

Shareholder Relations Policy

Aim

The Board recognises its overall duty to act in the best interests of the Corporation as a whole, and, therefore, its shareholders collectively. However, the Corporation is also committed to developing and maintaining an effective relationship with its shareholders that promotes timely and open communication, and encourages shareholders to exercise their rights.

Legislation

Water and Sewerage Corporation Act 2012 (Tas)
Corporations Act 2001 (Cth)

Policy

The Board is responsible for developing and maintaining a healthy relationship with the Corporation's shareholders.

To achieve this, the Board will maintain a regular cycle of communications with shareholders, primarily through the appointed Owner's Representative as the primary point of contact for each owner council.

Regular contact will be supplemented by further meetings and communication as the need arises.

Communication with Shareholders

Planned Communications with Shareholders

- Three quarterly briefings will be arranged in each region each year with the Board Chairman and CEO. The primary purpose of the briefings will be to present and discuss the Quarterly Report to Owners, along with any significant issues. These briefings also provide the opportunity for owners to provide feedback to the Corporation and for emerging issues to be raised.

All Owners' Representatives as well as any other elected council representatives and senior council officers are invited to attend the briefings.

Meeting details will be provided to Owners' Representatives, Mayors and General Managers. In accordance with the Shareholders' Letter of Expectations, the Board recognises that any region may decline a regional briefing in any quarter, discontinue briefings in their region or merge their briefing with another region.

- Two general meetings of all owner councils will be convened each year. These meeting will be conducted as formal general meetings of the Corporation under the procedures prescribed in the Corporation's Constitution.

A general planning meeting will be held in the first half of the calendar year to coincide with the adoption of the Corporate Plan and the possible amendment of the Shareholders' Letter of Expectation if warranted.

A general reporting meeting will be held in the second half of the calendar year to coincide with the adoption of the annual financial accounts.

All Owners' Representatives as well as any other elected council representatives and senior council officers are invited to attend the briefings.

Meeting details will be provided to Owners' Representatives, Mayors and General Managers.

'As required' Communications

In line with its continuous disclosure obligations under the SLE and in the spirit of 'no surprises', the Board will inform Owners' Representatives of any matter that arises:

- relating to material changes in the Corporation's position,
- affecting the nature or achievement of strategic plans and policies, or
- that may prevent the Corporation from achieving its financial targets.

Through the Owners' Representatives, the Board will also liaise with shareholders on specific matters that require their approval, including:

- proposals to sell or dispose of the Corporation's main undertakings;
- major assets or investments;
- plans to introduce dividend/distribution smoothing.

The Board will consult with Owners' Representatives during the development of the Corporation's Distributions Policy.

The Board may also consult with all owners when considering strategic or policy matters that have the potential for significant and/or widespread impact on the wider community.

Electronic communications

The Board recognises the value provided by electronic communications. The Board will offer readily-available electronic communication methods when these can enhance the accessibility and participation of, and communication with, Owners' Representatives or owner councils more generally.

Shareholder initiatives and contributions

Through their Owners' Representatives, shareholders are welcome to coordinate Questions on Notice for general meetings. Owners' Representatives can forward questions to the company secretary, to be received at least three weeks before the general meeting.

While offering the option of questions on notice, the Board does not intend to preclude shareholders from raising questions without notice at general meetings. Answers not able to be addressed during the meeting will be circulated to all owners after the meeting.

Shareholders are welcome to coordinate through the Chief Representative any other items that may properly be raised at general meetings of the Corporation, noting that a lead time of three months is required to be included on the general meeting agenda.

In accordance with the *Corporations Act*, Items may be added to the agenda of a general meeting at the Corporation's expense provided they are in accordance with the provisions of the *Corporations Act*. The company secretary will provide assistance to the Chief Representative, Owners' Representatives and shareholders in this regard.

Notices of Meetings and associated documents for general meetings will be prepared in plain English to enhance understanding.

Meeting arrangements will be planned to account for travel distance for shareholders wherever possible.

Assistance to shareholders and Owners' Representatives

The Corporation is committed to assisting Owners' Representatives and shareholders generally to fully exercise their rights and responsibilities. To this end, the Chief Representative, Owners' Representatives and owner councils have ready access to the company secretary – or an appropriate alternative officer – for advice and guidance on matters related to their shareholding and ownership rights.

The Corporation is also committed to providing a suitably skilled officer to support the Owners' Representatives Group and the Board Selection Committee. The Board Chairman, Chief Representative and the Board Selection Committee Chairman will agree on the choice of this appointee to each committee respectively.

Responsibilities

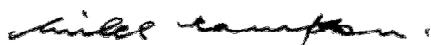
On behalf of the Board, the Chairman is responsible for formally maintaining the relationship with Owners' Representatives and shareholders. The Chairman may delegate this authority from time to time and may impose limitations and restrictions to such delegation.

The Chief Executive Officer (CEO) is responsible for managing operational relationships with councils' General Managers and officers. The CEO will be mindful of the separation of responsibilities and refer appropriate matters and any contentious issues to the Chairman and/or Board to ensure compliance with this Policy.

References

Corporation's Constitution	Board Charter
Shareholders' Letter of Expectations	Board Delegation Manual
<i>ASX Corporate Governance Council Corporate Governance Principles and Recommendations</i>	

Approved by the Board on 26 June 2013.



Chairman