

Stakeholder Engagement Strategy

Reviewed 2024



Stakeholder Engagement Strategy

Context of the Strategy

Hearing directly from consumers and other stakeholders is the most impactful way for our business – from operational colleagues to the executive team, to learn about our communities and what is important to them.

We analyse feedback from consumers and other stakeholders, together with insight gained from the business, the energy sector and other public, private and voluntary sectors, alongside political, environmental, legislative, economic, social, technological and ethical trends, to inform our business decisions.

Achieving our business ambition of future sustainability for our consumers, other stakeholders and communities and delivering our business plan commitments, can only be realised by inclusive engagement, collaboration and partnership working. This document sets out the strategy we follow to make sure we engage effectively, so we listen to and understand all our stakeholders' needs and wants and place them at the heart of our decision-making processes on how we run our business.

This strategy provides an end-to-end approach to engagement and is a point of reference, demonstrating to our stakeholders how we plan, conduct and continually learn from engagement activities.

Stakeholder Engagement Strategy relationship

Our stakeholder engagement strategy supports our business Ambition, Priorities and Values, setting out to understand the needs, wants and preferences of our consumers and other stakeholders. Effective analysis and triangulation of engagement insight helps us identify and resolve conflicts to support the development and improvement of our business strategies and associated delivery programmes.

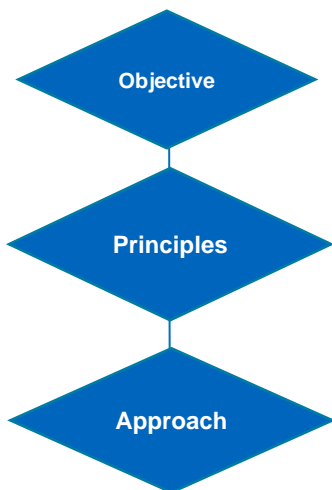


Stakeholder Engagement Strategy

Our Stakeholder Engagement Strategy

Our Stakeholder Engagement Strategy lies at the core of our business, defining how we effectively engage with a wide range of stakeholders to identify their views on strategic issues.

It is composed of three elements:



1. Our **objective** sets out our ambition for what we should achieve through our stakeholder engagement.
2. Our guiding **principles** define how we engage and complement our business values, highlighting our key strengths.
3. Our engagement **approach** sets out the specific stages of our engagement cycle, and how we review our engagement efforts so we can continually improve.

Our Objective

Our objective sets out the role stakeholder engagement plays in informing our key business decisions. It focuses on our business objectives of a balanced approach to net-zero transition, not leaving anyone behind, and continuing our key focus on inclusive customer service, particularly supporting customers in vulnerable situations, with the overarching ambition of being a sustainable business.

We continuously strive to be a sustainable business, putting people and communities at the heart of what we do. We identify our stakeholders' wants, needs, perspectives and behaviours through appropriate engagement activities, analysing and reviewing feedback alongside our own and external insight to inform business decision-making, and shape the delivery of the services that matter to all our stakeholders.



Stakeholder Engagement Strategy

Guiding Principles

Three high-level principles support our engagement objective, informing our engagement approach, and reflect our business' values. In identifying these principles we have considered the AA1000SES 2015 engagement standard.

Inclusivity – engaging a wide and inclusive range of customers and other stakeholders to understand their priorities for our business activities and co-determine priority issues.

Transparency – demonstrating that openness, honesty and accountability guide our business decision-making and are embedded within initiatives, outputs and outcomes.

Continuous Improvement – aiming to identify key stakeholder issues before they arise, and effectively resolving them when they do; making the most of and acting on stakeholder opportunities and communicating outcomes to stakeholders.

Our engagement planning process

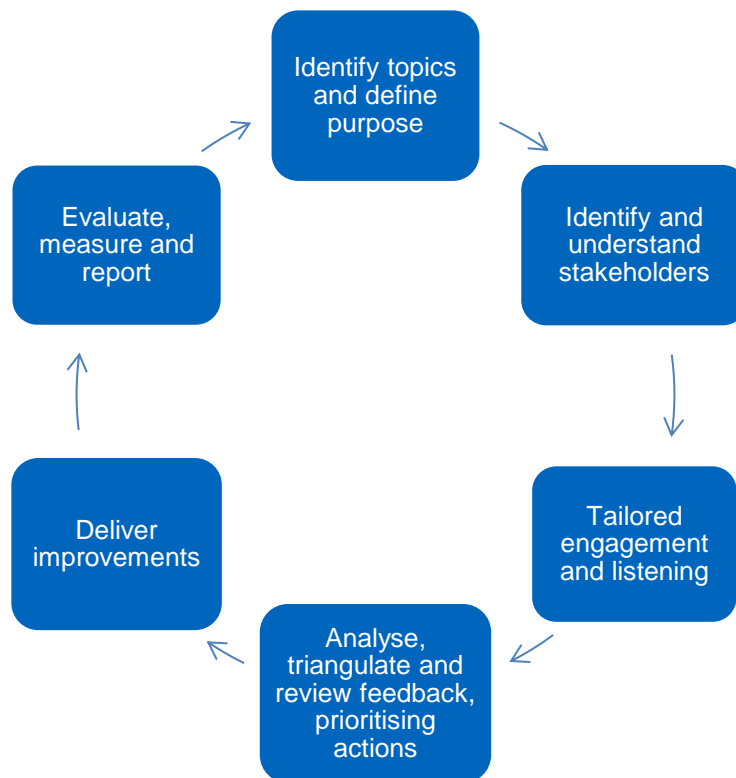
Our engagement is centrally facilitated and locally delivered, so it is important to have a simply defined engagement approach to be used across the business. We regularly review our strategy to make sure it remains relevant and to improve accessibility for colleagues. It has six steps, which are interlinked and form a cycle that supports high quality engagement, through relevant channels with appropriate stakeholders. This results in actions that improve engagement activities as well as business improvements, which are reported back to stakeholders, with measurements in place so we can be held to account for our actions.

Our Independent Stakeholder Group (ISG) acts to scrutinise our engagement programmes and challenge how engagement insight informs our business planning and delivery. This group is an important and valued addition to our engagement planning and delivery processes and programmes.



Stakeholder Engagement Strategy

Ultimately, our engagement approach sets out how we identify the actions we will take based on stakeholders' priorities, demonstrating how their voices inform our business decisions and actions.

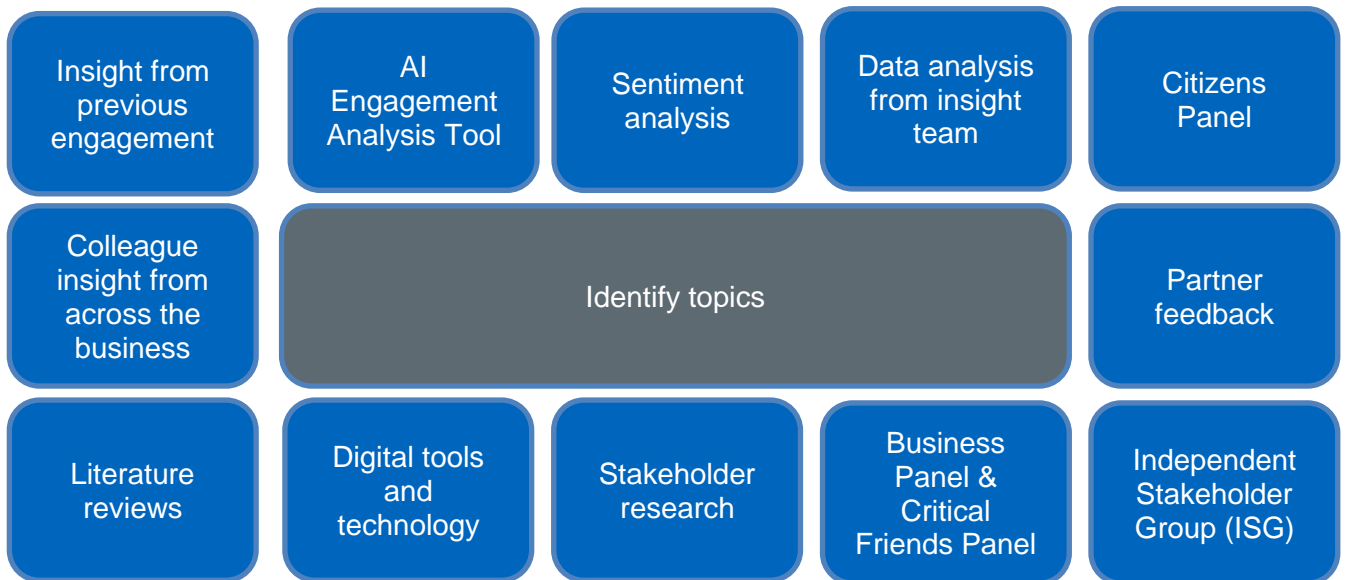


Identify topics and define purpose

We use a wide range of tools and channels to identify the topics on which we should engage stakeholders (see diagram). Once we have identified the topics that are both important to our stakeholders and relevant to our business, we define the engagement purpose. We typically express this as the question(s) we are seeking to answer. Defining the question(s) has the added benefit that it helps us to identify potential success factors at the outset



Stakeholder Engagement Strategy



Identify and understand stakeholders

We maintain a stakeholder database as well as using other tools to identify stakeholders by their knowledge, interest and geography. We have a dynamic list of our top 20 key stakeholders, identified and agreed with our ISG, as well as a stakeholder segmentation database, enabling identification of stakeholder groups in relation to our business activities, which is regularly reviewed and updated. Customers and citizens can be engaged on complex business activities, once they are familiarised with the energy sector, ensuring broad and inclusive engagement.

Tailored engagement and listening

We use a matrix to tailor our engagement channels to stakeholder group(s). Hybrid engagement and online engagement platforms offer options of face to face and virtual engagement so stakeholders can choose their preferred engagement channel, promoting inclusivity. A full range of appropriate engagement channels are considered, including telephone and traditional mailing out of materials. Engagement content is tailored, considering stakeholder knowledge levels, expertise and different preferences for text or visual materials, including film.



Stakeholder Engagement Strategy

Analyse, triangulate and review feedback

Colleagues use day after reporting for recording progress on ad hoc daily engagement activities. Reports from research and other engagement activities are collated by the engagement team and fed into an AI engagement analysis tool. The AI tool analyses and weights engagement insight, alongside other internal and external insight and trends, providing synthesized engagement insight reports that are considered in business decision-making. The AI tool triangulates engagement insight and has been developed to align to the Treasury Magenta Book.

Triangulation scoring methodology

Category	Description	Score		
		0	1	2
Relevance to the topic	How closely is the feedback linked to the topic being evidenced?	Feedback is vague and has questionable relevance to the topic.	General feedback containing mentions of relevant topics (e.g. general reports).	Feedback directly addresses the topic of discussion (direct surveys, bilaterals etc.).
Level of stakeholder knowledge* <i>*Customer engagement automatically receives the score of 2</i>	How knowledgeable are stakeholders on the topic?	Stakeholder level of knowledge is unknown or stakeholders are not very familiar with the topic.	Stakeholders are somewhat familiar with the subject or there is a mixed level of knowledge among them.	Relevant stakeholders with expert level of knowledge of the topic area.
Quality of engagement	Was the engagement methodologically sound?	Limited or no information on the engagement methodology is available and a questionable engagement method.	Limited information on the engagement methodology is available but engagement done through an established method (survey, workshop etc.).	Clear engagement methodology, including the information on aims, sampling and demonstrated consideration of barriers to inclusion. Established engagement method (survey, workshop etc.).
Rigour of feedback collection	Was the evidence captured effectively?	Little to no actionable feedback, captured after the engagement. Limited or no information on the data collection approach.	Limited depth of feedback, captured during the event. Some information on the data collection approach.	Rich and detailed feedback, fully transcribed during the event. Clear information on the data collection approach, who collected the data and how difference in opinions was captured.
Credibility of analysis and interpretation** <i>**Raw feedback automatically receives the score of 2</i>	Were the findings credibly interpreted/bias avoided?	Limited or no information on how the feedback was analysed and how it was ensured that there was no bias when interpreting the feedback.	Some information on the feedback analysis approach, with a mention of how the bias was avoided when interpreting the feedback.	Clear information on the feedback analysis approach, with information on how bias was avoided, how auditability of the analysis was ensured and a clear link between the feedback and conclusions.

The score allocated to the feedback demonstrates its robustness and quality



Stakeholder Engagement Strategy

Score	Grade	Description
0-3	Poor	Feedback should not be used for triangulation as it does not meet the minimum quality standards.
4-6	Average	Feedback could be used for triangulation but possibly lacks robustness.
7-8	Good	Feedback meets the standards necessary for credible triangulation.
9-10	Excellent	Feedback meets the best standards of rigour and quality.

Engagement feedback will result in a wide range of possible actions, including highlighting insight conflicts. Conflicts must be resolved and our ISG challenges and scrutinises the options we have considered, level of ambition and ultimate decision making, undertaking an engagement governance role.

Deliver improvements

Where relevant, we further work with stakeholders to co-determine business improvement actions as well as our actual engagement planning process. Actions will then be carried out as appropriate as a result of stakeholder feedback.

Evaluate, measure and report

We aim to continually improve our engagement strategy, planning process and the facilitation of our engagement events. Feedback is taken into the business for action and issues and opportunities will feed into future engagement decision-making, linking back into the engagement planning process. We also look at best practice engagement from other utilities and other organisations, to make sure we keep up to date with progress.

To check the success of the actions we have taken, we use a range of measurements to gauge progress and achievements against targets. This includes social return on investment (SROI), qualitative, quantitative and soft measures, such as storytelling, to set targets to assist in action prioritisation, as well as post activity, to measure progress and achievement to set targets.

We report on our actions to stakeholders, through a range of appropriate channels, including monthly e-newsletters, our annual stakeholder report and at engagement events and sessions.

