



Murrumbidgee
Irrigation

Strategic Direction

2026-2036

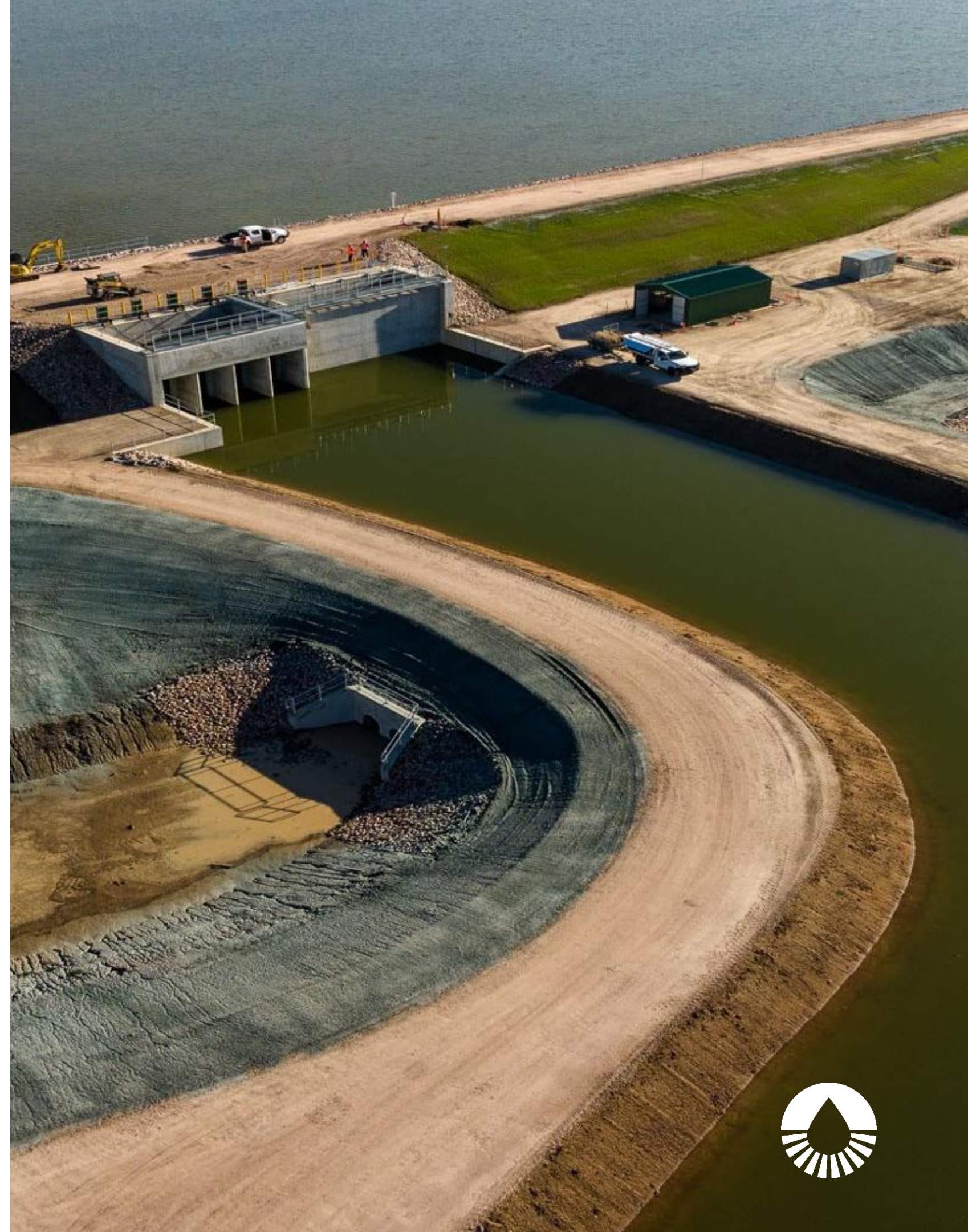
August 2026

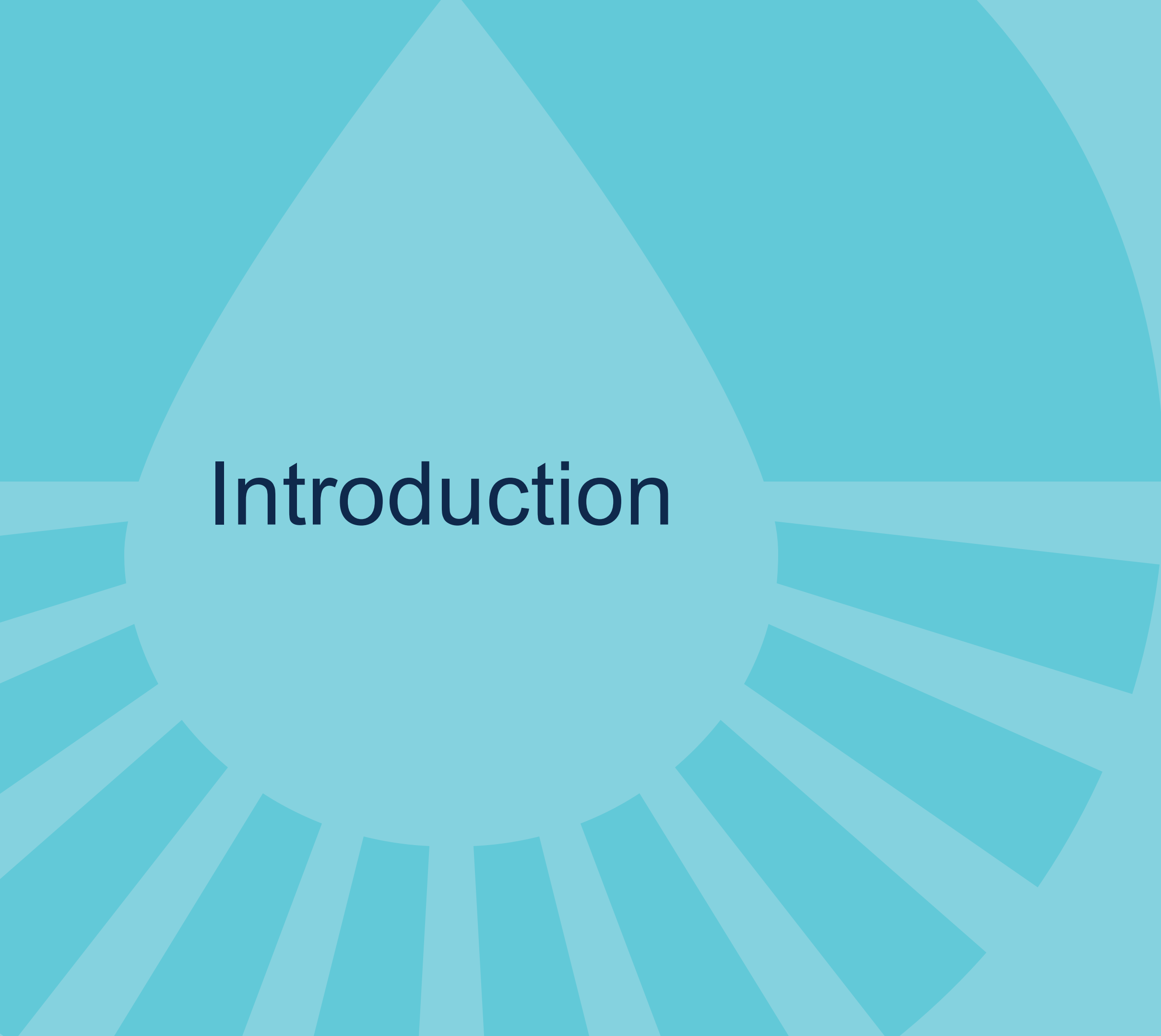
Purpose of this paper

This document sets the strategic direction for Murrumbidgee Irrigation (MI) from 2026, with a longer-term outlook to 2031 and 2036. It defines MI's purpose, strategic pillars, cross cutting themes, and the outcomes that will guide decision making across investment, planning and operations.

It also marks a deliberate shift in how MI approaches strategy and planning. In previous cycles, these have been combined into a single “corporate plan”. This has tended to compress long term direction, near term priorities, budgets and delivery into one document, limiting clarity and reducing flexibility as conditions change. This document separates those functions. It focuses on setting direction and defining the choices and boundaries that matter, while leaving detailed planning, sequencing and resourcing to the corporate planning process that follows.

This separation matters. It allows the strategic direction to remain stable enough to guide decision making over time, while enabling corporate plans and budgets to adjust as operating conditions shift. It also creates clearer accountability. The Board sets direction and monitors performance against it, while the Executive translates that direction into plans, budgets and delivery.





Introduction

How this strategy was developed

MI's Board and Executive led a structured process during 2026 across three phases, designed to gather evidence and build a shared view of MI's strategic position before moving to direction-setting.

Phase 1 involved broad consultation, including a survey distributed to more than 2,300 stakeholders and targeted interviews with Board members, executives, shareholders and industry partners.

The findings were consolidated into an Insights Brief and tested at a joint Board and Executive strategy workshop, which forms the centrepiece of Phase 2.

Phase 3 translated the endorsed direction into MI's Corporate Plan.

This document is the primary output of Phase 2. It is informed by a structured insights and consultation process, and a joint Board and Executive strategy workshop.

Tasks completed to inform this document



Strategy survey - 225 respondents

Survey was distributed to MI external stakeholder and staff. Survey questions centred around MI's external environment and strategic context, MI's purpose, risk and preparedness and areas where MI should focus in the future



Staff survey - 64 respondents

Survey was distributed to MI staff, with questions centred around organisational effectiveness to inform corporate planning



Targeted interviews

Consulted with over 50 individuals which were made up of



Key customers



MI executives and staff



Corporate agribusiness and water-dependent enterprises



Government, regulatory and basin management bodies and experts



Local Government and regional authorities



Industry and commodity representative organisations



Desktop review

Spanned documentation including policies, procedures and reports across governance, risk and strategy, stakeholders, finance and workforce



Workshops

With *MI's Leadership Forum*, where key themes from consultations were explored further with MI's leaders. These themes included MI's purpose, water scarcity and farm aggregation



With *MI's Board and Executive*, focused on insights, brief findings and their strategic implications for MI. Discussions centred on shaping the strategy pillars, organisational priorities and key action areas.



With *MI's executive team*, to refine MI's purpose statement and go through key action areas in further detail following Board and executive workshop.



Strategic Context

MI is at a point of inflection. The core message of this strategy is that the question is no longer whether change is coming, but how MI adapts to a more volatile, uncertain and contested environment without losing operational discipline and customer trust. MI remains, first and foremost, a water delivery business. But it is also an infrastructure and logistics enterprise that underpins one of Australia's most productive irrigated regions, with consequences for agriculture, manufacturing, local employment, town water and environmental water delivery.

What is changing is clear. Climate variability is now being experienced as "feast and famine with water", bringing higher peak demand in heat, more pressure on infrastructure, and more complex flood and drought management. MI customers are also experiencing increasing supply chain sustainability expectations. Regulation is also tightening, with stronger compliance expectations, more formal dispute pathways and higher demands for transparency and accountability. At the same time, the regional economy is diversifying, environmental water has become a significant user, and customers expect increasing responsiveness and digital access. What remains uncertain is the pace and combined effect of these shifts, especially on future water availability, customer mix and MI's operating model.

The people affected are not limited to irrigators. MI's performance now matters to larger farm enterprises, smaller landholders, processors, towns, industrial users, environmental water users, local communities and government. The customer base is also changing. The report points to fewer, larger and more commercially sophisticated farm businesses over time, alongside a long tail of smaller irrigators who have historically expected high-touch support. That creates a practical challenge for MI: the service model that worked for a more uniform customer base will not be sufficient for a more segmented one.

Technology is part of this shift. Water is becoming a data-rich commodity, and larger enterprises increasingly require accurate, timely and traceable information, including integration between MI systems and on-farm technology. AI has been raised as an emerging priority, yet the immediate issue is how MI's own systems link to each other, how data is governed, and whether customers trust how information will be used.

This strategy argues for parallel efforts: strengthen internal data foundations while expanding interoperability and automation in a controlled way.

A central tension sits underneath the whole strategy: MI's purpose. This is not a philosophical debate. A narrow purpose keeps MI focused on what it directly controls: reliable, efficient and reasonably priced water delivery. A broader purpose recognises that MI already influences regional productivity, community confidence and the long-term viability of the irrigation system. The real issue is not choosing one extreme or the other. MI's modernised purpose in this strategy protects operational focus while recognising an expanding role in the wider system in which MI operates.

This matters because the financial and delivery pressures are interconnected. MI's asset base is extensive, ageing and harder to sustain under the current revenue model. Customers are not arguing for inaction, but they are wary of higher costs without evidence of efficiency, clear investment logic and stronger communication.

Business as usual may be considered viable in the short term, but the report is blunt that it is likely to produce "massive hurt" over the next ten to twenty years if capital planning, efficiency and revenue diversification are not accepted as one strategic problem requiring a new approach.

Customer service in this strategy is presented as a social license issue. In developing this strategy, MI heard from stakeholders that a persistent trust deficit has been shaped by legacy grievances, MI's monopoly position on maintenance and complaints, and a lack of transparency once issues are lodged. Customers place emphasis on governance, trust and transparency. In a tighter water environment, service failures are not experienced as isolated operational problems, but signals about fairness, competence and intent.

Taken together, this strategy points to a more complex but still practical conclusion. MI does not need to be all things to all people, recognising that there are increasing pressures on water delivery from climate volatility, customer consolidation, digital expectations, asset renewal and public scrutiny. These factors are interconnected, and the ambiguity sits in the boundaries: how far MI's role should extend, how benefits from efficiency should be used, and how change is explained.

Increasing water scarcity, price volatility and supply chain sustainability expectations are leading to more pressure to increase water sustainability and MI efficiency. To respond MI needs to build social license, undergo further rounds of technology investment, automation and capex. There is a need to reduce water conveyance losses, increase efficiency, lower costs and increase data analytics.

Revenue diversification is key to supporting the need for increased investment. Government funding is likely to reduce as costs continue to increase and efficiency measures alone will be insufficient to sustain the critical infrastructure network.



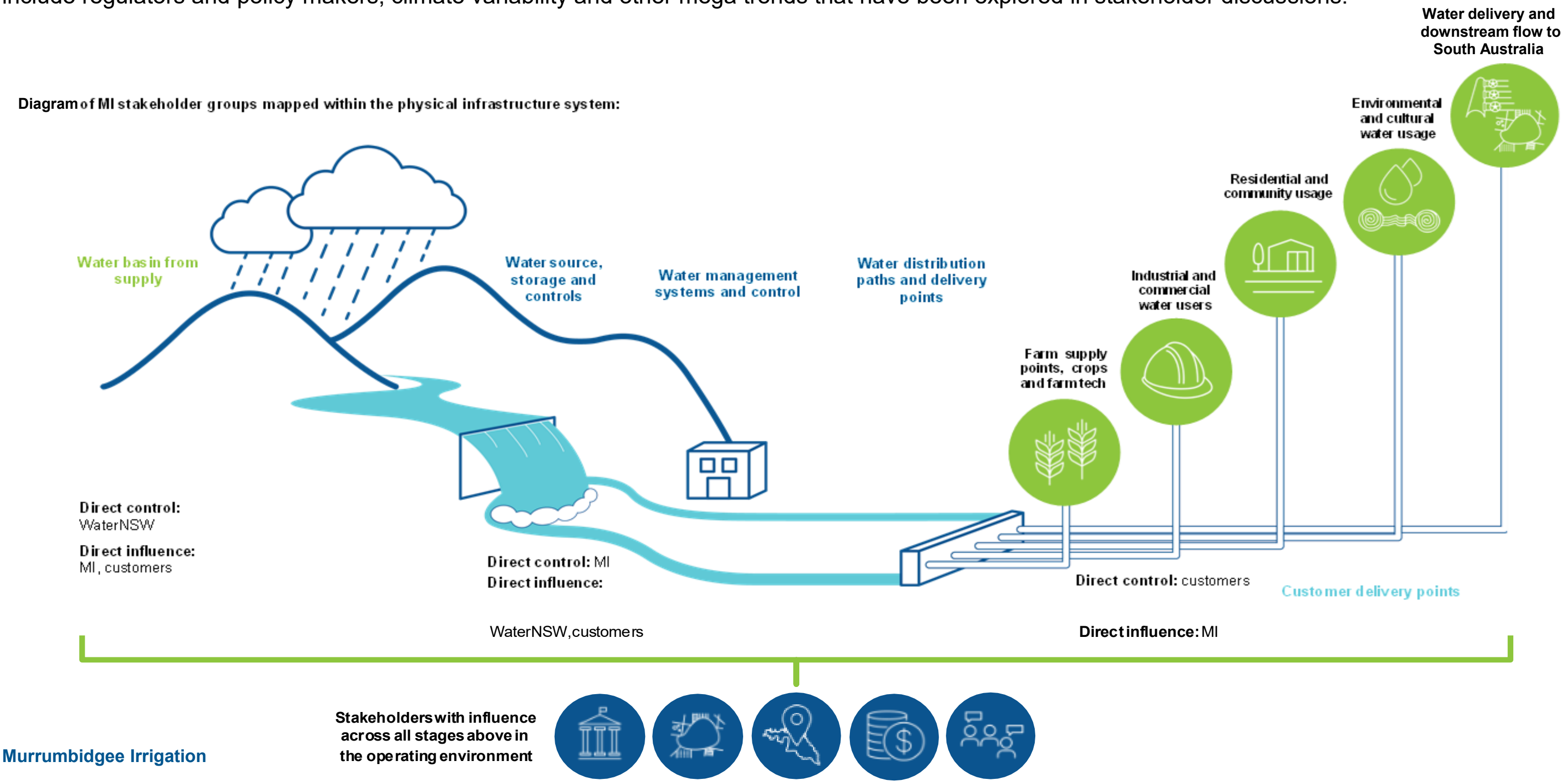
Mapping MI's Stakeholders

Stakeholder Groups		Who This Includes	Most Significant Consequences if MI Fails to Deliver	Influence on MI	Dependence on MI
	Irrigation Customers	Broadacre, permanent plantings and mixed farming enterprises supplied by MI	Crop loss, reduced yield and quality, stranded input costs, increased debt stress, loss of intergenerational confidence in the scheme. Regional agricultural output and economic stability decline	High	High
	Industrial and Commercial Water Users	Food processors, wineries, feedlots, manufacturers and other bulk commercial users	Plant shutdowns, product spoilage, workforce stand-downs, contractual breaches, safety risk. Concentrated economic impact and rapid political escalation	High	High
	Residential and Town Water Supply	Local government supply arrangements and connected households	Immediate community dissatisfaction, political pressure, reputational damage disproportionate to volume supplied. Loss of social license	Medium	High
	Water Entitlement Holders (Governance Stakeholders)	Customer-shareholders (entitlement owners), environmental water managers (government agencies), cultural water entitlement holders (Traditional Owner entities)	Loss of confidence in system stewardship, disputes over fairness and prioritisation, pressure to change rules, pricing structures or governance settings	High	High
	Regulators and Policy Makers	NSW and Commonwealth water agencies, Basin authorities, compliance and safety regulators	Intervention, tighter licence conditions, increased reporting burden, reduced allocation flexibility, capital planning constraints. Structural impact on MI's operating model	Very High	Medium
	Interconnected System Operators	Peer irrigation corporations, bulk water and storage operators, delivery coordination bodies	Delivery inefficiencies, coordination disputes, shared reputational damage across the sector, increased operational constraints	Medium	Medium
	Downstream and Basin Stakeholders	Downstream irrigators, river-dependent communities and industries, ecological assets	Perceived or actual environmental and economic harm leading to political scrutiny, reform pressure and loss of basin-wide legitimacy	Medium	Medium
	Regional Influence and Advocacy Stakeholders	Commodity groups, irrigator councils, regional business associations, local councils	Escalation of sector-wide campaigns, coalition pressure on policy makers, erosion of regional social licence	High	Low
	First Nations Communities	Traditional Owner groups and Aboriginal organisations across the MI footprint (beyond formal entitlement holdings)	Cultural and heritage impacts, breakdown in trust and partnership, increased dispute and project delay risk, reputational harm	Growing	Medium
	Investors and Financial Partners	Investment managers, lenders, funding partners	Reduced confidence in governance, sustainability and asset renewal discipline, higher cost of capital, constrained funding flexibility.	High	Medium
	Media and Public Opinion (Narrative Amplifiers)	Regional and national media, rural press, digital platforms, opinion leaders	Rapid narrative escalation, political intervention risk, long-term reputational damage even after operational recovery	High	Low



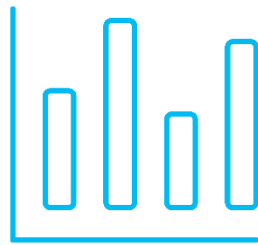
Stakeholders mapped within MI's infrastructure environment

When we map these core stakeholder groups and a narrow perception of MI's purpose into a diagram, we get a stronger sense of where MI's ability to directly control or influence situations are. Similarly with MI's customers. The overarching element to note is the operating environment MI operates within, with a long list of factors that include regulators and policy makers, climate variability and other mega trends that have been explored in stakeholder discussions.



The case for change

Six themes emerged consistently across the research and consultation and shaped the evidence base for this strategy.



Commercialisation and efficiency.

Revenue diversification is a funding imperative, not just a growth ambition. The link between business development and reduced cost pressure on customers is explicit and visible. Business development initiatives are required to enable MI to invest in asset renewal without relying solely on customer charges.



Customer trust and service.

A persistent trust deficit exists, shaped by legacy grievances, and poor visibility once issues are lodged. Trust is both a social license issue for MI as well as a service metric.



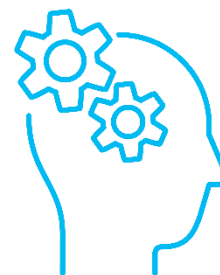
Changing customer base.

The agriculture sector is consolidating. Fewer, larger and more commercially sophisticated enterprises now sit alongside a long tail of smaller irrigators who still require high-touch support. The service model must be adapted to support multiple levels. Farm consolidation also has implications for governance and the constitution.



Asset renewal and capital.

MI's asset base is extensive, ageing and capital-intensive. The current revenue reliance on customer charges must adapt and new revenue sources identified. Maintenance is predominantly reactive, which compounds both cost and service risk.



Technology, automation and data.

Technology ambition is high, with the need to develop stronger foundations as a key priority. Technology should be an enabler of defined business problems, positioning MI as a fast follower of emerging technologies.



Climate variability and adaptation.

Climate variability is increasing pressure on water reliability, infrastructure performance and customer resilience. MI has an opportunity to help customers adapt as well as managing its own exposure.



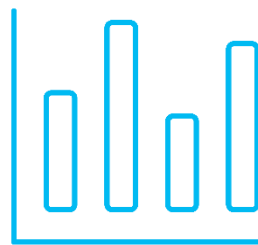
Strategy development process recommendations for change

Consultation suggests MI is moving into a more complex operating environment. Climate volatility is increasing pressure on the irrigation network. Farm consolidation is reshaping the structure of irrigated agriculture. Digital systems are becoming central to how irrigation infrastructure is managed. At the same time, the scale of future asset renewal is growing and expectations around reliability, sustainability, transparency and service are rising.

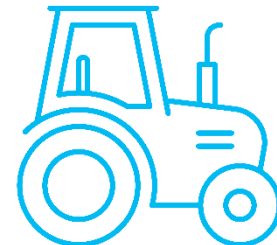
These shifts are interconnected.

The central question for MI is therefore not how to respond to any single issue, but how to strengthen the foundations of the operating model so the network remains reliable, financially sustainable and trusted by customers under more demanding conditions.

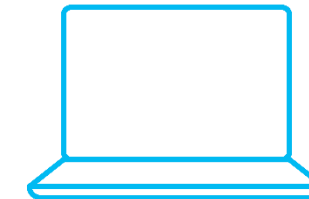
The 2026 strategy development process identified and recommended six strategic priorities that together form a practical agenda for doing this.



Strengthen the long-term funding and investment framework, linking asset renewal, efficiency and commercial opportunities so the network can be sustained over the long term.



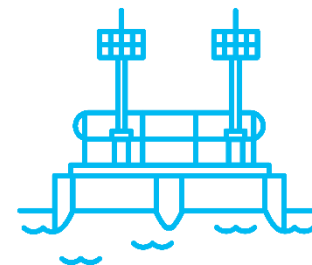
Adapt our operating model to a changing structure of irrigated agriculture, recognising that the customer base is likely to become smaller in number but larger and more technologically sophisticated.



Strengthen our digital, data and automation foundations, so we can operate a more integrated, data-driven irrigation system and support increasingly automated farm operations.



Clarify MI's purpose and strategic role, maintaining a clear focus on reliable water delivery while recognising MI's role in sustaining the irrigation system and regional economy.



Plan and operate the irrigation system for a hotter and more volatile climate, ensuring infrastructure investment and asset renewal are designed for more extreme operating conditions and supply chain sustainability expectations.



Strengthen customer trust through clearer service systems and engagement, improving transparency, responsiveness and accountability.

These priorities focus on strengthening the infrastructure, revenue diversity, organisational capability and relationships that are necessary to underpin the irrigation network.

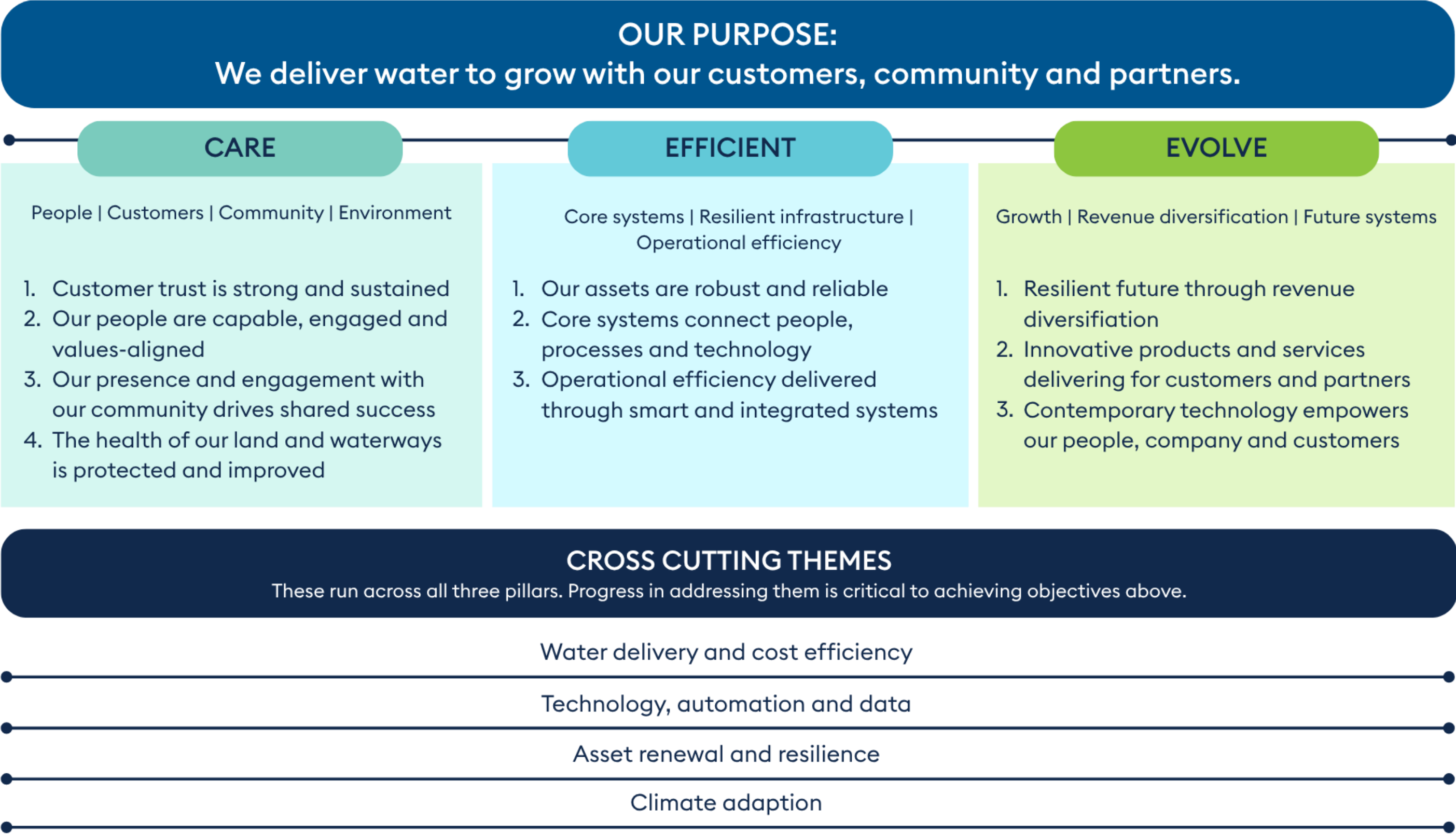
Addressing them should position us to manage growing climate pressure, structural change in agriculture, revenue challenges and rising expectations from customers while maintaining the long-term viability of the system.





Strategy

Purpose Statement and Strategic Direction



Care

People | Customers | Community | Environment

Strategic context

Workforce capability and culture are strategic priorities. MI's ability to deliver on any pillar depends on having the right people, with the right capabilities, in the right roles

MI's workforce are facing a dynamic and uncertain world with the introduction of new technologies and have a high expectation for development

Customer trust is a social license issue. MI's monopoly position means that any service failures are experienced as long-lasting signals about fairness and intent, not isolated operational problems

A persistent trust deficit exists, shaped by legacy grievances, and poor visibility once issues are lodged.

The customer base is changing. Fewer, larger, more commercially sophisticated enterprises now sit alongside a long tail of smaller irrigators who still require high-touch support. A single service model cannot serve both well

Customer service is a systemic issue that cannot be addressed by the customer service team alone

MI's reputation with towns, environmental water users and regional institutions matters for its long-term operating freedom

Partnering with environmental water holders to deliver better outcomes for the community is essential.

Objectives

- 1 Customer trust is strong and sustained**
Build a systemic service model grounded in reliability, honesty and consistent follow-through. Differentiate the service model for larger commercial customers through key account management while maintaining quality service for smaller irrigators. Measure trust as a strategic indicator, not just satisfaction
- 2 Our people are capable, engaged and values-aligned**
Invest in the people who deliver on MI's purpose. Raise the standard of leadership, improve workforce retention in critical roles, and build a culture that can sustain the demands of delivery and change.
- 3 Our presence and engagement with our community drives shared success**
Engage the broader community, not just customers, as stakeholders in MI's success. Build genuine partnerships with towns, industry groups, environmental water users and regional institutions.
- 4 The health of our land and waterways is protected and improved**
Deliver water in ways that reflect responsibility to the environment, First Nations communities and the long-term health of the river system. Do not treat environmental obligations as compliance minimums



Care Outcomes

3 years - by 2029	5 years - by 2031	10 years - by 2036
1. We measure customer trust as a strategic indicator with a baseline set and a target to improve upon it. 2. We have a redesigned service model with clear, simple pathways that no longer depend on a few key people. 3. Our customer complaint management and reporting is restructured and enhanced. 4. We have dedicated account managers for our largest commercial customers. 5. We routinely ask customers for feedback and act on it. 6. We have reduced operational and communication complexity. 7. We measure how our people feel about working here, with a baseline and a target to improve. 8. A leadership capability program is developed and underway across the organisation. 9. A community grants fund is up and running. 10. We have developed partnerships with environmental water holders with clear outcome measures.	1. We measure customer satisfaction at more than 80%. 2. Trust and transparency are simply how we work. 3. We have zero unresolved formal complaints. 4. More than 80% of customer interactions with us are conducted digitally. 5. We are recognised as a fair and responsive partner. 6. We are recognised as one of the best places to work in the Riverina. 7. Over \$100,000 is distributed in community grant funding per year. 8. The community is proud of MI and what we contribute to the region and the environment. 9. We have strong and positive partnerships with environmental water holders. 10. Our First Nations relationships are formalised and meaningful.	1. We operate with genuine partnerships with our customers, built through trust and commitment on both sides. 2. More than 90% of customer interactions with us are conducted digitally. 3. We are considered as an attractive regional partner, with businesses looking to work with us. 4. Our constitution is reviewed to reflect a changed customer and shareholder environment. 5. We have strong and positive partnerships with First Nations peoples.



Efficient

Core systems | Resilient infrastructure | Operational efficiency

Strategic context

MI's asset base is extensive, ageing and increasingly harder to sustain under the current revenue model. Without a revised renewal plan, service reliability, customer trust and financial sustainability are all at risk. These risks are compounded by volatility in heat waves, droughts, storm events and floods

Maintenance activities are more reactive than proactive, compounded by systems and processes that do not adequately communicate with each other. Under-resourcing creates operational drag

Customers are wary of higher costs without clearer evidence of value for money, this includes improvements to efficiency and investment logic. The connection between revenue and expenditure requires greater transparency and understanding

Water conveyance efficiency is a fundamental performance measure. Losses through the delivery system represent both a financial and reputational issue

The path to full automation requires system integration, enhanced data quality and analysis and operational discipline.

Objectives

- 1 Our assets are robust and reliable**
Assess the full condition and renewal liability of the asset base. Develop and fund a long-term renewal plan that is sequenced and costed. Move maintenance from emergency-response mode to predominantly planned and preventive, so infrastructure remains reliable under more demanding future conditions.
- 2 Core systems connect people, processes, and technology**
Develop core systems, processes and data quality to a consistent standard supporting reliable delivery. Establish a single source of truth and customer CRM. Extend automation across ordering, scheduling and operations with a clear human oversight role.
- 3 Operational efficiency delivered through smart and integrated systems**
Reduce conveyance losses through improved monitoring, scheduling and infrastructure. Use integrated systems to lift delivery precision, making the connection between efficiency gains and customer cost explicit and visible.



Efficient Outcomes

3 years - by 2029	5 years - by 2031	10 years - by 2036
1. Our main systems talk to each other and give us the information we need to make decisions. 2. We operate with one trusted system holding all our customer information. 3. We know the condition of our assets, what renewals will cost, and the order of priority. 4. Maintenance is shifting to prioritised, planned and preventive. 5. We accurately measure how much water is lost in delivery, and operational performance. 6. We measure conveyance loss with a baseline set and a target to improve upon it. 7. Automated water ordering is developed to support operators. 8. We have the right resources in the right place at the right time, operating across the network.	1. We use data to drive decisions across the network. 2. All our key day-to-day processes are automated and guided by data. 3. Automated water ordering runs with light oversight, so the control room rarely steps in. 4. Water delivery conveyance losses are less than 11%. 5. We are renewing assets at more than 80% of the rate they wear out. 6. The majority of our maintenance is prioritised, routine and planned. 7. Our customers can see the improvements in water use and how we operate.	1. Technology across our operations works together without manual handling. 2. Water delivery conveyance losses are less than 9%. 3. We are widely recognised as a leading example of efficient water delivery. 4. Our renewal work is planned for a more variable climate. 5. Our operations are financially sustainable and planned for the long-term. 6. We can demonstrate long-term value for money for customers.



Evolve

Growth | Revenue diversification | Future systems

Strategic context

MI's current revenue model puts the full burden of asset renewal and future investment on customer charges. This is not sustainable. Revenue diversification is essential to support future expenditure requirements

Customers are not opposed to MI growing its revenue base. They are wary of growth that does not translate into reduced cost pressure on them. The link between business development and customer benefit must be explicit

MI's risk appetite for investment in business development initiatives, including acceptable loss at early stages, must support the need for revenue diversification

Tax-free status is a material structural advantage. Governance discipline and governance reforms are essential to protect it as commercial activity expands.

Technology ambitions are appropriately high, with MI a fast follower in most areas. The wine industry case study is a sharp reminder that stability in the customer base cannot be assumed. MI's commercial model needs to anticipate structural shifts in irrigated agriculture

Revenue diversification is key to supporting the need for increased investment, efficiency measures alone will be insufficient to sustain the critical infrastructure network.

Objectives

- 1 Resilient future through revenue diversification**
Build revenue streams that reduce reliance on customer charges as the primary funding source for operations and asset renewal. Set clear targets for the share of non-customer revenue over time, so MI's funding base is more resilient to shifts in irrigated agriculture.
- 2 Innovative products and services delivering for customers and partners**
Develop new products and services through a disciplined commercial pipeline with stage gates, Board-agreed risk appetite and clear decision points. Build MI's reputation and capability so customers, businesses, investors and institutions choose MI as a partner on quality and reliability.
- 3 Contemporary technology empowers our people, company, and customers**
Establish the governance, security, education and capability needed to use AI and advanced data systems in ways that are safe, transparent and genuinely useful. Be a fast follower using technology to empower people, the company and customers.



Evolve Outcomes

3 years - by 2029	5 years - by 2031	10 years - by 2036
1. We grow revenue above 2026 levels, with new income growing faster than that we earn from customer charges. 2. We have a clear framework for new commercial ventures, with checkpoints and Board decisions agreed. 3. We have a pipeline of commercial initiatives identified and under consideration. 4. We review the enhancements and delivery entitlement framework to ensure it is fit-for-purpose. 5. We have scoped and tested premium add-on services and aggregator or partnership models. 6. We have a technology roadmap in place, including rules for using AI and training for our people. 7. We have improved how our systems will connect and interact with our customers. 8. We have clear productivity metrics established, supporting greater efficiency and broader value creation. 9. Our tax-free status is reviewed and measures taken to further ensure its resilience.	1. We have sustained revenue growth on 2026 levels, with alternate revenue streams continuing to grow at a faster rate than traditional customer revenue. 2. Commercialisation (revenue diversification) is contributing to smoothing the long-term capital plan and asset renewal program. 3. Diverse revenue is a permanent part of how we do business. 4. We invest in AI where it clearly pays off in delivery, customer experience or forecasting. 5. Our technology investment is strategic and sustainable, with a clear balance between long-term and tactical spend. 6. We are using technology, data and AI to deliver change, support forecasting and improve customer experience.	1. Our revenue growth is structurally more resilient and diversified. 2. We fund more of what we do ourselves, easing price pressure on customers. 3. We are a supplier of choice in the region, with businesses choosing us as a partner. 4. Our systems routinely deal directly with customers' own AI systems.



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Irrigation**