

SEPTEMBER 2024

ASSET MANAGEMENT POLICY



**Scottish
Water**
Trusted to serve Scotland

PURPOSE

The purpose of Scottish Water is to support a flourishing Scotland by being trusted to care for the water on which Scotland depends.

The future will bring our industry new and exciting opportunities. We must embrace emerging technologies and respond to long-term challenges: a changing climate, an ageing asset base, and changes in Scotland's demographics and population. We will be asking customers to pay more for their water and wastewater services, so we need to show that we are managing our current assets effectively and planning for the wise use and investment of customers' money.

This Asset Management Policy plays a key role in creating an overall 'Line of Sight' between how we manage our assets and the achievement of our three Scottish Water Strategic Ambitions of Service Excellence, Great Value and Financial Sustainability, and Beyond Net Zero. Through the application of Asset Management best practice and principles we will provide the best value service to our customers, communities and the environment.

SCOPE

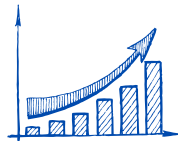
This policy outlines principles governing the management of Scottish Water owned assets from source to tap, sink to sea and all supporting assets, excluding those managed through joint ventures or external contracts.

The policy provides high level support for the Strategic Asset Management Plan and alignment to ISO 55001 standards.

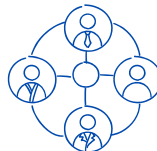
Aligned with the strategic ambitions, the Asset Management Policy aims to ensure reliable service delivery, operational resilience, cost-effective lifecycle management, sustainability, and innovation. It encompasses asset management strategies, performance monitoring, risk management, data management, and compliance. Responsibility for adherence rests with all involved employees, contractors, stakeholders and partners.

KEY PRINCIPLES

<p>We will ensure our people fully understand their role and responsibilities within Asset Management to support our purpose of a flourishing Scotland.</p>	<p>We will drive net zero, climate change mitigation and adaptation into our strategic, tactical and operational decision making to achieve Scotland's net zero ambitions by 2040.</p>	<p>We will manage our assets to keep services affordable by continually prioritising investment using industry leading asset investment planning tools and seeking improvement and innovation in everything we do.</p>	<p>Policy led decision making will be consistent and transparent, standardising our approach across our systems and maximising benefits delivered for customers, communities and the environment.</p>
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<p>We work safely, ensuring the interest of employees, partners, stakeholders and customers are safeguarded by responsible and comprehensive decision making around our assets.</p>	<p>Our decision making is based on high quality digitally driven data and analytics, evaluated in a consistent risk based manner, and considers sustainable outcomes throughout the whole asset lifecycle.</p>	<p>Our near term Asset Management is, aligned with our longer term Strategic Outcomes and delivery of interventions are scheduled in an efficient manner maximising outcomes.</p>	<p>Our asset management activities are aligned with external standards, regulatory compliance and legal and political requirements.</p>
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Alex Plant, Chief Executive Officer, Scottish Water

September 2024

Scottish Water is committed to achieving excellence in Asset Management through continual improvement of our Asset Management system.

This Policy is supported by the Scottish Water Executive Leadership Team. Scottish Water is committed to reviewing its policies to ensure they meet the needs of our customers, communities and stakeholders, both now and in the long term.