

Asset Management Policy

Date: August 2022
Version Number: 4.0

Contents

| | | |
|----------|--|----------|
| 1 | Policy overview | 2 |
| 2 | Who does this Policy apply to? | 2 |
| 3 | The Policy | 3 |
| | 3.1 Purpose | 3 |
| | 3.2 Benefits | 3 |
| 4 | Commitment to Asset Management at TasNetworks | 3 |
| | 4.1 Measurable objectives | 4 |
| 5 | Roles and responsibilities | 4 |
| 6 | References | 5 |
| 7 | Compliance | 5 |
| 8 | Need to know more or have a question? | 5 |
| 9 | Administration of this Policy | 5 |

1 Policy overview

This policy forms part of TasNetworks' asset management system and framework, which is maintained in accordance with Australian and International standard AS/NZS ISO 55001:2014 – Asset Management. This policy aims to outline TasNetworks' position and communicate TasNetworks' commitments with regard to asset management.

This policy is a Level **1** policy, see the *Policy Framework* for further information.

2 Who does this Policy apply to?

This Policy applies to all TasNetworks' leaders, team members, trainees and contractors. It may also affect TasNetworks' customers and clients.

This Policy also applies to companies within the TasNetworks Group, and a reference to TasNetworks in this Policy includes a reference to group companies.

The TasNetworks Group means TasNetworks and its subsidiaries. TasNetworks' subsidiaries as at January 2021 are TasNetworks Holdings Pty Ltd, Fortytwo24 Pty Ltd, Marinus Link Pty Ltd and Large Scale Renewables Pty Ltd.

This policy applies to all TasNetworks assets¹ and associated activities. In particular, the assets covered by this policy are as follows:

- Transmission and distribution electricity network;
- Telecommunications network;
- Facilities;
- Fleet;
- Operational Technology (OT); and
- Information Technology (IT).

The activities covered by this policy include:

- framework and strategic planning;
- customer needs analysis;
- demand management;
- configuration management
- cyber security;
- systems engineering;
- asset acquisition;
- operations and maintenance;

¹ Both regulated and unregulated assets are included in the scope of this policy.

- asset renewal;
- asset disposal; and
- continuous improvement.

This policy is effective from 25 August 2022. This policy does not apply to intangible assets, such as brand and goodwill.

3 The Policy

3.1 Purpose

The purpose of this Policy is to:

- outline TasNetworks' position and communicate TasNetworks' commitments with regard to asset management;
- provide consistency with TasNetworks' vision, purpose, strategic focus, and reinforce the associated customer commitments;
- support compliance with relevant asset management laws and other relevant requirements;
- clearly communicate individual team member's responsibilities and joint responsibilities;
- meet the requirements of the Australian and international standard AS/NZS ISO 55001:2014 Asset Management – Management Systems – Requirements; and
- describe the consequences of breaching the Policy so that they may be resolved consistently across the business.

3.2 Benefits

There are many benefits to the Asset Management Policy. These include:

- This Policy is the guiding document of the asset management system and has been developed to meet these requirements.
- This Policy is a key part of enabling TasNetworks to deliver our vision to be trusted by our customers to deliver today and create a better tomorrow.

4 Commitment to Asset Management at TasNetworks

TasNetworks makes the following commitments under this Policy:

- Consistent with our vision and purpose, we strive for excellence in asset management and are committed to providing a safe working environment, value for our customers, sustainable shareholder outcomes, care for our assets and the environment, safe and reliable network services, whilst effectively and efficiently managing our assets throughout their life-cycle.

To achieve this commitment, together we will:

- manage our assets to meet the strategic goals, measures and initiatives outlined in the Corporate Plan;
- comply with relevant legislation, licences, codes of practice, and industry standards;

- apply contemporary condition assessment and risk management techniques to identify and effectively manage risks and opportunities, including at a portfolio level;
- continually adapt, benchmark and improve asset management strategies and practices and apply contemporary asset management techniques appropriate to TasNetworks, consistent with industry best practices;
- develop and continually improve asset management processes and systems to optimise asset management efficiencies and decision making processes;
- adopt the lowest whole-of-life cost solutions, cognisant of risk, for investment in asset creation, replacement or refurbishment projects;
- operate assets safely within prescribed limits and apply dynamic ratings where appropriate;
- maintain a complete and accurate register and documentation system of all our assets;
- prepare and maintain high quality asset management plans, standards, guidelines and procedures;
- ensure our team members are trained, authorised and competent to undertake their work activities;
- work closely with internal and external service providers and contractors to ensure that work performed on assets is consistent with the relevant standards and this policy; and
- undertake periodic audits to ensure assets are being managed in accordance with this policy and the asset management framework, plans, standards, guidelines and procedures.

4.1 Measurable objectives

Prior to the next review of this policy, TasNetworks will work to achieve certification to the Australian and international standard AS/NZS ISO 55001:2014 Asset Management – Management Systems – Requirements.

5 Roles and responsibilities

The TasNetworks **Board** has a responsibility for approving this policy.

The TasNetworks **Chief Executive Officer (CEO)** is responsible for:

- recommending this policy for Board approval; and
- launching this policy, and subsequent revisions, to ensure the policy is clearly communicated across the business.

The TasNetworks **Executive Operations** is responsible for:

- ensuring this policy is documented, implemented and maintained;
- completing a periodic review of this policy, with recommendations for any changes to be presented to the CEO and Board for approval; and
- ensuring that this policy is communicated, applied across the business, and is available to stakeholders as appropriate.

All TasNetworks **Leaders** and **Team Members** have a responsibility for advancing Asset Management under these existing policies and principles.

6 References

The following references are relevant to this policy:

External

- Australian and international standard AS/NZS ISO 55001:2014 Asset Management - Management Systems - Requirements

Internal

- TasNetworks Public Interest Disclosures (“Whistleblowers”) Policy and Procedure
- TasNetworks Policy Framework
- TasNetworks Performance Management Process
- TasNetworks Code of Conduct

7 Compliance

All team members are responsible for complying with this Policy, and any breaches of this Policy will be treated seriously and may result in disciplinary action being undertaken.

Public Interest Disclosure Statement (“Whistleblowers”)

If an individual is concerned about consequences associated with reporting a serious breach of this Policy, that individual should refer to the Whistleblower Policy available on The Zone or talk to their Leader.

8 Need to know more or have a question?

All Team Members will have access to this Policy and underpinning policies on The Zone. Support and further information is available from your Leader, People & Performance Partner or People Direct.

9 Administration of this Policy

This Policy is administered by the Operations division and will be reviewed on a triennial basis and updated where applicable.

| Authorisation | | |
|---------------------------|------|----------------|
| Action | Name | Date |
| Prepared by (Reviewer) | | 29 July 2022 |
| Reviewed by | | 2 August 2022 |
| Reviewed by (Owner) | | 2 August 2022 |
| Authorised by | | 25 August 2022 |

| Document control | | | | |
|-------------------------|---------------------------------------|---|---------------|--------------------|
| Function: | Asset Strategy and Performance | | | |
| Document level: | Level 1 | | | |
| Review period: | 3 Years | | | |
| Date | Version | Description | Author | Approved by |
| August 2014 | 1.0 | Board approval | | Board |
| June 2016 | 1.1 | Update draft | | |
| July 2016 | 1.2 | Draft post review comments | | |
| August 2016 | 1.3 | | | CEO |
| August 2016 | 2.0 | Update to new policy format | | Board |
| May 2019 | 2.1 | Update draft | | |
| June 2019 | 2.2 | Draft post review comments | | |
| July 2019 | 3.0 | Board approval (issued with conditions addressed) | | Board |
| June 2022 | 3.1 | Update draft | | |
| July 2022 | 3.2 | Draft post review comments | | |
| August 2022 | 4.0 | Board approval | | Board |

POLICY

ASSET MANAGEMENT

TasNetworks delivers electricity and telecommunication network services, creating value for our customers, our owners and the community.

This Asset Management Policy applies to all TasNetworks assets and associated activities. Our team members and contractors must comply with this policy and will be supported, resourced, and trained to follow this policy and associated documentation.

Consistent with our vision and purpose, we strive for excellence in asset management and are committed to providing a safe working environment, value for our customers, sustainable shareholder outcomes, care for our assets and the environment, safe and reliable network services, whilst effectively and efficiently managing our assets throughout their life-cycle.

To achieve this commitment, together we will:

- ▶ manage our assets to meet the strategic goals, measures and initiatives outlined in the Corporate Plan;
- ▶ comply with relevant legislation, licences, codes of practice, and industry standards;
- ▶ apply contemporary condition assessment and risk management techniques to identify and effectively manage risks and opportunities, including at a portfolio level;
- ▶ continually adapt, benchmark and improve asset management strategies and practices and apply contemporary asset management techniques, consistent with industry best practices;
- ▶ develop and continually improve asset management processes and systems to optimise asset management efficiencies and decision making processes;
- ▶ adopt the lowest whole-of-life cost solutions, cognisant of risk, for investment in asset creation, replacement or refurbishment projects;
- ▶ operate assets safely within prescribed limits and apply dynamic ratings where appropriate;
- ▶ maintain a complete and accurate register and documentation system of all our assets;
- ▶ prepare and maintain high quality asset management plans, standards, guidelines and procedures;
- ▶ ensure our team members are trained, authorised and competent to undertake their work activities;
- ▶ work closely with internal and external service providers and contractors to ensure that work performed on assets is consistent with the relevant standards and this policy; and
- ▶ undertake periodic audits to ensure assets are being managed in accordance with this policy and the asset management framework, plans, standards, guidelines and procedures.



Seán Mc Goldrick
Chief Executive Officer



Roger Gill
Chair

This policy forms part of TasNetworks' asset management system and framework, which is maintained in accordance with Australian and International standard AS/NZS ISO 55001:2014.

25 August 2022

