

Asset Management Policy

OVERVIEW

The Sydney Opera House embodies beauty, inspiration and the liberating power of art and ideas. It is a masterpiece that belongs to all Australians.

As one of the world's busiest performing arts centres, each year the Opera House presents 2,000 performances attended by 1.5 million people. Annually more than 430,000 people take a guided tour of the building and more than 2.5 million food and beverage transactions take place across 11 theatre bars and six restaurants.

The Opera House is Australia's most important and recognisable platform for art and ideas. Our mission is to: treasure and renew the building for future generations of artists, audiences and visitors; and to inspire, and strengthen the community, through everything we do.

The Opera House's strategic priorities focus on three key areas:

- ▶ Experiences;
- ▶ Building Renewal; and
- ▶ Organisational Effectiveness.

Our assets must be managed so that they are able to support our strategic priorities in a manner that protects and enhances our State, National, and World Heritage status.

WHY ASSET MANAGEMENT IS IMPORTANT TO US

Maintaining and improving the assets that support the Opera House's activities will maximise its economic and cultural contribution to the State and nation. The Opera House contributes \$775 million to the national economy every year and has a cultural and iconic value to Australia of \$4.6 billion, according to a 2013 Deloitte Access Economics report. Internationally, the Opera House brand is considered more relevant and esteemed than the national brand of Australia itself.

OUR AIMS AND COMMITMENT

ISO55000 series international standards provide a framework that elevates asset management as a discipline, aligning it to core business drivers and goals. This standard has been adopted by the Opera House in its asset management activities.

Under the Opera House's asset management framework, an asset's significance is determined by its role in supporting the organisation's mission, strategic priorities and core business activities. At all times the framework is informed by, and supports, the unique heritage status and values of the Opera House. The Opera House generates about 88% of its operating revenue through commercial business activities, including performance ticket sales, food and beverage, venue rental, retail and tourism.

We aim to be leaders in the implementation of integrated asset management for a unique and iconic building, and we will:

- ▶ Apply prevailing technologies and practises in the management and control of our assets;
- ▶ Adopt evidence-based decision making, founded on reliable asset data;
- ▶ Collaborate with external partners and our service providers to leverage innovation and practical know-how in our planning; and
- ▶ Demonstrate value-for-money in the delivery of our maintenance programs.

GOVERNANCE

Our governance structure ensures asset management decisions are underpinned by appropriate guidance and analysis:

- ▶ Sydney Opera House Trust approves strategic asset management annual budgets;
- ▶ Building & Heritage Committee endorses and recommends programs to the Trust and sets priorities for asset management;
- ▶ Executive sets the corporate goals, advises on business requirements and approves asset management plans;
- ▶ Director, Building drives the direction of asset development and recommends asset management plans to the Executive;
- ▶ Building Strategy and Sustainability team develops the asset management system and plans; and
- ▶ Building Operations, Building Contracts & Projects and the Renewal team deliver the asset management activities and projects as set out in the asset management plans.



Louise Herron AM
Chief Executive Officer

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