

Materiality Matrix

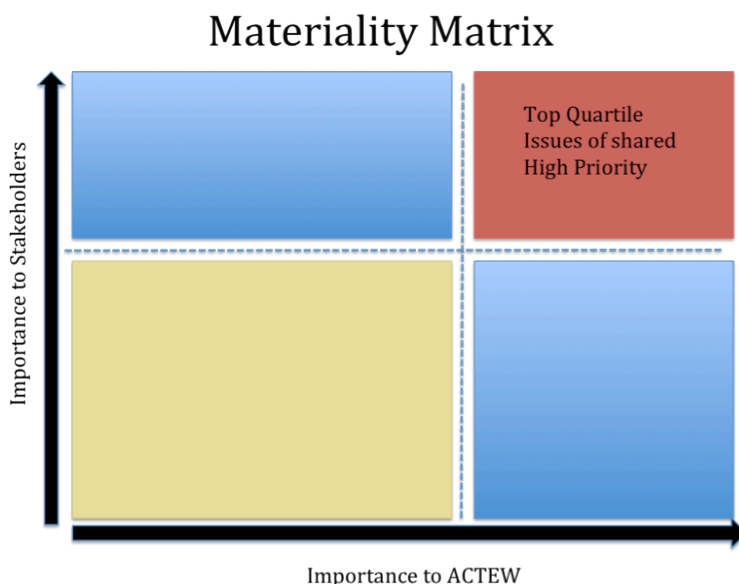
Summary of Observations

Icon Water undertook a materiality issues assessment in line with the standard methodology for materiality to help guide our response to sustainability. We engaged with customers and stakeholders together with our business and focused on prioritising key material sustainability issues.

Materiality process

To help us in this process, we invited participants from inside and outside of the business to rate each sustainability issue based on the relative importance to the business or the stakeholder. The issues were chosen from other business materiality issues, the GRI and Dow Jones Indices, and internal consultation. The process will assist Icon Water in its pursuit to be a sustainable business.

The results are outlined in the table below:



Issues of High Importance

Shared high importance to both our business and our stakeholders

- Customer health and safety
- Drinking water quality
- Employee health, safety and wellness
- Water security/managing supply and demand
- Environmental compliance
- Wastewater management and sewage effluent reuse/disposal
- Regulatory performance/legal compliance
- Catchment protection
- Availability of skilled personnel
- River water quality and health
- Risk management
- Customer satisfaction
- Infrastructure maintenance and improvements to meet future needs
- Energy use and energy efficiency
- Affordability/price of water
- Sustainable infrastructure design
- Water and wastewater network and treatment works compliance
- Climate change adaptation
- Extreme events e.g. flooding/drought/bushfire

Issues of Medium - High Importance

High importance to stakeholders and medium importance to Icon Water

- River ecology and environmental flows
- Conservation and remediation of the natural environment
- Corporate governance and business ethics
- Climate change mitigation/emission reduction
- Waste management, recycling, hazardous materials disposal
- Community education
- Community partnerships
- Population growth and urbanisation
- Research, development and innovation
- Water leakage from the network
- Salinity in rivers/groundwater
- Business continuity and disaster management/recovery
- Renewable energy generation options and emerging energies
- Soil and contaminated land management
- Recycled water policies

Issues of Medium - High Importance

High importance to Icon Water and medium importance to our stakeholders

- Aging infrastructure
- Financial performance
- Engaging and communicating with shareholders and stakeholders
- Training and development
- Engaging and communicating with customers
- Working conditions
- Employee satisfaction

Issues of Lower importance

to both our stakeholders and the business

- Improved policies, standards, processes and reporting
- Diversity and equal opportunity
- Development of the local region
- Debt management
- Customer response times
- Reward and recognition
- Human rights in the supply chain
- Internal communications
- Energy peak demand management
- Compensation and benefits
- Responsible sourcing/procurement
- Materials consumption
- Use of local products and services
- Visual aesthetic, odour, noise and vibration management
- Partnerships with neighbouring water utilities
- Partnerships and communications with local councils
- Community investment
- Supply chain management transparency and relationships
- Fuel management and transportation
- New markets
- Changes in government policy
- Internal water consumption
- Customer and industry diversification
- Low income customers
- Maintaining heritage sites and buildings
- Shareholder return
- Economic opportunities outside region
- Icon Water brand recognition
- Internal networks (e.g. sustainability champion network)
- Access to Icon Water services and accounting information
- Charitable donations and philanthropic contributions
- Employee representation (e.g. Unions)
- Access and recreation land on Icon Water sites
- Sense of historical context
- Closer working relationship with land manager

Top 2 Issues

As part of the process, participants prioritised their top two issues in each imperative. As a result of feedback provided by participants, similar or associated issues were merged where appropriate. The results have formed the basis for identifying sustainability performance indicators for the business.



Participants

We would like to thank all our internal and external participants. All comments and suggestions made through this process have been considered and will be followed up and factored into future versions of this process.