia*³³
- Ensuring Public Accountability through transparency when appropriate or prudent and considering active disclosure mechanisms such as disclosing management of significant conflicts in the annual report and communicating to key stakeholders how the Board safeguards impartiality and the public interest.

4 Use of Official Information

All matters discussed or considered by the Board or any of its Committees must be *"treated as confidential and/or in accordance with legislation relevant to the board or committee. This includes papers prepared for and/or considered by the board or committee."*³⁴

"Information may only be disclosed by a member if authorised by the Board or required by law (e.g. to the Ombudsman, Office for Public Integrity, the Independent Commission Against Corruption, SafeWork SA, Parliamentary Committees etc.)." ³⁵

Unless authorised by the Board or Committee, it is not appropriate for **Directors** to use personal social media to discuss Board, or Committee matters or promote projects.

Directors should be mindful of public sector values and standards before making public or social media statements that may attract negative comment.

Unless they have been given prior written authority of the Chair, Board **Directors** must avoid speaking publicly on behalf of the Board or any of its Committees.³⁶

5 Role of the Chair

The role of the Chair is to:

- Provide key leadership in overseeing the Board of **Directors** and ensuring that SA Water is governed effectively;
- Ensure that the Board fulfills its responsibilities in overseeing management, strategy, risk and compliance;
- Lead Board meetings and set the agenda, usually in consultation with the **CE** and the Board Company Secretary;
- Conduct meetings in a manner that ensures open communication, meaningful participation and timely resolution of issues reflected in clearly expressed resolutions;

³⁰ See [Standards Australia](#)

³¹ See [Public Governance, Performance and Accountability Act 2013](#)

³² See [Australian Institute of Company Directors](#)

³³ See [Governance Institute of Australia](#)

³⁴ [Guidelines](#), page 27

³⁵ [Guidelines](#), page 27

³⁶ [Guidelines](#) page 27

- Be clear on what the Board has to achieve, both in the long and short term;
- Provide guidance to Board directors about what is expected of them, in accordance with SA Water's **Charter**, this **Governance Statement**, the management of any conflicts of interest, and governance best practice;
- Help to maintain strong governance practices;
- Oversee Board evaluation and individual **Director** performance;
- In consultation with the **CE** ensure that the decisions of the Board are implemented in an appropriate time and manner;
- Be the key point of contact between the Board and the **CE**;
- Ensure that information of strategic interest to the Board is communicated in an appropriate time and manner;
- Be actively engaged as an advocate for SA Water;
- Ensure that relationships with key stakeholders are preserved and protected; and any critical issues reported to Board in a time and manner appropriate to those relationships;
- Together with the **CE**, co-ordinate their joint and several involvement with the **Minister** and ensure that the two channels of communication are consistent and complement each other, including agreeing on the reporting arrangements to the **Minister** that should be clarified with both the Board and the **Minister**³⁷; and
- Establish a performance agreement with the **CE** consistent with the program agreed with the **Minister** to meet the Government's objectives.

6 Role of the CE

The **CE** is responsible for effectively managing the organisation to ensure the proper execution of the **Corporation's primary and further functions**, the satisfaction of SA Water's legal and regulatory requirements, and its strategic goals and vision in accordance with the strategies, policies, programs and performance requirements developed and approved by the Board and otherwise directed by the **Minister**.

In consultation with the Chair, the **CE** is to co-ordinate their joint and several involvement with the **Minister** and ensure that the two channels of communication are consistent and complement each other, including agreeing on the reporting arrangements to the **Minister** that should be clarified with the Board and the **Minister**.³⁸

Further, the **CE** is expected to:

- effectively and efficiently perform the day-to-day management of the **Corporation** in accordance with the strategy, plans, and policies approved by the Board.
- Implement the decisions of the Board.
- Provide leadership to the **Corporation** and its employees.
- Develop and recommend to the Board strategies, business plans, and annual budgets.
- Ensure the **Corporation** operates within the limits imposed by relevant legislation and complies with all legal and regulatory requirements.

³⁷ [Guidelines](#), page 23

³⁸ [Guidelines](#), page 23

- Report to the Board on the performance of the **Corporation** and any significant developments.
- Set, model and actively promote a culture that embeds a positive, ethical, and inclusive organisation aligned with SA Water's values and strategic objectives.

7 Delegations of Authority

In order to appropriately empower the **CE** and to delineate roles and responsibilities between the Board and the **CE** and their leadership team, certain powers and responsibilities are delegated to the **CE**. The delegations of authority from the Board to the **CE** are set out in SA Water's Delegations of Authority Policy and framework.³⁹

8 The Company Secretary

The Company Secretary is the primary anchor point for the effective and efficient administration of matters pertaining to **Board Members'** communications, and the business of the Board and its Committees and events.

8.1 Board Administration

The Company Secretary is required to:

- Arrange Board meetings.
- Manage the timely distribution of agendas, minutes, and Board and Committee papers.
- Establish and maintain accurate record keeping at all levels including with respect to minutes, required registers (such as the Conflict of Interest Register) and declarations.
- As a key governance advisor, guide and support the Board on its duties and ensure governance policies are followed.
- Coordinate and lead **Director** induction and professional development.
- Help co-ordinate Board performance reviews (for Board, Committees and **Directors**).
- Establish and maintain a collaborative and transparent relationship with the Chair, the **CE**, the Chairs of **Committees** of Board, and the Board **Directors**.
- Ensure legal and regulatory requirements are met.

The Company Secretary has duties as an *Officer* of the **Corporation** with the same fiduciary, care, diligence and good faith obligations as **Directors**.

9 Committees of the Board

The Board may establish Committees as necessary, however, it must, unless exempted by the Treasurer, establish an audit committee in accordance with *the Public Corporations Act 1993*.

The members of the Committee will be appointed by the Board and do not need to be a Board **Directors**; however, *the Chair of each Committee* must be a Board **Director**.

³⁹ Delegations [framework](#)

Committees report back to the Board on their activities.

The Committees established by the Board are:

- Customer, Sustainability, People and Safety Committee (CSPSC) whose Terms of Reference are provided [here](#).
- Governance, Finance and Risk Committee (GFRC) whose Terms of Reference are provided [here](#).

Other than the legislative requirement for the audit function, the operation and scope of each Committee is at the Board's discretion and is established by the terms of reference for the Committees approved by the Board.

At least every 2 years the Board will consider and review the purpose, scope, composition and performance of each Committee and renew and amend terms, scope, and composition as necessary to ensure that the strategies and obligations of SA Water and the Board are under appropriate consideration, monitoring and review.

Because the *Public Corporations Act* requires that SA Water must have an audit committee, the GFRC cannot be disbanded or dissolved at the discretion of the Board or SA Water unless another Committee fulfilling this audit function is otherwise established.⁴⁰

After consultation with other Board **Directors**, the Board Chair will appoint a Chair to each Committee who must be a **Director** of the Board.

For convenience, reference to a Chair of a Committee also includes any delegate of the Chair of that Committee.

Taking into consideration the Board **Director** attributes and skills, Committee membership will be established by the Committee Chair on a consultative basis with the Chair and other **Directors** of the Board.

It is incumbent on a Chair of a Committee to consider the shared interests of other Committees (if any) and where it is prudent or necessary to do so, to consult with other Chairs on such matters where it is prudent to do so.

10 Special Purpose Committees of Board

At its discretion, the Board may convene a special purpose Committee at any time for a reasonable purpose. If it does so, Terms of Reference for that Committee shall be approved by the Board and the terms applying to Committees above shall apply to any special purpose Committee.

11 Board Structure

Membership of the Board must be consistent with the enabling legislation and the *Public Corporations Act*.

11.1 Appointment of Directors

The Board may call for expressions of interest from applicants to apply through all or a combination of the following methods at the ultimate discretion of the **Minister**:

⁴⁰ Section 31 (2) [Public Corporations Act](#)

- By calling for a list of suitable nominations from existing **Directors**
- By receiving recommendations from the **CE**
- By appointing a third party to undertake an independent recruitment process
- By advertising in suitable publications for candidates to lodge expressions of interest
- By direct invitation to a suitably skilled, qualified and experienced individual
- By direction from the **Minister**.

In all cases, regard must be paid to the required skills, attributes and qualities necessary to best serve the **Corporation's** interests.

11.2 Re-appointment of Directors

The Act provides for a **Director** to hold office for a term of up to 3 years, commencing on the date of appointment of the **Director** by the Governor and will, at the expiration of a term of appointment, be eligible for reappointment.⁴¹

Each **Director** may hold office for a maximum of 3-year terms, unless otherwise determined by the Board or the **Minister**.

Any **Director** that wishes to nominate for re-appointment to the Board for a second or subsequent term must provide written notice to the Chair of the Board no less than 3 months before the end of a **Director's** current term. Such reappointment, is subject to any review process for re-appointment that shall be determined by the **Minister**.

11.3 Director Remuneration

Directors are remunerated as determined by the Governor on advice from the Chief Executive of the Department of the Premier and Cabinet.⁴²

11.4 Director Indemnity and Protection

Board **Directors** have a degree of protection from personal liability for actions taken in their official capacity, but this protection is not without limits and is balanced by expectations of ethical conduct and accountability. Indemnities do not cover liabilities arising from dishonesty, lack of good faith, or breaches of trust. Indemnities are not absolute and may be limited by the provisions of any insurance terms or other agreements.

12 Board Processes - Procedural Matters

12.1 Board Meetings

Board meetings will be held in accordance with the requirements of its **Charter** and this **Governance Statement**.

In practice, SA Water sets the date of its Board meetings for each calendar year prior to the end of the preceding year.

⁴¹ Section 13(1) [the Act](#)

⁴² Page 6, [Premier and Cabinet Circular 016](#)

In the absence of the Chair, an acting Chair will be nominated by the Chair to attend the meeting. If both the Chair and acting Chair are absent, and assuming the meeting is quorate, the participating **Directors** will vote to elect a Chair for the meeting.

12.2 Board Meeting Agenda

In consultation with the Chair, the **CE** is responsible for preparing an agenda for each Board meeting.

Any **Director** or member of a Board Committee may request items to be added to the agenda for upcoming meetings. Such requests are to be directed to the Chair.

12.3 Board Papers

The **CE** is responsible for the preparation and circulation of Board papers.

All Board meeting agenda items and accompanying papers will be prepared having regard for the responsibilities of the Board, papers endorsed by a Board Committee and any other relevant factor.

If a Board paper relates to a matter in which there is a declared conflict of interest with a particular **Director**, then on the instructions of the Chair and/or on the request of the **Director**, the relevant Board paper (and any subsequent meeting minutes or reports) will be removed or redacted by the **CE** from the set of Board papers sent to or made available by electronic means to that **Director**.

In the case of the Chair having a conflict of interest, a nominated **Director** determined by all other Board **Directors** except for the Chair will make the final decision on the forwarding or redaction of the relevant Board paper to the Chair.

The process for the approval and issuing of papers for a Board meeting is as follows:

- After consultation with the **CE**, the Chair of the Board will approve the agenda and papers proposed for any Board meeting.
- The Chief Executive will approve and authorise the release of the agenda and Board or Committee papers to the **Directors** unless otherwise requested by the Chair of the Board (or the Chair of a relevant Committee) to follow an alternate process.
- Except in rare and exceptional circumstances, Board papers will be released to **Directors** at least 7 calendar days prior to the Board meeting.
- Where urgency necessitates the late release of a Board paper, the late paper must still receive the Chair's prior approval.
- Unless otherwise agreed with the Chair, any materials to be used during a presentation to **Directors** at a Board or Committee meeting are to be provided to **Directors**, with an accompanying brief, with the Board papers.

12.4 Confidential Meetings

The Board may hold meetings with only Board **Directors** in attendance (Confidential Meetings) when necessary.

The procedures for a Confidential Meeting in relation to notice, agenda, papers (if appropriate), quorum and minutes are to adhere to the requirements of this **Governance Statement** and any other legal requirement.

The Chair of a Confidential Meeting is responsible for providing the minutes of a Confidential Meeting.

13 Committee Processes

The process for each Board Committee will be same as the process for the Board, unless otherwise stated in the terms of reference for the Committee.

The Charter and this **Governance Statement** take precedence over terms of reference for any Committee with the exception of the GFRC insofar as the Public Sector Act requires an audit committee to exist.⁴³

14 Hospitality and Gifts

The general rule is that **Directors** should only accept [gifts or benefits](#) in exceptional circumstances and only with appropriate oversight. The overarching **Public Sector Code of Ethics**⁴⁴ (derived from the Public Sector Act 2009⁴⁵) enforces transparency, integrity, and accountability consistent with the expectations of **Directors**.

Where refusal might cause offence (typically in sensitive cultural contexts), **Directors** must consult with the Chair, and if the context requires it, with the Deputy Chair.

Any gift or benefit of material value must be handled with caution, declared via the Board Secretariat, approved and potentially disclosed publicly.

15 Director and Board Evaluation

Led by the Chair, the Board and its Committees will be reviewed at intervals and by means and methods determined at the Board's discretion.

At the agreed intervals the Board will assess its own effectiveness in fulfilling its responsibilities as the governing body of SA Water.

The Board may seek an independent, external review at intervals and by means it determines for itself from time to time.

16 Director Development

To maximise **Director** value and contributions, **Directors** may require access to professional development relevant to their role and responsibilities.

The Chair, assisted by the **CE**, will facilitate training for all **Directors** and for the Board as a whole to maintain the highest standards for a governing body of a public water utility and statutory corporation.

⁴³ Section 31 [Public Corporations Act](#)

⁴⁴ Page 8, [Code of Ethics](#)

⁴⁵ Section 15 [Public Sector Act 2009](#)

Each **Director** is also individually responsible for improving and developing their own knowledge and expertise through self-directed and self-funded training and education.

17 Ancillary matters – Additional Attendees at Board Meetings

Minister's and Treasurer's Representatives may attend Board meetings⁴⁶ and may have access to papers provided to **Directors** for the purposes of the meetings.

Approved by the Board at meeting no. 341 on the 28th day of August 2025.



Chair

SA WATER BOARD

Date: 28 August 2025

⁴⁶ Section 8 (1) of the Public Corporations Act