

SSEN DISTRIBUTION STAKEHOLDER STRATEGY

Responding to our customers

October 2025



Scottish & Southern
Electricity Networks



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PURPOSE

At SSEN Distribution, we power communities to thrive today and create a net zero tomorrow; supplying safe and reliable power, which allows our customers to focus on the things that matter most, while we work hard to build a smarter, flexible, greener network that's fit for the future. This document sets out SSEN Distribution's strategy for engaging effectively with our stakeholders to create support and advocacy for those business goals and co-create appropriate solutions and capabilities with stakeholders to achieve them.

It reflects changes we have made to our previous strategy both in response to our continued stakeholder engagement and as part of our independent audit. The improvements we have made ensure stakeholder engagement is at the heart of our decision-making across all of our business activities. Our vision **of powering change with every connection** demonstrates our commitment to making change happen and doing together, with each other, with our customers – in every connection we have.

What is stakeholder engagement?

Stakeholder engagement is a process through which businesses make better decisions by seeking and considering the views of interested or affected people and organisations.

To ensure that stakeholder engagement is effective, we work to know who our stakeholders are, understand them and develop effective ways of involving them in our business.

ED3

Stakeholder engagement is a fundamental element of the regulatory price control mechanism process (RIIO) and offers stakeholders and customers the opportunity to provide inputs that influence how we plan, develop and operate our network. It is vital that we continue to keep consumers and other stakeholders at the centre of network business planning and in the delivery of outputs and outcomes as we set out our plans for delivery over ED3.

In line with Ofgem guidance we have already appointed an Independent Stakeholder Group (ISG) to provide scrutiny to us, as well as challenging the breadth and depth of stakeholder engagement, and resulting actions taken, as we develop our Business Plan.

Why is stakeholder engagement important?

As we deliver on our purpose and vision, we are seeing significant changes in the way our network is being used and how we deliver our services. The extent of change makes it more important than ever that we listen to our stakeholders to understand their needs and include them in the heart of our decision-making.

Stakeholder feedback has helped shape the four clear business priorities that underpin our purpose and vision.



OUR PURPOSE

We power communities to **thrive today** and create a **net zero tomorrow**

OUR VISION

We're **powering change** with **every connection**

OUR FOUR KEY STRATEGIC PRIORITIES



DELIVERING A SAFE, RESILIENT AND RESPONSIVE NETWORK



PROVIDING A VALUED AND TRUSTED SERVICE FOR OUR CUSTOMERS AND COMMUNITIES



ACCELERATING PROGRESS TOWARDS A NET ZERO WORLD



MAKING A POSITIVE IMPACT ON SOCIETY

OUR STAKEHOLDER ENGAGEMENT FRAMEWORK

Our mission statement

Our stakeholder engagement **mission statement** lies at the heart of our strategy and sets out our vision for the role of stakeholder engagement in informing our decisions as we shape our business for the future.

Our mission is to deliver engagement which is purposeful, accessible and dynamic, using insight and collaborative partnerships to achieve positive and tangible outcomes for customers, stakeholders and society.

Our strategic objectives

Our **strategic objectives** for stakeholder engagement focus on the experience of our personnel, the action we will take to embed stakeholder engagement within our business, and putting our stakeholders at the centre of our future decision-making.

Building experience

1. Enable and encourage stakeholder input by providing easy access to ourselves and appropriate information as well as ensuring our communications are inclusive.
2. Build intelligence on stakeholders' needs so we can make balanced and fair decisions which anticipate and meet their needs.
3. Work with stakeholders in our planning and delivery and strive to achieve mutually acceptable and agreed outcomes.

Taking Action

4. Develop consistent and transparent processes to capture, act on, discuss and feed back on stakeholder input.
5. Develop a culture of engagement by implementing a training programme for our employees and ensuring accountability through clear roles and responsibilities.



Looking to the future

6. Develop future opportunities with input from a diverse group of stakeholders.
7. Actively participate in industry change as a committed advocate for stakeholders, society and the environment.

Our principles

Our **principles** define how we engage and guide all our engagement efforts. These principles reflect the values embedded throughout our approach and embody the work of all stakeholder facing staff. We have four guiding principles for our stakeholder engagement programme:

- **Inclusive** - We will take a considered approach to the format and timing of our engagement and think deeply about how we can reduce fatigue amongst stakeholders as well as how to reach 'seldom heard' voices and future consumers, ensuring a fair and accurate representation of our customers and communities.
- **Insightful** - We will conduct thorough engagement, on issues that matter to our stakeholders, in a way that generates meaningful discussion and debate, structuring our engagement activities and processes to allow us to capture clear and unambiguous feedback that leads to insight and actions.
- **Impactful** - Our engagement will be transparent and meaningful, allowing participants to clearly trace the 'golden thread' from their input and challenge to genuine influence on our business policies, activities, and future plans. It will also seek to educate and inform, allowing for deliberative engagement methods.
- **Iterative** - We will conduct frequent and enduring engagement which evolves in line with best practice and continuous improvement. We will be flexible to change in the engagement process and incorporate learnings throughout the process.

Ensuring the quality of our engagement

We undertake regular assessments to ensure we continually work to high standards. Our stakeholder engagement strategy is in alignment with the AA1000 AccountAbility Stakeholder Engagement Standard (2015) which is an internationally accepted, principles-based framework we use to identify, prioritise and respond to stakeholder challenges to improve performance. Last assessed in May 2024, we achieved a rating of "x", the highest rating of the AA1000SES Maturity Ladder.

We are also assessed regularly through the SSE Group audit function.

Key benefits of engagement include

- Supports higher quality and informed decision-making; informs our business plans at the highest level
- Allows for co-creation – using diverse expertise and experience to solve problems together that cannot be solved by us alone
- Supports early identification of external changes
- Uses learning from our stakeholders to improve process and service
- Helps us guide key stakeholders to understand business decisions and the challenges of our environment

OUR ANNUAL ENGAGEMENT PLANNING PROCESS

Our vision to power change with every connection embodies our commitment to listen to our stakeholders, understand their needs and place them at the heart of all our decision-making. This starts with our annual engagement planning as outlined below.



Our engagement cycle is embedded within the business and supports the design and delivery of our annual plan.

We gather feedback and insights from a wide variety of sources. These insights are regularly collated into **synthesis reports**, which we use to identify key themes and trends. This information, in turn, informs our business and stakeholder engagement priorities.

Strategic insights

- Group and SSEN Board
- Regulation and corporate affairs
- Strategic panels

Our strategic panels include our:

The Independent Stakeholder Group (ISG): acts in the interests of stakeholders and customers by independently scrutinising and critically questioning the delivery of our ED2 business plan and emerging issues. The group provides representation at a strategic level from a wide range of stakeholder segments including Local Government, Sustainability and Environment and Community Energy and has direct routes to our senior leaders and Board.

The DSO Advisory Board (DSO AB): critically evaluate our DSO plans, methodologies and their delivery with the interests of communities and stakeholders front-and-centre. Importantly, they'll hold the "Smart, Fair, Now" pledge up to the light, to ensure the decisions made live up to the promise of this phrase.

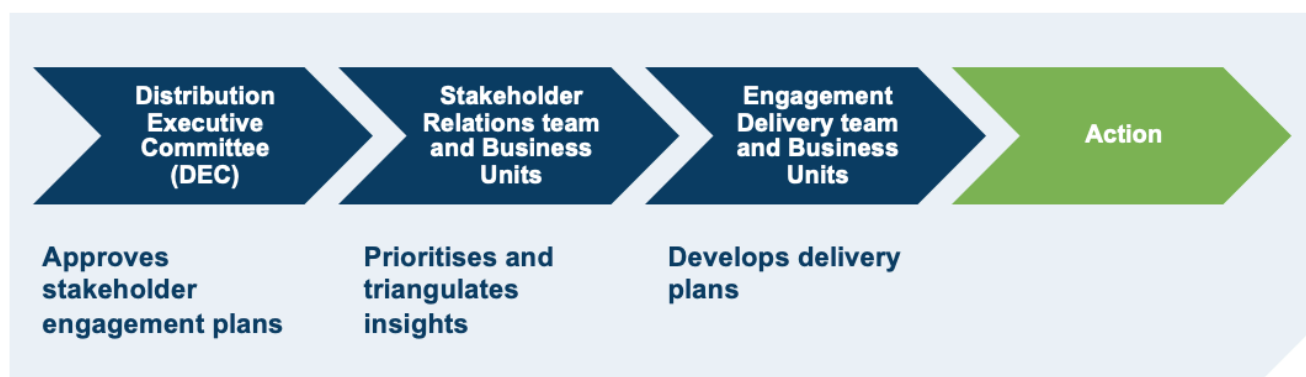
The Independent **Inclusive Service Panel (ISP):** is a group of experts with a working knowledge of issues relating to equality, diversity, and inclusion. The panel challenges thinking and provides innovative suggestions and practical ideas to further improve the inclusive nature of the services offered to our customers.

The **Connections Strategic Oversight Board:** overviews all major Connections decisions and impacts on customers. This board meets monthly and includes the Distribution Executive Committee and Head of Connections, Policy & Performance.

Engagement feedback insights

Following a review of engagement tools, methods and channels from across the utilities sector, including Electricity Transmission, Gas Distribution, Electricity Distribution and Water, we have refined our chosen engagement tools and channels. The following tools and channels have been selected and will be used both online, and in person:

- Conferences
- Bilaterals
- Focus groups and workshops
- Surveys
- Panels
- Commissioned research



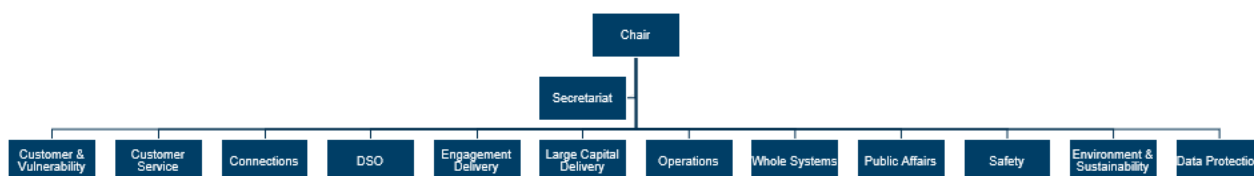


Coordination

We use our internal **Stakeholder Engagement Working Group (SEWG)** to share insights and engagement best practice across the business and identify opportunities to collaborate. This ensures that we are making the best use of our stakeholders' time and subsequently reduces stakeholder fatigue.

The diagram below shows the business units that are represented on the SEWG. Each team is required to send at least one representative to each meeting.

In addition to the main Stakeholder Engagement Working Group, we also have an engagement subgroup that meets regularly to review the planning of future events and associated communications. The purpose of this sub-group is to identify opportunities to maximise potential stakeholder value while reducing the risk of stakeholder fatigue and/or conflicting messaging.



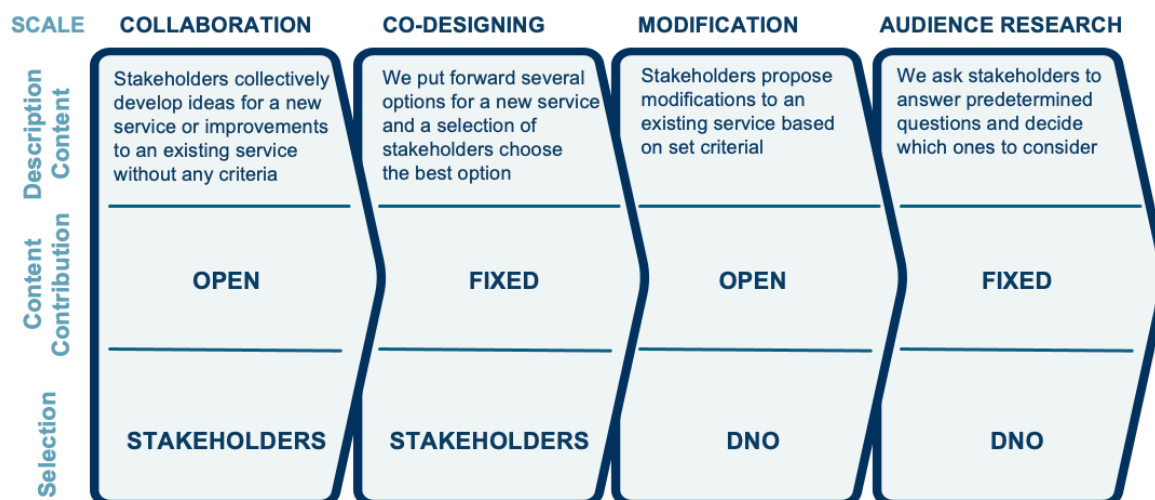
GENERATING MUTUAL VALUE THROUGH CO-CREATION

The process of co-creation generates an active form of interaction and sharing between our company and the stakeholders and transforms our contact with end consumers from transactional to a joint experience.

We have a recognised scale of co-creation which reflects the practicalities of stakeholder engagement.

We would always look to aim high and work to collaboration, only moving back in the scale if it is fully justifiable.

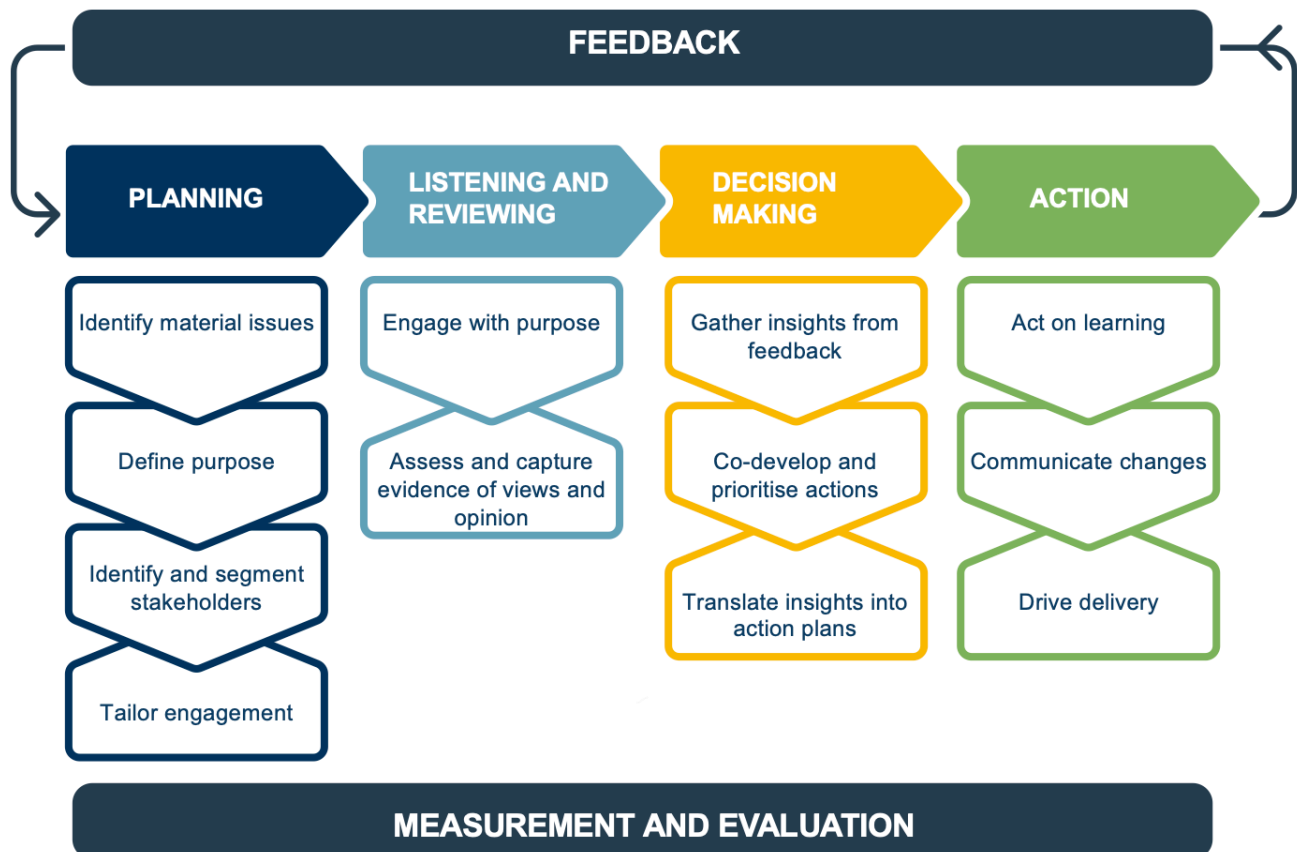
Co-creation process





HOW WE ENGAGE WITH STAKEHOLDERS

To ensure that our engagement is consistent and of a high standard across all our areas of operation we have a defined, practical step-by-step approach which we apply to all our engagement activities.



PLANNING OUR ENGAGEMENT

Identify material issues

It is important to identify the issues of mutual importance to both our stakeholders and our business.

The starting point of our engagement planning process is to identify topics and areas of interest on which stakeholders will be engaged. As an organization that places stakeholders and customers at the core, it is imperative that we ensure our engagement is focused on issues directly affecting stakeholders.

We define **stakeholders** as anyone who has an interest in our business and can be affected by, or can affect, the way we run our business.

We combine a variety of methods to identify the issues of mutual importance to both our stakeholders and our business before testing with these with stakeholders as part of our engagement activities.



How we identify key topics for engagement

Regulatory and policy insights

We review and assess regulatory and policy guidance and academic research to identify particular areas where stakeholder engagement and customer insight is essential and/or would add value.

Partner insights

We seek input from our partners, giving them opportunities to raise any issues that may not be clear to us and to challenge our thinking. We also consult our Advisory boards which act as critical friends to evaluate our plans and methodologies, with stakeholder interests at the forefront of their minds.

Our **partners** are organisations and groups with whom we work to deliver outcomes for stakeholders that we could not achieve alone. With our partners we co-create solutions that benefit our customers and wider society.

Internal insights

We listen to our colleagues. At a strategic level we consult senior members of our organisation to gain insight into issues facing our business and our customers, and to challenge our thinking on materiality and value. We also seek insight from a broader range of colleagues, either on an ad-hoc basis or formally at internal meetings; from this we gather a wider point of view of key issues and topics we should engage our stakeholders on.

Insight database and Tractivity

We consult our Insight database and Tractivity records which can reveal future trends and identify issues and topics for further stakeholder input.

Our **Insight database** is a searchable library of stakeholder views gathered from previous engagement and research which is consulted as part of our engagement planning process.

Tractivity, our Stakeholder Management System, enables us to record all our engagement activities in one place. This creates a comprehensive data bank which evidences who we engage with, the topics discussed, and the resulting outputs. This data informs additional stakeholder engagement to be undertaken and delivery plans.

Define purpose

Clearly defining the purpose of our engagement is essential to the success of our engagement activity.

We must 'begin with the end in mind' to ensure that the insight gained from engagement can be applied to our decision-making.

To achieve this, our stakeholder relations and delivery teams work closely with SEN subject matter experts:

- The stakeholder relations team is responsible for structuring engagement in a way that will lead to specific, unambiguous and actionable insight
- The engagement delivery team is responsible for supporting our engagement activities, using the latest tools to deliver best-in-class stakeholder events
- Subject matter experts are responsible for ensuring that action is taken based on stakeholder insight

Asking the right questions

- To gain insight that can be used in decision-making, it is important to ask questions in a way that elicits useful responses. The questions should be designed 'with the end in mind', meaning that they will generate insight that can be applied to relevant decisions. Our questions relate to decisions yet to be made – they do not seek to retrospectively validate decisions.
- Through our questions we seek to gather both qualitative and quantitative responses. It is therefore important that the questions are designed to draw out both definitive answers (e.g. 'yes/no') and more detailed comment.



| Topic | Required stakeholder knowledge level | Strong question | Weak question |
|------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| Customer Service | No knowledge | 'Do you find our education plan for supporting customers in using the digital customer service platform effective? How can we improve it?' | 'Is digitalisation making some of our customers feel left behind?' |
| Net Zero | Expert knowledge | 'Do you agree with the net zero priorities presented today? Tell us anything we've missed?' | 'Is SSEN playing a leading role in enabling net zero?' |

Table 1: Examples of strong vs weak engagement questions

Identify and segment stakeholders

Based on a clear purpose and questions of engagement, we must identify stakeholders that are best placed to answer them.

The biggest driver of meaningful and actionable feedback is the fit between the complexity of engagement questions and the stakeholders' knowledge on the matter at hand.

We work carefully to identify the spectrum of stakeholders with an interest in the topic – from those who are experts and already involved in the issue to those who have little knowledge but may be significantly affected by the decisions made. We ensure that the questions are tailored to the knowledge level of the stakeholders we are engaging, and where it is helpful, we work to increase stakeholders' understanding of the subject so that they may provide informed views.

As part of the planning, we consider whether there are any seldom heard stakeholders to whom we should reach out. This consideration allows us to be more inclusive in our engagement activities and ensures we maintain broad and varied input into the engagement.

Identifying the right stakeholders

To ensure we are engaging the right stakeholders on each topic, we use Tractivity, a stakeholder database which allows us to segment stakeholders based on their knowledge levels on different areas of our business.



STAKEHOLDER SEGMENTATION

We will continuously map stakeholders across workstreams to cross reference, identify key segments and individuals and address gaps in our engagement approach.

| | | | | | | | | |
|--|----------------------------------------------|--------------------------------------------|------------------------------------------------|--------------------------------------------|--------------------------------|---------------------------|---------------------------|------------------------------------|
| | CONSUMERS | Domestic consumers | Customers in vulnerable situations | Future consumers | Unmetered customers | SMEs | Industrial and commercial | Major load |
| | CUSTOMERS | Distributed generation customers | Builders and developers | Flexibility Service Providers | Community Energy /Businesses | Housing developers | Aggregators | Landowners |
| | PARTNERS AND ENABLERS | Current employees | Future employees | Investors / shareholders | Trade Unions | Contract Partners | | |
| | POLICY MAKERS AND INFLUENCERS | Governments (incl. GB Energy) | Research bodies, policy forums and think tanks | Elected Members | Consumer groups | Regulators | NESO | Trade Associations |
| | COMMUNITIES AND LOCAL DECISION MAKERS | Media | Charities | Academic institutions | Housing associations | Community Councils | Parish Councils | Vulnerable customer representative |
| | | Local and Combined Authorities | LEPs | Emergency response | Healthcare | Community interest groups | Resilience Partner | |
| | WIDER INDUSTRY AND VALUE CHAIN | DNOs / IDNOs | TOs | GDNs | ICPs | Telecoms | Water | |
| | OTHER SUPPLY CHAIN | EV Charging – installers and manufacturers | Heat pump installers and manufacturers | Storage and renewable providers/installers | Transport and highway agencies | Energy Suppliers | Consultants | |

In all our engagement we strive to engage with **hard to reach, or sometimes known as seldom heard, stakeholders**. These are groups of people who are typically under-represented in decision-making. They may have limited awareness of our business, face communication difficulties or simply don't think their participation will make a difference.

Many of our engagement events are listed on our Engage360 portal so that interested stakeholders who are not already part of our database can still register and attend. We also promote our events on social media to reach new stakeholders.

Stakeholder knowledge level

Engagement produces the most meaningful, actionable insight if there is a close fit between the level of knowledge stakeholders have about a topic and the complexity of engagement questions. We consider the following levels of knowledge of our stakeholders:

- **Limited knowledge** – Stakeholders with limited knowledge of SSEN or the specific topic
- **Some knowledge** – Stakeholders SSEN interacts with fairly regularly on topic
- **Expert knowledge** – Stakeholders we engage with closely, or whose roles necessitate an interest in a specific topic

The segmentation tool within Tractivity also provides categorisation by sector and industry allowing us to plan targeted and bespoke activities and gather feedback from activities across our northern and southern licence areas.

The list of stakeholders recorded in the database and our segmentation approach is regularly reviewed and updated to help us identify the best stakeholders to engage with on each specific topic.

Broadening engagement

Sometimes the stakeholders relevant to a particular topic are numerous: for example, there may be an issue that affects every household we serve. In this situation, we consider stakeholder personas e.g. a family on a low income, an older person living alone with limited online habits, and work to identify and engage with stakeholders representative of those personas.

For engagement on a specific local issue, in addition to consulting Tractivity, we use local intelligence from our community teams to identify stakeholders who may be hard to reach and not represented on Tractivity. We then



work locally to make contact with those stakeholders and gather their views through appropriate engagement activities.

Mapping our stakeholders

As part of our work to identify stakeholders and design appropriate engagement activities, we undertake a stakeholder mapping exercise to establish the right kind of engagement for the various stakeholder groups that may be involved. By considering the level of interest a stakeholder has on an issue, and their ability to influence decisions made, we can design engagement that is both effective and efficient.



We use a variety of tools to map our stakeholders, including:

- **Tractivity**, a database of stakeholders known by the company from previous initiatives, and those stakeholders who have actively chosen to register with us. Tractivity allows us to segment stakeholders by the stakeholder group and sub-group they belong to, their level of knowledge on a number of topics and their geographical area. Tractivity is also where we hold records of our engagement with stakeholders.
- **Mapolitical**, a database of political and local government stakeholders that is continuously updated with real-time stakeholder data. We use Mapolitical to support our stakeholder mapping initiatives, ensuring that we always have up to date information on political and government officials.

Tailor engagement

Having defined the purpose of engagement, agreed the questions we need answered, and identified suitable stakeholders to engage, we move on to tailoring our engagement to suit its audience and to ensure it delivers useable insight.

To achieve this, we tailor both the method and content of each engagement.

Method



We select the most appropriate method of engagement by looking at factors including the volume of stakeholders involved and their level of knowledge of the specific topic being discussed. To assist us in this process, we have developed a new engagement matrix that helps us plan the most effective way of engaging stakeholders, given the volume of stakeholders and their level of knowledge of the subject.

We use tools like Tractivity and our Stakeholder Engagement Calendar to get a Distribution-wide view of stakeholder engagement. This allows us to coordinate with other teams across the business to identify opportunities for collaboration, reducing stakeholder fatigue.

We review our activities after engagement to make sure stakeholders have been engaged in a way that has enabled us to derive the most value. The findings from each review are fed back to the process to guarantee our continual improvement.

| | | Limited knowledge | Some knowledge | Expert knowledge |
|---------------------|-------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| Stakeholder profile | | Stakeholders with limited knowledge of SSEN or the specific topic | Stakeholders SSEN interacts with fairly regularly on topic | Stakeholders we engage with closely, or whose roles necessitate an interest in specific topic |
| Recommended methods | High volume | Ad campaign Online consultation Surveys/Research Social media Website | Newsletter Online consultation Public exhibition Survey | Consultation Stakeholder workshop Survey |
| | Low volume | Customer panel Calls/texts/letter Customer/ stakeholder workshops | Consultation Stakeholder workshops | Consultation Proactive calls Bilaterals Stakeholder and customer panels |

Table 3: Our engagement matrix

Our engagement matrix helps identify the best engagement method, taking into consideration the knowledge level of stakeholders and the number of stakeholders to be involved.

Content

We tailor the content of each engagement to the needs of the stakeholders involved.

Before each engagement activity, we share the boundaries of disclosure with stakeholders. This sets the scope of the engagement and lets participants know how their feedback will be used.

When we are introducing a new concept to stakeholders, we take time to explain it clearly so that they can give informed views. However, if the stakeholders have worked closely with us for some time and are experts in their fields, we assume a high degree of prior knowledge.

Our stakeholder engagement team work with subject matter experts to co-design engagement content. Together, they ensure that it provides stakeholders with meaningful context (without being leading) and enables them to provide feedback that is specific, unambiguous and actionable.



LISTENING TO OUR STAKEHOLDERS

Engage with purpose

Tools and processes to help us engage with purpose

For each engagement activity, we provide our staff with tools to ensure they engage with purpose and deliver the engagement objectives:

- An engagement checklist to provide guidance on key elements to consider when planning engagement
- An engagement planning template
- Standardised boundaries of disclosure
- A template for briefing internal stakeholders ahead of engagement
- A standardised form to capture feedback

The standardised feedback forms have two purposes:

- To help us gather key feedback on the engagement questions being asked
- To gain insight into the quality of engagement itself

The feedback forms complement the detailed reports that are created for each event (see following section), providing a summary of key points picked up from both our technical and stakeholder engagement experts, ensuring nothing is missed.

The forms are designed to minimise subjectivity and uncertainty. They allow our stakeholder-facing staff to assess the quality of the engagement activity and capture feedback consistently.

The stakeholder engagement team maintain a library of the standardised feedback forms from events. This information will be used in our decision-making process.

Assess and capture evidence of views and opinion

Assess feedback

To assess the quality of the engagement, we use a standard form to understand participants' views on the engagement process itself.

Stakeholders are asked to score various aspects of the engagement (such as the appropriateness of the method used), as well as giving the opportunity to provide comment for improvement. By using a standardized set of questions to measure the quality of engagement, we are able to track our performance over time.

Capturing feedback

We have devised a standard form to capture evidence from our stakeholder engagement. This minimises subjectivity and allows our stakeholder-facing colleagues to capture evidence consistently. The form also ensures that, in addition to any detailed reports compiled, we have a summary of key points picked up from both our technical and stakeholder engagement experts.

We store all feedback collected from our stakeholder engagement activities in our Insights Portal. All stakeholder-facing staff across the business have access to Insights Portal, where feedback forms are organized by topic.



MAKING DECISIONS

Gather insights from feedback

Once feedback from engagement activities has been recorded and stored in our Insights Portal, it is available to key decision makers to inform the actions to be taken.

However, it is not always clear from the raw feedback what the key insights are, how robust the engagement was and how much weight should be applied to it when making decisions. To provide a useful source of information, we create synthesis reports which bring together all stakeholder views on a topic for use in decision-making.

A **synthesis report** is a document which brings together all the information gathered from stakeholder engagement on a particular issue or topic. In a synthesis report, this information is presented in a concise, accessible form to inform decision making.

In addition to targeted engagement activities, there may be information relevant to a topic that has been gathered from other sources – for example from our regular customer satisfaction surveys, or one of our senior stakeholder engagement groups such as the DSO Advisory Panel.

Our synthesis reports extract and share key insights from all relevant stakeholder feedback. This enables clear tracking of supporting evidence for our decision-making and demonstrates how stakeholder feedback has shaped and informed annual business action plans. This process is outlined below.

Translate insights into actions

Triangulation

Whilst stakeholder views are a vital part of our decision-making process, it is important that we consider additional sources of information to make the best decision possible.

We have designed a triangulation approach informed by best practice. In the context of stakeholder engagement, **triangulation** is the practice of considering multiple sources of information in order to come to a decision that best balances the needs and aspirations of our stakeholders and our business.

Our objective is to make decisions and create proposals that satisfy the broadest segment of stakeholders while respecting sound measurement, business justification and regulatory constraints.

Our triangulation process considers all evidence gathered from a variety of sources (e.g. engagement synthesis reports, BAU engagement insights, third-party research) and evaluates the engagement quality of each insight. To determine engagement quality, we examine how robust, relevant, and inclusive each piece of evidence is. We then evaluate how comprehensive each engagement is.

- **Robustness** - Does the engagement stem from robust data? Were the engagement methods effective in reaching their target audience? Do the findings address the engagement objectives, and have they been credibly interpreted?
- **Relevant** – Does the engagement advance the knowledge or understanding of a topic? Do the findings deepen understanding of customer or stakeholder needs, preferences, expectations and/or unmet needs, building upon existing knowledge? Were the findings informed by using up to date, high quality data?
- **Inclusivity** - Does the engagement include priority groups, hard to reach stakeholders and/or a diverse range of stakeholders? Does the engagement cover both north and south SSEN regions?
- **Comprehensive** - Do we have enough evidence to support the key strategic questions that need to be answered?



To carry out the triangulation process, we review all findings from our engagement activities and hold 'triangulation meetings' with key internal stakeholders to inform our decisions. We document the output of these meetings and the rationale for all decisions.

TAKING ACTION

Our stakeholder engagement process is only successful if the feedback we gather is acted upon and leads to meaningful outcomes for our stakeholders.

To ensure the delivery of tangible and meaningful outcomes for stakeholders we:

- Encourage business leads to set robust metrics ahead of all engagement activity. This ensures that our engagement is effective and meets our intended objectives.
- Analyse the outcomes of our triangulation process in the context of business justification, benefit analysis (e.g. SROI, CBA, WTP) and regulatory constraints in order to prioritise which actions will deliver the most benefit to stakeholders.
- Assign action owners and record all actions in our Engagement Planning form.
- Monitor progress and escalate actions which are not on track for delivery.
- Communicate the outcomes of all actions to stakeholders in a timely manner, making sure to use accessible and inclusive channels.

PROVIDING FEEDBACK

Our stakeholder engagement process includes communicating back to stakeholders how we have acted on their input.

Some stakeholder activities are ongoing and regular, in which case it may be appropriate to provide feedback on a rolling basis, with a section of the engagement activity dedicated to reporting on how stakeholder views expressed previously have influenced SSEN's decision-making. Alternatively, where an engagement activity is a one-off event, a written report made available to all participants may be more appropriate.

The individual business areas are responsible for providing feedback to stakeholders on how their views have been considered. The way in which this is done is informed by the preferences of the stakeholders involved. Our teams ask stakeholders about their preferred method and frequency of feedback provision and act accordingly. All outcomes from events are also shared on our website in our Engage360 portal.

Examples of feedback methods we use

- Post-event reports
- Methodology and consultation reports
- 'You Said, We Did' publications
- Newsletters
- Meeting minutes
- Annual reports and regulatory publications
- Individual telephone and email updates
- Information sharing events
- Online content
- Research reports
- Infographics



MEASURING THE IMPACT OF OUR DELIVERY

As part of the engagement planning process, we establish the metrics for measuring the success of our engagement. This includes the evaluation of the engagement activity itself – and the impact of the project/initiative on stakeholders as a result of the insights, consultation and engagement undertaken.

The Stakeholder Engagement team supports stakeholder-facing colleagues in measuring the impact of engagement-led actions by advising on the most appropriate measurements.

Prior to undertaking engagement, we set relevant objectives and Key Performance Indicators (KPIs) for each engagement activity. We track KPIs across various engagement activities to ensure that we are continuously improving our approach over time. These metrics provide insights into stakeholder satisfaction, engagement levels, and areas for improvement.

Our metrics include:

- Engagement attendance
- Engagement participation levels, including depth of participation
- Event quality scores
- Customer satisfaction scores
- Issue resolution speed

To measure the impact of a project or initiative on our stakeholders, baseline measurements are taken as a starting point. Depending on the topic, relevant baseline measurements may include:

- Productivity levels
- Engineering costs
- Time to deliver
- Customer satisfaction
- Use of SROI for pre and post evaluation forecasting

By establishing a baseline, then measuring it again after we have taken action, we can quantify the improvement delivered by the decisions resulting from our engagement with stakeholders.

As a regulated business, we strive to ensure that each pound we spend delivers the maximum possible value to our customers, stakeholders and the wider society we serve.

While this is something we have always done, we have enhanced and formalised our approach introducing our benefits evaluation framework. The framework combines several benefits evaluation techniques both quantitative and qualitative, to measure the impact of our actions.

This allows us to achieve two key objectives:

Forecast and prioritise action – forecast the value of our actions we could take prior to delivery, ensuring we identify and prioritise actions that best meet stakeholders' needs while maximising our impact relative to cost.

Measure value delivered – to assess the holistic impact of projects under way, demonstrate value delivered and assess how actual results deviate from forecasts.



Qualitative feedback

We use a range of channels and engagement methods to find out what our stakeholders and customers value, gathering feedback on the strategic areas that our customers would like us to focus on before digging deeper to identify specific needs and wants. This forms the baseline for our decision-making, informing our focus for further testing of potential actions.

Social return on investment (SROI)

We use SROI to assess and compare specific initiatives both to prioritise action and to measure the expected impact of the chosen initiatives. This approach is based on government guidance in the HM Treasury Green Book.

SROI enables us to quantify the value of financial and societal outcomes using proxies. We assess these benefits, for example customer bill savings from installing energy efficiency or additional wellbeing benefits to our vulnerable customers, against the costs to deliver. This enables us to quantify the combined financial and societal values into a holistic net benefit per £ spent for each initiative.



APPENDIX 1: ENGAGEMENT ROLES AND RESPONSIBILITIES

| | Activity | Stakeholder Engagement | Engagement Delivery | Business Leads |
|------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------|---------------------|----------------|
| Engagement Planning | Accountable for developing their team's (i.e. topic) engagement plan | | | ✓ |
| | Defines engagement purpose (objectives) and engagement questions for each event | ✓ | | ✓ |
| | Identifies the list of stakeholders to engage across topics and maintains segmented stakeholder database | ✓ | | |
| | Identifies the most suitable engagement method | | ✓ | ✓ |
| | Prepares engagement content (pre/in-event material) | | | ✓ |
| | Plans third-party research (e.g. market studies) | ✓ | | ✓ |
| Engagement and feedback management | Responsible for the delivery of topic-specific engagement | | ✓ | ✓ |
| | Collects feedback from events in standardised forms (feedback on both quality of event and questions) | | ✓ | ✓ |
| | Uploads feedback onto Tractivity database | | ✓ | ✓ |
| | Maintains Tractivity database and identifies and gaps in information | ✓ | | |
| Triangulation and decision-making | Extracts insight from Insight portal and Tractivity | ✓ | | |
| | Collates information feedback from all stakeholder sources and activity and prepares synthesis report | ✓ | | |
| | Liaises with 'owners' to track actions/use of feedback to reach proposals | ✓ | | |
| | Tracks progress of response to feedback until outcomes are achieved | | | ✓ |
| | Identifies need for additional engagement based on evidence gaps | ✓ | | ✓ |



APPENDIX 2: BUSINESS UNIT ENGAGEMENT PLANS

Connections

The Connections team's approach to stakeholder engagement focuses on fostering collaboration between SSEN and its diverse stakeholders, including customers, developers, and local communities.

Engagement activities are structured across three levels: strategic, organisational, and operational. At the strategic level, flagship events such as the Connections Customer Conference and Strategic Oversight Board meetings focus on aligning priorities and gathering feedback. Organisational engagement activities, including Internal Steering Groups and Market Segment Focus Groups, facilitate targeted feedback and project alignment. At the operational level, bi-weekly surgeries and monthly webinars address day-to-day queries and share process updates, ensuring efficient issue resolution and effective communication.

Business Relationship Management team

The **Business Relationship Management (BRM)** team plays a critical role in bridging internal operations with external stakeholder needs, fostering trust and innovation. The responsibilities of the BRM team span several critical areas, each making a valuable contribution to the customer journey.

- **Stakeholder engagement:** The team fosters trust and collaboration within each of their dedicated market segments. By maintaining open lines of communication and addressing stakeholder concerns reactively and proactively, the BRM team ensures that SSEN remains responsive to evolving expectations whilst safeguarding its reputation and fostering long-term partnerships.
- **Facilitating customer feedback:** The team collaborates with internal departments to align business activities with customer's overarching strategic goals and advocate on their behalf within SSEN, driving strategic alignment and planning.
- **Connections application support:** The team supports customers and the business alike throughout the connections process.

Engagement

SSEN's stakeholder engagement plan can be structured across three levels: Strategic, Organisational, and Operational. Stakeholder feedback is gathered at each of these levels and is fed into internal workings groups at SSEN such as the Connections Strategic Oversight Board and if required, at the ENA Strategic Connections Group.

Strategic level engagement aims to influence decision-making and set organisational priorities based on comprehensive stakeholder input. This level ensures that the overarching goals and directions of SSEN are aligned with the needs and expectations of both internal and external stakeholders.

| Meeting | Purpose | Date |
|---------------------------------------------------|-------------------------------------------------------------------------------------------|-----------|
| Connections Customer Conference (North and South) | Reviewing strategic goals, communicating progress, and adjusting priorities as necessary. | September |



| | | |
|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Connections Customer Experts Panel Working Group | Discuss key customer concerns, gather high-level feedback, and align strategic initiatives. The panel includes representatives from Connections Expert Panel who provide insights into customer needs and market trends. | June, December |
| Stakeholder Group Forum | Update customers on any new business updates on large programmes of work and updates on business commitments. | March |

Organisational level engagement focuses on collecting specific, targeted feedback, providing input to development work, and offering updates on progress and changes. This level is crucial for bridging the gap between high-level strategic decisions and ground-level operations.

| Meeting | Purpose | Date |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Internal Steering Groups | Detailed discussions about ongoing projects, collection of feedback from various departments, and sharing of progress updates. Review actions from Connections Expert Panel Working Group and feedback from CCC. | Held quarterly |
| Market segment focus groups | Explore the unique requirements, expectations, and pain points of specific market segments. | Held quarterly |
| Market segment in-person forums | Present project updates, solicit stakeholder input, and educate stakeholders on new developments. Workshops provide a platform for face-to-face interaction and in-depth discussions. | Held annually, in October and November |

Operational level engagement aims to explain business processes, respond to and resolve project queries and challenges, and ensure smooth day-to-day operations. This level is critical for maintaining operational efficiency and addressing immediate stakeholder concerns.

| Meeting | Purpose | Date |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Connections surgeries | Address specific capacity queries and general stakeholder queries. These sessions involve team members from the Business Relationship Management team and colleagues from System Planning and/or Designers who work collaboratively to address and resolve constraint challenges. | Held bi-weekly |
| External workshops and webinars | Present project updates, solicit stakeholder input, and educate stakeholders on new developments. | Held monthly |



DSO

Our journey to net zero is well underway and our Distribution System Operator (DSO) functions are accelerating this transition, enabling whole system benefits and using flexibility as a driver for fast and efficient access to and investment in the grid.

We're passionate about getting DSO right so we can help our customers to connect, speed up decarbonisation efforts and unlock economic value in the communities we serve. To that end, we are continually engaging with customers, stakeholders and governance bodies to challenge and refine our plans, to ensure that they continue to keep apace with needs and expectation.

We understand that DSO stakeholders have different preferences and needs to other stakeholder segments. Our approach is to create an array of diverse opportunities for stakeholders to engage with us on a wide range of DSO topics.

Strategic Level Engagement

| Meeting | Purpose | Date |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| DSO Advisory Board | Critically evaluates our DSO plans, methodologies and their delivery with the interests of communities and stakeholders front-and-centre. | Held quarterly |
| DSO Steering Committee | Sets strategic direction, reviews and adjusts our plans to ensure we meet stakeholder needs, and agrees and monitors actions to build our DSO capabilities, solutions and coordination | Held monthly |

Organisational Level Engagement

| Meeting | Purpose | Date |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Distribution Future Energy Scenarios | We gather inputs from local stakeholders through webinars, surveys and roundtable discussions to inform our annual DFES publication. | Spring |
| DNOA webinars | Gather stakeholder feedback on DNOA methodology | Winter |
| Strategic Development Plan consultations | Consult on information shared in SDPs | Throughout the year |
| Local authority roadshows | In person and online engagement events to facilitate collaboration amongst local authority stakeholders | Held annually |



Operational Level Engagement

| Meeting | Purpose | Date |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| DSO in Action engagement series | A fortnight of engagement events to update stakeholders on how SSEN has responded to their feedback and improved DSO services | Held bi-annually in spring and autumn |
| LENZA training webinars | Dedicated LENZA training sessions for local authority stakeholders | Throughout the year |
| Flexibility Procurement | Webinars which aim to explain the procurement process that all potential providers of flexibility need to follow to be awarded a contract for Flexibility Services. | Held annually |
| Network Insights webinars and data surgeries | Webinars which review our approach to strategic development and give an overview of what resources are available on our website to support decision making. | Held quarterly |
| Active Network Management Focus Groups | Gather feedback from ANM customers to improve our support processes. | Autumn |

Environment and Sustainability

We believe that our network will become a key enabler of the energy transition, whilst continuing to provide a vital service to our communities and beyond. We have an ambitious sustainability strategy outlining our plan to accelerate progress towards net zero over the RIIO-ED2 price control period and aim to lead by example by reducing our own environmental impact in a transparent, credible way. We will deliver resilient, agile, reliable and decarbonised energy that customers depend on, in a way that is environmentally and economically sustainable and inclusive.

We know that the voice of the stakeholder is the key to overcoming the ESG challenges we face. Through extensive engagement we have built a set of business plan commitments that we know will make a difference.

Our previous stakeholder engagements have driven us to be more ambitious, robust and to be a key enabler to save the planet. Our engagement plan makes every effort to continue this level of engagement. We know that we don't have all the answers - but as a collective we do.



Organisational Level Engagement

| Meeting | Purpose | Date |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Innovation engagement | We hold webinars to gather insights from stakeholders to shape our innovation projects (e.g. Nature4Networks). We also deliver Show and Tell sessions where we share key insights from each project phase. | Winter, Spring |

Operational Level Engagement

| Meeting | Purpose | Date |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Sustainable Procurement Code engagement survey | Engage suppliers to understand the maturity of adoption of the metrics within the Sustainable Procurement Code. The insights from this survey inform the ongoing support we provide to suppliers on our shared journey towards Net Zero. | Spring |
| Supplier Sustainability Engagement Days | In-person engagement events for our suppliers. The purpose of these events is to deliver sessions on key sustainability themes and allow suppliers to share case studies of successful sustainability initiatives and other examples of best practice. | November |



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