

SCOTTISH WATER BOARD MEETING MINUTES

Date 25th February 2026
Start Time 10:00am
Finish Time 1:00pm
Place Bullionfield Room, Bullion House, Invergowrie, Dundee

Present:	Mrs Deirdre Michie	Chair
	Mr Alex Plant	Chief Executive
	Mr Peter Farrer	Chief Operating Officer
	Mr Alan Dingwall	Chief Financial Officer
	Mrs Catriona Schmolke	Board Member
	Ms Belinda Howell	Board Member
	Mr Graham Dalton	Board Member
	Mr Steve Dickson	Board Member
	Mr Ken Marnoch	Board Member
	Mr Ian McAulay	Board Member
	Mr Allan Clow	Board Member
In attendance:	Mrs Emma Campbell	Group Legal Counsel & Director of Governance and Corporate Secretary
	Mr Richard Lavery	Revenue & Wholesale Services General Manager (Items 5(i) and 11(i) only)
	Mr Chris Toop	Director of Digital & Innovation (Item 5(ii) only)
	Mr Joe Rowan	General Manager of Procurement (Item 5(ii) only)
	Ms Joyce Gray	Digital Investment & Commercial General Manager (Item 5(ii) only)

PART I

1. APOLOGIES

There were no apologies received.

2. DECLARATION AND REGISTRATION OF INTERESTS/MATTERS ARISING

Ms Howell advised that she had been appointed as Independent Non-Executive Chair of PlantSea Limited and confirmed that this had been reflected in the Register of Interests.

3. BOARD MINUTES (Part I)

- (i) Draft Minutes of the Board Meeting held on 28th January 2026
The Draft Minutes of the Board meeting held on 28th January 2026 were approved.

Paper 12/26 approved.

- (ii) Special Board Meeting held on 12th February 2026
Mr Marnoch provided a verbal report of the Special Board meeting held on 12th February 2026.

- (iii) Draft Minutes of the WICS/SW Board-to-Board Meeting held on 2nd December 2025
The Draft Minutes of the WICS/SW Board-to-Board meeting held on 2nd December 2026 were approved.

Paper 13/26 approved.

- (iv) Draft Minutes of the Special Remuneration Committee Meeting held on 9th January 2026
The Draft Minutes of the Special Remuneration Committee meeting held on 9th January 2026 were noted.

Paper 14/26 noted.

- (v) Draft Minutes of the Special Audit & Risk Committee Meeting held on 13th January 2026
The Draft Minutes of the Special Audit & Risk Committee meeting held on 13th January 2026 were noted.

Paper 15/26 noted.

4. MONTHLY/QUARTERLY PERFORMANCE

- (i) Safety, Health & Wellbeing Report

Mr Farrer presented the paper, updating the Board on Safety, Health and Wellbeing performance and progress during January 2026. He shared early feedback following the launch of CARE Conversations. The Board emphasised that both field and non-field leaders must understand their role in shaping Scottish Water's safety culture. The Board discussed the need for accountability throughout the organisation and, further to a suggestion from the Board, Mr Farrer confirmed that an immersive training pilot was being developed. Following a question from the Board, Mr Farrer confirmed that the Health & Safety team would ensure that the content of the proposed Titanium Talks session at the upcoming all-employee events would be relevant to both field and non-field employees. The Board highlighted the importance of sustaining positive safety behaviours after these events and the role of the

leadership shadow. The Board discussed how to foster effective, open conversations about wellbeing in a hybrid environment and the importance of identifying when in-person interventions were required. Following a suggestion from the Board, it was agreed that future Board meetings would begin with a safety culture moment to reinforce the Board's commitment to Safety, Health and Wellbeing.

Action 1 – Mrs D Michie / Mrs E Campbell

The Board considered performance against the Key Performance Indicators (KPIs). There had been two RIDDOR reportable injuries in January 2026 and slips, trips and falls remained the leading incident category. Mr Farrer highlighted the continued focus on creating safe working environments and task attention. He advised that the RIDDOR Injury rate remained stable and the Scottish Water Lost Time Accident (LTA) rate was at its lowest-ever level, acknowledging a slight increase in the supply chain and partner LTA rate.

Mr Farrer explained that, following implementation of the new absence recording system on 1st December 2025, it had been established that absence had been under-reported since c.2020 due to an error in the previous approach. This accounted for 0.1-0.2 of the absence figure reported and was not material, with Scottish Water's absence rate remaining favourable in comparison to UK benchmarks. He confirmed that there was no employee detriment and the absence rate was not reported externally. A deep-dive review was underway to validate both current and historical data. Mr Farrer explained that the new system's features had initially led to overstatement of ongoing absence and controls had now been implemented to address this.

The Board noted that mental health absence had increased in January 2026, acknowledging the potential impact of redistribution of the "Other" absence category following the transition from Goodshape. The Board discussed the number of absence cases attributed to work-related stress. Mr Farrer explained that causes were identified through return-to-work conversations and analysis of these themes had informed the current programme of activities in relation to mental health and wellbeing. Scottish Water had launched a focussed mental health campaign which would run throughout 2026. Rising mental health absence levels had been discussed during the recent Leading Together calls, with the Wellbeing team engaging leaders on how they can positively influence psychological safety and wellbeing. The Board advocated proactive initiatives to build mental fitness and resilience. It was noted that the Beyond Zero Harm approach emphasised the promotion of positive wellbeing. Following discussion, it was agreed that a session would be scheduled with the Wellbeing team from the People Directorate to explore current support and provide visibility of ongoing actions.

Action 2 – Mr P Farrer / Ms L Highway

Paper 16/26 noted.

(ii) Chief Executive Report

Mr Plant presented the report, updating the Board on the response to Scottish Water's annual charges announcement and noting a constructive two-day session with the new Enterprise Board earlier that month. He updated the Board on his positive meeting with the Cabinet Secretary and noted that Scottish Water would submit its SR27 Final Business Plan to the Water Industry Commission for Scotland (WICS) on 26th February 2026.

The Board considered the Performance Dashboard. Mr Plant reported that Scottish Water was forecasting to end the year at its second-highest level of performance. He highlighted the improving Amber position on cash and noted that cash was now in line with budgeted, rather than forecast, spend.

Paper 17/26 noted.