



Asset Management Policy

SSE Thermal, November 2022

This policy outlines SSE Thermal's key Asset Management principles which supports the effective delivery of our organisational strategy, objectives and goals, in a way that meets the best interests of our customers, partners, wider stakeholders and regulators.

Scope

This policy will apply to all assets that are operated by SSE Thermal and excludes assets which are operated by JV partners. This policy also applies to our Asset Management activities as defined by the scope of our Asset Management System and encompasses the strategy, objectives, plans and processes to manage our Thermal sites. It is the responsibility of everyone who contributes to the delivery of Asset Management to be familiar with this policy.

Purpose

SSE Thermal's vision is to become the leading provider of Flexible Thermal energy in a Net Zero world. We will achieve this by leading the development of new Low-Carbon & Hydrogen technologies and by optimising cost, risk and performance of our existing Thermal assets. Through the application of Asset Management best practice and principles, we will create value for shareholders, society and the economies in which we operate in a sustainable and responsible way.



We work safely, ensuring interests of employees, partners, stakeholders, and the public are safeguarded by responsible and comprehensive decision-making.



We ensure our activities comply with all internal standards as well as legislative, regulatory and legal requirements.



We work within a defined Thermal Asset Management Framework, ensuring the necessary resources are provided to deliver the organisations Asset Management Objectives.



We will ensure our people understand their role within the Thermal Asset Management Framework and their responsibilities for Asset Management.



Our decision-making is based on data, evaluated in a consistent risk-based manner, and considers sustainable outcomes throughout the whole asset lifecycle.



We will incorporate market demand and decarbonisation targets into our strategic, tactical and operational decision-making to deliver EBIT targets.



We coordinate our Asset Management activities and scheduled interventions in an efficient manner to ensure our production, availability and cost targets are met by optimising cost, risk and performance.



We will drive innovation and continual improvement with the Asset Management Steering Group monitoring asset as well as Asset Management System performance by taking action and managing risks.



This policy is endorsed by the SSE Thermal Executive Committee. SSE Thermal is committed to reviewing its policies to ensure they continue to serve the requirements of our customers and both our internal and external stakeholders.



Catherine Raw, Managing Director of SSE Thermal
November 2022

