WorkCover
QUEENSLAND

Annual Report

2025—2026

Contents

About this report

Under the *Worker's Compensation and Rehabilitation Act 2003* (the Act)[1], WorkCover Queensland (WorkCover) is required to produce an annual report.

This report has been prepared to meet the needs of stakeholders and the accountability requirements under the *Financial Accountability Act 2009*[2].

WorkCover Queensland is committed to providing accessible information and services to Queenslanders from all cultural and linguistic backgrounds. To talk to someone about this WorkCover 2025–2026 annual report in your preferred language call 1800 512 451 and ask to speak to the WorkCover Communications Team.

To view previous reports, please visit our website:
https://www.workcoverqld.com.au/about/publications/workcover-queensland-annual-reports

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License

Attribution

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[1] https://www.legislation.qld.gov.au/view/html/inforce/current/act-2003-027
[2] https://www.legislation.qld.gov.au/view/html/inforce/current/act-2009-009

Letter of compliance

25 August 2026

The Honourable Jarrod Bleijie MP
Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations
1 William Street
BRISBANE QLD 4000

Dear Minister,

I am pleased to submit for presentation to the Parliament the WorkCover Queensland 2025–2026 Annual Report and Financial Statements.

I certify that this Annual Report complies with:

- the requirements under the *Worker's Compensation and Rehabilitation Act 2003* (Qld)[3]
- the prescribed requirements of the *Financial Accountability Act 2009* (Qld)[4]
- and the *Financial and Performance Management Standard 2019*[5]
- the detailed requirements set out in the Annual Report requirements for Queensland Government agencies[6].

I would like to thank the Board for its contribution, as well as our people for their demonstrated commitment to providing excellent service to Queensland employers and workers.

A checklist outlining the annual reporting requirements is provided at page 93 of this annual report.

Yours sincerely,

Chloé Kopilović
Chair
WorkCover Queensland

[3] https://www.legislation.qld.gov.au/view/html/inforce/current/act-2003-027
[4] https://www.legislation.qld.gov.au/view/html/inforce/current/act-2009-009
[5] https://www.legislation.qld.gov.au/view/pdf/asmade/sl-2019-0182
[6] https://www.worksafe.qld.gov.au/__data/assets/pdf_file/0029/259148/annual-report-requirements.PDF

About WorkCover Queensland

For nearly 30 years, WorkCover has provided workers' compensation insurance to Queensland employers and helped workers after a work-related illness or injury. In the 2025–2026 financial year, we supported approximately 186,000 businesses.

Supporting Queensland workers and businesses is at the heart of everything we do. When a worker is injured or gets sick from work, we manage their claim and make the claims process clear so that people get the support they need to recover and move forward.

The most important thing for us is keeping Queenslanders working. We understand everyone's needs are different, and help coordinate tailored treatment and rehabilitation to support their recovery and safe return to work. We are committed to balancing employer and worker needs.

We aim to keep premiums low for employers, while helping workers recover and get back to work safely.

Working together

Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations	Develops workers' compensation and workplace health and safety legislation.
Office of Industrial Relations (OIR)	Workplace Health and Safety Queensland (WHSQ) Queensland's workplace health and safety regulator that enforces workplace health and safety laws and educates stakeholders on their legal obligations. Workers' Compensation Regulatory Services (WCRS) Regulates the Queensland workers' compensation scheme, including self-insurers, and is a facilitator of legal and medical resolutions, and an educator and promotor of the scheme on behalf of all stakeholders. The Electrical Safety Office Queensland's electrical safety regulator that develops and enforces legislative and compliance standards to improve electrical safety.
WorkCover Queensland	Provides and manages workers' compensation insurance for Queensland employers and workers. WorkCover is a self-funded, government owned statutory body, that was established under the *Workers' Compensation and Rehabilitation Act 2003*.

Our vision

To be the best workers' compensation insurer and make a positive difference to people's lives.

Our purpose

We partner with and support our customers to keep Queenslanders working, through:

- a focus on return to work outcomes that are underpinned by trusted partnerships
- tailored quality experiences for workers and employers
- creating value for injured workers and employers through innovative and sustainable outcomes
- influencing and investing in injury risk reduction.

Our values

- Deliver with heart
- Own the outcome
- Best together
- Unlock what's possible.

Our goals and performance indicators

Purpose-driven culture Foster a culture where our people can strive for excellence to shape the future of workers' compensation	**Operational excellence** Improve how we work to maximise value for our customers and our stakeholders
Future focused Modernise our systems and technology to become a digital and data enabled enterprise	**Valued experiences** Care for and support injured workers and employers by engaging collaboratively

Performance indicators

- Average weekly compensation paid days for open and closed claims*
- Average annual statutory claim cost*
- Final return to work (RTW) %*
- Average common law claim cost
- Funding ratio
- Average premium rate (target)
- Breakeven premium rate
- Management and levy expense rate
- Customer experience measure (injured workers and employers).

*12-month rolling average

2025–2029 strategies

Operations

- Invest in a performance-driven, accountable, and engaged culture to enhance outcomes and support for injured workers and their employers.
- Ensure WorkCover is at the forefront of claims management practices by creating streamlined and customer-focused services that are timely, efficient, and simple to navigate, supported by uplifts to capability, processes, and technology.
- Leverage our cloud platform by investing in technology that expands and enhances customer engagement channels, elevates service delivery and outcomes, and strengthens the protection of our data and technology assets.

Workforce

- Align our business to the core needs of injured workers and employer customers, leveraging the important role of stakeholders and the broader community, to deliver positive claim and societal outcomes.
- Drive organisational excellence across the WorkCover eco-system through continuous improvement in operations and services, optimising processes and investing strategically to deliver exceptional above and below the line value.

Risk

- Increase our focus on risk management to enhance oversight, systems, and governance, ensuring compliance and effective delivery of strategic and operational goals.

More information is available in our:

Statement of Corporate Intent 2025–2026
https://cdn.workcoverqld.com.au/api/public/content/WorkCover-Queensland-Statement-of-Corporate-Intent-2025-2026.pdf

Corporate Plan 2025–2029
https://cdn.workcoverqld.com.au/api/public/content/WorkCover-Queensland-Corporate-Plan-2025-2029.pdf

Our commitment to customers

WorkCover is committed to putting the customer first and providing quality experiences. We partner with our customers and stakeholders to deliver innovative, and sustainable outcomes, creating value for Queensland businesses and workers.

We aim to ensure every interaction is empowered, valued, trustworthy, easy, transparent, and responsive. We do this to create consistent experiences for our customers every time. We are committed to providing an experience aligned to these principles, as defined below.

Customer Principle	Employers	Workers
Empowered	Employers are clear about what positive actions they can take to move forward, and they feel enabled and confident to do so.	Workers are engaged and supported to achieve the right outcome for them. They're confident in their next steps and know that we'll help where we can.
Valued	Employers know that we appreciate them and understand their business. They are engaged and feel heard.	Workers feel respected and heard. They know that they matter to us as a person and not just a claim.
Trustworthy	Employers know that we will act in good faith and with authenticity in all decisions.	Workers feel reassured that their claim is handled with integrity and honesty.
Easy	Employers experience straight-forward, seamless interactions, regardless of how or why they engage with WorkCover.	Workers can focus on their recovery rather than their claim, because their experience is smooth and efficient.
Transparent	Employers are kept informed through clear and open communication. They understand decisions, why they are made, and the reasons behind them.	Through clear and open communications, workers understand what's happening, why decisions are made, and what to expect next.
Responsive	Employers' queries are addressed promptly and consistently. They are kept updated about their policy and any claims process.	Workers receive prompt responses and proactive support when they need it most.

Chair and CEO report

WorkCover supported more than 75,000 Queenslanders in their recovery from workplace injury, helping 89.9% return to work, and provided workers' compensation insurance to approximately 186,000 Queensland businesses.

For almost 30 years, WorkCover has supported Queensland workers and businesses by providing workers' compensation insurance, managing claims, supporting recovery and rehabilitation, and helping to prevent injuries before they occur. This sits at the heart of what we do and defines our purpose.

Over this time, WorkCover has grown alongside the needs of Queensland employers and workers. Workplaces, injuries, expectations and ways of working have evolved, and we have continued to adapt to meet these changes, with recovery and return to work at the centre of all that we do.

In 2025–2026, we strengthened the foundations of the business while making meaningful progress towards becoming a more modern, connected and increasingly customer-focused organisation.

This year marked an important moment in our history and a step forward for our business, as we set a clear direction through our five-year strategy. The strategy focuses on delivering simpler, more responsive services and increasing our focus on proactive claims management. It builds on our ongoing commitment to improving how we support Queenslanders by ensuring services are consistently of a high quality and easier to access over time, while continuing to deliver stable and dependable services, today.

WorkCover is taking a deliberate approach to materially improve every aspect of our organisation – from our people, processes and systems. This work is designed to deliver earlier intervention to support our proactive approach to claims management which in turn supports better return to work outcomes.

We are in a unique position where there is synergy between what is best for workers, what is sustainable for employers, and what supports the long-term strength of the fund. Early and safe return to work is central to delivering positive outcomes across the eco-system.

While a focus on our customers has always underpinned our work, our future vision further embeds a customer-centred culture, enhancing our service and continuing to evolve how we respond to the needs of Queensland's workforce now and into the future.

Maintaining a strong, stable and affordable fund

WorkCover continues to operate from a position of financial strength. This financial year, we maintained a funding ratio above 120% and continued to deliver the lowest average target premium rate of any state or territory. In 2025–2026, the target average premium rate remained stable at $1.343 per $100 of wages, providing certainty during a period of economic pressure.

We actively balance affordability for employers with the long-term health of the fund, supported by disciplined investment management, tight cost control, and our in-house claims model. Our low administrative cost base ensures we direct the majority of premium revenue to where it matters most: supporting injured workers getting back to work.

WorkCover's financial position has allowed us to keep the target average premium rate steady in 2026–2027 and once again, support Queensland businesses while ensuring the fund remains financially fit for the future.

A strong approach to fraud detection and prevention

We have also strengthened our focus on protecting the integrity of the fund, recognising that fraud and non-compliance pose a risk to its fairness and sustainability for both workers and employers. Together with the Workers' Compensation Regulatory Services (WCRS), we are members of a joint Taskforce that brings together expertise to target fraud across the scheme. Early actions from this Taskforce have focused on improving customer awareness of fraud prevention obligations and refining key processes to support better detection and prosecution outcomes.

We are also investing heavily in building our internal capability by expanding expertise, enhancing education and report tools, and supporting our people to better identify, prevent and respond to suspected fraud. Throughout the year we have continued to investigate and refer potential fraud cases to the WCRS, to ensure funds are directed to those who genuinely need support. WorkCover continues to work with Queensland businesses to ensure they are meeting their equitable premium contributions supporting the sustainability and fairness of the scheme.

Claims management is at the heart of what we do

WorkCover receives approximately 90,000 claims each year, and we are investing to ensure we deliver a consistent experience for each and every person who accesses our services. In the past year, we have made significant strides in ensuring we are proactively responding to the needs of our customers. These include expanding our frontline teams, extending our onboarding program, enhancing ongoing training, and the introduction of psychologists on-site to provide in-the-moment support to both our people, and our customers.

A key milestone this year was the launch of My Recovery Plan. This simpler, clearer approach to rehabilitation and return to work brings workers, employers and treatment providers together around a shared plan, helping all parties to stay aligned and focused on recovery. My Recovery Plan is purposeful and meaningful and will make an impact on the claims and recovery journey.

While overall claim volumes remain relatively stable, the continued shift to more primary and secondary mental injury claims has continued. This reflects an ongoing trend over the last five years and aligns with broader national trends.

Mental injuries continue to present a complex and growing challenge, with higher costs, longer recovery periods, and more complex return to work pathways than physical injuries. In 2025–2026, WorkCover accepted 4,110 primary mental injury claims, representing 16% of total statutory claim costs, with the proportion of these claims continuing to increase. This directly impacts our measures and is a key focus of the Board and Management.

This year we continued to advance our Mental Health and Injury Program (MHIP). This is a critical program that will improve early intervention, consistency and specialist capability across the claims lifecycle as outlined further in this report.

Building stronger foundations for better customer outcomes

This year, we invested in strengthening the systems and foundations that support our people to deliver better outcomes for customers, now and into the future. The launch of our new WorkCover values marked a significant milestone in this space, clearly defining how we show up every day for each other and our customers.

We also delivered a range of new operational systems, making it easier for our people to access the right information at the right time and respond more quickly and consistently to customer needs. For workers and employers, this means clearer information, faster responses, and a more consistent experience across every interaction. These investments form part of a critical program of work to build a more connected and responsive service, which we will continue to strengthen in the years ahead.

WorkCover also deepened partnerships across the workers' compensation system, to drive better outcomes for workers and to enable employers to manage claims with greater clarity and confidence.

And finally, during the year, we also took a more targeted and proactive approach to stakeholder engagement. This included improved engagement with employers at policy renewal, and enhanced engagement with First Responder agencies to support early intervention. Together, these initiatives reflect a more connected and collaborative approach to support employers and stakeholders.

Looking ahead

Our priorities remain grounded in building on the early momentum of our strategy to ensure we are delivering more personalised, consistent, and connected services, supported by simpler processes and better use of data and systems.

We await the outcomes from the 2026 workers' compensation scheme review, expected in the next financial reporting year, and are committed to implementing any changes that may result.

Looking ahead, WorkCover will continue to further enhance claims management, develop workforce capability and accelerate delivery of our Mental Health and Injury Program. Innovation will remain central to this effort as we invest in our people, digital capability, enhance fraud detection, improve cyber resilience, and continue to mature our risk and governance frameworks.

This clear and deliberate approach will support the long-term fund sustainability and ensure WorkCover remains well placed to meet the evolving needs of workers, employers and the broader community.

Acknowledgements

We welcomed our new executive members, Chief People and Strategy Officer Debra Briscoe, and Chief Risk Officer James Collier.

We thank our outgoing Board members Judy Bertram, Kerriann Dear, Stephen Havas, Sarah Morris, Sandra McCullagh, Stacey Schinnerl and Cresta Richardson.

We welcome our new directors the Honourable Councillor Lawrence Springborg AM, Matthew Crossley, Scott Armstrong, Roz White, Trent Twomey, Fiona Hammond and Renee Cooper. As always, we thank our people at WorkCover who remain committed to supporting Queensland workers and employers.

We thank the Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations, the Honourable Jarrod Bleijie MP, and the Queensland Government for their support.

Chloé Kopilović
Chair
WorkCover Queensland

Michael Pennisi
Chief Executive Officer
WorkCover Queensland

Our Board of Directors

Chloé Kopilović – Chair

MAppLaw (Wills and Estates), GDip Legal Practice, LLB

Chloé is an experienced lawyer and director of FC Lawyers. Chloé was elected to the Council of the Queensland Law Society for four terms, serving nine years. She was elected and served as Deputy President in 2022, and President of the Queensland Law Society in 2023. The Queensland Law Society plays a critical role with government in relation to the review of legislation, appearing at legislative enquiries and public hearings. During her tenure, Chloé served on the board of Queensland's professional indemnity insurer, Lexon Insurance Pty Ltd and as an alternate director of the Law Council of Australia.

Greg Hallam – Deputy Chair

AM PSM, BBus, BEcon (Hons)

Greg is an experienced Company Director, writer, and executive. Greg has worked as a senior executive for a number of city councils and was Chief Executive Officer of the Local Government Association of Queensland from 1992 until 2021. He is currently a director of both Brighter Super – the merged LGIA, Energy Super and Suncorp Super board, and the Queensland Reconstruction Authority, and has previously served as a member of numerous other boards including Queensland Treasury Corporation. Greg was awarded the Member (AM) of the General Division of the Order of Australia in 2018 for his contribution to Local Government, Sport and Disaster Management, the Public Service Medal in 2000, the Centenary Medal in 2001, and the National Emergency Medal in 2012 for his work in Queensland's 2011 natural disasters.

Judy Bertram – Director

BSc, Dip Ed, GAICD

Judy has had extensive experience at senior levels in the Queensland Government including in the Department of Premier and Cabinet, as the General Manager of Workplace Health and Safety Queensland, as the Deputy Director General of Child Safety, and in strategic policy and planning roles in the vocational education and training system. Since 2012, Judy has been employed by the Queensland Resources Council (QRC) and has led a range of QRC policy areas including Community Engagement, Indigenous Affairs and Health and Safety before becoming Deputy Chief Executive in 2017. In addition to being a Director on the WorkCover Board, Judy is currently a Director of Coal LSL and a Director of Team Super. She served for nine years as a Director on the Board of Deaf Services Queensland and for three years as the Chair of Queensland's Portable Long Service Leave Board for Contract Cleaners. Judy holds a Bachelor of Science from the University of Queensland and a Diploma of Education from the University of New England. She is also a Graduate of the Australian Institute of Company Directors.

Kerriann Dear – Director

BSc, BSocWk (Hons)

Kerriann brings to the WorkCover Queensland Board more than two decades of executive leadership, strategy and governance experience in the not-for-profit sector, with specialist expertise in women's industrial relations, mental health, and workplace wellbeing. She has a strong understanding of regulatory frameworks and psychosocial risk, particularly as they relate to organisational compliance and governance. Kerriann currently operates as an independent consultant, supporting community service organisations across Queensland. She was a member of WorkCover Queensland's Risk and Audit Committee and People and Culture Committee until 30 June 2026.

Stephen Havas – Director

Stephen is a non-Executive Director, Chair, Committee Member and Managing Director with 38 years' experience as the owner of businesses and over twelve years' Board level experience across statutory Government authorities, large member associations, and not for profit sectors. Currently Stephen is a non-executive Director of Master Builders Queensland, Chair of the Housing committee, and a member of multiple subcommittees including Audit and Risk, and Remuneration. At an executive level, Stephen is Managing Director of Garth Chapman Queenslanders SEQ, a boutique design and construct building company, a position held since 1999. Previously, he held the Chair and Deputy Chair positions on a not-for-profit Board (education sector).

Sarah Morris – Director

BEcon, GDip Applied Finance and Investment, CA, FGIA, GAICD

Sarah Morris is the Chief Financial Officer at Teachers Health. Sarah has held senior and executive positions with organisations across defence services, finance, insurance, resources and professional services industries. She is a director of TUH Health Care Services, a former state and national councillor of the Governance Institute of Australia and was the current Chair of the WorkCover Risk and Audit Committee Chair until 30 June 2026.

Sandra McCullagh – Director

BSc, Barts, MBA, FAICD

Sandra is an experienced non-executive director, with skills in finance, investments, ESG and energy. She is currently a non-executive director and Chair of the Investment Committee at Australian Ethical (ASX:AEF), a non-executive director for the Sunshine Coast Health and Hospital Board and Sydney Dance Company, and Chair of the Clayfield College Foundation. Sandra is also a Director of About Energy Pty Ltd. Sandra was previously a trustee of QSuper, including chairing its Investment Committee, in the lead-up to its merger with SunSuper to create Australian Retirement Trust. In her executive career, Sandra worked for several energy companies including Energex, before moving into investment banking in roles including Head of Utilities Equities Research and ESG Research at Credit Suisse. Sandra is the Chair of the Chief Executive Women Membership Committee.

Stacey Schinnerl – Director

BBus

Stacey is the Secretary of The Australian Workers' Union of Employees, Queensland and the Branch Secretary of The Australian Workers' Union (Queensland Branch). In both industrial advocacy and elected union positions, Stacey has represented the interests of Queensland workers for over 20 years. Stacey serves on the Executive of the Australian Council of Trade Unions, is the Vice President of the Queensland Council of Unions and is a current Director on the Board of Chifley Services Pty Ltd and Services and Creative Skills Australia. She holds a Bachelor of Business degree majoring in Human Resource Management and Employment Relations.

Cresta Richardson – Director

Cresta Richardson is the president of Queensland Teachers' Union (QTU), representing 50,000 plus members in schools and TAFEs. She has had a lengthy teaching career, primarily in rural Queensland. Cresta served on the board of the Queensland Curriculum and Assessment Authority (QCAA) and is a Member of the Australian Institute of Company Directors (MAICD). She has achieved an Executive Certificate in Public Leadership from the Harvard Kennedy School. Cresta is currently undertaking further studies in for ATUI Certificate in Executive Management and Development through the UNSW.

Our Executive Leadership Team

Our Executive Leadership Team includes the CEO and our Chief Officers who are each responsible for driving business operations. This team reports to the Board and leads our people toward realising our vision and goals which are bound by our corporate values of delivering with heart, being best together, owning the outcome, and unlocking what's possible.

Michael Pennisi – Chief Executive Officer

BEcon, BComm, GAICD

Michael is an accomplished chief executive with more than 30 years' experience leading organisations across the financial services sector, including insurance, superannuation and investments. Throughout his career, he has successfully led business transformation, organisational growth and performance improvement initiatives in complex and highly regulated environments.

As Chief Executive Officer, Michael leads WorkCover Queensland's strategic direction, organisational performance and long-term sustainability. He is focused on ensuring WorkCover continues to deliver exceptional outcomes for Queensland workers and employers while maintaining one of Australia's strongest workers' compensation funds. Through strong stewardship, clear direction and a commitment to customer outcomes, Michael is leading WorkCover in its vision to make a positive difference to people's lives.

Debra Briscoe – Chief People and Strategy Officer

BA (Psychology), MAICD

Debra is a purpose-led executive with a strong track record leading people, culture and organisational capability in complex environments. She is passionate about creating workplaces where people can thrive and brings deep expertise in leadership, workforce capability, organisation development and transformation. Throughout her career, she has helped organisations build strong cultures, develop future-ready workforces and created the conditions for sustained success.

As Chief People and Strategy Officer, Debra leads WorkCover's People, Internal Communications and Enterprise Portfolio Management Office functions. She is responsible for shaping the culture, capability and leadership that creates the conditions for individuals, teams and the organisation to perform at their best and deliver on WorkCover's purpose and vision.

James Collier – Chief Risk Officer

BEcon, MEcon (Actuarial), FIAA, GAICD

James is an experienced risk and governance executive with more than 30 years' experience across government, insurance, and financial services regulated environments. Combining actuarial skills, strategic and commercial insight with deep expertise in risk, governance and compliance, he has helped organisations strengthen governance, manage uncertainty and build resilience in complex operating environments.

As Chief Risk Officer, James leads WorkCover's risk, governance and compliance functions, including fraud and legal teams. Through strong governance frameworks, risk oversight and strategic assurance, he helps strengthen organisational resilience and support sustainable performance.

Garnett Hollier – Chief Financial Officer

BBus, CA, GAICD

Garnett is a highly respected finance executive with more than 25 years' experience across financial services, investments and corporate governance. He has successfully led major business improvement initiatives and is recognised for his commercial insight, disciplined financial leadership and focus on sustainable organisational performance.

As Chief Financial Officer, Garnett is responsible for WorkCover's finance, actuarial, taxation, procurement, financial planning and analysis, and investment governance functions. He plays a critical role in safeguarding the organisation's financial strength and supporting sound decision-making across WorkCover.

Karin Muller – Chief Operating and Technology Officer

GAICD

Karin is a transformational executive with more than 30 years' experience leading large-scale operations, customer, technology and transformation functions in complex service organisations in regulated environments. She has successfully led enterprise-wide transformation programs delivering major technology and business change initiatives that have modernised businesses, improved customer outcomes, organisational capability and performance.

As Chief Operating and Technology Officer, Karin has end-to-end accountability for delivery of seamless and strategically aligned experiences for customers leading the transformation, claims management, and technology portfolios. Karin is responsible for many of the services, systems and capabilities that underpin both day-to-day performance and the successful delivery of WorkCover's strategic priorities.

Highlights for 2025–2026

Our organisation

$1.343 target average premium rate per $100 of wages	**$7.75B** funds under management
338,604 customer calls to our contact centre	**14,265** referrals to return to work providers

For employers

186,000 employers insured (approximate)	**$116.9M** premium savings for employers (including apprentice and 3% early payment discounts)
$38.72M premium and penalties raised from non-compliant employers (wage audits and uninsured)	**705** onsite audits by our compliance advisors
214 employers referred to Injury Prevention and Management Program (IPaM)	**6.0/10** average customer experience rating by employers

For workers

$2.08B statutory benefits and entitlements paid to workers	**89.9%** injured workers returned to work
75,462 injured workers supported through a claim	**3,644** new common law claims
4,110 workers with a primary mental injury claim	**7.2/10** average customer experience rating by workers

We also

Delivered year one of our five-year strategy	**Launched our new WorkCover values**	**Introduced the new My Recovery Plan**

Our financial and non-financial performance indicators

Performance indicators are focused at the corporate level. As part of WorkCover's performance management system, leaders and their people have indicators specifically directed to their business units.

The measures and targets shown below were first established in April 2024 for the 2024–2025 financial year. The Board subsequently decided to retain these measures and targets for 2025–2026 to provide a stable performance framework while WorkCover developed its new five-year strategy. During this period, material changes in the external environment, including growth in mental injury claims, wage growth and provider cost inflation, affected performance against a number of targets. In April 2026, the Board approved revised measures and targets for 2026–2027 in line with the current operating environment and actuarial advice.

Indicator	2025–2026 Target	2025–2026 Achieved
Operations		
Average weekly compensation paid days	54 days	61.3 days
Average annual statutory claim cost	<$13,500	$16,666
Final return to work (RTW) %	91%	89.9%
Average common law claim cost	<$226,000	$208,654
Financial		
Funding ratio	>120%	>120%
Average premium rate (target)	$1.343	$1.364
Break even premium rate	$1.43	$1.48
Management and levy expense rate	$0.19	$0.19
Experience		
Average customer experience measure (injured workers and employers)	7.5/10	6.9/10

Capital structure and payments to the consolidated fund

In accordance with the *Workers' Compensation and Rehabilitation Act 2003 (*The Act)[7], WorkCover is taken to be fully funded if it is able to meet its liabilities for compensation and damages payable from its funds and accounts and maintain capital adequacy as required under the *Workers' Compensation and Rehabilitation Regulation 2025* (the Regulation)[8]. The Regulation states that in order to maintain capital adequacy, WorkCover's total assets must at least be equal to total liabilities (this correlates to a funding ratio of 100%).

The Act allows for payments to be made to the consolidated fund. The WorkCover Board will make a recommendation to the Minister with respect to such a payment (if any) following certification of the 2025–2026 financial statements.

[7] https://www.legislation.qld.gov.au/view/whole/html/inforce/current/act-2003-027
[8] https://www.legislation.qld.gov.au/view/html/asmade/sl-2025-0116

Each year the Workers' Compensation Regulator levy and the Workplace Health and Safety Queensland grant are payments made in accordance with the Minister's instruction as approved by the Governor-in-Council by gazette notice for the prevention, recognition and alleviation of injury to workers, making employers and workers aware of their rights and obligations, and scheme-wide rehabilitation and return to work programs for workers.

Borrowing made, proposed to be made

WorkCover currently has no borrowings and there are none planned for the immediate future. Investment funds are used to manage all cash flow requirements. WorkCover's borrowing policy is outlined below.

Policies adopted to minimise and manage the risk of investments and borrowings that may adversely affect financial stability

Investment risk

WorkCover has an externally-managed investment program, maintaining a balanced investment profile with a long-term outlook commensurate with being a long-term insurance operation. WorkCover engages the Queensland Investment Corporation (QIC) as investment manager, and an independent investment consultant to assist with investment portfolio oversight and governance.

An Investment Management Agreement governs WorkCover's arrangement with QIC. In addition, the WorkCover Board monitors investments at each meeting and receives regular presentations from QIC. The Board reviews the investment strategy annually, and an independent review framework exists to continuously monitor the investments management program through focused quarterly reviews, including a holistic external strategy review every two years.

Derivative instruments are used as part of the investment strategy to hedge foreign exchange risks, rebalance asset classes and to help achieve particular exposures by taking advantage of, and protect against, market conditions.

Business risk

WorkCover has a risk management program in place, and in 2024–2025 the new role of Chief Risk Officer (CRO) was introduced to increase focus on this important area. Risk registers are maintained and monitored by each business group. Strategies to manage risk are incorporated into each group's business planning process. WorkCover's Board approves the risk management framework and sets the risk appetite. The WorkCover Risk and Audit Committee is responsible for overseeing the risk management program, including reviewing and monitoring WorkCover's top strategic risks on a quarterly basis.

Borrowing risk

The Act provides the framework for WorkCover's procedures for borrowing. WorkCover may enter into such arrangements to procure equipment up to an amount and on such terms as it considers appropriate. All financing arrangements will be made in conjunction with Queensland Treasury Corporation (QTC) in order to establish that applicable rates are competitive and conditions are appropriate. Board approval will be required for all financing arrangements over pre-defined expenditure limits. All limits are as stated in the WorkCover delegation manual.

Policies and procedures relating to acquisition and disposal of significant assets

In acquiring or disposing of significant assets, WorkCover complies with *the Financial and Performance Management Standard 2019*[9] and Queensland Treasury guideline, Non-Current Asset Policies for the Queensland Public Sector (NCAPS).

Significant assets may be acquired via purchase, finance lease agreement, donations, or transfer from other government entities. A business case must be submitted to the CEO and/or CFO seeking approval. The CEO will present any major initiatives to the Board for approval. Approval limits are as stated in the WorkCover delegation manual.

When disposing of significant assets, approval must be sought from the appropriate delegated authority. Approval limits are as stated in the WorkCover delegation manual.

Accounting policies applying to preparation of accounts

WorkCover's accounting policies are outlined each year in the Annual Report, and are reviewed as part of the financial statements audit process. More information on accounting policies is provided in WorkCover's Financial Management Practice Manual (FMPM).

Community service obligations

It is not envisaged that the government will require WorkCover to perform any specific community service obligations.

Employment and industrial relations plan

WorkCover prepares an employment and industrial relations plan annually in accordance with the Act.

Information to be reported to the Minister

Quarterly reporting

A quarterly report will be provided to the Minister within one month of the end of the relevant quarter as required by the Act. The report will contain information regarding WorkCover's performance against the Statement of Corporate Intent.

Annual reporting

A full annual report will be provided to the Minister in accordance with the Act and in compliance with the *Financial and Performance Management Standard 2019*, which requires WorkCover to give the annual report to the Minister to allow the report to be tabled in the Legislative Assembly within three months after the conclusion of each financial year.

[9] https://www.legislation.qld.gov.au/view/pdf/inforce/current/sl-2019-0182

Claims costs and claims management

Statutory claims trends

Claims management is at the heart of what we do at WorkCover. During this financial year, we continued to strengthen our statutory claims management approach, responding to increasing claim complexity across the fund.

In 2025–2026 we implemented a range of new evidence-informed strategies designed to support early, safe and sustainable rehabilitation and return to work, while maintaining fund stability for our customers. These efforts were targeted to better support our customers.

Headline data for 2025–2026 statutory claims:

- 75,462 total accepted claims, increasing by 0.6% compared to 2024–2025
- $16,666 average annual statutory claims cost, representing 19% increase from 2024-2025, which contributed to $2.079B in statutory benefits and entitlements paid to workers.
- 4,110 accepted primary mental injury claims, representing 13.1% increase from 2024–2025 and 16% of total statutory claim costs in 2025-2026.

Mental injury trends

In 2025–2026, primary and secondary mental injury claims continued to rise with primary mental injury claims registrations increasing by 15.7% in 2025-2026. Mental injuries typically have longer claim durations, higher average statutory claim costs, and lower return to work rates, which is why they remain a strategic priority for WorkCover. These claims are typically more complex and require more time, specialised capability and sustained engagement to achieve a safe return to work outcome.

Our data has shown that primary mental injury claims:

- represent 16% of total statutory payments ($334M for 2025–2026)
- have an average claim cost of $25,138 ($23,600 in 2024–2025), which is higher than the average cost of physical injuries ($13,061 for 2025–2026)
- result in longer periods of time off work (123.0 average annual paid days) than for physical injury claims (47.1 average annual paid days)
- have lower return to work rates (71.4% in 2025–2026 compared to workers with a primary physical injury at 93.2%).

Statutory claims management strategies

WorkCover has continued to strengthen its approach to managing statutory claims and supporting workers recovering from a work-related illness or injury. We have invested in our claims management workforce, increasing the number of people available to support workers and employers through a claim and in uplifts to processes and support systems. We have also seen a significant reduction in the time between a claim being accepted and connecting the worker with a Claims Manager. This enables workers to get the help they need quicker with early intervention proven to drive more positive return to work outcomes.

We also engaged specialised allied health providers to collaborate on claims where additional, targeted expertise can help support better outcomes. Together, these initiatives are improving timely access to support for injured workers.

Claims decisions

We remain committed to making early, quality decisions to provide our customers with certainty.

In line with our obligations under the *Information Privacy and Other Legislation Amendment Act 2023*[10], we have improved how we process provider-lodged work capacity certificates. From 1 July 2025, a claim is no longer automatically registered when a doctor sends us a work capacity certificate. Instead, a worker must actively make a claim themselves using a work capacity certificate. This change ensures workers' personal details are protected, are aware of and ready to proceed with their claim, and reduces unnecessary administration where claims are not pursued.

We have continued to build on the guidance and support available to help workers access treatment and start their recovery journey sooner. WorkCover funded over $6.8M in early intervention support for workers with mental injury claims that had not yet been determined over the past year, representing a 49% increase from two years ago.

My Recovery Plan: a new rehabilitation and return to work plan

We launched a new rehabilitation and return to work plan, the My Recovery Plan, in May 2026. This plan represents a purposeful step forward in how we support injured workers and employers. It brings recovery goals, treatment, roles, and next steps together in one place, making the process clearer and more coordinated for employers while creating a more transparent and meaningful experience for injured workers.

The My Recovery Plan is grounded in customer research and developed with input from employers and injured workers to support practical, outcome focused recovery planning. It focuses on the key information and actions that make the biggest difference to a worker's recovery and return to work. This approach encourages workers to play an active role in their recovery, while strengthening collaboration between all parties to support well-coordinated and effective claim outcomes.

Improving our support for mental injury claims

We manage the impact of claims for our customers by optimising our determination and management of mental injury claims, educating employers and supporting workers.

We have introduced trauma-informed principles of communication and claims management for our teams to support them to adopt a whole-person perspective to enable individualised recovery planning to each worker's circumstances. This includes recognising psychosocial factors that may influence physical injuries and recovery outcomes. Through targeted training, our people are supported to manage mental injury claims confidently, sensitively, and effectively to minimise workers needing to re-live trauma associated with their injury. Alongside this, we provide medical treatment, counselling, and cover-related costs.

Through the Mental Health and Injury Project, we have continued to improve our approach to trauma-informed claims management, with a strong focus on prevention, early intervention, recovery outcomes and reducing the risk of secondary mental injury associated with physical injury claims. This year, we have progressed and embedded a range of key initiatives across the organisation, including:

- providing more allied health guidance to support early intervention, planning and collaboration for primary and secondary mental injury claims to improve recovery and return to work outcomes;
- connecting workers with targeted support sooner, overcoming barriers proactively through improved collaboration and coordination towards claim goals;
- designing news ways to enhance our use of the Örebro Musculoskeletal Pain Screening Questionnaire to strengthen consistency in the early identification and management of psychosocial risk factors associated with delayed recovery, return to work barriers and secondary mental injury;

[10] https://www.legislation.qld.gov.au/view/pdf/asmade/act-2023-032

- continuing to partner with panel psychologists to support the identification, escalation and management of workers experiencing elevated psychological distress or crisis;
- reviewing our Mental Injury Treatment Guidelines to ensure alignment to best practice;
- expanding our customer research with workers following a mental injury claim, in line with our Safe Feedback Framework, to ensure we capture feedback in a safe, appropriate and respectful way, and
- leveraging specialised expertise to support how we improve determination timeframes for primary mental injury claims.

Insights informing our approach to supporting employers and workers

We actively engage with our customers to understand their evolving needs through research, enabling us to continually improve our services and deliver better outcomes. In line with our broader strategy, we are implementing targeted initiatives that improve how we listen to our employers, workers, and providers to regularly gather their feedback. These listening strategies improve visibility of customer sentiment at key interaction points, deepen our understanding of customer needs, and support more targeted, evidence-based service improvements over time.

Referrals to rehabilitation services providers

WorkCover's expert panel of workplace rehabilitation providers assist our people and our customers to facilitate, plan, and support rehabilitation and return to work opportunities. We made 14,265 referrals to this panel in 2025–2026, an increase of 9.7% on 2024–2025 referrals.

2026 workers' compensation scheme review

The Queensland Government initiated an independent review of the *Workers' Compensation and Rehabilitation Act 2003* (WCR Act) during 2025-2026 to ensure the Queensland workers' compensation scheme is fit for purpose, fair, sustainable, and protected. The consultation period closed in May 2026, and the review is expected to be finalised in the second half of 2026.

WorkCover is committed to working with the Office of Industrial Relations and our external stakeholders to implement any changes that may result from this review.

Common law trends

WorkCover manages common law claims through an external panel of experienced legal practitioners. Common law damages and legal costs were well controlled with the average common law claim cost under target at $208,654. However, continued growth in primary and secondary mental injury claims is putting upward pressure on claims costs and durations with 3,215 common law claims closed during 2025–2026.

Improving outcomes through partnerships

Our approach to customer engagement is grounded in purposeful partnerships that drive better outcomes for injured workers and employers across Queensland. Collaborating across government and industry remains critical to WorkCover's effectiveness. It enables a more coordinated approach to prevention, recovery, and return to work, while supporting the Queensland Government's priorities.

Customer engagement

During 2025–2026, we expanded our engagement with employers, partners, and other key stakeholders to deliver greater value to Queensland businesses and improve customer outcomes. We established a dedicated Employer Division to strengthen relationships and provide additional support to businesses with a large employee base.

WorkCover attended industry events, including the Office of Industrial Relations (OIR) Work Well conferences in Brisbane and Townsville, which attracted over 800 delegates. Engagement with priority sectors was further enhanced through the introduction of quarterly forums with First Responder agencies. These meetings support stronger collaboration, improve cross-agency coordination and have a greater focus on early intervention initiatives.

We continued our targeted communication and education initiatives, including the WorkCover Update digital newsletters, which provide guidance on key topics such as policy renewal, My Recovery Plan and tips to support recovery, and return to work. As part of this series, in May 2026, we introduced a dedicated Small Business Month campaign featuring tailored content for small businesses.

In partnership with OIR, we continued to promote and refer businesses to our Injury Prevention and Management (IPaM) program. This free program provides Queensland businesses with customised improvement plans to create safer workplaces and support workers during recovery and return to work.

Through ongoing and meaningful engagement, we translate stakeholder insights into practical improvements that enhance customer experience, support timely recovery, and help manage claims costs and premiums.

Provider engagement

Effective provider engagement enables the delivery of high-quality services and achieving strong outcomes for injured workers and employers. A core focus for us this year has been to build on and strengthen provider capability to create more consistency across the services we provide.

Highlights from this financial year include the onboarding of nearly 250 contracted providers to meet the increasing demand for services, increased regional coverage, and access to expanded services to support our evolving claims portfolio. To support this scale up, we designed and implemented structured learning modules for these providers that established a consistent understanding of service and performance expectations, enabling improved recovery outcomes.

We delivered these improvements through two new programs: our Medical and Allied Health Services (MAHS) Provider Panel, and our Rehabilitation Services Provider Panel (RSPP).

The new MAHS Provider Panel expanded our services across in-demand medical specialties and allied health disciplines. This expansion increases service availability for injured workers and includes the addition of pharmacists to support medication reviews and neuropsychologists to address complex neurological conditions. To support this expanding service, we developed and implemented our new Independent MAHS Table of Costs, designed to facilitate timely access to care and the expanded scope of the services.

The new RSPP expanded our rehabilitation services offerings, capacity, and regional coverage to allow better flexibility and increased specialised rehabilitation and return to work support for our people and customers.

To further enhance our services, we refreshed our Provider Management Plan (PMP). The updated PMP supports clearer communication and more effective treatment planning.

We also continued to partner with providers to capture insights and improve our ways of working together. This program has supported us in shaping our approach to pricing, business process, broader provider engagement and opportunities for improvement across our provider network. In 2025–2026, we attended the Royal Australian College of General (RACGP) annual national conference GP25 in Brisbane, and the Rural Doctors Association of Queensland (RDAQ) 2026 Annual Conference in Cairns. We continued to deliver training to General Practitioner Registrars in partnership with the RACGP. We also sponsored and attended the Australian Rehabilitation Providers Association (ARPA) Queensland Excellence in Workplace Rehabilitation Awards.

As part of our commitment to keep our key stakeholders informed and connected, we continue to publish quarterly e-newsletters that share updates, insights and resources with our provider network.

First Nations engagement

WorkCover continues to engage meaningfully with First Nations communities through key initiatives that support our Innovate Reconciliation Action Plan (RAP). In 2025–2026, we participated in the NAIDOC Week community event at Musgrave Park, Brisbane, as well as National Reconciliation Week. At these events, we connected with community members and gathered valuable feedback on WorkCover from a First Nations perspective.

During National Reconciliation Week, we launched our Innovate RAP. Building on the foundations of our Reflect RAP, our Innovate RAP marks an important step forward in embedding reconciliation across our organisation. It reflects our commitment to reconciliation, to improve how we support all Queenslanders, and is guided by a simple but powerful principle: to support anyone, we need to include everyone.

WorkCover also supported the Darkness to Daylight event in June 2026 to raise awareness of domestic and family violence. This reflects a deliberate focus on issues that disproportionately impact First Nations communities and aligns with our First Nations Strategy which prioritises meaningful action on issues that matter most to the communities we serve.

Industry engagement

Industry engagement is an important part of WorkCover's strategy, ensuring we remain responsive to stakeholder needs, and that our policies are grounded in insights. It plays a central role in delivering high-quality services and strong outcomes for injured workers and employers. Our industry engagement program aligns to our strategy and supports the priorities of the Queensland Government.

We have maintained a presence at industry conferences and events across Queensland to build trusted relationships and inform decision-making, including:

- Toowoomba Regional Lunch with WorkCover's Board and CEO
- IPAR industry event
- Aged Care & Disability Expos
- Frontline Mental Health Conference
- Queensland Workers' Memorial Breakfast
- Small Business Expo.

We maintained strong and ongoing engagement with our legal stakeholders and regularly met with legal stakeholders and panel lawyers as a collective forum to share insights, discuss emerging issues, and strengthen collaboration.

Our people

Workforce planning and performance

1,494	67%	18%
full-time equivalent employees**as at 30 June 2026, excluding Directors, Contractors and Temporary Agency Staff*	of our workforce is female	employee 12-month rolling turnover rate

Our people are central to delivering trusted outcomes for Queensland workers and employers. During the year, we continued to build a capable, high-performing workforce where inclusion, belonging, safety and wellbeing underpin how we work. We strengthened our employment framework through the implementation of the *WorkCover Employing Office Certified Agreement 2025*, enhanced organisational alignment and accountability through our Enterprise Balanced Scorecard, and refreshed key policies that support a safe, respectful and inclusive workplace. Through ongoing investment in capability, leadership and employee experience, we are equipping our people to deliver quality outcomes for our customers and the Queensland community, now and into the future.

In 2025–2026, we:

- delivered our new *WorkCover Employing Office Certified Agreement 2025*, which sets out employment conditions, benefits and entitlements for our people.
- strengthened key policies such as our Code of Conduct, Workplace Health and Safety, Domestic and Family Violence, Prevention of Sexual Harassment, and Prevention of Discrimination, Harassment and Bullying in the Workplace (more details are outlined below).
- enhanced alignment, accountability and performance across the organisation supported by our new Enterprise Balanced Scorecard.

Health, Safety and Wellbeing at WorkCover

WorkCover remains committed to the safety and wellbeing of our people. This year, we strengthened our governance framework through updates to our Workplace Health and Safety Policy, clarifying accountabilities, roles and responsibilities, and key definitions.

Employee support was further strengthened by expanding access to the Employee Assistance Program and Early Intervention Program services, including the provision of onsite wellbeing support for employees with higher exposure to potential psychosocial hazards. Organisational capability to manage these risks was improved through targeted training and resources, such as the implementation of the Workplace Sexual Harassment Prevention Plan. This reinforces our commitment to maintaining a safe, respectful, and inclusive workplace.

Growing the capability and engagement of our people

We recognise that our people are critical to delivering valued experiences to our customers.

In December 2025, we launched our new values, developed with input from across the organisation. These values provide a clear and shared foundation for how we work, make decisions, and deliver outcomes for Queensland workers and employers.

We measure employee engagement through a biannual People Survey that provides valuable insights to inform decision-making, supports our strategic goals, and enhances WorkCover’s culture.

We have strengthened our claims capability function to ensure our people who support our customers are best placed to deliver quality services. Our approach focuses on practical, role-relevant learning embedded in day-to-day work so they can build capability and confidence to effectively and consistently deliver experiences for injured workers and their employers.

We have also embedded mental injury training across frontline teams and integrated this training into new employee onboarding.

A diverse workforce

Our Diversity, Inclusion and Belonging Strategy outlines our commitment to creating a workplace where all our people, regardless of age, background, carer's status, class, disability status, gender, race/ethnicity, or sexual orientations:

- are respected and valued team members
- are connected to their team and the work we do for the Queensland community, and
- can contribute and progress at work.

WorkCover is proud of its diverse workforce with:

- 48 employees under 25 years of age
- 189 employees over 55 years of age
- 309 culturally and linguistically diverse employees
- 61 employees with a disability
- 19 First Nations team members.

Amplify, WorkCover's diversity, inclusion and belonging employee reference group, progressed several key initiatives around improving inclusion in the workplace. These included reviewing our retirement program, becoming an organisational member of Hidden Disabilities, refreshing our Neurodiversity Information Pack, and launching our Access and Inclusion Plan.

Gender equity

Women continue to be well represented in leadership roles across the organisation. Women hold 60% of our frontline leadership positions, 53% of senior leader positions, and 40% of executive leader positions. Over the past 10 years, the number of women in leadership has grown by 11%, and women now make up 67% of our workforce.

We actively monitor and take targeted action to address gender pay parity, flexible work arrangements, gender diversity and balance in recruitment, leadership programs, and employee support resources and networks.

First Nations

We launched our Innovate RAP in May 2026, marking the next phase of our First Nations Strategy. Our RAP sets a clear framework for embedding reconciliation into WorkCover's culture, services, and decision-making through four core pillars: Relationships, Respect, Opportunities and Governance.

The RAP supports increased First Nations employment and procurement, improved customer experience, and stronger organisational accountability. It reinforces WorkCover's long-term commitment to equity, inclusion, and better outcomes for all Queenslanders.

As part of our RAP, we established and launched First Nations Foundation training and Acknowledgement of Country workshops, available to all employees to improve cultural responsiveness within WorkCover and enhance understanding of First Nations cultures.

Industrial and employee action

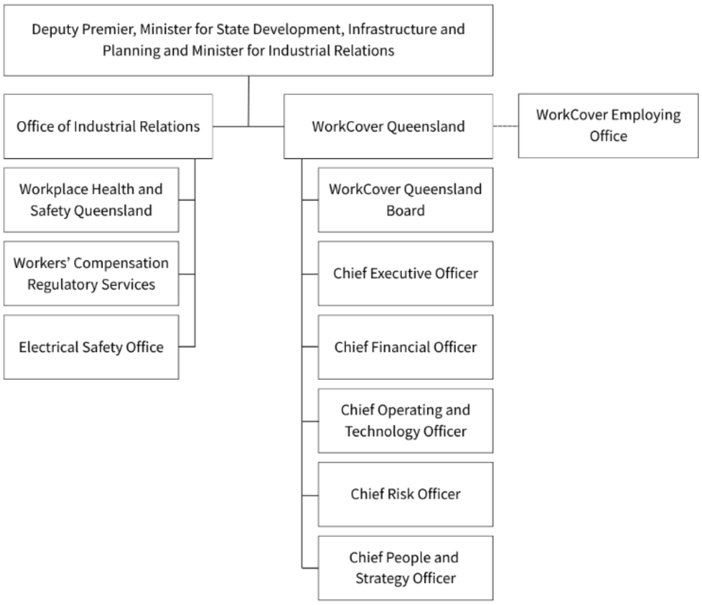
The *WorkCover Employing Office Certified Agreement 2025* was agreed and implementation commenced. Importantly, we updated and strengthened core organisational policies to support behaviour in alignment with our new values. The updated policy suite includes the Code of Conduct, Prevention of Discrimination, Harassment and Bullying in the Workplace, Prevention of Sexual Harassment and Related Conduct, and Domestic and Family Violence Policy.

We continue to review and refine our workplace practices to support our people in delivering WorkCover's role for the Queensland community. Our approach encourages employees to share their views, seek advice, raise concerns, and contribute to continuous improvement. We support this through a range of channels, including internal change consultations, employee feedback surveys, and town halls.

Governance of management and structure

Organisational structure

WorkCover and the WorkCover Employing Office are statutory bodies established under the *Workers' Compensation and Rehabilitation Act 2003 (Qld) (*the Act). The WorkCover Board is accountable to the Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations, the Honourable Jarrod Bleijie MP.



WorkCover Board

The Act establishes the WorkCover Board of Directors, which consists of not more than nine members appointed by the Governor in Council. The Board's role is set out in the Act and reflected in our Board Charter which specifies key accountabilities and responsibilities of the Board. The Charter is reviewed and approved annually by the Board and made publicly available on our website[11].

The Board provides ethical and effective leadership and ensures that this standard of leadership is embedded across the organisation. The Board's role ensures that, as far as possible, WorkCover achieves and acts in accordance with its Statement of Corporate Intent and implements the objectives, which include:

- accounting to the Minister for its performance as required by the Act or under another law applying to WorkCover
- the responsibility for WorkCover's commercial policy and management
- notifying the Minister of the methods and rates it proposes to use to assess premiums
- the provision of timely advice to the Regulator on information impacting on the workers' compensation scheme
- performing other functions conferred on the Board under the Act (or another Act)
- ensuring WorkCover otherwise performs its functions in a proper, effective, and efficient way.

During the year, the Board exercised their duties and responsibilities in accordance with the Board Charter, which included:

- approving and monitoring the Corporate Plan, Statement of Corporate Intent, including key performance targets, and Employee Relations Plan submitted to the Minister
- accounting to the Minister for its performance as required by the Act
- approving WorkCover policies as required in accordance with the Policy Governance Policy
- approving the Risk Management Framework, including the organisational Risk Appetite Statement
- approving quarterly reports to the Minister, annual reports and financial statements
- approving the annual operating budget

[11] https://www.workcoverqld.com.au/about/who-we-are/board-of-directors/board-charter

- approving WorkCover's investment strategy
- approving the Board and Committee charters and other relevant governance artefacts
- maintaining oversight of the WorkCover Employing Office, financial integrity and ongoing financial; and performance, including approval of financial statements and the annual report
- providing timely advice to the Regulator on information impacting on the workers' compensation scheme (including WorkCover's submission to the Independent Review of the *Industrial Relations Act* 2016 (Qld) and the *Workers' Compensation Act 2003* (Qld).

The Board has two established committees; a Risk and Audit Committee (RAC) and a People Committee (PC).

WorkCover Board and Committees Membership as at 30 June 2026

Board	Risk and Audit Committee	People Committee
Chloé Kopilović – Board Chair	Sarah Morris – Committee Chair	Sandra McCullagh – Committee Chair
Greg Hallam – Board Deputy Chair	Chloé Kopilović – Board Chair	Chloé Kopilović – Board Chair
Sarah Morris	Greg Hallam – Board Deputy Chair	Judy Bertram
Sandra McCullagh	Stephen Havas	Kerriann Dear
Stephen Havas	Kerriann Dear	Stacey Schinnerl
Kerriann Dear		
Judy Bertram		
Stacey Schinnerl		
Cresta Richardson		

The Board has delegated operational management of WorkCover to the CEO, including the delivery of the Corporate Plan and Statement of Corporate Intent strategies and goals with the support of the Executive Leadership Team.

The Board is comprised of a maximum of nine independent non-executive directors appointed by the Governor-in-Council, based on their experience and knowledge, for a term of no more than five years. The Governor-in-Council also appoints the Board Chair and Deputy Chair and determines the terms of appointment including remuneration which is paid in accordance with the Remuneration Procedures for Part-Time Chairs and Government Boards. Remuneration is outlined in note E3 Related Parties of the Financial Statements. During the 2025–2026 year, no new Directors were appointed. The Board undertake biennial performance evaluations.

As at 30 June 2026, WorkCover's Board has 78% female representation among the directors.

Directors' meetings

The Board has two established Committees, including the Risk and Audit Committee and the People Committee. WorkCover held nine Board sessions in 2025–2026. The CEO and the Company Secretary attend all Board and Committee meetings, and other members of the Executive leadership attend to present and discuss relevant topics.

Members of the Board meeting attendance

While not all Directors are members of each Committee, they all have a standing invitation to attend Committee meetings. The below table summarises attendance across the financial year and ‘Out of pocket’ expenses as outlined in the Remuneration Procedures for part-time Chairs and members of Queensland Government bodies and includes travel, accommodation, motor vehicle allowances, and meals.

Current Directors (as at 30 June 2026)	Appointment term	Board meetings attended / required to attend	Risk and Audit Committee meetings attended / required to attend	People Committee meetings attended / required to attend
Chloé Kopilović, Board Chair				
Risk and Audit Committee member People Committee member	20/12/2024 – 30/06/2029	5/9	2/4	1/4
Greg Hallam, Deputy Chair				
Board member	20/12/2024 – 30/06/2029	7/9	3/4	n/a
Judy Bertram, Director				
Board member	01/07/2020 – 30/06/2026	8/9	n/a	4/4
Kerriann Dear, Director				
Board member	01/07/2017 – 30/06/2026	9/9	4/4	4/4
Stephen Havas, Director				
Board member	01/07/2023 – 30/06/2026	8/9	4/4	n/a
Sarah Morris, Director				
Board member Risk and Audit Committee Chair	08/02/2018 – 30/06/2026	7/9	4/4	n/a
Sandra McCullagh, Director				
Board member People Committee Chair	01/09/2022 – 30/06/2026	9/9	1/0	4/4
Stacey Schinnerl, Director				
Board member	02/10/2020 – 30/06/2026	8/9	n/a	4/4
Cresta Richardson, Director				
Board member	26/09/2024 - 30/06/2026	7/9	n/a	4/4
			Total out of pocket Board expenses:	$5,178.08

People Committee

The WorkCover People Committee’s role is to assist the Board in fulfilling its statutory responsibilities, as outlined in the People Committee Charter. The Committee reports directly to the Board on WorkCover people matters and strategies and meets quarterly. The Committee consists of a minimum of three and maximum of five independent non-executive directors, comprised from the Board. As at 30 June 2026, the Committee comprised of five members. The People Committee members are not paid any additional remuneration for serving on this Committee.

Public Sector Ethics

The four ethics principles outlined in the *Public Sector Ethics Act 1994* (Qld)[12] are incorporated into WorkCover's Code of Conduct. The Code of Conduct accompanies each successful candidate's letter of offer. Successful candidates are required to acknowledge that they have read and agree to the Code of Conduct prior to accepting their offer of work.

The Code of Conduct forms part of WorkCover's corporate induction program. Each new starter is required to complete the online Code of Conduct e-learning module. The Code of Conduct is available on WorkCover's intranet and external website. The e-learning module is also part of the annual compliance training our people are required to complete annually in January and includes information on and links to the *Public Sector Ethics Act 1994*.

Relevant internal policies and practices are aligned with the Code of Conduct, including its ethical principles and values. Non-compliance with the Code of Conduct may result in disciplinary action, up to and including termination of employment.

The Board is also required to act honestly, disclose interests, exercise diligence, and not use information or their position inappropriately in accordance with sections 415 – 217 of the *Worker's Compensation and Rehabilitation Act 2003* (Qld) and the Board Charter. Additionally, they follow guidelines set out in *Welcome Aboard: A Guide for Members of Queensland Government Boards, Committees and Statutory Authorities*, as issued by the Department of Premier and Cabinet[13]. WorkCover has recently created new values through a co-creation process. The new WorkCover values mean our people aim to approach their work with care and professionalism, take responsibility for actions and decisions, work collaboratively, and contribute to continuous improvement and better outcomes.

Human Rights

WorkCover supports the objectives of the *Human Rights Act 2019* (Qld) (HRA)[14] to protect and promote human rights, and build a culture that respects human rights, which is reflected in our values.

During the year, WorkCover undertook a range of activities to further the objectives of the HRA, including:

- ongoing reporting of WorkCover's obligations
- delivered annual compliance training materials and induction program training which includes references to the HRA and our obligations
- promoted diversity, inclusion and belonging initiatives to put inclusion at the forefront of interactions and to leverage diversity
- delivered actions as part of our First Nations Strategy and Innovate RAP to evolve our commitments to reconciliation for First Nations workers and the wider community we serve.

WorkCover received two human rights complaints between 1 July 2025 and 30 June 2026 in relation to WorkCover's actions or activities from customers. One matter has been resolved; the second matter is under review and remains ongoing.

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[12] https://www.legislation.qld.gov.au/view/whole/pdf/inforce/current/act-1994-067
[13] https://www.premiers.qld.gov.au/publications/categories/policies-and-codes/handbooks/welcome-aboard/assets/welcome-aboard-handbook.pdf
[14] https://www.legislation.qld.gov.au/view/pdf/inforce/current/act-2019-005

Governance of risk management and accountability

Risk management

WorkCover's strategy includes a risk and financial sustainability pillar as a key strategic enabler to deliver better outcomes for injured workers and employers. The risk management uplift program focuses on our risk policies, systems and processes and strengthening these foundations to ensure we deliver to our objectives. An uplifted Policy Governance Policy was delivered this financial year to drive improved clarity, consistency, accountability and oversight across the enterprise and will continue to be embedded.

WorkCover's Risk Management Framework (RMF) and Risk Appetite Statement (RAS) were endorsed by the Risk and Audit Committee and approved by the Board. Both the RMF and RAS serve to guide the business in strategy setting, business objective and making informed decisions in line with the agreed risk appetites. WorkCover's RMF aligns to the principles outlined in *ISO 31000:2018 Risk Management – Guidelines* and meets the requirements of the *Financial and Performance Management Standard 2019*. We publish our risk management statement on our website[15].

During the financial year there has been a continued focus on identifying areas to improve and strengthen enterprise risks. This included the establishment of The Enterprise Portfolio Management Office (EPMO) which has focused on uplifting portfolio governance. The Transformation Delivery Team has helped embed improved portfolio governance and delivery practices, supporting greater visibility and prioritisation across strategic initiatives for strong execution. The Transformation Delivery Team has been mobilising and has been focused on uplifting delivery practices. WorkCover also established an IT Governance Committee and a number of sub-committees to strengthen our IT Governance. A Cyber Strategy and an Artificial Intelligence (AI) policy were introduced this year providing two key foundations of the uplift in IT Governance. The Board, including the Risk and Audit Committee, oversee assurance activities undertaken across the enterprise. Enterprise risks and key risk indicators, along with any planned mitigation activities are reported quarterly to the Risk and Audit Committee.

Risk and Audit Committee

The Risk and Audit Committee consists of five independent non-executive directors comprised from the Board. A summary of committee membership (as at 30 June 2026) is shown in the Governance and Management of Structure section of this report.

Remuneration of the committee is noted in note E3 of the Financial Statements and paid in accordance with the *Remuneration Procedures for Part-Time Chairs and Members of Queensland Government Bodies*[16].

The Executive Leadership Team, internal audit, and external audit all have a standing invitation to attend Risk and Audit Committee meetings. Members of senior management are invited where required to discuss key risk areas.

The Committee meets quarterly and during 2025–2026, met four times fulfilling its responsibilities as per the Risk and Audit Committee Charter[17]. The role and the objectives of the Risk and Audit Committee are to assist the Board in fulfilling its corporate governance responsibilities by:

- providing a review function, independent of Management to ensure the reliability and integrity of financial information included in the Annual Report

[15] https://www.workcoverqld.com.au/about/publication-scheme/our-policies/risk-management
[16] https://www.qld.gov.au/__data/assets/pdf_file/0025/39481/remuneration-procedures.pdf
[17] https://www.workcoverqld.com.au/about/who-we-are/board-of-directors/risk-and-audit-committee-charter

- overseeing compliance with legislative, regulatory, contractual, policy, industry standards, and good governance principles
- obtaining assurance from Management that all financial and non-financial internal controls and risk and compliance management functions are operating effectively and reliably, and
- safeguarding the independence of the external and internal auditors.

The Committee is directly responsible and accountable to the Board for the exercise of its duties and responsibilities which are outlined in the Risk and Audit Committee Charter.

In the 2025-2026 year, key achievements of the Risk and Audit Committee included:

- approving the 2024–2025 Financial Statements for WorkCover and WorkCover Employing Office
- endorsing the 2025 – 2026 External Audit Plan
- approving the 2026 – 2027 Internal Audit Plan
- approving the Internal Audit Charter
- endorsing the Risk and Audit Committee Charter
- approving the Public Interest Disclosure Policy
- approving the Compliance Policy
- endorsing the Conflicts of Interest Policy
- endorsing the Risk Management Framework and Risk Appetite Statement
- endorsing Tax Risk Management Policy
- reviewing the Entertainments, Gifts and Benefits Policy
- reviewing the Ethics Policy.

Fraud

WorkCover has a zero tolerance for fraud and takes all reports of fraud seriously. On investigation, if WorkCover forms a reasonable belief of fraud or related offending in alignment with regulatory guidelines, we are required to report the matter to the WCRS.

Fraud in the scheme includes, where a person or organisation defrauds or attempts to defraud WorkCover; provides false or misleading statements or information to WorkCover; and/or fails to notify WorkCover, in the way required if a person is engaging in other work (paid or unpaid) while claiming compensation benefits.

WCRS is responsible for investigating and prosecuting fraud and related offending under the Act and will triage matters referred to them to determine whether there is sufficient evidence of offending to commence a prosecution, in accordance with the WCRS prosecutions policy[18]. Prosecution outcomes are published by WCRS on the website[19].

During the year, the Workers' Compensation Joint Fraud Taskforce (Taskforce) was established with membership representation from WorkCover and the OIR, including WCRS. The taskforce's objectives include identifying, coordinating and overseeing initiatives to improve the strategic and operational responses to fraud and the crackdown on related offending in the scheme. This demonstrates the deep collaboration between agencies to protect the integrity of the workers' compensation scheme, through a coordinated and targeted approach to detect, prevent and respond to fraud.

To further demonstrate WorkCover's commitment to managing fraud risk, a strategic review of WorkCover's fraud systems and processes has been undertaken to inform improvements to fraud risk management, which will be implemented through a dedicated project with both tactical and strategic activities.

[18] https://www.worksafe.qld.gov.au/__data/assets/pdf_file/0021/108219/Workers-Compensation-Regulator-Prosecutions-Policy.pdf
[19] https://www.worksafe.qld.gov.au/about/who-we-are/workers-compensation-regulatory-services

Frontline detection and reporting continue to be strengthened through targeted fraud and awareness initiatives, resources and tools, refreshed training, and the launch of a simplified reporting form.

Employer compliance

WorkCover supports scheme integrity by helping Queensland employers understand and meet their workers' compensation obligations. This includes ensuring employers maintain adequate accident insurance cover when engaging workers and that premiums are calculated on accurate wage and industry information.

WorkCover's Customer Audit and Intelligence team delivers this work through targeted audits, employer site visits, coverage reviews and uninsured employer compliance activities. The program uses data sharing arrangements with other government agencies, industry trend information and intelligence-led analysis to identify areas of potential non-compliance and respond proportionately.

Compliance Audits

In 2025–2026, WorkCover conducted 459 targeted compliance audits of Queensland employers. These audits focused on employers identified through data-led selection methods as presenting a higher risk of non-compliance. On year-end figures, 89% of audited employers required adjustment or further compliance action. The total additional premium and penalties raised from desktop audit activity was $17.84M.

Site visits and uninsured employers

WorkCover conducted 705 employer site visits during the year. These visits were selected using industry trend information, data matching and intelligence analysis to identify employers and worksites where there may be an increased risk of non-compliance.

The site visit program supports early engagement with employers, helps clarify workers' compensation obligations, and allows WorkCover to identify uninsured or underinsured employer risks that may not be apparent through desktop review alone.

Provisional coverage and industry classification reviews

WorkCover also completed 411 provisional coverage and industry classification reviews. These reviews assessed whether employers held appropriate cover and whether their industry classification accurately reflected the nature of their business activities.

This work supports premium accuracy by helping ensure employers are covered on the correct basis and that premiums are calculated using appropriate policy information.

Together, site visits, provisional coverage reviews and industry classification reviews raised $11.48M in additional premium and penalties from uninsured and underinsured employers.

Uninsured claims

Compliance advisors identified 302 new uninsured claims, resulting in $9.41M in uninsured claims costs and penalties being raised for recovery from employers who did not hold compulsory accident insurance at the time a worker's claim was lodged.

In total, WorkCover's employer compliance program raised more than $38.72M during the 2025–2026 financial year.

Internal audit

The internal audit function is integral to the corporate governance framework and supports the Risk and Audit Committee by providing independent and objective risk- based assurance advice, with the purpose of evaluating and improving the effectiveness of WorkCover's risk management, control, and governance processes.

The internal audit function is currently outsourced to a third-party internal audit contractor, appointed by the Board. The internal audit function operates independently from management and WorkCover's external auditor. The internal audit function operates under an approved internal audit charter which formalises the role, authority, responsibility, scope, and operational framework of WorkCover's internal audit function, consistent with relevant assurance and professional ethical standards.

Each year, the internal audit contractor prepares an internal audit plan, which outlines the internal audit activities to be performed during a financial year. The Risk and Audit Committee approve the internal audit plan and monitor the performance of the internal audit function, with due regard to the *Audit committee guidelines: improving accountability and performance*[20]. The 2025–2026 internal audit plan was approved during the May 2025 Risk and Audit Committee meeting. The 2026–2027 Internal Audit Plan was approved in May 2026.

During the 2025–2026 financial year, nine internal audit engagements were completed. At the completion of each engagement, the internal auditors report their findings and recommendations to the Risk and Audit Committee. All recommendations arising from the completed internal audit engagements have either been implemented or, are on track to be implemented, within agreed timeframes. The internal audit plan's coverage over WorkCover's key risks is reviewed regularly and when establishing the internal audit plan with key stakeholders.

External audit

The external audit function for WorkCover is performed by the Queensland Audit Office (QAO) with recommendations reported and monitored by the Risk and Audit Committee. The external audit plan is approved by the Risk and Audit Committee each year with the 2025–2026 plan approved at the Risk and Audit Committee meeting on 16 February 2026.

Key findings from the external auditor are outlined in the external audit report accompanying WorkCover's financial statements.

External scrutiny

WorkCover is subject to reviews and external audits conducted by external agencies (including the WCRS, QAO, Crime and Corruption Commission (CCC), and Queensland Ombudsman).

The Chair and CEO meet with the Minister to discuss relevant matters, including the quarterly report which includes progress against our Statement of Corporate Intent objectives. The Executive Leadership Team also meets quarterly with representatives from the Office of Industrial Relations and Queensland Treasury to discuss WorkCover's financial and operational performance. WorkCover is subject to a range of external scrutiny (QAO, CCC, government regulatory agencies) and has complied with requirements of audits.

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[20] https://www.treasury.qld.gov.au/files/Audit-Committee-Guidelines.pdf

Information systems and recordkeeping

WorkCover employees are responsible for keeping and maintaining records which are stored through WorkCover's claims and policy information system (claim and policy records) and through an integrated electronic records system for corporate records. Annual compliance training is completed to ensure all staff are aware of their obligations under the *Public Records Act 2023* (Qld) and Records Governance Policy.

Records are being retained in line with the *Public Records Act 2023.* WorkCover became aware of, and confirmed, one breach of the *Public Records Act 2023* during the financial year, and self-reported this to the Queensland State Archives. The Queensland State Archivist reviewed the circumstances and confirmed a breach had occurred. The Queensland State Archivist noted that the breach was a 'singular incident' and that WorkCover took 'sufficient and appropriate' proactive steps to address the issue. This breach will be noted in the State Archivist's annual report. Aside from this incident, no records were reported as missing or lost during 2025–2026.

Open data

WorkCover has published information through the Open Data Online portal, in accordance with mandatory open data reporting requirements.

Financial performance

WorkCover's total comprehensive income for 2025–2026 was $40M profit (after tax), primarily driven by higher net premium revenue and strong investment returns, partially offset by an increase in net claims expense.

Financial results	2025—2026 $M	2024—2025 $M
Statement of comprehensive income		
Net premium revenue	3,069	2,875
Net claims expense	(3,642)	(2,898)
Underwriting expenses (net of claims handling)	(113)	(69)
Net investment income and other expenses	742	699
Income tax equivalents expense	(7)	(175)
Other comprehensive (loss) / income	(9)	3
Total comprehensive income for the year	40	435
Statement of financial position		
Total assets	9,254	8,457
Total liabilities	6,749	5,993
Net assets	2,505	2,464
Statement of changes in equity		
Reserves	1,152	1,263
Contributed equity	3	3
Accumulated surplus	1,350	1,198
Total equity	2,505	2,464

Premium revenue

Our net premium revenue was $3.069B for the year, an increase of 7% from 2024–2025. The target average premium rate for 2025–2026 remained at $1.343.

For the new financial year 2026–2027, WorkCover's target average premium rate will remain the same at $1.343 per $100 of wages, after discounts, continuing to be one of the lowest average premium rates for workers' compensation insurance in Australia.

Net claims expense

Net claims expense was $3.642B for 2025–2026 (2024–2025: $2.898B). Net claims costs increased in 2025–2026, driven primarily by higher statutory and common law claims experience, together with an increase in the net outstanding claims provision compared with 2024–2025. The increase in statutory claims costs was mainly attributable to higher weekly compensation and medical expense payments. Common law claims costs rose due to an increase in the number of claim settlements and higher average settlement costs relative to 2024–2025.

The increase in the outstanding claims provision is primarily driven by increasing weekly compensation, followed by an increase in costs provisioned for common law claims and National Injury Insurance Scheme Queensland (NIISQ) claims.

Underwriting expenses

Underwriting expenses include WorkCover's management and operational expenses and the levy payable to the Workers' Compensation Regulatory Services (WCRS) and Workplace Health and Safety Queensland (WHSQ). To meet disclosure requirements under accounting standards, the claims handling expense portion of the underwriting expenses is added to gross claims expense to reflect the total cost of administering claims during the year.

Investment portfolio

WorkCover's investment portfolio is managed by QIC. As at 30 June 2026, the portfolio had a net market value of $7.747B (30 June 2025: $7.075B). The portfolio delivered a net return of 9.71% for the year (2024–2025: 10.19%), reflecting continued strong investment performance despite ongoing market volatility. The increase in the portfolio's value over the year was driven by positive investment returns across financial markets. WorkCover continues to work closely with QIC to manage investment risk and maintain a diversified portfolio that supports the achievement of its long-term investment objectives.

Capital adequacy

The *Workers' Compensation and Rehabilitation Act 2003* outlines specific requirements that WorkCover must meet to be fully funded. WorkCover is fully funded if total assets are at least equal to its liabilities. WorkCover is currently achieving both our legislative requirements (100%) and the Ministerial direction that the Board aims to maintain a funding ratio of at least 120%.

Looking to the future

WorkCover continues to use prudent financial management to ensure a balanced and financially viable scheme for all customers and stakeholders. Part of this continuing prudent financial management includes a focus by WorkCover on continuing to operate within budget, investing in technology upgrades, achieving value for money, and more generally, ensuring WorkCover continues to minimise its costs and risks in relation to its liabilities.

Premiums will be set and claims and operational expenses carefully managed to continue to deliver a balanced scheme, and we will ensure our long-term investment strategy is built around a balanced portfolio. Our in-house statutory claims management model allows us to continue to progress several claims management strategies to facilitate injured workers' return to work as quickly and safely as possible. It also allows us to optimise treating services to ensure workers get the right treatment at the right price.

WorkCover
QUEENSLAND

Consolidated financial statements

2025—2026

Contents

Consolidated statement of comprehensive income

For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Net premium revenue	*B1*	3,069,011	2,874,446
Gross claims expense	*C1*	(3,803,973)	(3,052,971)
Claims recoveries revenue	*C1*	162,817	159,754
Unexpired risk liability expense	*C1*	(566)	(5,037)
Net claims expenses	*C1*	(3,641,722)	(2,898,254)
Underwriting expenses	*E1*	(113,526)	(68,779)
Underwriting result		**(686,237)**	**(92,587)**
Investment income	*D1*	787,926	740,785
Investment expenses	*D1*	(46,491)	(41,963)
Other income		1,251	969
Other expenses		(594)	(457)
Operating result for the year before income tax equivalent		**55,855**	**606,747**
Income tax equivalent expense	*F1(a)*	(6,525)	(174,894)
Operating result for the year		**49,330**	**431,853**
Other comprehensive (loss) / income			
Items that will not be reclassified subsequently to operating result:			
Revaluation of land and building	*F4(b)*	(12,667)	4,275
Income tax effect on revaluation of land and building	*F1(a)*	3,800	(1,283)
Other comprehensive (loss) / income for the year, net of income tax equivalent		**(8,867)**	**2,992**
Total comprehensive income for the year		**40,463**	**434,845**

This statement is to be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 30 June 2026

	Note	2026 $'000	2025 $'000
Current assets			
Cash and cash equivalents	*D2(a)*	867,933	785,465
Recoveries receivable on outstanding claims	*C2(b)*	121,215	105,933
Receivables and other assets	*D2*	85,783	71,580
Investment assets	*D2(d)*	2,469,786	2,169,712
Other assets		4,193	3,730
Total current assets		**3,548,910**	**3,136,420**
Non-current assets			
Recoveries receivable on outstanding claims	*C2(b)*	308,253	259,741
Receivables	*D2*	4,705	5,055
Investment assets	*D2(d)*	5,332,435	4,981,103
Property, plant and equipment	*E4*	59,693	74,371
Total non-current assets		**5,705,086**	**5,320,270**
Total assets		**9,253,996**	**8,456,690**
Current liabilities			
Payables and other liabilities	*D2(c)*	50,279	31,512
Unearned premium liability	*B2*	36,774	36,890
Outstanding claims liability	*C2(a)*	2,543,480	2,212,675
Unexpired risk liability	*B3*	5,603	5,037
Employee benefits liabilities	*E2(b)*	28,913	26,560
Investment related liabilities	*D2(d)*	47,521	62,970
Total current liabilities		**2,712,570**	**2,375,644**
Non-current liabilities			
Unearned premium liability	*B2*	-	357
Outstanding claims liability	*C2(a)*	3,990,833	3,567,889
Employee benefits liabilities	*E2(b)*	2,860	2,413
Investment related liabilities	*D2(d)*	7,401	13,287
Deferred tax liabilities	*F1(a)*	35,712	32,987
Other liabilities		60	16
Total non-current liabilities		**4,036,866**	**3,616,949**
Total liabilities		**6,749,436**	**5,992,593**
Net assets		**2,504,560**	**2,464,097**
Equity			
Contributed equity	*F4(a)*	2,500	2,500
Asset revaluation surplus	*F4(b)*	32,345	41,212
Investment fluctuation reserve	*F4(c)*	1,119,829	1,221,867
Accumulated surplus		1,349,886	1,198,518
Total equity		**2,504,560**	**2,464,097**

This statement is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity
For the year ended 30 June 2026

	Contributed equity	Asset revaluation surplus	Investment fluctuation reserve	Accumulated surplus	Total
	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2024	**2,500**	**38,220**	**896,785**	**1,091,747**	**2,029,252**
Operating result for the year	-	-	-	431,853	431,853
Other comprehensive income for the year	-	2,992	-	-	2,992
Total comprehensive income for the year	-	2,992	-	431,853	434,845
Transfer to investment fluctuation reserve from accumulated surplus	-	-	325,082	(325,082)	-
Total transactions with owners, recorded directly in equity	-	-	325,082	(325,082)	-
Balance at 30 June 2025	**2,500**	**41,212**	**1,221,867**	**1,198,518**	**2,464,097**
Balance at 1 July 2025	**2,500**	**41,212**	**1,221,867**	**1,198,518**	**2,464,097**
Operating result for the year	-	-	-	49,330	49,330
Other comprehensive loss for the year	-	(8,867)	-	-	(8,867)
Total comprehensive (loss) / income for the year	-	(8,867)	-	49,330	40,463
Transfer from investment fluctuation reserve to accumulated surplus	-	-	(102,038)	102,038	-
Total transactions with owners, recorded directly in equity	-	-	(102,038)	102,038	-
Balance at 30 June 2026	**2,500**	**32,345**	**1,119,829**	**1,349,886**	**2,504,560**

This statement is to be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Premiums received		3,047,234	2,857,065
Interest received		64,996	56,671
Investment management fees paid		(622)	(188)
GST collected on sales		305,426	286,254
Claims paid		(3,035,678)	(2,611,633)
Claims recoveries received		94,127	101,381
Other operating income received		1,255	994
Other operating expenses paid		(90,197)	(66,635)
GST paid on purchases		(46,425)	(41,335)
GST remitted to the ATO		(257,520)	(243,236)
Net cash provided by operating activities	*F2*	**82,596**	**339,338**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(128)	(2,669)
Net cash used in investing activities		**(128)**	**(2,669)**
Net increase in cash and cash equivalents		82,468	336,669
Cash and cash equivalents at 1 July		785,465	448,796
Cash and cash equivalents at 30 June	*D2(a)*	**867,933**	**785,465**

This statement is to be read in conjunction with the accompanying notes.

Basis of preparation

A1 General information

WorkCover Queensland is a not-for-profit statutory body established by the *Workers' Compensation and Rehabilitation Act 2003* (the Act). WorkCover Queensland is controlled by the Queensland State Government and is the main provider of workers' compensation insurance in Queensland.

WorkCover Queensland's principal place of business is 280 Adelaide Street, Brisbane, Queensland, Australia.

WorkCover Queensland's Chair, Ms Chloé Kopilović, authorised this report at the date of signing the Management Certificate.

A2 Compliance with prescribed requirements

These general purpose consolidated financial statements are prepared on an accrual basis and in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board (AASB), other authoritative pronouncements of the AASB, section 62(1) of the *Financial Accountability Act 2009*, section 39 of the *Financial and Performance Management Standard 2019*, the Act and the *Workers' Compensation and Rehabilitation Regulation 2025* (the Regulations).

The material accounting policy information adopted in the preparation of these consolidated financial statements has been included in the relevant notes. The policy information has been consistently applied for all years presented unless otherwise stated.

New accounting standards applied for the first time in these consolidated financial statements are outlined in note F8.

The preparation of consolidated financial statements also requires the use of accounting estimates and management to exercise its judgement in the process of applying accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the consolidated financial statements are:

- unexpired risk liability and liability adequacy test (note B3);
- outstanding claims liability and recoveries receivable (note C2); and
- fair value measurements (note D3).

A3 Presentation and measurement

The measurement basis is historical cost, unless the application of fair value, present value, or net realisable value is required by the relevant accounting standard or as nominated in the notes to the consolidated financial statements.

Assets and liabilities are classified as either 'current' or 'non-current' in the consolidated statement of financial position and the associated notes. Assets are classified as current when the carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or there is no right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

The presentation currency is Australian Dollars. Amounts included in these consolidated financial statements have been rounded to the nearest $1,000 or, where the amount is less than $500, to zero, unless disclosure of the full amount is specifically required.

A4 The reporting entity

These consolidated financial statements represent the financial statements for the consolidated entity 'WorkCover', consisting of the parent entity, WorkCover Queensland, and its controlled entity, WorkCover Employing Office (WEO). All transactions and balances internal to the consolidated entity have been eliminated in full.

WEO is a statutory body established under the Act. WEO has been assessed as a structured entity for the purpose of AASB 12 *Disclosure of Interests in Other Entities* and is determined to be controlled by WorkCover Queensland in accordance with AASB 10 *Consolidated Financial Statements.* This assessment is based on relevant factors, including:

- WEO's work performance arrangement with WorkCover Queensland, under which WEO is required to provide employees to perform services for WorkCover Queensland. This is WEO's sole operating arrangement, and WEO is not expected to enter into alternative arrangements; and
- WorkCover Queensland has been deemed to act as WEO's principal under the delegation of powers, as it exercises its own discretion and is not subject to specific ministerial direction in relation to WEO.

These consolidated financial statements do not separately disclose the financial statements of the parent entity, WorkCover Queensland, due to the immaterial differences between the consolidated and parent entity's financial statements. These differences are disclosed in note F6.

A summary of WEO's financial statements is provided in note F7.

Premium

Premium received from policyholders is the key source of revenue for WorkCover. This section provides detail on the measurement of premium, its adequacy, and insurance risk.

B1 Net premium revenue

	Note	2026 $'000	2025 $'000
Gross written premiums		3,114,859	2,930,993
Discount on premiums		(56,815)	(53,124)
Premium penalties		10,494	9,950
		3,068,538	2,887,819
Movement in unearned premium	*B2*	473	(13,373)
		3,069,011	**2,874,446**

Premium revenue is earned from contracts when a policyholder transfers significant insurance risk to WorkCover. Gross written premiums are the amounts charged to the policyholder excluding Stamp Duty and Goods and Services Tax (GST). A discount is offered to policyholders for early payment subject to certain conditions.

Premium revenue, including amounts relating to unclosed written business, is recognised in the consolidated statement of comprehensive income over the contract period from the date on which risk attaches. Revenue is recognised on a time-apportioned basis over the policy period, as this is considered to closely approximate the pattern of risks underwritten.

The proportion of premium received but not earned in the consolidated statement of comprehensive income at the reporting date is recognised as an unearned premium liability in the consolidated statement of financial position. The carrying value reflects its fair value.

B2 Unearned premium liability

	Note	2026 $'000	2025 $'000
Balance at 1 July		37,247	23,874
Movement in unearned premium:			
Deferral of premiums on contracts written during the year		36,417	37,247
Earning of premiums written in previous years		(36,890)	(23,874)
	B1	(473)	13,373
Balance at 30 June	*B3*	**36,774**	**37,247**
Represented by:			
Current		36,774	36,890
Non-current		-	357
	B3	**36,774**	**37,247**

B3 Liability adequacy test

At the end of each reporting period, WorkCover assesses whether the unearned premium liability is adequate to cover all expected future cash flows relating to future claims against current insurance contracts. This test is performed at a portfolio of contracts level using contracts that are subject to broadly similar risks and managed together as a single portfolio.

If the present value of the expected future cash flows relating to future claims and the additional risk margin reflecting the inherent uncertainty in the central estimate exceed the unearned premium liability, the unearned premium liability is deemed to be deficient. If there is a deficiency, the entire deficiency is expensed immediately in the consolidated statement of comprehensive income.

	Note	2026 $'000	2025 $'000
Unearned premium liability	*B2*	36,774	37,247
Less present value of expected future cash flows for future claims:			
Discounted central estimate		37,473	37,390
Risk margin		4,904	4,894
		42,377	42,284
Deficit		**(5,603)**	**(5,037)**
Risk margin		13.1%	13.1%
Probability of adequacy		75%	75%

Unexpired risk liability

	Note	2026 $'000	2025 $'000
Balance at 1 July		5,037	-
Recognition of unexpired risk liability in the year	*C1*	566	5,037
Balance at 30 June		**5,603**	**5,037**

The liability adequacy test has identified a deficit (2025: deficit), an unexpired risk liability and an unexpired risk liability expense have been recognised in the consolidated statement of financial position and consolidated statement of comprehensive income respectively.

B4 Insurance risk

(a) Terms and conditions of insurance contracts

WorkCover writes one class of business, workers' compensation. It provides two types of insurance contracts:
- accident insurance; and
- contracts of insurance.

Accident insurance

All employers in Queensland are required to have accident insurance coverage for all employees that meet the definition of a 'worker' under the Act.

Contracts of insurance

WorkCover provides optional insurance instruments that provide cover to individuals, employees, or members of associations who do not meet the definition of a 'worker' and are therefore not covered by the accident insurance policies.

The terms and conditions attaching to accident insurance contracts and contracts of insurance determine the level of insurance risk accepted by WorkCover. All insurance contracts entered into are in the same standard form and are subject to substantially the same terms and conditions under the Act.

Section 382(2) of the Act provides that all insurance policies issued by or on behalf of WorkCover are guaranteed by the Queensland State Government.

(b) Objectives in managing risks arising from insurance contracts and policies for mitigating those risks

WorkCover has objectives to manage insurance risk to reduce the volatility of insurance premiums and operating results so that the required funding ratio can be maintained. In addition to the inherent uncertainty of insurance risk, which can lead to significant variability in the loss experience, operating results are affected by market factors. Short-term variability is, to some extent, a feature of the insurance business. Key aspects of processes established to mitigate insurance risks include:
- the maintenance and use of management information systems, which provide up-to-date, reliable data on the risks to which WorkCover is exposed to at any point in time;
- the use of actuarial models, using information from the management information systems, to monitor claims patterns and calculate premiums. Past experience and statistical methods are used as part of the process; and
- the mix of assets in which WorkCover invests being driven by the nature and term of insurance liabilities. The management of assets and liabilities is closely monitored to attempt to match maturity dates of assets with the expected pattern of claim payments.

(c) Insurance concentration risk

WorkCover's exposure to concentration of insurance risk relates to injuries caused through an event or disaster that may have occurred during the reporting period. This risk is mitigated as WorkCover supplies compulsory workers' compensation insurance to most Queensland businesses who employ workers and as such, WorkCover's customers are geographically and occupationally diverse.

(d) Liquidity risk

WorkCover's exposure to liquidity risk is managed by ensuring that investments held to meet policyholder liabilities are matched to the expected duration of those liabilities and sufficient cash deposits are available to meet day-to-day operations. The liquidity risk associated with WorkCover's investment related liabilities is disclosed in note D5(b).

The liquidity risk of outstanding claims held by WorkCover, representing the maturity of outstanding claims liabilities calculated based on discounted cash flows relating to the liabilities, at reporting date is as follows:

	Note	2026 $'000	2025 $'000
1 year or less	*C2(a)*	2,543,480	2,212,675
1 - 3 years		2,406,776	2,149,263
3 - 5 years		744,342	680,690
More than 5 years		839,715	737,936
	C2(a)	**6,534,313**	**5,780,564**

Claims

WorkCover's claimants are individuals injured at work who are covered by WorkCover's accident insurance policies and contracts of insurance. This section provides information on net claims expenses and the net outstanding claims provision, including the assumptions and estimates.

C1 Net claims expenses

	Note	2026 $'000			2025 $'000		
		Current year	**Prior years**	**Total**	**Current year**	**Prior years**	**Total**
Gross claims expense:							
Undiscounted claims expense		4,454,817	144,927	4,599,744	3,659,118	(241,983)	3,417,135
Discount		(767,169)	(28,602)	(795,771)	(437,164)	73,000	(364,164)
	C2(a)	3,687,648	116,325	3,803,973	3,221,954	(168,983)	3,052,971
Claims recoveries revenue:							
Undiscounted claims recoveries revenue		(173,064)	(6,925)	(179,989)	(145,253)	(12,626)	(157,879)
Discount		20,046	(2,874)	17,172	12,537	(14,412)	(1,875)
	C2(b)	(153,018)	(9,799)	(162,817)	(132,716)	(27,038)	(159,754)
Net claims incurred		**3,534,630**	**106,526**	**3,641,156**	**3,089,238**	**(196,021)**	**2,893,217**

Current year claims relate to risks borne in this financial year. Prior years claims relate to a reassessment of the expense for risks borne in all previous financial years.

Reconciliation of net claims expenses

	Note	2026 $'000	2025 $'000
Gross claims incurred:			
Statutory claims paid		2,078,988	1,704,632
Common law claims paid		636,681	605,337
Claims handling expenses	*E1*	340,244	316,046
Net self-insurance payments		(5,689)	(5,503)
	C2(a)	3,050,224	2,620,512
Claims recoveries:			
Statutory claims recovered		(93,584)	(99,099)
Common law claims recovered		(5,439)	(7,444)
	C2(b)	(99,023)	(106,543)
Movement in net outstanding claims liability:			
Gross claims liability		753,749	432,459
Recoveries receivable		(63,794)	(53,211)
		689,955	379,248
Net claims incurred		3,641,156	2,893,217
Movement in unexpired risk liability	*B3*	566	5,037
Net claims expenses		**3,641,722**	**2,898,254**

Claims expenses are recognised in the consolidated statement of comprehensive income as the costs are incurred. Claims recoveries are recognised as revenue in the consolidated statement of comprehensive income once the amount to be recovered can be estimated and is likely to be recovered.

Self-insurance

Under the Act, an employer may provide their own accident insurance for their workers instead of insuring with WorkCover if they meet certain requirements. Upon separation or return, WorkCover will make a payment to or receive a payment from the self-insurer for the estimated liability of outstanding claims payments which relate to the period of insurance covered by WorkCover or the self-insurer.

Bank guarantees, financial guarantees given by an insurance company that is an approved security provider, and cash deposits of $653.672 million (2025: $553.746 million) are held by the Workers' Compensation Regulator (the Regulator) on behalf of self-insurers. If a self-insurer fails its obligations under the Act, WorkCover may recover from the guarantees for any debts owing from the self-insurer. As the likelihood of having to call on the guarantees has been assessed as low, no financial asset has been recognised in the consolidated statement of financial position.

C2 Outstanding claims liability and recoveries receivable

(a) Gross outstanding claims liability

	Note	2026 $'000	2025 $'000
Expected future claims payments		8,041,809	6,795,168
Claims handling expenses		915,292	740,355
		8,957,101	7,535,523
Less discount to present value		(2,962,318)	(2,232,253)
Discounted central estimate		5,994,783	5,303,270
Risk margin		539,530	477,294
	B4(d)	**6,534,313**	**5,780,564**
Represented by:			
Current	*B4(d)*	2,543,480	2,212,675
Non-current		3,990,833	3,567,889
	B4(d)	**6,534,313**	**5,780,564**
Reconciliation of movement during the year:			
Balance at 1 July		5,780,564	5,348,105
Provisions made	*C1*	3,687,648	3,221,954
Payments made	*C1*	(3,050,224)	(2,620,512)
Effect of changes in assumptions to prior year provisions	*C1*	116,325	(168,983)
Balance at 30 June	*B4(d)*	**6,534,313**	**5,780,564**

This liability is calculated by an independent actuary, Taylor Fry Pty Ltd (the Actuary), in accordance with the Act and AASB 1023 *General Insurance Contracts*.

The liability for outstanding claims is measured as the central estimate of the present value of expected future payments for claims incurred at the end of the reporting period plus an additional risk margin to allow for the inherent uncertainty in the central estimate. The expected future payments include those in relation to claims reported but not yet paid, claims incurred but not yet reported (IBNR), claims incurred but not enough reported (IBNER), and anticipated claims handling costs. The expected future payments are discounted to present value at the reporting date using a risk-free rate.

In respect of latent onset injuries, the Act states that the definition of the date of injury for a latent onset injury, is the date at which a medical practitioner diagnoses the injury. No liability is held for latent onset injuries where a medical practitioner has not yet diagnosed the injury.

(b) Recoveries receivable on outstanding claims

	Note	2026	2025
		$'000	$'000
Expected future recoveries		433,239	358,959
Less discount to present value		(39,232)	(23,478)
Discounted central estimate		394,007	335,481
Risk margin		35,461	30,193
		429,468	**365,674**
Represented by:			
Current		121,215	105,933
Non-current		308,253	259,741
		429,468	**365,674**
Reconciliation of movement during the year:			
Balance at 1 July		365,674	312,463
Recoveries recognised	*C1*	153,018	132,716
Recoveries received	*C1*	(99,023)	(106,543)
Effect of changes in assumptions to prior year provisions	*C1*	9,799	27,038
Balance at 30 June		**429,468**	**365,674**

Claims recoveries receivable is measured as the present value of the expected future receipts and is calculated by the Actuary on the same basis as the liability for gross outstanding claims in accordance with the Act and AASB 1023.

(c) Claims development

The development of net undiscounted outstanding claims for each underwriting year relative to the ultimate expected claims is as follows:

	Injury year										
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Estimate of ultimate claims cost:											
At end of injury year	1,407,682	1,445,470	1,435,652	1,590,785	1,777,829	1,916,322	2,216,442	2,824,519	2,859,710	3,510,270	
One year later	1,268,765	1,302,500	1,512,595	1,615,787	1,812,027	1,942,779	2,422,749	2,821,912	3,087,846		
Two years later	1,186,315	1,325,147	1,560,243	1,667,786	1,837,296	1,895,727	2,377,401	2,802,562			
Three years later	1,213,882	1,316,980	1,605,536	1,717,310	1,817,760	1,847,045	2,272,300				
Four years later	1,251,196	1,329,801	1,639,267	1,860,609	1,774,223	1,835,200					
Five years later	1,264,390	1,335,893	1,680,709	1,810,587	1,759,401						
Six years later	1,264,037	1,326,974	1,668,577	1,843,028							
Seven years later	1,326,613	1,333,810	1,685,379								
Eight years later	1,328,894	1,331,596									
Nine years later	1,353,834										
Current estimate of cumulative claims cost	1,353,834	1,331,596	1,685,379	1,843,028	1,759,401	1,835,200	2,272,300	2,802,562	3,087,846	3,510,270	21,481,416
Cumulative payments	1,200,088	1,282,712	1,527,985	1,553,902	1,596,749	1,509,748	1,626,714	1,687,425	1,466,973	798,446	14,250,742
Undiscounted outstanding claims	153,746	48,884	157,395	289,126	162,652	325,452	645,586	1,115,137	1,620,873	2,711,825	7,230,674
Undiscounted outstanding claims for prior injury years											377,896
Claims handling expenses											915,292
Central estimate of outstanding claims											8,523,862
Discount											(2,923,086)
Discounted central estimate											5,600,776
Risk margin											504,069
Net outstanding claims liability											**6,104,845**

The claims development table has been presented on a net of recoveries basis to give the most meaningful insight into the impact on the operating result. The net outstanding claims liability can be reconciled by taking the gross outstanding claims liability per note C2(a) and offsetting the recoveries receivable on outstanding claims as per note C2(b).

(d) Claims actuarial assumptions and methods

In calculating the gross outstanding claims liability, the Actuary uses a variety of estimation techniques based upon statistical analysis of historical experience. The projections given by the estimation techniques assist in setting the range of possible outcomes. The most appropriate technique is selected taking into account the characteristics of the insurance class and the extent of the development of each injury year. These techniques assume that the development pattern of the current claims will be consistent with past relevant experience.

In estimating the cost of settling claims already notified to WorkCover, the Actuary gives regard to the claim circumstances as reported and information on the cost of settling claims with similar characteristics in previous periods. These claims tend to display lower levels of estimation volatility as more information about the claims events is generally available.

The estimation of claims IBNR is generally subject to a greater degree of uncertainty as information is not yet available and these claims may often not be apparent until many years after the claim event.

Large claims are generally assessed separately, being projected or measured on a case by case basis in order to allow for the possible distortive effect of the development and incidence of these large claims.

Allowances are made for changes or uncertainties that may create distortions in the underlying statistics which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims, including:

- changes in WorkCover's processes, which might accelerate or slow down the development and/or recording of paid or incurred claims, compared with the statistics from previous periods;
- changes in the legal environment;
- the effects of inflation and discount rates;
- movements in industry benchmarks; and
- medical and technological developments.

Payments experience is analysed to obtain averages paid per claim incurred and averages paid per claim settled, active or finalised. Estimated claims payments are adjusted to allow for general economic inflation and are discounted to allow for the time value of money, being the investment return expected based on risk-free rates in the period to settlement. The resulting average claims payments together with the ultimate numbers of claims and anticipated claims handling costs are analysed to determine a final central estimate of gross outstanding claims. A risk margin is also added to allow for the inherent uncertainty in the central estimate.

In addition to the calculation of the gross outstanding claims liability, estimates for potential claims recoveries are analysed separately and derived using the same methods, based on past recovery experience and adjustments to assumptions where appropriate. In addition, the recoverability of the assets is assessed on a periodic basis to ensure that the balance is reflective of the amounts that will ultimately be received, taking into consideration factors such as credit risk. Impairment is recognised where there is objective evidence that WorkCover may not receive the amounts due and where these amounts can be reliably measured. Estimated outstanding recoveries are then subtracted from gross outstanding claims to arrive at the net outstanding claims estimate.

The Actuary takes all reasonable steps to ensure that it has appropriate information regarding WorkCover's claims exposures. However, given the uncertainty in establishing claims provisions, it is likely the final outcome will be different from the original liability established.

Key assumptions

The key actuarial assumptions made in determining the net outstanding claims liability and the processes used to determine the assumptions are as follows:

Variable	2026	2025
Ultimate claim numbers per annum		
Statutory claims	80,155	80,118
NIIS	12	11
Common law	4,257	3,886
Silicosis	2	6
Ultimate claims size		
Statutory claims	$26,774	$22,877
NIIS	$8,067,249	$3,371,518
Common law	$199,529	$195,041
Silicosis	$1,591,988	$1,526,908
Average weighted term to settlement from claims reporting date		
Gross outstanding claims	3.3 years	3.3 years
Recoveries receivable on outstanding claims	2.1 years	2.0 years
Claims handling expense rate		
Statutory claims	20.0%	20.0%
Common law and latent	1.0%	1.0%

Variable	2026	2025
Inflation rates[1] (average weekly earnings)		
Gross outstanding claims:		
Not later than one year	4.5%	3.8%
Later than one year	4.1%	3.6%
Recoveries receivable on outstanding claims:		
Not later than one year	4.5%	3.8%
Later than one year	4.2%	3.6%
Discount rates		
Gross outstanding claims:		
Not later than one year	4.5%	3.3%
Later than one year	4.7%	3.6%
Recoveries receivable on outstanding claims:		
Not later than one year	4.5%	3.3%
Later than one year	4.4%	3.4%
Risk margin	9.0%	9.0%

[1] The inflation rate for later than one year is based on a weighted average of the uninflated and undiscounted gross outstanding cash flow.

Ultimate claim numbers per annum

Numbers of claims incurred are used in determining the estimates in respect of claims IBNR for statutory and common law claims and in respect of claims diagnosed but not reported (DBNR) for latent onset related claims. The incurred claims total for the current underwriting year has been estimated based on past reporting patterns for statutory and common law claims separately, taking into account trends or changes in reporting patterns. The ratio of numbers of common law to statutory claims is also examined for reasonableness. The incurred claims total for latent onset related claims for the current underwriting year is an estimate of all claims diagnosed in the current year. This is estimated using past reporting patterns and delays from diagnosis to report for latent onset related claims. Silicosis, a latent onset related claim, and claims related to the National Injury Insurance Scheme (NIIS) have been included into the key assumptions disclosure as these emerging classifications include assumptions that have a significant impact on the outstanding claims liability.

Ultimate claims size

The average ultimate claims size for the current underwriting year has been estimated based on past payment patterns for statutory, common law, and latent onset related claims separately, taking into account trends or changes in payment patterns.

Average weighted term to settlement from claims reporting date

The average weighted term to settlement is calculated separately based on historic settlement patterns. A decrease in the average term to settlement rates would lead to more claims being paid sooner than anticipated.

Claims handling expense rate

Claims handling expenses are calculated by reference to past experience of claims handling costs as a percentage of past payments. For the purposes of this calculation, latent comprises of silicosis and asbestos related claims costs.

Inflation rates (average weekly earnings)

Expected future payments are inflated to take into account inflationary increases. Economic inflation assumptions are set by reference to current economic indicators.

Discount rates

The outstanding claims liability is calculated by reference to expected future payments. These payments are discounted to adjust for the time value of money. Discount rates derived from market yields on Commonwealth Government securities at reporting date have been adopted.

Risk margin

The risk margin is determined having regard to the inherent uncertainties in the actuarial models and economic assumptions, the quality of the underlying data used in the models, and industry and market conditions. The analysis of these inherent uncertainties is performed considering the statutory, common law, and latent onset related gross outstanding claims estimates separately. The assumptions regarding uncertainty are applied to the net central estimates in order to arrive at an overall provision which is intended to have a 75% (2025: 75%) probability of adequacy.

Sensitivity analysis

WorkCover conducts sensitivity analysis to quantify the exposure to risk of changes in the key underlying variables as disclosed above. The movement in any key variable will impact the operating result after tax and equity of WorkCover as follows:

Variable	Movement	Impact on operating result after tax and equity	
		2026 $'000	2025 $'000
Ultimate claim numbers per annum - latest year	+10%	-184,560	-157,635
	-10%	+184,560	+157,635
Ultimate claims size - latest year	+10%	-184,560	-157,635
	-10%	+184,560	+157,635
Average weighted term to settlement - years	+0.5	+10,484	+995
	-0.5	-11,779	-1,994
Claims handling expense rate	+1%	-39,079	-34,788
	-1%	+39,079	+34,788

Variable	Movement	Impact on operating result after tax and equity	
		2026 $'000	2025 $'000
Inflation rates - net claims cost:			
Not later than one year	+1%	-26,868	-24,682
	-1%	+26,886	+24,698
Later than one year	+1%	-133,480	-118,789
	-1%	+105,459	+94,090
Discount rates - net claims cost:			
Not later than one year	+1%	+31,615	+29,974
	-1%	-32,198	-30,593
Later than one year	+1%	+107,051	+101,240
	-1%	-136,863	-129,737
Risk margin	+1%	-39,205	-34,775
	-1%	+39,205	+34,775

Financial instruments

Financial instruments are held by WorkCover to fund future claims payments. Financial instruments include cash, contractual rights to deliver or receive cash or another type of financial instrument, or an equity instrument of another entity. This section provides information about the financial instruments held, the associated risks arising from holding these financial instruments, income derived, and fair value measurement methodology.

D1 Investment income

	2026 $'000	2025 $'000
Financial assets at amortised cost:		
Interest income	66,309	57,866
	66,309	57,866
Financial assets or liabilities at fair value through profit or loss (FVPL):		
Designated upon initial recognition:		
Interest income	1,040	2,175
Managed unit trust distributions	494,956	599,505
Gain on financial instruments	99,874	157,568
Other income	298	273
	596,168	759,521
Mandatorily measured:		
Gain/(loss) on financial instruments	125,449	(76,602)
	125,449	(76,602)
Total investment income	**787,926**	**740,785**
Investment expenses	(46,491)	(41,963)
Net investment income	**741,435**	**698,822**

Interest income and managed unit trust distributions are recognised in the consolidated statement of comprehensive income when earned. Changes in the fair value of investments are recognised as gains or losses in the consolidated statement of comprehensive income as they occur.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. Refer to note D5(a) for credit risk disclosure.

WorkCover holds a diverse portfolio of investments with QIC Limited (QIC). Refer to note D5(c) for the market value exposure under the different sectors. The final rate of return net of fees for the QIC portfolio for this financial year is 9.71% (2025: 10.19%). Refer to note D5(c) for the cash and cash equivalents interest rates.

Investment management fees are recognised in the consolidated statement of comprehensive income when incurred.

Direct investment management expenses are calculated as a percentage of the funds under management which were 0.6% for QIC and 0.12% for Queensland Treasury Corporation (QTC) for 2026 (2025: 0.6% and 0.12% respectively). Other investment fees paid to QIC include custody fees and brokerage fees.

D2 Categories of financial instruments

	Note	2026 $'000 Current	2026 $'000 Non-current	2026 $'000 Total	2025 $'000 Current	2025 $'000 Non-current	2025 $'000 Total
Financial assets							
Financial assets at amortised cost:							
Cash and cash equivalents	*D2(a)*	867,933	-	867,933	785,465	-	785,465
Receivables	*D2(b)*	85,783	4,705	90,488	71,580	5,055	76,635
Financial assets at FVPL:							
Investment assets	*D2(d)*	2,469,786	5,332,435	7,802,221	2,169,712	4,981,103	7,150,815
		3,423,502	**5,337,140**	**8,760,642**	**3,026,757**	**4,986,158**	**8,012,915**
Financial liabilities							
Financial liabilities at amortised cost:							
Payables	*D2(c)*	50,279	-	50,279	31,512	-	31,512
Financial liabilities at FVPL:							
Investment related liabilities	*D2(d)*	47,521	7,401	54,922	62,970	13,287	76,257
		97,800	**7,401**	**105,201**	**94,482**	**13,287**	**107,769**

(a) Cash and cash equivalents

	2026 $'000	2025 $'000
Cash at bank	337,631	277,038
QTC Capital Guaranteed Cash Fund	530,302	508,427
	867,933	**785,465**

Cash and cash equivalents are measured at amortised cost and include cash deposits held with a financial institution, and a capital guaranteed investment held with QTC that is subject to a low risk of change in value and is readily convertible to cash. Cash and cash equivalents exclude those classified and held as investments within the QIC investment portfolio. Further, the consolidated statement of cash flows reflects actual cash flow movements by WorkCover for operational cash flow management and not the balance or short-term movements within the underlying investment portfolio with QIC. Refer to note D2(d) and note D3 for more information about cash and cash equivalents amounts held for the purpose of investment strategy.

(b) Receivables

	Note	2026 $'000	2025 $'000
Premiums and related penalties		45,651	41,645
Claims and related penalties		24,937	22,449
Unclosed business		26,276	26,497
Other debtors		14,004	7,044
		110,868	97,635
Less allowance for impairment	*D5(a)*	(20,380)	(21,000)
		90,488	**76,635**

Receivables are recognised initially at fair value and subsequently measured at amortised cost. Receivables are not discounted as the effect of discounting is immaterial. Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value. For the non-current receivables, the fair values are also not significantly different to their carrying amounts. Receivables exclude those classified and held as investments within the QIC investment portfolio. Refer to note D2(d) and note D3 for more information.

The allowance for impairment is the difference between the carrying amount of the receivables and the present value of estimated future cash flows. The amount of the allowance raised, used or derecognised is recognised in the consolidated statement of comprehensive income. Refer to note D5(a) for further information.

(c) Payables

	2026 $'000	2025 $'000
Trade creditors	17,974	14,594
Premiums in credit	3,120	2,145
Claims creditors	9,952	6,606
Other liabilities	67	49
	31,113	23,394
GST receivable	(5,046)	(4,421)
GST payable	24,212	12,539
Net GST payable	19,166	8,118
	50,279	**31,512**

Payables are carried at amortised cost and due to their short-term nature are not discounted. Trade creditors are recognised for unpaid goods or services for which WorkCover has a present obligation to make payment. Premiums in credit are recognised upon receipt for premiums received in advance and upon adjustment for policies in credit. Claims creditors are recognised for amounts related to claims payments or claims made. All amounts are unsecured and are paid as they fall due. Payables exclude those classified and held as investments within the QIC investment portfolio. Refer to note D2(d) and note D3 for more information.

The carrying amounts of payables are considered to be the same as their fair values due to their short-term nature.

(d) Investments

	2026 $'000			2025 $'000		
	Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Financial assets at FVPL						
Designated upon initial recognition:						
Cash and cash equivalents	44,928	-	44,928	47,177	-	47,177
Cash collateral and margin accounts	1	10,739	10,740	2,871	1,097	3,968
Receivables	213,799	-	213,799	257,054	-	257,054
Managed unit trusts	2,160,934	5,292,381	7,453,315	1,773,545	4,942,410	6,715,955
Debt securities	362	-	362	-	362	362
Mandatorily measured:						
Derivatives held for trading	49,762	29,315	79,077	89,065	37,234	126,299
	2,469,786	**5,332,435**	**7,802,221**	**2,169,712**	**4,981,103**	**7,150,815**
Financial liabilities at FVPL						
Designated upon initial recognition:						
Cash and cash equivalents	1,881	-	1,881	858	-	858
Cash collateral and margin accounts	1,929	270	2,199	-	13,287	13,287
Payables	233	-	233	339	-	339
Mandatorily measured:						
Derivatives held for trading	43,478	7,131	50,609	61,773	-	61,773
	47,521	**7,401**	**54,922**	**62,970**	**13,287**	**76,257**

WorkCover classifies and designates all investments at FVPL on the basis that the investments are managed as a portfolio based on their fair values, and have their performance evaluated in accordance with documented risk management and investment strategies. For all investments excluding derivatives, initial recognition is at fair value in the consolidated statement of financial position, with attributable transaction costs expensed as incurred. Subsequent measurement is at fair value with any resultant realised and unrealised gains or losses recognised in the consolidated statement of comprehensive income. Purchases and sales of financial assets are recognised on the settlement date. Refer to note D3 for the policy relating to derivatives.

As part of its investment strategy, WorkCover engages QIC to actively manage its investment portfolio and to ensure that sufficient cash and liquid assets are on hand to meet the expected future cash flows arising from insurance contract liabilities. Investments that are required to meet current insurance contract liabilities and current investment related liabilities are classified as current investments in the consolidated statement of financial position. Included in non-current investments are liquid investments which can be called upon, if required, by WorkCover to ensure it is able to meet WorkCover's operating requirements.

There were no significant changes to the overall investment strategy and processes during this financial year (2025: no significant changes). However, notwithstanding that some of WorkCover's investment instruments are complex and interrelated, for greater transparency, WorkCover has provided a breakdown of the investment instruments held by WorkCover's custodian. These instruments consist of cash and cash equivalents, cash collateral and margin accounts, receivables, managed unit trusts, debt securities, payables and derivatives. Under the direction of QIC, WorkCover's custodian actively trades and holds investment assets and liabilities on behalf of WorkCover. Further details of financial instruments and the methods and assumptions used to estimate fair value are included in note D3.

D3 Fair value measurements

There are three levels of fair value:

- level 1: represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- level 2: represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; or
- level 3: represents fair value measurements that are substantially derived from unobservable inputs.

The fair value levels of WorkCover's financial assets and liabilities are as follows:

	Note	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000
2026					
Financial assets					
QTC Capital Guaranteed Cash Fund	*D2(a)*	-	530,302	-	530,302
Investment assets:					
Cash and cash equivalents	*D2(d)*	44,928	-	-	44,928
Cash collateral and margin accounts	*D2(d)*	1	10,739	-	10,740
Receivables	*D2(d)*	5,945	120,895	86,959	213,799
Managed unit trusts	*D2(d)*	79,600	4,834,171	2,539,544	7,453,315
Debt securities	*D2(d)*	-	-	362	362
Derivatives	*D2(d)*	49,762	29,315	-	79,077
		180,236	**5,525,422**	**2,626,865**	**8,332,523**
Financial liabilities					
Investment related liabilities:					
Cash and cash equivalents	*D2(d)*	1,881	-	-	1,881
Cash collateral and margin accounts	*D2(d)*	1,929	270	-	2,199
Payables	*D2(d)*	106	127	-	233
Derivatives	*D2(d)*	40,627	9,982	-	50,609
	D2(d)	**44,543**	**10,379**	**-**	**54,922**
2025					
Financial assets					
QTC Capital Guaranteed Cash Fund	*D2(a)*	-	508,427	-	508,427
Investment assets:					
Cash and cash equivalents	*D2(d)*	47,177	-	-	47,177
Cash collateral and margin accounts	*D2(d)*	2,871	1,097	-	3,968
Receivables	*D2(d)*	1,737	111,721	143,596	257,054
Managed unit trusts	*D2(d)*	71,917	4,309,337	2,334,701	6,715,955
Debt securities	*D2(d)*	-	-	362	362
Derivatives	*D2(d)*	56,510	69,789	-	126,299
		180,212	**5,000,371**	**2,478,659**	**7,659,242**
Financial liabilities					
Investment related liabilities:					
Cash and cash equivalents	*D2(d)*	858	-	-	858
Cash collateral and margin accounts	*D2(d)*	-	13,287	-	13,287
Payables	*D2(d)*	294	45	-	339
Derivatives	*D2(d)*	3,505	58,268	-	61,773
	D2(d)	**4,657**	**71,600**	**-**	**76,257**

There were no significant transfers between level 1, level 2 and level 3 during this financial year (2025: no significant transfers in either direction between level 1, level 2 and level 3).

QTC Capital Guaranteed Cash Fund

The QTC Capital Guaranteed Cash Fund is assessed as level 2 as it is valued at the current redemption value of the fund.

Investment assets and investment related liabilities

Cash and cash equivalents

Investment related cash and cash equivalents held by WorkCover's custodian consist primarily of deposits with banks and highly liquid financial assets with maturity dates less than three months, however, exclude units held in cash fund unit trusts. Cash equivalents are assets that are subject to an insignificant risk in the change in fair value and are used to manage short term commitments. Amounts classified as cash and cash equivalents are recorded at face value and are categorised as level 1.

Cash collateral and margin accounts

Cash collateral and margin accounts are held by the custodian on WorkCover's behalf, and under the direction of QIC.

Cash collateral refers to amounts held as security against future counterparty performance and in the event of a default or termination of derivative contracts. A collateral amount is usually made up of the net economic exposure of the parties to each other by calculating the market-to-market value of all derivatives transactions. More collateral may be required to be transferred as the value of the obligations and/or the value of the collateral fluctuates. Collateral may also be returned to the provider or released from the collateral arrangement in instances where the provider performs its obligations, excess collateral has been transferred, the value of the collateralised obligations changes or the collateral provider substitutes alternative eligible collateral. These instruments are recorded at face value and categorised as level 1 and level 2.

Margin accounts represent cash held with a broker or central counterparties against open derivative contracts.

Receivables/payables

Investment related receivables/payables include items such as distributions receivable from unit trusts, interest income/expense, GST obligations and investment expenses. Due to the short-term nature of receivables / payables, their carrying value is taken to be their fair value. Where unable to be confirmed as level 1, the fair value level is categorised based on the underlying financial instrument.

Managed unit trusts

Managed unit trusts include unlisted managed unit trusts managed by QIC. Fair value for managed unit trusts is based on the unit price of the relevant trust at the reporting date. Units in listed managed unit trusts are considered to be level 1. While the units in the unlisted managed unit trusts have quoted prices and are able to be traded, the market would not be considered active for level 1 and therefore they are considered to be level 2. Some of the unlisted managed unit trusts are considered to be level 3 where the underlying assets held by the unit trusts are measured at fair value using significant unobservable inputs and the units held by WorkCover are not actively traded.

Derivatives

QIC utilises derivative financial instruments as part of WorkCover's approved investment strategy. Derivative instrument types used include equity futures, bond futures, forward currency contracts and swaps. The purpose of these derivatives is to ensure liquidity, as well as offset (hedge) movements in the managed unit trusts in identified risk areas (such as foreign exchange risks) and to help achieve particular exposures by taking advantage of, and protecting against, market conditions. Such derivatives are entered into with the intention to settle in the near future. WorkCover has hedging relationships between most derivatives and other financial instruments, but none that are subject to hedge accounting.

WorkCover's derivative financial instruments held for trading are initially recorded at fair value. Subsequent to initial recognition, these instruments are remeasured to fair value. Fair value for these instruments is based on settlement price. Gains and losses on fair value are recognised in the consolidated statement of comprehensive income. For derivative instruments that fall into level 2, the valuation technique used is a market comparison technique primarily based on exchange data for similar derivative instruments.

Debt securities

The fair value of debt securities is determined using valuation techniques based on observable market inputs. These include recent transaction prices for similar instruments, and observable yield curves. Adjustments are made to reflect differences in terms and credit quality where appropriate. As these inputs are observable but not from quoted prices in active markets for identical instruments, these investments are classified as level 2. Where there is minimal or no market activity, these investments are classified as level 3.

Reconciliation of level 3 fair value measurement

A reconciliation of the movement in the fair value of financial instruments categorised in level 3 between the beginning and end of this financial year is as follows:

	2026 $'000	2025 $'000
Balance at 1 July	2,478,659	2,306,395
Transfers into level 3 from level 2	-	1,312
Acquisitions	225,910	191,451
Losses recognised in operating result[1]	(53,316)	(6,200)
Balance at 30 June	**2,626,865**	**2,478,659**
[1]Includes unrealised gains/ (losses) recognised in operating result attributable to balances held at the end of the reporting period	6,570	(13,556)

Significant inputs and assumptions and estimation uncertainty

The valuation of WorkCover's investments, including derivatives, is in accordance with QIC's Investment Valuations Policy. The significant unobservable valuation inputs and their potential impact on the valuation outcome for assets other than property, plant and equipment measured at fair value and classified as level 3 under the fair value hierarchy are as follows:

Description		Fair value $'000	Valuation approach	Key unobservable inputs	Impact of alternative amounts for significant level 3 inputs
Managed unit trusts (including receivables)	2026: 2025:	2,626,503 2,478,297	Independent valuation	Valuation of underlying investments of the unit trusts	An increase in the value of the underlying investments of the unit trusts would result in higher fair values. Reductions would result in lower fair values.
Debt securities	2026: 2025:	362 362	Market comparison	Valuation based on the most recent comparable transactions	An increase in the value of the underlying assets would result in higher fair values. Reductions would result in lower fair values.

The valuations of these unlisted managed unit trusts occur at an appropriate frequency based on unit pricing and/or net asset value considerations, prevailing industry practice and the availability of valuation data. These are inherently subject to estimation uncertainty as the units are not traded in an active market and their fair value at reporting date is based on the price advised by external fund managers or valuations determined by appropriately skilled independent third parties. The underlying inputs and assumptions are reviewed on an on-going basis to ensure the valuations reflect the best estimates of the economic conditions at financial year end.

D4 Offsetting financial assets and financial liabilities

WorkCover's agreements with derivative counterparties are consistent with the International Swaps and Derivatives Association (ISDA) Master Agreements. As such, financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

As well as this, under the terms of ISDA Master Agreements, when certain credit events occur the net position owing or receivable to a single counterparty in the same currency will be taken as outstanding and all the relevant arrangements terminated. As WorkCover does not presently have a legally enforceable right of set-off of these amounts, they have not been offset in the consolidated statement of financial position.

The gross and net positions of financial assets and financial liabilities that have been offset in the consolidated statement of financial position and the amounts subject to master netting arrangements are as follows:

	Note	Effects of offsetting on the consolidated statement of financial position			Related amounts not offset		
		Gross amounts	Gross amounts set-off	Net amounts of financial instruments	Amounts subject to master netting agreements	Financial Instrument collateral	Net amounts
		$'000	$'000	$'000	$'000	$'000	$'000
2026							
Derivative assets	*D2(d)*	5,187,050	(5,107,973)	79,077	(18,960)	(270)	59,847
Derivative liabilities	*D2(d)*	(5,158,582)	5,107,973	(50,609)	18,960	10,739	(20,910)
		28,468	**-**	**28,468**	**-**	**10,469**	**38,937**
2025							
Derivative assets	*D2(d)*	4,993,345	(4,867,046)	126,299	(37,792)	(13,287)	75,220
Derivative liabilities	*D2(d)*	(4,928,819)	4,867,046	(61,773)	37,792	1,098	(22,883)
		64,526	**-**	**64,526**	**-**	**(12,189)**	**52,337**

D5 Financial risk management

(a) Credit risk

Credit risk represents the extent of credit related losses that WorkCover may be subject to amounts to be exchanged under financial instrument contracts or on amounts receivable from trade and other debtors.

The maximum exposure to credit risk at reporting date for each financial asset is measured as the carrying amount less any allowance for impairment. Credit risk exposure, including the identification of any significant concentrations of risk, is monitored on a regular basis.

Investments

While the managed unit trusts are unrated funds, the exposure to credit risk is minimal and is mitigated by holding a diverse portfolio of investment funds of which the composition is monitored regularly by the Board.

The utilisation of derivative financial instruments creates counterparty credit risk for WorkCover due to the risk that fulfilment of the contract may not occur in the future. QIC closely monitors and manages counterparty risk by ensuring that:

- the credit ratings of all counterparties are monitored very closely;
- the transactions are undertaken with a large number of counterparties;
- the majority of transactions are undertaken on recognised derivative trading exchanges where practical; and
- collateral arrangements are implemented, where possible, to reduce WorkCover’s exposure in derivative financial instruments.

Cash and cash equivalents

Cash and cash equivalents are held with bank and financial institution counterparties. Impairment on cash and cash equivalents is measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The QTC Capital Guaranteed Cash Fund invests with a wide variety of high credit rated counterparties and all deposits made by WorkCover are capital guaranteed. WorkCover considers the credit risk in both the QTC Capital Guaranteed Cash Fund and cash at bank are low based on the credit ratings of the counterparties. The S&P Global short-term credit ratings for QTC and Commonwealth Bank of Australia are both A-1+.

No impairment allowances were recognised for cash and cash equivalents as at 30 June 2026 (2025: no impairment allowance recognised).

Receivables

A large proportion of receivables at the end of the reporting period relates to compliance/enforcement activity which provides the most significant concentration of credit risk.

Receivables are closely monitored for collectability. WorkCover considers the probability of default upon initial recognition and on an ongoing basis throughout each reporting period. A debt is considered to be in default when the debtor fails to make contractual payments when they fall due. Policyholder accounts that fall overdue render an employer uninsured and liable for any claims costs should they incur a claim against their policy. Various actions including subsequent legal recovery may occur as debts begin to age.

WorkCover does not require collateral in respect of trade and other debtors. If collateral is held as part of a legal recovery, it is infrequent and the amounts immaterial. When appropriate, WorkCover renegotiates debt terms on outstanding debts. Receivables that have been renegotiated are accounted for based on the renegotiated terms and the credit risk is reassessed as required.

To assess whether there is a significant increase in credit risk, WorkCover compares the risk of a default occurring on the receivable as at the reporting date with the risk of default as at the date of initial recognition. A significant increase in credit risk occurs when a debtor is more than 30 days past due in making a contractual payment.

Receivables are considered for write-off throughout the reporting period based on their impairment. Receivables are considered impaired where there is objective evidence that WorkCover will not be able to collect all amounts due according to the original terms of the receivables. Evidence that a debt should be written-off includes the following observable data:

- significant financial difficulty of the debtor;
- it is probable that the debtor will enter bankruptcy, insolvency or other financial reorganisation; and
- all other reasonable action, including legal action and renegotiated debt terms where appropriate, to collect the outstanding amount has been undertaken and it is deemed unlikely that the amount will be recovered.

Amounts written off during this financial year that were outstanding at the beginning of this financial year are written off against the allowance. However, if the amount exceeds the loss allowance, the excess is recognised as an impairment loss in the consolidated statement of comprehensive income, along with amounts written off that were raised during the reporting period. For the total impairment loss, refer to bad debts expense in note E1.

Allowance for impairment

Impairment and provisioning for impairment of receivables is a continuous process that is regularly updated based on WorkCover's internal framework. WorkCover measures the expected credit losses using the lifetime expected loss model for all receivables except other debtors, which is determined as 12 months expected credit losses. Throughout and at the end of the reporting period, WorkCover assessed whether there was objective evidence that a receivable (individual) or group of receivables (collective basis depending on shared credit risk characteristics) was impaired or likely to be impaired. Factors considered during these reviews include historical loss experience, current economic conditions, performance trends within specific portfolio segments, and any other pertinent information.

WorkCover then uses provision matrices to evaluate and measure the expected credit losses on receivables. Loss rates are calculated separately for groupings of debt (debt types, stage of debt cycle and debt aging) and reflect historical observed default rates experienced during the last 6 years preceding 30 June 2026 for each group. The historical default rates are then adjusted by reasonable and supportable forward-looking information for expected changes in macroeconomic indicators that affect the future recovery of those receivables.

For WorkCover, a change in the economic growth, Queensland employment landscape and compliance/enforcement activity are determined to be the most relevant forward-looking indicators for receivables. No other significant changes to estimate assumptions or techniques were made during this financial year.

WorkCover's exposure to credit risk and expected credit losses of receivables are as follows:

		2026			2025		
Ageing	**Note**	**Gross receivables[1] $'000**	**Loss rate %**	**Expected credit losses $'000**	**Gross receivables[1] $'000**	**Loss rate %**	**Expected credit losses $'000**
Current		81,213	6.75%	5,480	65,898	9.34%	6,155
1-30 days overdue		6,680	7.95%	531	8,349	20.03%	1,672
31-60 days overdue		1,707	33.47%	571	2,326	36.59%	851
61-90 days overdue		2,598	40.89%	1,062	2,546	46.63%	1,187
90+ days overdue		18,400	69.22%	12,736	17,841	62.41%	11,135
Total	*D2(b)*	**110,598**		**20,380**	**96,960**		**21,000**

[1]Includes receivables of $46.058 million (2025: $44.527 million) with no loss allowance recorded (eg. claims recoveries, premiums and other receivables deemed to have immaterial credit risk).

The movement in the allowance for impairment in respect of receivables during the financial year is as follows:

	Note	2026 $'000	2025 $'000
Allowance for impairment of receivables during the year:			
Balance at 1 July		21,000	15,300
Net debts written off		(11,036)	(7,921)
Allowance made		10,416	13,621
Balance at 30 June	*D2(b)*	**20,380**	**21,000**
Individual impairment assessment		14,359	7,701
Collective impairment assessment		6,021	13,299
	D2(b)	**20,380**	**21,000**

Other debtors are subject to the impairment requirements and the identified impairment loss was immaterial.

(b) Liquidity risk

Liquidity risk is the risk that WorkCover will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. WorkCover manages liquidity risk through its diversified investment portfolio that provides for the sale of investments to meet both short-term and long-term cash flow requirements. WorkCover regularly reviews its investment strategy having regard to the expected future obligations.

WorkCover's liquidity risk is grouped by the contractual maturity of the financial liabilities. Liabilities with maturity dates exceeding 12 months are calculated based on discounted cash flows. Commitments that are payable on demand are included in the 0 to 3 months category. WorkCover's liquidity risk is as follows:

	Note	0 - 3 months $'000	3 - 12 months $'000	1 - 3 years $'000	More than 3 years $'000	Total $'000
2026						
Financial liabilities						
Payables	*D2(c)*	50,279	-	-	-	50,279
Investment related liabilities:						
Cash and cash equivalents	*D2(d)*	1,881	-	-	-	1,881
Cash collateral and margin accounts	*D2(d)*	1,929	-	-	270	2,199
Payables	*D2(d)*	233	-	-	-	233
Derivatives	*D2(d)*	15,651	27,827	7,131	-	50,609
		69,973	**27,827**	**7,131**	**270**	**105,201**
2025						
Financial liabilities						
Payables	*D2(c)*	31,512	-	-	-	31,512
Investment related liabilities:						
Cash and cash equivalents	*D2(d)*	858	-	-	-	858
Cash collateral and margin accounts	*D2(d)*	-	-	-	13,287	13,287
Payables	*D2(d)*	339	-	-	-	339
Derivatives	*D2(d)*	48,440	13,333	-	-	61,773
		81,149	**13,333**	**-**	**13,287**	**107,769**

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk, being currency risk, interest rate risk and other price risk.

Due to the diverse nature of WorkCover's investments, the portfolio is subject to all of the risks and sensitivities outlined below. The investments are managed on a total portfolio basis.

Market risk is minimised by:

- regular review of investment strategy;
- setting investment asset allocation ranges; and
- strict control over the use of derivatives and hedging instruments, which are used to facilitate portfolio management or to reduce investment risk.

The methodology adopted for the purposes of sensitivity analysis involves forecasting a reasonably possible change in each of the risk variables and, where applicable, applying this change to the reporting date value of each investment to determine the impact caused by this change on the operating result after tax and equity for the financial year. This approach assumes that all variables remain constant. QIC has adopted a 'top-down' approach which considers the total investment portfolio to derive the exposure value subject to market risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. WorkCover holds a portfolio of mainly forward exchange contracts within the foreign currency overlay to help achieve particular exposures, as well as hedge the foreign exchange risks of the investments in managed unit trusts and other non-hedge derivatives held by WorkCover. The currency hedging policy is updated as required. The current target risk exposure to foreign currency is 18.0% (2025: 18.0%). WorkCover's exposure to foreign currency risk at financial year end was 18.27% (2025: 18.14%) and a breakdown is as follows:

	US dollar	**Euro**	**British pound**	**Japanese yen**	**Other**	**Total**
2026			**Currency (AUD $'000)**			
Equities	1,229,278	143,983	54,062	93,227	362,675	1,883,225
Property	53,913	22,085	-	-	-	75,998
Infrastructure	67,583	-	-	-	-	67,583
Alternatives	521,137	97,834	5,753	-	-	624,724
Private equity	447,853	178,986	63,072	-	6,250	696,161
Fixed interest	274,922	104,708	13,818	2,163	14,185	409,796
Cash	13,718	5,173	4,599	8,535	892	32,917
Foreign currency derivatives	(1,707,350)	(450,119)	(97,872)	(35,587)	(84,301)	(2,375,229)
	901,054	**102,650**	**43,432**	**68,338**	**299,701**	**1,415,175**
2025			**Currency (AUD $'000)**			
Equities	1,056,064	128,181	49,841	77,047	286,086	1,597,219
Property	55,964	24,186	-	-	-	80,150
Infrastructure	25,653	-	-	-	-	25,653
Alternatives	423,506	120,313	5,519	-	8,548	557,886
Private equity	384,434	176,994	81,106	-	9,285	651,819
Fixed interest	242,864	94,938	13,493	2,323	12,602	366,220
Cash	25,037	6,105	4,126	5,283	442	40,993
Foreign currency derivatives	(1,385,862)	(456,625)	(111,511)	(21,216)	(65,660)	(2,040,874)
	827,660	**94,092**	**42,574**	**63,437**	**251,303**	**1,279,066**

Sensitivity analysis

This sensitivity analysis has been determined based on the exposure to foreign exchange rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the financial year. All other variables remaining constant, a 10% strengthening or weakening of the foreign currencies against the Australian dollar would have increased or decreased the operating result after tax and equity for the year as follows:

Variable	Movement in variable	Impact on operating result after tax and equity	
		2026 $'000	2025 $'000
Foreign currency derivatives	+10%	+166,266	+142,861
	-10%	-166,266	-142,861
Investments (excluding foreign currency derivatives)	+10%	-265,328	-232,396
	-10%	+265,328	+232,396
Total	+10%	-99,062	-89,535
	-10%	+99,062	+89,535

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

WorkCover's exposure to interest rate risk and the effective weighted average interest rates on financial instruments are as follows:

	Note	Interest rate	Floating interest rate	Fixed interest maturing in			Non-interest bearing	Total
				1 year or less	1 - 5 years	More than 5 years		
		%	$'000	$'000	$'000	$'000	$'000	$'000
2026								
Financial assets								
Cash and cash equivalents[1]	D2(a)		867,933	-	-	-	-	867,933
Receivables	D2(b)	11.25[2]	-	-	-	-	90,488	90,488
Investments[3]:								
Cash and cash equivalents			44,928	-	-	-	-	44,928
Cash collateral and margin accounts			1	-	-	10,739	-	10,740
Receivables			-	-	-	-	213,799	213,799
Managed unit trusts			-	-	-	-	7,453,315	7,453,315
Debt securities			-	-	-	-	362	362
Derivatives			-	15,756	-	-	63,321	79,077
Total investments[3]	D2(d)		44,929	15,756	-	10,739	7,730,797	7,802,221
	D2		**912,862**	**15,756**	**-**	**10,739**	**7,821,285**	**8,760,642**
Financial liabilities								
Payables	D2(c)		-	-	-	-	50,279	50,279
Investment related liabilities								
Cash and cash equivalents			1,881	-	-	-	-	1,881
Cash collateral and margin accounts			1,929	-	-	270	-	2,199
Payables			-	-	-	-	233	233
Derivatives			-	-	-	-	50,609	50,609
Total investments[3]	D2(d)		3,810	-	-	270	50,842	54,922
	D2		**3,810**	**-**	**-**	**270**	**101,121**	**105,201**
2025								
Financial assets								
Cash and cash equivalents[1]	D2(a)		785,465	-	-	-	-	785,465
Receivables	D2(b)	11.25[2]	-	-	-	-	76,635	76,635
Investments[3]:								
Cash and cash equivalents			47,177	-	-	-	-	47,177
Cash collateral and margin accounts			2,871	-	-	1,097	-	3,968
Receivables			-	-	-	-	257,054	257,054
Managed unit trusts			-	-	-	-	6,715,955	6,715,955
Debt securities			-	-	-	-	362	362
Derivatives			-	15,063	-	-	111,236	126,299
Total investments[3]	D2(d)		50,048	15,063	-	1,097	7,084,607	7,150,815
	D2		**835,513**	**15,063**	**-**	**1,097**	**7,161,242**	**8,012,915**
Financial liabilities								
Payables	D2(c)		-	-	-	-	31,512	31,512
Investment related liabilities								
Cash and cash equivalents			858	-	-	-	-	858
Cash collateral and margin accounts			-	-	-	13,287	-	13,287
Payables			-	-	-	-	339	339
Derivatives			-	1,473	-	-	60,300	61,773
Total investments[3]	D2(d)		858	1,473	-	13,287	60,639	76,257
	D2		**858**	**1,473**	**-**	**13,287**	**92,151**	**107,769**

[1] WorkCover has three transaction banking accounts and one capital guaranteed cash fund account. The weighted average interest rate of the transaction banking accounts was 4.21% (2025: 4.87%) and the financial year-to-date cash fund return was 4.48% (2025: 5.04%) respectively.

[2] WorkCover is entitled to charge interest on instalment plans at the rate published in the Queensland Government Gazette.

[3] The majority of securities in the derivative instruments are futures and although they are subject to interest rate risk they do not earn interest, except for a number of Australian cash accounts that earn minimal interest. Due to the number of buy and sell transactions it is impractical to obtain a weighted average interest rate for these investments.

Sensitivity analysis
All other variables remaining constant, a 1% change in interest rates at the reporting date would have increased or decreased the operating result after tax and equity for the year as follows:

Variable	Movement in variable	Impact on operating result after tax and equity	
		2026	2025
		$'000	$'000
QTC Capital Guaranteed Cash Fund	+1%	+3,712	+3,559
	-1%	-3,712	-3,559
Investments	+1%	+54,231	+49,522
	-1%	-54,231	-49,522

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rates or currencies), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

As a portfolio, WorkCover holds investments in managed unit trusts and derivative financial instruments. The managed unit trusts in turn hold investments in various instruments including equity, cash, property, infrastructure, private equity and alternative funds. The fair values of such financial instruments are affected by changes in the market price of the underlying instruments.

The market value exposure to other price risks for WorkCover is as follows:

Sector allocation	2026	2025
	$'000	$'000
Australian equities	883,380	776,350
International equities	1,882,169	1,567,279
Private equity	763,780	717,150
Direct property	353,770	353,750
Direct infrastructure	598,100	530,240
Alternatives	645,720	498,920
Fixed income, cash and corporate investment-grade credit	2,252,030	2,229,869
Private debt	368,350	401,000
	7,747,299	**7,074,558**

Sensitivity analysis
All other variables remaining constant, based on gross return received from the portfolio, a 1% strengthening or weakening of the equities prices would have increased or decreased the operating result after tax and equity for the year as follows:

Variable	Movement in variable	Impact on operating result after tax and equity	
		2026	2025
		$'000	$'000
Equities prices	+1%	+54,231	+49,522
	-1%	-54,231	-49,522

Supporting our business

Being the main provider of workers' compensation in Queensland requires the support of our people and infrastructure. This section provides information about the operating expenses and assets of WorkCover.

E1 Underwriting expenses

	Note	2026 $'000	2025 $'000
Employee expenses	*E2(a)*	192,285	157,364
Contractors		57,767	37,971
Consultancy fees		1,703	1,235
Special payments		8	120
Other administration expenses		32,133	25,628
Depreciation and amortisation	*F2*	2,355	2,491
Net loss on disposal of property, plant and equipment and intangible assets	*F2*	14	-
Transfer to allowance for impairment of receivables		10,416	13,621
Bad debts expense		12,656	9,802
Workers' Compensation Regulator levy		52,902	51,170
Workplace Health and Safety Queensland grant		91,531	85,423
Operating expenses		**453,770**	**384,825**
Claims handling expenses allocated to gross claims expense	*C1*	(340,244)	(316,046)
		113,526	**68,779**

Total external audit fees quoted in relation to the 2026 consolidated financial statements are $350,700 (2025: $314,500). The Auditor-General of Queensland is the auditor for both WorkCover and WEO. There were no non-audit services were provided during this financial year (2025: no non-audit services).

The Workers' Compensation Regulator levy and the Workplace Health and Safety Queensland (WHSQ) grant are payments made in accordance with the Minister's instruction as approved by the Governor-in-Council by gazette notice for the prevention, recognition and alleviation of injury to workers, making employers and workers aware of their rights and obligations, and scheme-wide rehabilitation and return to work programs for workers.

Special payments are payments that WorkCover is not contractually or legally obligated to make to other parties. Special payments of $307,000 were made during this financial year. This comprised of $299,500 in relation to workforce restructuring activities and $7,500 relating to an injured worker (2025: Total special payments of $120,000 were made with $100,000 relating to a release, discharge and indemnity agreement for an injured worker and $20,000 relating to a deed of release for a former employee). Refer to note E1 and E2 for the disclosure.

E2 Employee benefits

(a) Employee expenses

	Note	2026 $'000	2025 $'000
Salaries		157,102	127,018
Annual leave and long service leave expenses		2,037	2,502
Employer superannuation contributions		19,793	15,773
Other employee benefits		608	1,697
Payroll tax expense		9,537	7,051
Workers' compensation premium		1,126	782
Recruitment fees		1,544	1,801
Special payments		300	-
Other employee related expenses		238	740
	E1	**192,285**	**157,364**

Post-employment benefits

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Government's defined benefit plan as determined by the employee's conditions of employment.

Defined contribution plans

Contributions are made to eligible complying superannuation funds. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined benefit plan

The liability for defined benefits is held on a whole-of-government basis and reported in the Queensland General Government and Whole of Government Consolidated Financial Statements in accordance with AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The required contributions for defined benefit plan obligations are based upon the rates determined by the Treasurer on the advice of the State Actuary. Contributions are paid by WorkCover at the specified rate following completion of the employee's service each pay period. WorkCover's obligation is limited to its contribution to QSuper (part of Australian Retirement Trust).

(b) Employee benefits liabilities

	2026 $'000	2025 $'000
Current		
Accrued salaries and other benefits	3,059	1,232
Provision for annual leave	11,921	10,133
Provision for long service leave	13,844	14,063
Provision for termination benefits	89	1,132
	28,913	26,560
Non-current		
Provision for long service leave	2,860	2,413
	31,773	**28,973**

Reconciliation of provision for employee benefits during the year:		
Balance at 1 July	28,973	24,690
Amounts allocated to provision	19,365	15,186
Reductions in provision as a result of payments	(15,640)	(11,387)
Discount rate adjustments	(925)	484
Balance at 30 June	**31,773**	**28,973**

Short-term employee benefits

Accrued salaries and other benefits

Salaries due but unpaid at reporting date are recognised in the consolidated statement of financial position at current salary rates. As WorkCover expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts. Related on-costs of superannuation, workers' compensation premiums, payroll tax and mental health levy have been included in the liability.

Sick leave

Sick leave entitlements are non-vesting and are only paid upon valid claims for sick leave by employees. Sick leave expense is brought to account in the reporting period in which it occurs. No liability for unused sick leave has been recognised as experience indicates on average, sick leave taken each financial year is less than the entitlement accrued in that year. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees.

Other long-term employee benefits

Long service leave and annual leave

The liabilities for long service leave and annual leave which are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service are recognised and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future salary rates, experience of employee departures, and periods of service. Expected future payments are discounted using the QTC zero rates with terms to maturity that match, as closely as possible, the estimated future cash outflows. Related on-costs of workers' compensation premiums, superannuation, payroll tax and mental health levy have been included in the liabilities.

(c) Expected settlement of employee benefits liabilities

Based on past experience, WorkCover does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Settlement expectations for annual leave and long service leave are as follows:

	2026 $'000	2025 $'000
No more than 12 months from reporting date:		
Annual leave	10,305	8,698
Long service leave	2,380	2,430
	12,685	**11,128**
More than 12 months from reporting date:		
Annual leave	1,616	1,435
Long service leave	14,324	14,046
	15,940	**15,481**

When WorkCover does not have an unconditional right to defer settlement of the obligation beyond 12 months, the entire amount is presented as current.

Key assumptions

The assumptions adopted to measure the present value of annual leave and long service leave are as follows:

	2026	2025
Discount rate	5.2%	4.3%
Settlement term for long service leave	6.5 years	6.3 years
Assumed annual leave days taken per year	20 days	20 days
Rate increase first year		
Assumed rate of increase for contract salaries - annual leave and long service leave	4.0%	3.0%
Assumed rate of increase for non-contract salaries - annual leave and long service leave	3.5%	3.0%
Rate increase thereafter		
Assumed rate of increase for contract salaries - annual leave and long service leave	3.5%	3.0%
Assumed rate of increase for non-contract salaries - annual leave and long service leave	3.5%	3.0%

The assumed rates disclosed are the base salary inflation rates, excluding the award progression increases based on the salary card rates.

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is 1,494 (2025: 1,281).

E3 Related parties

(a) Details of key management personnel (KMP) and remuneration

WorkCover's responsible Minister is identified as part of WorkCover's KMP, consistent with Australian implementation guidance included in AASB 124 *Related Party Disclosures*. WorkCover's Minister as at 30 June 2026 is the *Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations*.

Ministerial remuneration entitlements are outlined in the *Legislative Assembly of Queensland's Members' Remuneration Handbook*. WorkCover does not bear any cost of remuneration of the Minister. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by the Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

Details of the remuneration of the non-Ministerial KMP, being the Directors, the Chief Executive Officer (CEO), and the Senior Executives of WorkCover are as follows:

Directors (Non-executive)		Short-term Fees[1] $'000	Post employment Superannuation $'000	Total $'000
C Kopilović[2]	2026	78	10	88
Chair	2025	40	5	45
G Hallam[2]	2026	48	6	54
Deputy Chair	2025	26	3	29
C Richardson[3]	2026	40	5	45
Director	2025	30	4	34
J Bertram[3]	2026	40	5	45
Director	2025	40	5	45
K Dear[3]	2026	43	5	48
Director	2025	43	5	48
S Havas[3]	2026	43	5	48
Director	2025	43	5	48
S McCullagh[3]	2026	40	5	45
Director	2025	40	5	45
S Morris[3]	2026	44	6	50
Director	2025	44	6	50
S Schinnerl[3]	2026	40	5	45
Director	2025	40	5	45
A Lynham[4]	2026	-	-	-
Chair	2025	37	5	42
J King[4]	2026	-	-	-
Deputy Chair	2025	24	3	27
I Leavers[5]	2026	-	-	-
Director	2025	8	1	9
Total remuneration:	**2026**	**416**	**52**	**468**
Directors	**2025**	**415**	**52**	**467**

[1] Fees represent amounts paid in cash during the financial year.
[2] Commenced on 20 December 2024.
[3] The Board contracts for C Richardson (commenced on 26 September 2024), J Bertram, K Dear, S Havas, S McCullagh, S Morris and S Schinnerl ceased on 30 June 2026. The Governor-in-Council appointed new Board members effective 1 July 2026. The new Board members are L Springborg, M Crossley, S Armstrong, R White, T Twomey, F Hammond and R Cooper.
[4] Ceased on 19 December 2024.
[5] Ceased on 6 September 2024.

Responsibilities of Directors (Non-executive)

Chair

The Chair's principal responsibility is to lead and direct the activities of the Board and ensure the Board fulfils all its legal and statutory obligations in accordance with the Board charter.

Deputy Chair

The Deputy Chair, in addition to Director's responsibilities, assists the Chair in meeting their obligations as required. In the absence of the Chair at a meeting, the Deputy Chair will preside.

Director

The Directors are responsible for the strategic guidance, the monitoring of management, ensuring good governance and the successful operation of WorkCover Queensland.

CEO and Senior Executives		Short-term		Post employment	Other long-term benefits		Termination benefits	Total
		Salary[1]	Non-monetary[2]	Super-annuation	Annual leave accruals	Long service leave accruals		
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
M Pennisi	2026	606	9	30	51	8	-	704
CEO	2025	623	8	29	51	7	-	718
D Briscoe[3]	2026	167	4	13	13	1	-	198
Chief People and Strategy Officer	2025	-	-	-	-	-	-	-
G Hollier[4]	2026	350	10	31	31	4	-	426
Chief Financial Officer	2025	121	3	10	9	1	-	144
J Collier[5]	2026	87	-	11	1	-	-	99
Interim Chief Risk Officer	2025	-	-	-	-	-	-	-
K Muller[6]	2026	483	8	33	43	6	-	573
Chief Operating and Technology Officer	2025	357	6	22	27	3	-	415
M Readdy[7]	2026	84	10	15	7	1	50	167
Chief Risk Officer	2025	141	4	13	11	1	-	170
N Rees[8]	2026	123	-	16	10	1	-	150
Acting Chief Risk Officer	2025	-	-	-	-	-	-	-
N Duce[9]	2026	170	3	14	14	1	-	202
Chief People and Strategy Officer	2025	137	3	11	13	1	-	165
D Heley[10]	2026	-	-	-	-	-	-	-
Deputy CEO	2025	216	5	20	21	9	-	271
A Jones[11]	2026	-	-	-	-	-	-	-
Chief Digital and Information Officer	2025	88	-	9	8	1	-	106
B Martin[11]	2026	-	-	-	-	-	-	-
Chief New Claims Officer	2025	62	-	14	6	5	-	87
E Wright[12]	2026	-	-	-	-	-	-	-
Chief People Officer	2025	134	-	16	12	4	-	166
J Reid[13]	2026	-	-	-	-	-	-	-
Chief Legal Officer, Acting Chief Claims Management Officer	2025	70	-	11	12	25	-	118
L Plimmer[14]	2026	-	-	-	-	-	-	-
Chief Claims Management Officer	2025	38	4	5	5	1	172	225
M Dennett[11]	2026	-	-	-	-	-	-	-
Chief Partnerships and Relationships Officer	2025	72	3	9	6	1	-	91
Total remuneration:	**2026**	**2,070**	**44**	**163**	**170**	**22**	**50**	**2,519**
CEO and Senior Executives	**2025**	**2,059**	**36**	**169**	**181**	**59**	**172**	**2,676**

[1] Salary represents amounts paid in cash during the financial year and associated adjustments such as annual leave taken.
[2] Short-term non-monetary benefits relate to packaged amounts and fringe benefits provided to the CEO and Senior Executives.
[3] Commenced on 19 January 2026.
[4] Commenced on 24 February 2025.
[5] Commenced Interim Chief Risk Officer on 30 April 2026 and confirmed as Chief Risk Officer on 15 June 2026.
[6] Commenced on 8 October 2024.
[7] Commenced on 20 January 2025 and ceased on 10 October 2025.
[8] Commenced on 13 October 2025 and ceased on 15 March 2026.
[9] Commenced on 14 January 2025 and ceased on 19 December 2025.
[10] Ceased to be a KMP on 28 February 2025.
[11] Ceased to be a KMP 7 October 2024.
[12] Ceased to be a KMP on 13 January 2025.
[13] Acted as Chief Claims Management Officer on 26 August 2024 and ceased to be a KMP on 7 October 2024.
[14] Ceased on 26 August 2024.

Responsibilities of the CEO and Senior Executives

CEO

The CEO is responsible to the Board for the overall performance and strategic management of WorkCover Queensland. The CEO is also the Executive Officer (EO) of WEO and is responsible for the management and direction of WEO. No remuneration is paid for the role of EO of WEO.

Deputy CEO

The Deputy CEO was responsible for the strategic leadership of the Strategy and Finance Group, ensuring all necessary corporate, and financial management processes and systems were in place to support the achievement of the organisation's commercially focused financial objectives. The Deputy CEO was also responsible for facilitating a collaborative process on the design, development and implementation of strategic initiatives to continue to deliver an outstanding customer experience.

Chief Claims Management Officer

The Chief Claims Management Officer was responsible for the strategic leadership of the Claims Management Group, ensuring that all statutory and common law claims were outcome managed balancing the interests of both injured workers and employers. They also ensured implementation of all key strategies to provide an exceptional customer experience.

Chief Digital and Information Officer

The Chief Digital and Information Officer was responsible for the delivery of technology solutions to maximise the efficiency and effectiveness of the business operations to meet WorkCover's business needs.

Chief Financial Officer

The Chief Financial Officer is responsible for the strategic leadership of the financial operations of WorkCover to support the transformation agenda and to drive commercial outcomes.

Chief Legal Officer

The Chief Legal Officer oversaw common law claims management, provided legal advice and strategy, and ensured effective management of legal and contractual risks.

Chief New Claims Officer

The Chief New Claims Officer was responsible for the strategic leadership of the registrations and claims determination functions to ensure the effective operation and performance of workers compensation liability decisions.

Chief Operating and Technology Officer

The Chief Operating and Technology Officer is responsible for the strategic leadership of the management and transformation of WorkCover's core business, all customer interactions and experience, technology, project delivery and execution.

Chief Partnerships and Relationships Officer

The Chief Partnerships and Relationships Officer was responsible for the strategic leadership of the Partnerships and Relationships Group in creating trusted community and stakeholder engagement through interactions and relationships that were beneficial to WorkCover's business needs. The Chief Partnerships and Relationships Officer was also responsible for the management of stakeholder relationships business wide.

Chief People Officer

The Chief People Officer was responsible for the strategic leadership of the people experience function and to provide best practice contemporary workplace management, learning, change management and human resource related solutions to critical people issues.

Chief People and Strategy Officer

The Chief of People and Strategy Officer is responsible for the strategic leadership of the management and transformation of WorkCover's people strategy and operations, corporate strategy and enterprise portfolio management office functions.

Chief Risk Officer

The Chief Risk Officer is responsible for the strategic leadership of the management and transformation of WorkCover's risk and assurance, common law claims, regulatory and complaints management, and corporate relations functions.

Remuneration and appointment authority of KMP

Remuneration policy

Remuneration levels for KMP are competitively set to attract and retain appropriately qualified and experienced Directors, Senior Executives and the CEO. Remuneration is reviewed annually. No remuneration packages for KMP provide for any performance or bonus payments.

Payments to the CEO and the Directors are made by WorkCover Queensland. All other KMP are remunerated by WEO.

Directors

Director contracts are entered into in accordance with the Act. The remuneration of Directors is determined by the Governor-in-Council as part of terms of their appointment and is paid by way of annual fee in accordance with the Queensland Government Remuneration procedures for part-time Chairs and members of Queensland Government bodies.

CEO and Senior Executives

The CEO's executive employment contract is entered into in accordance with the Act, with the conditions of the contract decided by the Board and signed by the Chair. The CEO is appointed by the Governor in Council on the Board's recommendation. The CEO remuneration arrangements are made in alignment with the Queensland Government CEO remuneration framework.

The remuneration arrangements for the Senior Executives are determined by the CEO in consultation with the Chair of the Board. The Senior Executive contracts are entered into in accordance with the Act.

Remuneration and other terms of employment for each Senior Executive are formalised in executive employment contracts.

The CEO and Senior Executives are given the opportunity to receive their fixed remuneration in a variety of forms, including cash and fringe benefits.

(b) Transactions with KMP

No transactions, other than remuneration payments or the reimbursement of approved expenses, were entered into by WorkCover with KMP or related parties of such KMP during this financial year (2025: no transactions with KMP).

c) Transactions with other related parties

WorkCover is required to pay contributions to WHSQ and the Regulator. See note E1 for details.

Queensland Health public hospitals are utilised by WorkCover in the treatment of injured workers. The total payments in this financial year are $55.663 million (2025: $57.108 million).

As the provider of compulsory workers' compensation insurance in Queensland, WorkCover provides insurance to all Queensland State Government controlled entities other than those who self-insure. Policies are issued on the same terms and conditions as to other policyholders. The total premium income received or receivable from Queensland State Government controlled entities in this financial year is $740.312 million (2025: $672.968 million).

WorkCover utilises the services of QIC and QTC to invest excess cash not immediately required to cover expenses. The use of QIC and QTC is approved by Queensland Treasury. The total direct investment management fees paid or payable in this financial year to QIC and QTC are $45.706 million and $0.624 million respectively (2025: $41.541 million and $0.238 million respectively). Refer to note D1 for further details.

From 1 July 2016, the *Workers' Compensation and Rehabilitation Amendment Act 2016* implemented the NIIS for workplace accidents connected with Queensland. The scheme provides eligible seriously injured workers with a lifetime statutory entitlement to treatment, care and support payments such as rehabilitation, medical services and hospital expenses. In accordance with the scheme, payments are made by WorkCover to reimburse NIIS Queensland (NIISQ), the external case managers for the seriously injured workers, for costs in relation to these claims. The total NIISQ amounts paid or payable for this financial year are $23.430 million (2025: $16.952 million).

E4 Property, plant and equipment

Reconciliation of property, plant and equipment

	Note	Land	Building	Plant and equipment	Work in progress	Total
		$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2024		23,100	45,500	855	118	69,573
Acquisitions		-	2,287	376	-	2,663
Transfers between asset classes		-	118	-	(118)	-
Depreciation		-	(1,980)	(160)	-	(2,140)
Revaluation increments	*F4(b)*	-	4,275	-	-	4,275
Balance at 30 June 2025		**23,100**	**50,200**	**1,071**	**-**	**74,371**
At 30 June 2025:						
Cost or fair value		23,100	60,030	8,054	-	91,184
Accumulated depreciation		-	(9,830)	(6,983)	-	(16,813)
Net carrying amount		**23,100**	**50,200**	**1,071**	**-**	**74,371**
Balance at 1 July 2025		23,100	50,200	1,071	-	74,371
Acquisitions		-	42	132	170	344
Depreciation		-	(2,175)	(180)	-	(2,355)
Revaluation decrements	*F4(b)*	(4,350)	(8,317)	-	-	(12,667)
Balance at 30 June 2026		**18,750**	**39,750**	**1,023**	**170**	**59,693**
At 30 June 2026:						
Cost or fair value		18,750	50,208	2,886	170	72,014
Accumulated depreciation		-	(10,458)	(1,863)	-	(12,321)
Net carrying amount		**18,750**	**39,750**	**1,023**	**170**	**59,693**

(a) Recognition and measurement

All items of property, plant and equipment are recognised at their cost of acquisition, being the fair value of the consideration provided and any incidental costs directly attributable to the acquisition.

With respect to plant and equipment, an asset recognition threshold of $5,000 exists. With respect to property, an asset recognition threshold of $10,000 exists for buildings and $1 for land. Property, plant and equipment with a lesser cost are expensed.

Costs incurred subsequent to initial acquisition are added to an asset's carrying amount if they increase the service potential or useful life of that asset. Subsequent costs that do not meet these criteria are expensed as incurred.

Plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

(b) Valuation

Land and buildings are shown at fair value, based on annual valuations by an external independent valuer. On revaluation, accumulated depreciation of revalued assets in the class is eliminated against the gross carrying amount of those assets and the net amount restated to the revalued amount of the asset.

Any revaluation increase is credited, net of tax equivalents, to the asset revaluation surplus of the appropriate class, except to the extent that it reverses a revaluation decrease for the same asset class previously recognised as an expense, in which case the increase is recognised as income. A decrease in the carrying amount on the revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

The land and building is valued having regard to the highest and best use of the asset. An independent valuation of land and building was performed as at 30 June 2026 and fair value was determined by reference to market based evidence, being active market prices adjusted for any differences in the nature, location or condition of the specific property. The independent valuer used the discounted cash flow, capitalisation and direct comparison approaches to determine the fair value. The land and building has been categorised as level 3 based on sensitivity of fair value to change in the unobservable inputs.

(c) Depreciation

Land is not depreciated.

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the cost or revalued amount of each asset, less its estimated residual value, over the estimated useful life of the assets as follows:

ITEM	USEFUL LIFE
Building	3 to 56 years
Plant and equipment	
Computer equipment	4 to 20 years
Office equipment and furniture	5 to 23 years
Fixtures and fittings	10 to 25 years
Motor vehicles	8 years

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate on an annual basis.

(d) Impairment

All non-current assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, WorkCover determines the asset's recoverable amount. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised as an expense, unless the asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. The asset's recoverable amount is determined as the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(e) Derecognition

Property, plant and equipment assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Derecognition of property, plant and equipment assets includes writing back accumulated depreciation and any accumulated impairment losses against the cost of acquisition. Any resulting gain or loss is represented by the difference between the proceeds, if any, and the carrying amount of the asset and is recognised in the consolidated statement of comprehensive income.

E5 Commitments

WorkCover has contractual commitments for expenditure as follows:

	Acquisition of property, plant and equipment	Support and maintenance expenditure	Other expenditure	Total
	$'000	**$'000**	**$'000**	**$'000**
2026				
Not later than 1 year	566	11,927	1,191	13,684
1 - 5 years	125	32,996	458	33,579
	691	**44,923**	**1,649**	**47,263**
2025				
Not later than 1 year	-	6,444	1,159	7,603
1 - 5 years	-	7,041	270	7,311
	-	**13,485**	**1,429**	**14,914**

Other

This section includes other relevant information that must be disclosed to comply with AASBs and other requirements.

F1 Taxation

WorkCover Queensland and its controlled entity are State/Territory bodies as defined under the *Income Tax Assessment Act 1936* and are exempt from Commonwealth Government taxation with the exception of Fringe Benefits Tax (FBT) and GST. As such, FBT and GST receivable from and payable to the Australian Taxation Office (ATO) are recognised and accrued.

WorkCover Queensland is the only entity in the consolidated group subject to the National Tax Equivalents Regime (NTER). Under the NTER, payments are made to the State Treasurer equivalent to the amount of Commonwealth Government income tax. The Taxation of Financial Arrangements (TOFA) legislation is applicable to WorkCover Queensland, and the default realisation and accrual methods are used. In addition, QIC adopts the attribution managed investment trust (AMIT) regime in respect of eligible QIC managed investment trusts in which WorkCover invests in.

WorkCover Queensland and its controlled entity are also required to comply with pay as you go (PAYG) withholding requirements and Queensland State Government taxes including payroll tax, stamp duty and land tax.

Tax Risk Management

WorkCover's tolerance for tax risk is managed in accordance with its Risk Management Framework. The Tax Risk Management Policy establishes WorkCover's framework for managing its tax obligations and sets out the principles for how tax risks are managed across the business.

(a) Income tax equivalent

Income tax equivalent expense

	2026 $'000	2025 $'000
Deferred tax expense	**6,525**	**174,894**
Reconciliation of Income tax equivalent expense:		
Operating result for the year before income tax equivalent	55,855	606,747
Income tax equivalent expense at the standard tax rate of 30% (2025: 30%)	16,757	182,024
Tax effect of adjustments to income tax equivalent expense:		
Gross up of foreign income tax offset received	1,767	2,713
Gross up of franking tax offset received	2,531	2,425
Non-deductible expenses	12	22
Tax offset for franked dividends	(8,436)	(8,084)
Tax offset for foreign income	(5,891)	(9,044)
Adjustments for income tax equivalent of prior years	(215)	4,838
Income tax equivalent expense attributable to operating result	**6,525**	**174,894**

Income tax equivalent expense comprises of current and deferred tax. Current and deferred tax is recognised as an expense in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax assets and liabilities are measured at the amount expected to be receivable or payable on the taxable income or loss for the current year. The amount is calculated using tax rates and tax laws that are enacted or substantively enacted at the reporting date.

No Pillar Two top up taxes have been recognised for this financial year (2025: nil). This is on the basis WorkCover is not within the scope of Pillar Two top up tax legislation in Australia.

Income tax equivalent (benefit) / expense recognised in other comprehensive income

	2026 $'000	2025 $'000
Revaluation of land and building	**(3,800)**	**1,283**

Recognised deferred tax assets and liabilities

WorkCover is able to offset its deferred tax assets and liabilities and has disclosed the net balance in the consolidated statement of financial position. Deferred tax assets and liabilities are as follows:

	Assets		Liabilities		Net	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Income tax equivalent loss	146,790	162,468	-	-	146,790	162,468
Investment tax adjustments including unrealised gains	-	-	(353,257)	(329,695)	(353,257)	(329,695)
Indirect claims handling expense	156,629	133,413	-	-	156,629	133,413
Employee expenses	24	19	-	-	24	19
Other provisions	6,114	6,300	-	-	6,114	6,300
Other items	11,108	3,087	(13)	(51)	11,095	3,036
Property, plant and equipment	-	-	(3,121)	(8,549)	(3,121)	(8,549)
Intangibles	14	21	-	-	14	21
Tax assets/(liabilities)	**320,679**	**305,308**	**(356,391)**	**(338,295)**	**(35,712)**	**(32,987)**

Movement in deferred tax balances during the year

Movement in deferred tax balances during the year	**Balance 1 July 2024 $'000**	**Recognised in operating result $'000**	**Recognised in other comprehensive income $'000**	**Balance 30 June 2025 $'000**	**Recognised in operating result $'000**	**Recognised in other comprehensive income $'000**	**Balance 30 June 2026 $'000**
Income tax equivalent loss	322,948	(160,480)	-	162,468	(15,678)	-	146,790
Investment tax adjustments including unrealised gains	(297,443)	(32,252)	-	(329,695)	(23,562)	-	(353,257)
Indirect claims handling expense	119,674	13,739	-	133,413	23,216	-	156,629
Employee expenses	1	18	-	19	5	-	24
Other provisions	4,590	1,710	-	6,300	(186)	-	6,114
Other items	1,520	1,516	-	3,036	8,059	-	11,095
Property, plant and equipment	(8,026)	760	(1,283)	(8,549)	1,628	3,800	(3,121)
Intangibles	(74)	95	-	21	(7)	-	14
	143,190	**(174,894)**	**(1,283)**	**(32,987)**	**(6,525)**	**3,800**	**(35,712)**

Deferred tax is accounted for using the comprehensive balance sheet liability method and is provided on all temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax base of those items at the reporting date.

Deferred tax liabilities are recognised for taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences. However, deferred tax liabilities and assets are not recognised if the temporary differences arise from the initial recognition of assets or liabilities which affects neither the accounting profit nor taxable profit or loss. Unused tax credits and unused tax losses are carried forward to the extent it is probable that future taxable profit will be available against which they can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply for the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be utilised and such reductions are reversed when it becomes probable that sufficient taxable profit will be available.

(b) Goods and services tax

Income, expenses, assets, and liabilities are recognised net of the amount of associated GST, unless the GST is not recoverable from or remittable to the ATO. In this case, the GST is recognised as part of the cost of acquisition of the asset or in the amount of the expense.

Receivables and payables are stated with the amount of GST included, where applicable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables, respectively, in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows net of the amount of GST. The GST component of cash flows arising from investing activities which is recoverable from or payable to the ATO is classified as part of operating cash flow.

Commitments and contingencies are disclosed net of the amount of GST, unless the GST incurred is not recoverable from the ATO.

F2 Reconciliation of operating result to net cash from operating activities

	Note	2026 $'000	2025 $'000
Operating result for the year		49,330	431,853
Non-cash items included in operating result			
Net gain on change in fair value of financial instruments		(177,873)	(86,168)
Non-cash investment income and expenses		(498,192)	(555,229)
Net loss on disposal of property, plant and equipment and intangible assets	*E1*	14	-
Depreciation and amortisation expense	*E1*	2,355	2,491
Tax effect on revaluation of land and building	*F4(b)*	3,800	(1,283)
Change in operating assets and liabilities			
Increase in receivables		(78,053)	(72,212)
Increase in other assets		(59)	(1,405)
Decrease in net deferred tax		2,725	176,177
(Decrease)/increase in other liabilities		(13)	2
Increase in unexpired risk liability		566	5,037
Increase in payables and unearned premium liability		18,127	304
Increase in outstanding claims liability and employee benefits liabilities		756,549	436,742
Other operating cash flows not included in profit			
GST refunded - investment fees settled via unit redemption		3,320	3,028
Net cash provided by operating activities		**82,596**	**339,337**

F3 Leases

Leases as lessor

WorkCover has 6 lease agreements (2025: 6) with respect of the 280 Adelaide Street building. The building is leased to tenants under operating leases with rentals payable on a monthly basis. These non-cancellable leases have remaining terms of between 1 and 7 years and include clauses to enable upward revision of the rental charge on an annual basis according to a fixed percentage where applicable. There are no other variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, WorkCover may obtain bank guarantees for the term of the lease. Minimum lease payments receivable on operating leases are as follows:

	2026 $'000	2025 $'000
Within 1 year	548	608
Between 1 and 2 years	137	548
Between 2 and 3 years	144	137
Between 3 and 4 years	137	144
Between 4 and 5 years	132	137
Later than 5 years	440	572
	1,538	**2,146**

The total lease income included in other income presented in the consolidated statement of comprehensive income is as follows:

	2026 $'000	2025 $'000
Lease income	**954**	**887**

F4 Equity and reserves

(a) Contributed equity

In 2017, arising from the funding arrangement for the Regulator, WorkCover recognised a non-reciprocal cash transfer of $2.500 million from the Regulator as contributed equity.

(b) Asset revaluation surplus by asset class

	Note	Land $'000	Building $'000	Total $'000
Balance at 1 July 2024		13,090	25,130	38,220
Revaluation increments	*E4*	-	4,275	4,275
Income tax effect on revaluation		-	(1,283)	(1,283)
Balance at 30 June 2025		**13,090**	**28,122**	**41,212**
Balance at 1 July 2025		13,090	28,122	41,212
Revaluation decrements	*E4*	(4,350)	(8,317)	(12,667)
Income tax effect on revaluation	*F2*	1,305	2,495	3,800
Balance at 30 June 2026		**10,045**	**22,300**	**32,345**

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

(c) Investment fluctuation reserve

The investment fluctuation reserve is held to mitigate the effects of financial volatility in the investment markets, allowing WorkCover to maintain a stable premium rate. It represents the excess capital held by WorkCover over the minimum funding ratio of 120% as set within WorkCover's Statement of Corporate Intent.

F5 Contingent liabilities

In the normal course of business, WorkCover is exposed to legal issues, including litigation arising out of insurance policies. There are no known potential material litigation exposures at reporting date that may give rise to a contingent liability (2025: no contingent liabilities).

F6 Differences between WorkCover consolidated financial statements and WorkCover Queensland financial statements

(a) Reconciliation of differences between consolidated and parent entity statements of comprehensive income

	Note	2026 $'000			2025 $'000		
		WorkCover	**WorkCover Queensland**	**WorkCover Employing Office**	**WorkCover**	**WorkCover Queensland**	**WorkCover Employing Office**
Underwriting expenses	i	(113,526)	(112,200)	(191,071)	(68,779)	(64,754)	(155,624)
Investment income	ii	787,926	786,602	1,324	740,785	736,762	4,023
Other income	i	1,251	1,249	189,747	969	967	151,601

i. The difference in underwriting expenses represents expenses incurred by WEO excluding GST. The difference in other income represents the service fees raised by WEO for services provided to WorkCover Queensland. The service fee income in WEO and the service fee expense in WorkCover Queensland are eliminated on consolidation.
ii. The difference represents the bank interest income of WEO.

(b) Reconciliation of differences between consolidated and parent entity statements of financial position

	Note	2026 $'000			2025 $'000		
		WorkCover	WorkCover Queensland	WorkCover Employing Office	WorkCover	WorkCover Queensland	WorkCover Employing Office
Current assets							
Cash and cash equivalents		867,933	835,445	32,488	785,465	756,053	29,412
Receivables	i	85,783	85,713	70	71,580	71,378	202
Other assets		4,193	4,157	36	3,730	3,712	18
Current liabilities							
Payables	ii	50,279	49,375	904	31,463	30,739	724
Employee benefits	iii	28,913	66	28,847	26,560	57	26,503
Non-current liabilities							
Employee benefits	iii	2,860	17	2,843	2,413	8	2,405

i. The difference represents the WEO bank interest receivable balance.
ii. The difference represents the WEO salary related payables of $0.854 million (2025: $0. 675 million) and other WEO payables of $0.050 million (2025: $0.049 million).
iii. The liabilities for employee benefits in WorkCover Queensland is the CEO's employee benefits. All other employee benefit liabilities are part of WEO.

(c) Reconciliation of differences between consolidated and parent entity statements of changes in equity

There are no differences between the figures disclosed on the face of the WorkCover consolidated statement of changes in equity and WorkCover Queensland's statement of changes in equity.

(d) Reconciliation of differences between consolidated and parent entity statements of cash flows

	Note	2026 $'000			2025 $'000		
		WorkCover	WorkCover Queensland	WorkCover Employing Office	WorkCover	WorkCover Queensland	WorkCover Employing Office
Cash flows from operating activities							
Interest received		64,996	63,541	1,455	58,846	54,941	3,905
GST collected on sales		305,426	305,369	57	286,254	286,197	57
GST paid on purchases		(46,425)	(46,027)	(398)	(44,363)	(43,985)	(378)
Employee benefits expense paid	i	-	-	(187,984)	-	-	(151,296)
Employment services revenue received	i	-	-	190,013	-	-	151,918
Other operating income received	ii	1,255	1,255	2	1,267	1,267	2
Other operating expenses paid	iii	(90,197)	(92,159)	(69)	(66,633)	(67,172)	(85)

i. The employee benefits expense paid by WEO and the employment services revenue received by WEO are categorised within other operating expenses paid for WorkCover. The employment services revenue is the amount paid by WorkCover Queensland to WEO for employment services provided.
ii. Other operating income received by WEO is amounts received from salary packaging providers. These are categorised within other operating expenses paid for WorkCover.
iii. The difference between the consolidated financial statements and WorkCover Queensland represents the net of WEO's employee benefits expenses paid, employment services revenue received, other operating income received, and other operating expenses paid. The other operating expenses paid in WEO are sundry administration payments, corporate legal fees and staff health initiatives.

F7 Controlled entity

Summary of WEO financial statements

	2026 $'000	2025 $'000
Statement of comprehensive income		
Revenue	191,071	155,624
Expenses	191,071	155,624
Operating result for the year	-	-
Statement of financial position		
Total assets	32,594	29,632
Total liabilities	32,594	29,632
Net assets	-	-

F8 Summary of additional material accounting policy information

(a) Changes in material accounting policy information and disclosures

Amendments to standards relevant to WorkCover that have been applied for the first time in the presentation of these consolidated financial statements from 1 July 2025 are as follows:

Disclosures about uncertainties in the Financial Statements

AASB 2026-1 Amendments to Australian Accounting Standards – Disclosures about Uncertainties in the Financial Statements introduces illustrative examples to support AASB 136 *Impairment of Assets* and AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. The amendments strengthen disclosure requirements for significant assumptions about the future that have a high degree of uncertainty and could result in material adjustments to the carrying amounts of assets or liabilities.

Impact on adoption

The adoption of AASB 2026-1 has not resulted in any significant changes to the disclosures of the financial statements.

Lack of Exchangeability

AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability amends AASB 121 *The Effects of Changes in Foreign Exchange Rates* and AASB 1 first-time adoption of Australian Accounting to require a consistent approach to assessing currency exchangeability and determining the appropriate spot exchange rate when exchangeability is lacking.

Impact on adoption

The adoption of AASB 2023-5 has not resulted in any significant changes to the disclosures of the financial statements.

Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2025-2026.

(b) New and revised Australian Accounting Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2025 and have not been early adopted in preparing these consolidated financial statements.

The nature and effects of the standards applicable to WorkCover that are not yet effective are as follows:

AASB 17 Insurance Contracts

AASB 17 *Insurance Contracts* is intended to combine all existing insurance standards (i.e. AASB 4 *Insurance Contracts*, AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts*) into one standard.

The mandatory application date of AASB 17 for public sector entities will commence on 1 July 2026 as a result of the following amendment standards issued by the AASB:

- AASB 2022-8 *Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments* which permits public sector entities to continue to apply AASB 4 and AASB 1023 up until 30 June 2026; and
- AASB 2022-9 *Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector* which amends AASB 17 to include modifications that apply to public sector entities from 1 July 2026.

Measurement models

The standard introduces a new 'general model' for the recognition and measurement of insurance contracts. Insurance contracts must be measured using either the general measurement model or the simplified approach known as the premium allocation approach (PAA). Entities may apply the PAA, if the insurance contracts have a coverage period of one year or less or if the liability for remaining coverage under that approach is not expected to be materially different from that under the general measurement model.

AASB 2022-9 permits public sector entities to choose to apply the PAA to insurance contracts issued without the need to develop a model and methodology for assessing eligibility. All WorkCover's policies (except for the immaterial Household Workers' Insurance, which has a two-year coverage period) have a coverage period of one year. WorkCover will apply the PAA across all insurance products.

For groups of contracts that apply the PAA and have a coverage period of one year or less, AASB 17 provides an option to recognise any insurance acquisition cash flows as expenses when incurred. WorkCover will continue to recognise any insurance acquisition cash flows as expenses as they incur for all policies, consistent with the current accounting treatment under AASB 1023.

Onerous contracts

AASB 17 requires the identification of 'groups' of onerous contracts which will be determined at a more granular level of aggregation than the level at which the liability adequacy test is performed under AASB 1023. Contracts that are measured using the PAA are assumed not to be onerous unless facts and circumstances indicate otherwise. In accordance with AASB 2022-9, WorkCover will not be required to recognise onerous contracts at initial recognition.

Risk adjustment

The measurement of insurance contract liabilities will include a risk adjustment which replaces the risk margin under AASB 1023. The risk margin under AASB 1023 reflects the inherent uncertainty in the net discounted central estimate, whereas the risk adjustment under AASB 17 is defined as the compensation required for bearing the uncertainty that arises from non-financial risk. WorkCover has elected to apply the confidence level approach to achieve a 75% probability of adequacy (PoA). This is consistent with the latest 30 June 2026 valuation, under which a risk margin of 9% was applied to the estimate of outstanding claims to achieve a 75% PoA. Accordingly, the estimated financial impact of the risk adjustment is $nil.

Discount rates

AASB 1023 requires the net central estimate of outstanding claims to be discounted using risk-free rates as described in note C2. AASB 17 requires estimates of future cash flows to be discounted to reflect the time value of money and financial risks related to those cash flows (ie. the new liquidity premium) but does not prescribe a methodology for determining the discount rates used. An illiquidity premium loading on top of risk-free discount rates is incorporated, which varies by duration to allow for differences in mean term between payment types. The illiquidity premium loading increases with duration up to 10 years, and is equivalent to a single average loading on top of risk-free discount rates. This loading has been derived based on historical differences between Commonwealth Government bond yields and states' issued Semi-Government bond yields with an adjustment for credit risks.

Presentation and disclosure

AASB 17 introduces changes to the presentation of insurance contracts in the consolidated statement of comprehensive income and consolidated statement of financial position. The standard contains more disclosures compared with existing reporting requirements.

Taxation impact

Current tax law in Australia has been amended to align AASB 17 effective for annual periods beginning on or after 1 January 2023. NTER entities can continue to apply the former tax laws based on AASB 1023 until AASB 17 is adopted. WorkCover continues to review the financial and operational impact of the transition to AASB 17.

Transition

AASB 17 is to be applied retrospectively to all insurance contracts on the transition date unless it is impractical to do so, in which case a modified retrospective or fair value approach may be applied. WorkCover Queensland will apply the full retrospective approach for all general insurance contracts.

Financial Impact

On transition to AASB 17 on 1 July 2025, the impact on WorkCover Queensland's net outstanding claims liability as at 30 June 2026 (note C2(c)) is expected to be a reduction of $105M (from $6,105M to $6,000M) or 1.7%.

The differences between AASB 1023 and AASB 17 total equity are mainly driven by the application of the discounting of claims liabilities applying the principles of the new standard.

At the date of this financial report, WorkCover Queensland continues the preparation of comparative period financial information based on AASB 17.

Presentation and disclosure in financial statements

AASB 18 *Presentation and Disclosure in Financial Statements* applies to not-for-profit public sector entities from reporting periods beginning on or after 1 January 2028 and is intended to replace AASB 101 *Presentation of Financial Statements*. The key presentation and disclosure requirements established by AASB 18 are as follows:

- the presentation of newly defined subtotals in the consolidated statement of comprehensive income;
- the disclosure of management-defined performance measures; and
- enhanced requirements for grouping (aggregation and disaggregation) of information.

AASB 18 will have an impact on the presentation and disclosure of WorkCover's consolidated financial statements. WorkCover will monitor the progress of the standard and apply the standard from the applicable date.

Classification and measurement of financial instruments

AASB 2024-2 *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments* amends AASB 7 *Financial Instruments: Disclosures* and AASB 9 Financial Instruments to clarify:

- the classification of financial assets with contractual terms that include environmental, social or governance (ESG) linked features;
- the assessment of contractual cash flow characteristics for financial assets; and
- certain disclosure requirements relating to financial instruments, including disclosures for equity instruments designated at fair value through other comprehensive income.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 and therefore will apply to the WorkCover Employing Office for the year ending 30 June 2027.

WorkCover will assess the impact of these amendments ahead of their mandatory application for reporting periods beginning on or after 1 January 2026.

Contracts Referencing Nature-dependent Electricity

AASB 2025-1 Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity amends AASB 7 and AASB 9 to allow entities to better reflect contracts referencing nature-dependent electricity in the financial statements. The amendments:

- clarify the application of the 'own-use' criteria to nature-dependent electricity contracts;
- permit hedge accounting if these contracts are used as hedging instruments; and
- add new disclosure requirements to enable users of financial statements to better understand the effect of these contracts on an entity's financial performance and cash flows.

Workcover will assess the impact of AASB 2025-1 on its financial statements in advance of implementation from reporting periods beginning on or after 1 January 2026.

F9 Events after reporting date

There has not arisen in the interval between the end of the financial year and the date of this report, any other item, transactions or event of a material nature likely to affect significantly the operations of WorkCover, the results on those operations, or the state of affairs of WorkCover in future financial years.

Management certificate

These general purpose consolidated financial statements have been prepared pursuant to the provisions of the *Workers' Compensation and Rehabilitation Act 2003*, section 62(1) of the *Financial Accountability Act 2009*, section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the *Financial Accountability Act 2009* we certify that in our opinion:

- the prescribed requirements for establishing and keeping of accounts have been complied with in all material respects; and

- the consolidated financial statements have been drawn up to present a true and fair view, in accordance with the prescribed accounting standards, of the transactions of WorkCover for the financial year ended 30 June 2026 and of the financial position at the end of that year; and

We acknowledge responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.

25 August 2026

C Kopilović
MAppLaw (Wills and Estates), GDip Legal Practice, LLB
CHAIR

M Pennisi
BEcon, BComm
CHIEF EXECUTIVE OFFICER

Queensland Audit Office
Better public services

INDEPENDENT AUDITOR'S REPORT

To the Board of WorkCover Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of WorkCover Queensland (WorkCover) and its controlled entity (the group).

The financial report comprises the consolidated statements of financial position as at 30 June 2026, the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year then ended, notes to the consolidated financial statements including material accounting policy information and the management certificate.

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2026:

a) I received all the information and explanations I required.

b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

c) In my opinion, the financial report:

   i. gives a true and fair view of the group's financial position as at 30 June 2026, and their financial performance and cashflows for the year then ended

   ii. complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of gross outstanding claims liability ($6,534m)

Refer to Note C2(a) in the financial report.

Key audit matter	How my audit addressed the key audit matter
The estimation of outstanding claims liabilities is a key audit matter due to the high degree of uncertainty that is inherent in estimating the expected future payments for claims incurred. It may take many years to finalise the cost of a claim, and the ultimate cost may be influenced by factors unknown at 30 June 2026 or outside the control of WorkCover (refer Note C2(d) for key assumptions and methods).	I engaged an auditor's actuarial expert to assist me in: • evaluating appropriateness of management's actuarial methods and assumptions through assessment of accuracy of previous estimates and changes made to the prior year's models. • considering of the appropriateness of the assumptions adopted and methodologies applied for the individual benefit types. • considering the reasonableness of movements in key claim experience and their impact on the calculation of the outstanding claims liability. • benchmarking key economic assumptions such as discount rate, risk margin and inflation to observable market data. • Assessing management's experts' qualifications, competence, capabilities, objectivity and nature, scope and objectives of the work completed for appropriateness. • verifying the appropriateness of disclosures in the financial statements including the disclosures in relation to impact assessment of adopting the new insurance standard AASB 17 *Insurance Contracts*. In engaging an auditor's actuarial expert to assist me in addressing this key audit matter, I have assessed: • their qualifications, competence, capabilities, objectivity and the nature, scope and objectives of the work completed for appropriateness. • their findings and conclusions for relevance, reasonableness and consistency with the evidence obtained.

Other information

Those charged with governance are responsible for the other information.

The other information comprises the information included in the group's annual report for the year ended 30 June 2026, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the Board for the financial report

The Board is responsible for:

- the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error
- the establishment and keeping of accounts in accordance with prescribed requirements
- assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the group or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. My auditor's report must state whether I have received all the information and explanations required, and whether I consider the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
www.auasb.gov.au/auditors_responsibilities/ar5.pdf

A further description of my responsibilities under the *Auditor-General Act 2009* and *Auditor-General Auditing Standards* is located at the Queensland Audit Office website at:
www.qao.qld.gov.au/audit-program/audit-standards

These descriptions form part of my auditor's report.

mluwinga

27 August 2026

Martin Luwinga as delegate of the Auditor-General	Queensland Audit Office Brisbane

WorkCover Queensland – Actuarial Certificate for Outstanding Claims Liabilities as at 30 June 2026

Taylor Fry was requested by WorkCover Queensland to advise on its provisions for outstanding claims liabilities at 30 June 2026.

Valuation report

Full details of data, methodology and assumptions are set out in our report *WorkCover Queensland Valuation of insurance liabilities as at 30 June 2026*, dated 7 August 2026. The advice provided in this report complies with the requirements of the Institute of Actuaries of Australia's *Professional Standard 302 Valuations of General Insurance Claims* (PS302).

Basis of estimates

The net outstanding claims liability provision as at 30 June 2026 is **$6,105 million**. This provision:

- Includes our central estimate of the liability of outstanding claims, net of recoveries
- Is discounted (i.e. allows for the time value of money)
- Allows for future claims inflation
- Includes a loading for claims handling expenses and a risk margin, and
- Complies with the requirements of Australian Accounting Standard AASB1023.

A risk margin has been included to allow for the risk and uncertainties inherent in the estimation of outstanding claims liabilities. The margin is expressed as a percentage of the central estimate. In recognition of the overall uncertainty in the claims experience, a risk margin of 9.0% has been adopted at 30 June 2026. The adopted margin is intended to provide a 75% probability of sufficiency.

Qualifications

There is inherent uncertainty in any estimate of the outstanding claims liability that limits its accuracy, no matter how rigorously the estimation exercise is performed. Deviations from our estimates are normal and are to be expected. The outcome depends on future events that are unpredictable, such as legislative, social, and economic factors. Our recommendations are based on assumptions we believe are reasonable given the current circumstances.

Yours sincerely,

Peter Mulquiney
FIAA

Danielle Ling
FIAA

7 August 2026

Compliance checklist

Summary of compliance	Basis for requirement	Annual report reference
Letter of compliance		
• A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Letter of compliance
Accessibility		
• Table of contents • Glossary	ARRs – section 9.1	Contents Page Glossary
• Public availability	ARRs – section 9.2	About this report
• Interpreter service statement	Queensland Government Language Services Policy ARRs – section 9.3	About this report
• Copyright notice	Copyright Act 1968 ARRs – section 9.4	About this report - License
• Information licensing	QGEA – Information Licensing ARRs – section 9.5	About this report - License
General information		
• Introductory information	ARRs – section 10	About WorkCover Queensland Chair and CEO report
Non-financial performance		
• Government objectives for the community and whole-of-Government plans/specific initiatives	ARRs – section 11.1	Chair and CEO report
• Agency objectives and performance indicators	ARRs – section 11.2	Our financial and non-financial performance indicators
• Agency service areas and service standards	ARRs – section 11.3	Highlights
Financial performance		
• Summary of financial performance	ARRs – section 12.1	Financial performance Consolidated Financial Statements
Governance – management and structure		
• Organisational structure	ARRs – section 13.1	Organisational structure
• Executive management	ARRs – section 13.2	Executive Leadership Team
• Government bodies (statutory bodies and other entities)	ARRs – section 13.3	WorkCover Board
• Public Sector Ethics	Public Sector Ethics Act 1994 ARRs – section 13.4	Public Sector Ethics
• Human Rights	Human Rights Act 2019 ARRs – section 13.5	Human Rights
• Queensland public service values	ARRs – section 13.6	Chair and CEO report

Governance – risk management and accountability		
• Risk management	ARRs – section 14.1	Risk management
• Audit committee	ARRs – section 14.2	Risk and Audit Committee
• Internal audit	ARRs – section 14.3	Internal audit
• External scrutiny	ARRs – section 14.4	External audit External scrutiny
• Information systems and recordkeeping	ARRs – section 14.5	Information systems and recordkeeping
• Information Security attestation	ARRs – section 14.6	Applicable to Departments - Not applicable to WCQ
Governance – human resources		
• Workforce planning and performance	ARRs – section 15.1	Workforce planning and performance
• Early retirement, redundancy and retrenchment	Directive No. 04/18 Early Retirement, Redundancy and Retrenchment ARRs – section 15.2	Not applicable to WCQ
Open data		
• Statement advising publication of information	ARRs – section 16	Open Data
• Consultancies	ARRs – sections 31.1	https://data.qld.gov.au
• Overseas travel	ARRs – sections 31.2	https://data.qld.gov.au
• Queensland Language Service Policy	ARRs – sections 31.3	https://data.qld.gov.au
• Charter of Victim's Rights	VCSVRB Act 2024 ARRs- section 31.4	https://data.qld.gov.au
Financial statements		
• Certification of financial statements	FAA – section 62 FPMS – sections 38. 39 and 46 ARRs – section 17.1	Consolidated financial statements Actuarial certificate on net outstanding claim liabilities Management certificate
• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Consolidated financial statements Independent auditor's report

Glossary

Term	Definition
A	
Accident insurance policy	An accident insurance policy is a workers' compensation insurance policy, compulsory for employers engaging workers. The policy covers the employer's liability for workers' compensation and damages arising out of a work-related injury or illness sustained by their worker, no matter who or what caused it.
Allied health provider	Any allied health provider (for example a doctor, medical specialist, physiotherapist, chiropractor or occupational therapist) who is registered with the relevant professional board (e.g., Physiotherapist Board of Queensland).
Average premium rate	The average premium rate is a rate per $100 of wages, calculated by averaging net premium assessed for the year as a proportion of total wages declared by all employers for that year.
C	
CCC	Crime and Corruption Commission
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Common law claim	A common law claim is the claim made by an injured worker who commences common law action against their employer for negligence (they are 'suing' their employer). Common law damages can include payments for economic loss, pain and suffering, legal costs, and medical and hospital costs. WorkCover may pay all damages awarded to the injured worker, including legal and investigative costs as part of the employer's accident insurance policy.
Customer experience measure / metric	Measures customers' overall perception of WorkCover and performance against our five customer strategy principles.
Customer strategy principles	These principles are the benchmark for the experience WorkCover wants customers to have across all interactions. There are five principles: easy, fair and transparent, empowered, consistent, and valued. They are based on customer research that identified what customers expect from WorkCover.
E	
ELT	Executive Leadership Team
EPMO	Enterprise Portfolio Management Office
F	
FAA	*Financial Accountability Act 2009*
FMPM	Financial Management Practice Manual
FPMS	*Financial and Performance Management Standard 2019*
H	
HRA	*Human Rights Act 2019*
I	
IME	Independent Medical Examinations

Injury	An injury, as defined by the *Workers' Compensation and Rehabilitation Act 2003* is, 'A personal injury arising out of, or in the course of, employment if the employment is a significant contributing factor to the injury'. Some examples of injuries include: • a cut or fracture • a disease (e.g., asbestos or Q fever) • industrial deafness • psychiatric or psychological disorders such as stress or depression • aggravation of a pre-existing condition • death from an injury, disease or aggravation of a disease.
IPaM	Injury Prevention and Management is a WorkCover program in partnership with Workplace Health and Safety Queensland. It helps employers who have a high frequency of claims bring about a workplace culture change and achieve a better standard of workplace health and safety and injury management.
IRRI	Injury Risk Reduction Initiatives
M	
MAHS	Medical and Allied Health Services
MAT	Medical Assessment Tribunal
N	
NCAPS	Non-Current Asset Policies for the Queensland Public Sector
NIISQ	National Injury Insurance Scheme Queensland
O	
OIR	Office of Industrial Relations
P	
Premium rate	The rate per $100 of wages for an individual employer.
PMP	Provider Management Plan is a plan that is a mandatory requirement for providers requesting ongoing rehabilitation and treatment services.
PSE	*Public Sector Ethics Act 1994*
Psychosocial hazard	Psychosocial hazards are anything in the design or management of work that increases the risk of psychological or physical harm
Q	
QAO	Queensland Audit Office
QGEA	Queensland Government Enterprise Architecture
QIC	Queensland Investment Corporation
QTC	Queensland Treasury Corporation
R	
RAC	Risk and Audit Committee (WorkCover QLD)
RAS	Risk Appetite Statement
RACGP	Royal Australian College of General Practitioners
RMF	Risk Management Framework

RSPP	Rehabilitation Services Provider Panel
Rehabilitation	Under workers' compensation legislation, the purpose of rehabilitation is to ensure the injured worker's earliest possible safe return to work, or to maximise the worker's independent functioning. Rehabilitation for return to work (sometimes called occupational, vocational or workplace rehabilitation) can include treatment from a range of health providers, assessments of work capacity, and suitable duties programs. Under legislation, workers and employers must take every reasonable step to participate in rehabilitation and return to work programs.
Return to work	The worker's timely, safe, and medically structured return to pre-injury duties, or other employment, following a workplace injury.
S	
Statutory (no-fault) claims	A statutory, or no-fault, claim is when a worker is compensated for a work-related injury with payments and benefits prescribed in the *Workers' Compensation and Rehabilitation Act 2003*. These payments and benefits are referred to as statutory compensation and may include weekly payments, lump sums to compensate for permanent impairment, and hospital and medical expenses. Statutory claims are determined on a 'no fault' basis. That is, it doesn't matter if it is the worker's or the employer's fault that the injury occurred, compensation is still paid.
T	
The Act	*Workers' Compensation and Rehabilitation Act 2003*
V	
VCSVRB	*Victims' Commissioner and Sexual Violence Review Board Act 2024*
W	
Wages	Wages are the total amount an employer pays to a worker as defined by Schedule 6 of the *Workers' Compensation and Rehabilitation Act 2003*.
WCRA	*Workers' Compensation and Rehabilitation Act 2003*
WCRS	Workers' Compensation Regulatory Services
WHSQ	Workplace Health and Safety Queensland
Worker	A 'worker' for the purposes of the *Workers' Compensation and Rehabilitation Act 2003* is an individual employed under a Contract of Service (sect 11) or specifically included under Schedule 2 Part 1, unless specifically excluded under Schedule 2 Part 2.