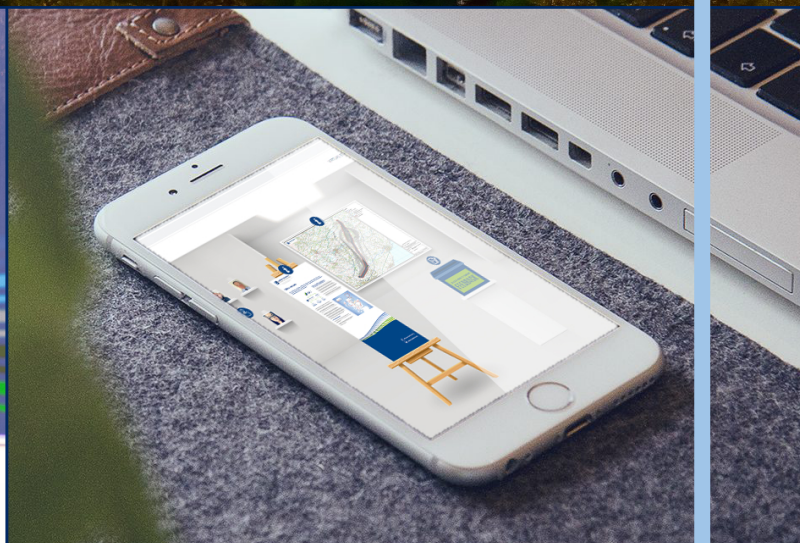


# STAKEHOLDER ENGAGEMENT INCENTIVE SUBMISSION

Part 1 2020/21 | Summary of SSEN Transmission  
Stakeholder Engagement Strategy



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# Section A: About This Submission

Welcome to Part 1 of our comprehensive 2020/21 Stakeholder Engagement Incentive submission. This document demonstrates clearly that our established Stakeholder Engagement Strategy and effective stakeholder engagement exceeds Ofgem’s minimum requirements.

## About us

We are SSEN Transmission (the trading name for Scottish Hydro Electric Transmission), and we are part of the SSE plc Group. We are responsible for the electricity transmission network in the north of Scotland. We maintain and invest in the high voltage 132kV, 220kV, 275kV and 400kV electricity transmission network in the north of Scotland. Our network consists of underground and subsea cables, overhead lines on wooden poles and steel towers, and electricity substations, extending over a quarter of the UK’s land mass crossing some of its most challenging terrain. We power our communities by providing a safe and reliable supply of electricity. We do this by taking the electricity from generators and transporting it at high voltages over long distances through our transmission network for onwards distribution to homes and businesses in villages, towns and cities.

## Introduction from our Managing Director

Despite the various challenges we’ve all faced over the past year during the COVID-19 pandemic, I’m pleased to say that SSEN Transmission has had a remarkable year delivering for its stakeholders and customers.

Together, we’ve navigated our way through a truly testing time and our joint successes are testament to the sheer focus, commitment and effectiveness from all of our people.



Rob McDonald

This year has been a success as we’ve intensified our efforts to embed stakeholder engagement deeper into the day-to-day running of our business and solidify stakeholder engagement into our corporate culture. We’ve achieved this through a number of ways, including developing and rolling out new tools which guide our stakeholder-facing teams to carry out targeted, effective, and outcome-focused engagement with local communities, customers, supply chain and our industry partners. We are also setting clear expectations to all the new people we’ve welcomed into our growing business and are supporting them in carrying out purposeful stakeholder engagement too. As well as supporting staff with engagement tools, we’ve invested in extensive, bespoke training and delivered valuable learning sessions too. All of this equips our people to engage successfully with all of our different stakeholders, ensuring that quality and consistent stakeholder engagement is threaded throughout all of our projects.

The Transmission Executive Committee (TEC) has also increased the role it plays in our overall strategic stakeholder engagement efforts. Members of our TEC have been engaging directly with key stakeholders on critical matters too, demonstrating our commitment to driving stakeholder engagement from the very top of the organisation. Stakeholders, customers and wider society can be reassured that new digital platforms, additional investment in our people and a sharpened focus on delivering industry-leading stakeholder engagement are all positively supporting SSEN Transmission in continuing to meet stakeholders’ needs.



## Strategic Themes

We operate under the four strategic themes outlined below. These themes were developed in collaboration with stakeholders and are designed to deliver against their needs as we work towards our main objective: “To enable the transition to a low carbon economy.” Part 1 of this submission sets out the engagement strategy, process, and governance that we have instilled in our business to deliver these objectives through a stakeholder-led approach. Under each theme, we have provided a snapshot of our engagement initiatives.

- 1 Stakeholder-Led Strategy
- 2 Safe and Secure Network Operation
- 3 Sector Leading Efficiency
- 4 Leadership in Sustainability

OFGEM PANEL FEEDBACK ON 2019/20 SUBMISSION	WHAT WE DID
Improve governance and increase board-level visibility of stakeholder engagement	The MD of Transmission includes stakeholder engagement in his monthly updates to the Board. Outputs and outcomes from stakeholder engagement are included in all papers presented to the Board for approval.
Work more closely with stakeholders and involve them in the design of initiatives	We engaged stakeholders on the design of initiatives for 2021 in our Forward Plan consultation and worked with stakeholders to design initiatives including offshore wind and compensatory planting
Adopt a comprehensive Social Return on Investment (SROI) measurement approach	We brought in specialist support from consulting firm, Sia Partners, to model the Social Return on Investment for our initiatives using their established Social Value Framework. Thier analysis is summarised in this submission
Share activities which may be recognised as best practice more widely with stakeholders	Please refer to our Table of Engagement for examples of best practice e.g. world first SF6 alternatives, science-based targets and compensatory planting which we are sharing across our industry, publicly and internationally
Evidence that successful initiatives from last year have been scaled up this year	This year we scaled up successful initiatives on SF6 alternatives, science-based targets and decarbonisation, and both our in-house and externally accredited engagement training
Adopt new ideas by broadening engagement with stakeholders from other sectors	Through the Sustainability First, Fair for the Future project, we engaged with the water and telecommunications sectors on optionality in network investment which informed approaches to future network planning and the Skye Cost Benefit Analysis.

# Section B: Stakeholder Engagement Strategy

During this year we have continued to embed our engagement strategy, ensuring that it is applied consistently across our business to meet stakeholder needs and deliver real benefits for our stakeholders and society. The strategy, shown over the page, sets out our clear aim and ambition, the objectives for achieving these, and our principles which guide how we engage. These principles are aligned to the AA1000 Stakeholder Engagement Standard. In December 2020, we updated our strategy to make clearer its alignment with the AA1000 Standard, based on feedback received from international consulting and standards firm, AccountAbility.

## ENGAGING AND ALIGNING OUR PEOPLE IN OUR STRATEGY

We recognise the importance of engaging our own people in our Stakeholder Engagement Strategy. Our business has grown significantly this year to support the increased investment that we are making to deliver the infrastructure required for net zero. Our number of employees has grown to 703 from around 450 last year. Since stakeholder engagement is essential to successful delivery of our all our activities, we have equipped our teams with the tools they require to deliver excellent stakeholder engagement. This included bespoke 'Stakeholder Spotlight' and 'Strategy Implementation' sessions and business-wide meetings to engage, inform and calibrate expectations with our new and existing employees on our Stakeholder Engagement Strategy and business goals, further ensuring the development of a positive stakeholder engagement culture.

## ENGAGING EFFECTIVELY WHILE WORKING REMOTELY

Our dedicated teams have supported colleagues throughout the COVID-19 pandemic to source and optimise new digital platforms to engage effectively with our stakeholders. We have provided hands-on support to help them carry out industry-leading stakeholder engagement activities and supported stakeholders who needed additional support to feel confident using these platforms too.

## IMPROVING OUR ACCESSIBILITY FROM NEW DIGITAL PLATFORMS

Our investment in new digital platforms has provided our stakeholders additional ways to engage and has enabled us to become more inclusive and accessible. In particular, within communities we find that those who may have struggled to attend in-person events due to childcare, distance or work commitments are now able to engage more easily through our virtual consultation and community engagement events.

## UTILISING A MIXTURE OF ENGAGEMENT METHODS

In September 2020, we held a specific stakeholder event to seek input on our ongoing engagement delivery. Stakeholders confirmed that they still really value our face-to-face engagement and that they also enjoy the benefits and flexibility our digital engagement methods offer. To continue meeting the needs of our stakeholders, we have since committed to using a mix of in-person and digital engagement methods, keeping costs and limited stakeholder resources in mind.

### STAKEHOLDER PROFILING AND MAPPING

We have delivered on a specific recommendation from AccountAbility in relation to improving our stakeholder mapping approach. We have invested time in developing our new Stakeholder Profiling and Mapping tool which encompasses and builds on well-established stakeholder engagement methodology (enhanced Mendelow's Matrix which considers 'impact' as well as 'power' and 'interest'). This new tool promoted us to carry out improved research into our stakeholders, better identify their interests and concerns. It also helps our people map and prioritise our stakeholders on a project-by-project basis based on their relevancy and ensures no stakeholders are missed.

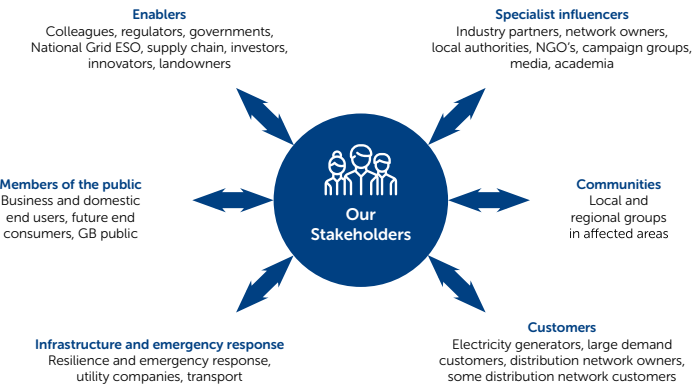
## Our Stakeholder Engagement Improvement Plan

Despite the challenges of the COVID-19 pandemic, we really have made excellent progress this past year in delivering improvements which enhance our stakeholder engagement. These improvements have driven better quality and consistency in our stakeholder engagement, helping us work more effectively, benefiting all our stakeholders.

Improvement Plan	What we did
Clearly define roles, responsibilities and ownership of contact and engagement	Stakeholder relationship owners are now detailed in all Stakeholder Engagement Plans which is giving improved clarity on roles and responsibilities.
Show how stakeholder engagement provides value to the day to day operations of the business	We have included and demonstrated role-specific stakeholder engagement benefits examples within our new training package.
Formalise profiling and mapping as standard and research profiles of stakeholders to understand their expectations	Our new Stakeholder Profiling and Mapping tool has been rolled out with training. It requires colleagues to research stakeholders and detail their interests and expectations.
Ensure consistency of planning across all projects, large and small	We now require Stakeholder Engagement Plans to be prepared as a mandatory requirement for all of our projects.
Implement training to ensure consistency of engagement	We are successfully rolling out our mandatory Stakeholder Engagement Training business-wide and further up-skilling main stakeholder support function through professional exam qualifications.
Consistent use of systems and tools for recording and tracking engagement	Our implementation of Tractivity (our stakeholder management system) has progressed well with support from our Business Change and IT teams.
Clear strategy for inviting input from stakeholders and providing clear, relevant, comprehensive and consistent briefing materials ahead of engagement	We define the purpose of our engagement in our new stakeholder engagement plan template and ahead of engagement events, we consistently clarifying up-front what input we are seeking from our stakeholders. The Stakeholder Engagement team reviews briefing materials and content to ensure information for stakeholders is clear, appropriate and easily understood.
Consistent approach to recording feedback and better standardisation to allow comparison of responses	Our new stakeholder feedback report template guides colleagues to produce and share high quality, accessible reports following engagement to summarise stakeholder feedback and resulting actions
Establish difference between output, outcome, impact and communicate this to all teams	We have included specific 'Logic Model' training in our engagement training so our people understand the 'golden thread of engagement' and the resulting benefits.

## Our Stakeholders

SSEN Transmission adopts AccountAbility's definition of 'stakeholder' which is "any individual, group of individuals, or organisations that affect and/or could be affected by [our] activities, products or services, and/or associated performance".



## Why we engage

To effectively understand and include the needs of our stakeholders in our current network planning, development and operations, and in planning for a decarbonised future

## What we want to achieve

To be at the forefront of engagement practice by increasing our insights, working collaboratively through partnerships and taking action to achieve real benefits for our stakeholders and society

### The strategic objectives that will help us do this

#### 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 meets their needs
3. Work with stakeholders in our planning and delivery, and strive to achieve mutually acceptable and agreed outcomes

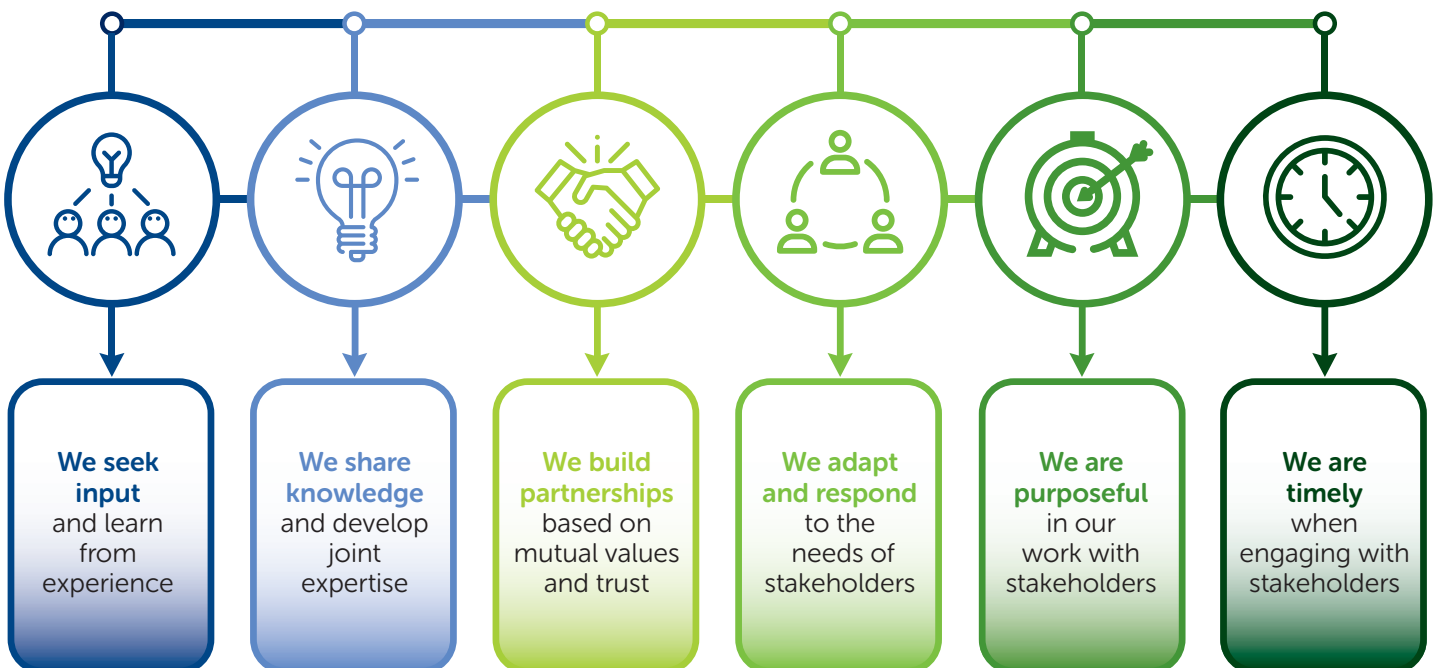
#### Action

4. Develop consistent and transparent processes to capture, act on, discuss and feedback 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

#### Future

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

## How we engage



This year we enhanced our value measurement approach by collaborating with Sia Partners to quantify the Social Return on Investment (SROI) value of our initiatives using their established SROI bank. Sia advised that not all initiatives were appropriate for assessment under the SROI model. Therefore, we apply the most appropriate quantitative or qualitative measures for assessment of initiatives based on the nature of the initiative and its intended outcomes. The majority can be measured quantitatively with clear metrics. In some cases the value is qualitative. Where multiple metrics could be applied to a benefit, we triangulate the values. All financial benefits attributed to initiatives are actual costs, revenue or allowance values; no proxies from Willingness to Pay are used as financial benefits. The two tables below provide examples of the value measures that have been used in our assessment and presented in this submission.

Financial Benefits (£)	Reduction in capital and/or operational costs, resulting in savings for consumers
	Avoidance or deferral of capital and/or operational costs, resulting in savings for consumers
	Increased revenue - developers, customers
	Cost savings for directly connected customers e.g. on application fees
Renewable Energy Capacity (MW) / Renewable Energy Generated (MWh)	Additional renewable energy enabled / renewable energy produced
Tonnes (CO2e) avoided / Value of CO2e avoided*	Reduction or displacement of greenhouse gas emissions (CO2e), and avoided cost to society
Qualitative benefits	Knowledge dissemination, sector-leading innovations, influence in industry policy decisions

\*based on Department for Business Energy and Industrial Strategy non-traded carbon price forecast

Initiative	Timeframe	SROI (Net benefit per £ spent)	Summary
Application fee review and new process	2 year	£1.86	SROI: £1.86 value created over 2 years in excess of every £1 spent, driven by a reduction in application fees to customers and efficiency benefits of the new process.
Compensatory planting - woodland no net loss	10 year	£0.69	SROI: £0.69 value forecast over the next 10 years in excess of every £1 spent, delivered by biodiversity and community benefits per hectare of woodland replanting.
Development Engagement	1 year	£6.74	SROI: £6.74 value delivered in excess of every £1 spent over the past year, driven by a reduction in line damage repairs.
Science Based Target - electrified fleet	5 year	£0.46	SROI: £0.46 value created in excess of every £1 spent up to 2026, driven energy savings, carbon emission reductions and air quality improvements from electrifying out fleet.
Offshore wind - Super CION	1 year	£4.14	SROI: £4.14 value delivered in excess of every £1 spent driven by resource efficiency benefits of time invested in the Super CION as opposed to multiple CION processes.
Covid-19 virtual consultations	1 year	£0.22	SROI: £0.22 value delivered in excess of every £1 spent on our virtual consultation engagement this year, delivered by increasing online connectedness and upskilling our stakeholders with training on digital tools.

## Decisions on which stakeholder initiatives to start, stop or scale up are based on the following factors:

- Stakeholder feedback – including relative prioritization against other initiatives and risk of engagement fatigue
- Strategic alignment – initiatives which align with our strategic vision, goals and objectives will be prioritised
- Scale of potential benefits – see value measurement tables
- Scale of investment – we generally target a positive return on investment
- Availability of resource – to ensure effective project management and delivery of the initiative
- Initiative risk or level of confidence in achieving target benefits.

Decisions to scale up generally require evidence of: proven success, positive return on initial investment and potential to increase benefits further in future, and strategic importance to SEN Transmission, the wider sector or society.

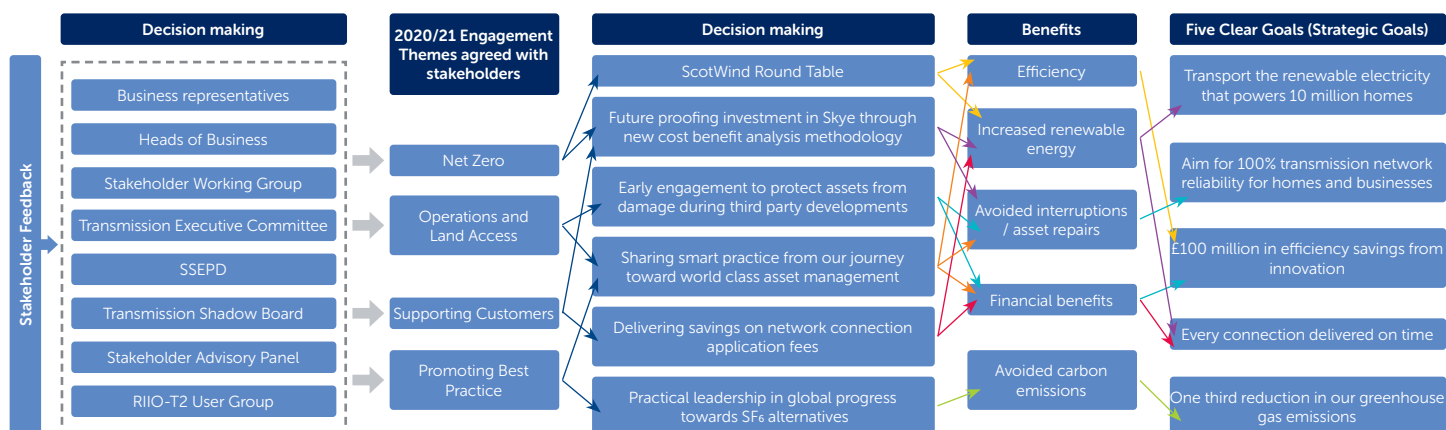
This year we have undertaken two major advocacy initiatives: ScotWind offshore wind connections for 2030 and Transmission Networks Use of System Charges (TNUoS) detriment to renewable energy developers in the north of Scotland. We are not the decision maker in these areas so we cannot control the actions taken by the decision makers, who are the System Operator, the Department for Business Energy and Industrial Strategy and Ofgem. As such, our investment in these initiatives carries a higher risk of failure to deliver the target benefits, in comparison with initiatives where we have control over decision making and implementation. In these instances, our decision to proceed was based on stakeholder feedback that they were high priority concerns where stakeholders felt their voice wasn't being heard, the extremely high potential benefits (potential savings in the £Bns for consumers). There is also strong alignment with our business strategy objective "To enable the transition to a low carbon economy" and our stakeholder engagement objective to "Actively participate in industry change as a committed advocate for stakeholders, society and the environment".

During 2020 we did not proceed with a recommendation from stakeholders that we should seek statutory consultee status. This was because upon investigation, we found that the resource commitment would have been prohibitively high in comparison with the benefits provided due to the requirement on statutory consultees to review all planning applications. Instead we developed an early engagement approach which allows us to identify and review only relevant planning applications near our assets. The reasoning for this was fed back to stakeholders who understood this approach.



# Section C: Stakeholder Engagement Process

The below diagram portrays how we align our decision-making, engagement themes, engagement initiatives, stakeholder benefits and our 5 strategic goals.



Our new tools support improved structure and coordination in our stakeholder engagement process:



## Principles of Engagement

**Principle 1: We seek input and learn from experience**

When we proactively reach out to stakeholders, we achieve more efficient outputs because we are informed by a diverse range of information. This allows us to meet the needs of our stakeholders, increase innovation within the business and develop our continual improvement process.

**Principle 3: We build partnerships based on mutual values and trust**

To deliver whole-system outputs that deliver the most benefit to the end consumer, we need to work as partners. This means we need to develop stronger relationships which enable open and honest discussions and encourages shared responsibility where appropriate.

**Principle 5: We are purposeful in our work with stakeholders**

We understand that our stakeholders have wider priorities, beyond those that we share. We also acknowledge that they may have resource constraints. Therefore, we will create a culture that drives us to create purposeful engagement opportunities that are focused on achieving beneficial outcomes.

**Principle 2: We share knowledge and develop joint expertise**

We recognise to solve the energy challenges we face, we need external expertise, but we also have knowledge that can help our stakeholders. By sharing knowledge, we can speed up the learning process, develop innovative solutions, and improve our stakeholders' satisfaction as it gives them the information they require.

**Principle 4: We adapt and respond to the needs of stakeholders**

Energy networks are built and operated to meet the needs of current and future customers. To do this, we sometimes need to make decisions which may not satisfy all stakeholders; particularly where the interests of different parties are in conflict. However, we will adapt where possible and provide clear information on decisions and reasoning.

**Principle 6: We are timely when engaging with stakeholders.**

Our stakeholders have specifically told us to improve our planning as timely engagement is important to them. When we engage too late, issues can arise that are not easily fixed, which wastes time and risks a breakdown in trust.

# Section D: Measuring Stakeholder Satisfaction

As part of our annual engagement plan, we undertake a stakeholder satisfaction survey each year. This year's survey was conducted independently by Social Market Research (SMR) in November 2020, with a wide cross-section of our stakeholders participating and the findings reported in April 2021. The survey provides invaluable insight into the views of our stakeholders which helps us to understand what matters to them the most. The findings from the survey have contributed to the development of our 2021 engagement plan and have informed our overall engagement approach as we navigate our way out of the COVID-19 pandemic. Despite all the pandemic related challenges we have faced this past year, we're very proud to state that we've still achieved a very high satisfaction score of 82%. This score reflects the huge efforts made by our people to carry on working and delivering for stakeholders as normal.



<p><b>8.2</b></p> <p><b>Overall Satisfaction Score 2020/21</b></p> <p>2019/20 - 8.4 2018/19 - 8.2</p>	<p><b>Connections Customers</b></p> <p><b>100%</b></p> <p>of connections customers surveyed were satisfied with the connection services from SSEN Transmission.</p>	<p><b>Contact with SSEN Transmission</b></p> <p><b>91%</b></p> <p>have been in contact with SSEN Transmission 3 or more times in the last 12 months.</p>	<p><b>COVID-19 Pandemic</b></p> <p><b>98%</b></p> <p>of stakeholders believe that SSEN Transmission has performed well during the COVID-19 pandemic.</p>
<p><b>Staff Engagement</b></p> <p><b>&gt;94%</b></p> <p>of stakeholders were satisfied with our employees.</p> <p>Customers and stakeholders were universally positive when describing their experience of SSEN Transmission employees: they were scored 96% for professionalism and 94% for their knowledge and experience.</p>	<p><b>Perception and Perceived Relationship with SSEN Transmission</b></p> <p><b>89%</b></p> <p>of stakeholders perceived their relationship with SSEN Transmission as that of a partner (31%), a friend (22%) or a colleague (36%), with 9% describing their relationship as an acquaintance and 1% as a stranger. 95% said they have been a stakeholder of SHE Transmission for more than two years, with 50% a stakeholder for more than 5 years.</p>	<p><b>Communication</b></p> <p><b>96%</b></p> <p>of customers and stakeholders surveyed were satisfied with how SSEN Transmission handles communication. More than eight out of ten (at least 88% satisfaction score on each item measured) customers and stakeholders were satisfied with different aspects of communication (this included the medium of communication, frequency of communication, inclusivity of communication, and more).</p>	<p><b>Website</b></p> <p><b>100%</b></p> <p>of those surveyed who had visited the SSEN Transmission website were satisfied with it. All customers found the information they were looking for on our website.</p> <p>Very high levels of satisfaction were expressed for different aspects of the website such as ease of finding information to meet needs (100%) and use of appropriate terminology (100%).</p>

In the survey, SMR asked our stakeholders to describe SSEN Transmission's personality in one word or phrase. The responses are captured in the word cloud adjacent. This insight on perceptions contributes to identification of focus areas for continuous improvement in engagement with different stakeholder groups.

When asked to describe the personality of SHE Transmission, stakeholders most commonly used the following terms:

- ✓ Professional
- ✓ Friendly
- ✓ Reliable
- ✓ Helpful
- ✓ Trustworthy



## Delivering Service Improvements

We have established a new approach to improving the service we provide stakeholders including our connections customers. Our Customer Experience team and our Director of Customers and Stakeholders have been working closely with our Business Readiness & Change team to refine our customer journeys by removing 'pain points' and embedding efficiencies into our processes.

This work has already resulted in establishment of a new "fast track" process for simple connection offers and review of connection application fees resulting in 10-15% cost savings for onshore wind connection applications. These actions were prioritised based on stakeholder feedback.

## Key Performance Indicators

For 2020/21 we are proud to have delivered within the top performance bracket for 8/10 of our KPI's. We did see a delay in our construction programme due to site closures during the Covid-19 pandemic which affected our capacity increase against plan (MVA) target during the year.

Works affected by this have been re-programmed and are due for completion in Summer 2021. In 2020 we implemented an improvement plan for our under-performing Prompt Payments KPI and are pleased that this has resulted in outperformance of our Prompt Payment target this year.





# Section F: Assurance, Accreditation and Awards

Throughout April and May 2021, AccountAbility conducted an independent Health Check of our stakeholder engagement performance against the internationally recognised Standard AA1000SES (2015).



## SSEN Transmission Performance Overview

SSEN Transmission demonstrates advanced performance across the pillars of AccountAbility's AA1000SES (2015). With a total score of 73% the organisation lies within the Accomplished stage of the AccountAbility Stakeholder Engagement Maturity Ladder. This is an increase of 11% from its 2019/2020 score of 62%.

In April 2021, ERM Certification and Verification Services (ERM CVS) conducted an independent assessment of our performance against our Stakeholder Engagement Strategy and Delivery Plan and Implementation Plan for 2020/21. The limited assurance methodology is based on the International Standard on Assurance Engagements ISAE3000 (Revised). The Terms of Reference, agreed by Ofgem, detail what level of performance we had to achieve to be assessed as either having complied, exceeded compliance or failed to comply with our Stakeholder Engagement Strategy and Delivery Plan.



**We're proud to share that ERM CVS concluded that SSEN Transmission had exceeded compliance with its Stakeholder Engagement Strategy for 2019/2020.**

## ISO55001

Strategic and operational stakeholder engagement in the Asset Management function was audited as part of the ISO55001 Asset Management System Certification surveillance audit carried out in November 2019. During 2020/21, we prepared for a recertification on a standalone basis as SSEN Transmission. We completed this audit successfully in May 2021 and the independent external auditor was impressed by the collaboration and coordination exhibited across all teams involved in asset management and our stakeholder-led approach to this.

## ISO14001

Stakeholder engagement on natural environment priorities is assessed through the international standard for environmental management, ISO14001. The focus within ISO14001 is on identifying and categorising stakeholders, and understanding and responding to stakeholders' needs. Promoting our natural environment encompasses many areas including (but not limited to) biodiversity, woodland and forestry, visual amenity, oil and noise management. We've retained our certification to ISO14001:2015, achieved in February 2020, and successfully completed a subsequent audit in May 2021.

### Supporting a Just Transition

In November 2020, we published a sector first 'Just Transition' 20-point strategy which sets out how we seek to mitigate the negative impacts of the transition away from fossil fuels in a socially and just way for workers and communities.

### Living Wage/Living Hours



As well as being a Living Wage employer for the past 7 years, we have recently been confirmed as an accredited Living Hours Employer. This underlines our commitment to providing people with secure, guaranteed working hours. The Living Hours programme requires us to both pay a real Living Wage and provide at least four weeks' notice for every shift, with guaranteed payment if shifts are cancelled within this notice period. We also provide a guaranteed minimum of 16 working hours every week (unless our people request otherwise), and a contract that accurately reflects hours worked. This new commitment is helping more of our people receive more regular and predictable hours.

### Fair tax



SSE was the first FTSE 100 company to be accredited with the Fair Tax Mark in 2014 and we still remain the only transmission owner to meet the standards for this accreditation.

### The Climate Group/EV100



As the first UK energy company to join The Climate Group's global EV100 initiative, we're working on switching our vehicle fleet to electric by 2030 and providing charge points for employees.

### EQUAL by 30



As part of our commitment to the Equal by 30 campaign which galvanizes action and opportunities for women in the clean energy sector, we have delivered Inclusive Hiring Manager training to any employees looking to hire new people.

### Social Mobility Pledge



We have maintained our commitment to the Social Mobility Pledge which helps us build an inclusive and diverse workforce by committing to accessing and promoting talent from all backgrounds, boosting opportunity and social mobility.

### COVID-19 Pledge

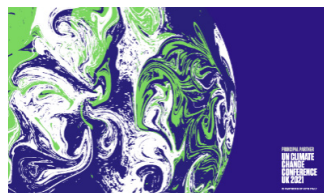


This past year, we have kept the commitment we first made in March 2020 to support employees, publish clear advice for customers and work with communities and have delivered on this promise throughout the course of the COVID-19 pandemic.

### Fair for the Future Sustainability



We are part of Sustainability First's Fair for the Future Initiative which sets out to establish a 'Sustainable Licence to Operate' for the utilities industry and deliver fairer social and environmental outcomes.






## COP26 Principal Partner

In November 2020, we announced that we are among the first Principal Partners to the UK Government and will work with government and other stakeholders to support the delivery of a successful and impactful COP climate change conference in November 2021.



## Award-winning outcomes

Our commitment to delivering positive outcomes for our stakeholders and wider society is also reflected in our awards and achievements, giving our best-practice approach to stakeholder engagement the recognition it deserves. In 2020/21 we achieved an award win (and were highly commended in two others) for our work on Biodiversity Net Gain where we have succeeded in leading industry and public sector in Scotland by developing an approach and toolkit that embeds biodiversity considerations into every stage of our project life-cycle. Commenting on our win, judges noted "SSEN Transmission showed a good use of best tools available and capitalised on the best advice. Their entry showed good detail on measurable results and significant net gain results of more than 34%." We were also shortlisted for the In-House Planning Team of the Year award from the RTPI in recognition of the work of our Consents and Environmental Team in supporting the development of a network for net zero in the north of Scotland. Our Fort Augustus – Fort William upgrade works were awarded the 'Capital Project of the Year' award, for our innovative approach to project delivery, at this year's Utility Week Awards.

# Section G: Table of Stakeholder Engagements

	Method of Engagement	Initiative and Stakeholder Groups	Stakeholder Ask	How we responded
 <b>Stakeholder-led Strategy</b>	 <b>Training Workshops</b>	<b>Stakeholder Engagement Training and Toolkit</b> Enablers	To ensure all employees have the skills and tools required to engage with all stakeholders.	<b>Action:</b> <ul style="list-style-type: none"> <li>We invested in new engagement tools and over 700 hours of engagement training</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>New Engagement Plan template, Stakeholder Profiling and Mapping tool, and Feedback Report template co-created with employees</li> <li>Bespoke training package developed</li> <li>200+ employees trained in stakeholder engagement</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>Improved consistency in our engagement approach from a more effective team</li> <li>Stakeholder engagement strategy further embedded amongst our people</li> </ul>
	<b>Bilaterals Workshops Industry working groups Email</b>	<b>Connection application fees</b> Enablers Customers	Review application fees, particularly for modification applications, to ensure they are cost-reflective.	<b>Action:</b> <ul style="list-style-type: none"> <li>We invested time and resource reviewing our application fees and developing a more efficient process</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>New "Fast Track" process for simple applications</li> <li>Revisions applied in 2021 Charging statement issued to Ofgem in Feb 2021</li> <li>New rates published on our website</li> <li>Email issued to all stakeholders</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>10-15% saving on onshore application fees</li> <li>Over £6,000 already saved on customer application fees in one quarter due to "Fast Track" process</li> <li>SROI: £1.86 value created over 2 years in excess of every £1 spent, driven by a reduction in application fees to customers and efficiency benefits of the new process</li> <li>Faster issue of fast tracked offers to the ESO</li> <li>Increased productivity due to streamlined process</li> </ul>
	<b>Media - traditional and online Consultation Workshops Social media Website Bilaterals Email Conference presentations</b>	<b>Transmission Network Use of System Charges (TNUoS)</b> Enables Specialist influencers Customers	To reform the TNUoS charging model and remove the barriers and uncertainty this presents to generation development.	<b>Action:</b> <ul style="list-style-type: none"> <li>We utilised our resources, expertise and stakeholder relationships to evidence and gather insight on suggested solutions to TNUoS challenges as part of our stakeholder advocacy work</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>TNUoS analysis quantifying detriment to north of Scotland renewables developers and risk to net zero goals</li> <li>Stakeholders' preferred solutions identified</li> <li>Thought leadership report published</li> <li>New advocacy partnership established with Scottish Renewables</li> <li>Stakeholder recommendations for changes delivered to policy makers</li> <li>Invitation to undertake further analysis in collaboration with academics</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>Raised profile of issues with policy influencers and decision makers</li> <li>Cross-party political support</li> <li>Parliamentary Questions raised in the House of Commons</li> <li>First Minister Nicola Sturgeon publicly called for TNUoS reform</li> <li>Academic course materials on this challenge in development</li> </ul>
 <b>Safe and Secure Network Operation</b>	<b>Bilaterals Consultation Workshops Website</b>	<b>Response to COVID-19</b> Communities Members of the public Enablers Specialist influencers	To meet government guidance, maintain essential works, protect workers and communities and not delay critical projects.	<b>Action:</b> <ul style="list-style-type: none"> <li>We invested in safety to protect communities and our people from COVID-19</li> <li>We invested in new technology to deliver engagement and planning consultations online and upskilled communities on how online tools</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>We established additional amenities for site staff including on-site catering and worker households to reduce interaction with local communities, as well as commissioning a new online platform that allows us to consult with communities in the 'town hall' fashion they're familiar with</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>Reduced risk of infection due to protection measures on projects</li> <li>Avoided delay until in person consultation could take place which would have caused over £111m of lost revenue for generators</li> <li>Social Return On Investment (SROI): £0.22 value delivered in excess of every</li> </ul>
	<b>Bilaterals Online event Discussion group Email</b>	<b>Protecting assets during third party developments</b> Enablers	That we seek statutory consultee status given our role as an owner of critical national infrastructure, and make information on existing infrastructure more available to developers and local authorities.	<b>Action:</b> <ul style="list-style-type: none"> <li>We explored options with the Scottish Government on becoming a statutory consultee. It was clear that this approach would not be appropriate due to the constraints it would put on us.</li> <li>We designed more structured engagements with local planning authorities to ensure that we are informed of submissions at application stage.</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>Engagement with local planning authorities to ensure we are informed of submissions at application stage - Resource of 1.5 FTE allocated to identifying relevant planning applications for developments in the vicinity of our assets and to act as a central contact</li> <li>Internal policy and external guidance for working collaboratively to ensure mutually acceptable solutions</li> <li>Initial proposal for data sharing on infrastructure locations (while ensuring infrastructure security)</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>Early sight of local development plans; visibility of planning applications near our assets - data sharing and our inclusion in planning discussions will reduce the risk of infringement</li> <li>SROI: £6.74 value delivered in excess of every £1 spent over the past year, driven by avoidance of line damage repairs</li> </ul>
	<b>Workshops Bilaterals Email</b>	<b>Wildfires</b> Infrastructure and emergency response Customers Communities	To develop a coordinated approach to responding to wildfires near SSN Transmission assets.	<b>Action:</b> <ul style="list-style-type: none"> <li>Our GIS and land teams analysed wildfire data from our partners at the Scottish Fire and Rescue Service to create maps which show the highest wildfire risk areas.</li> <li>Arranged to receive Wildfire Notifications from the Scottish Wildfire Forum and disseminate to relevant staff</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>Wildfire risk maps used for infrastructure planning e.g. assessment of new substation locations</li> <li>Risk maps shared with the Fire Service for their own use</li> <li>Wildfire notifications used as safety briefings</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>Improved safety of our colleagues</li> <li>Avoided interruptions to consumers and connected customers</li> <li>Safer location for new substation identified, reducing asset risk and risk of future interruptions to supply</li> </ul>



	Method of Engagement	Initiative and Stakeholder Groups	Stakeholder Ask	How we responded
 <b>Sector Leading Efficiency</b>	Consultation Workshops Social media Website Roundtables Bilaterals Industry working groups	<b>Offshore Transmission Network Review (OTNR)</b>  Enablers  Specialist influencers  Customers	Government asked for expert input into their Offshore Transmission Network Review which seeks to establish a more coordinated approach to offshore wind connections.	<b>Action:</b> <ul style="list-style-type: none"> <li>We utilised our specialist resources (61hrs) and network design expertise to formally provide views on policy proposals and the barriers affecting offshore wind development in the North of Scotland.</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>Tangible and deliverable solutions which are informed by industry experts and stakeholders, filling the Scottish Gap and energy networks gap that otherwise would exist in the policy development</li> <li>Proposed regional sub-group to include spatial planning elements and environmental and communities' considerations</li> </ul> <b>OTNR Expected outcomes:</b> <ul style="list-style-type: none"> <li>Revised policy that delivers efficient achievement of 2030 targets through a co-ordinated approach. Potential to save consumers approximately £6bn between now and 2050 if an integrated approach is adopted from 2025.</li> </ul>
	Workshops Bilaterals Industry working groups	<b>Offshore connections - operational</b>	Develop one coordinated CION process to avoid inefficient spend on analysis of capacity which does not proceed and help protect offshore wind developers from being charged securities for works already underway until lease results are known.	<b>Action:</b> <ul style="list-style-type: none"> <li>We invested time reviewing the offshore connection process with the Electricity System Operator (ESO) to deliver an improved process and decided to suspend securities payments for Scotwind dependent developers until after the auction takes place.</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>New Super CION process established</li> <li>New securities policy applied to offshore wind connections</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>£985k avoided CION analysis providing a direct saving to Offshore Wind Connection Customers</li> <li>£850k avoided cost of securities for offshore wind developers</li> <li>SROI: £4.14 value delivered in excess of every £1 spent, driven by resource efficiency benefits of time invested in the Super CION as opposed to multiple CION processes.</li> </ul>
	Training Workshops Bilaterals Conference presentations Publications	<b>Asset Management and Digitalisation</b>  Enablers  Specialist Influencers	To achieve top quartile performance in asset management to ensure high standards of service and cost efficiency for consumers.	<b>Action:</b> <ul style="list-style-type: none"> <li>Established enhanced asset management team and practices including new systems and reporting.</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>Grew our Asset Management Team from 14 to 27;</li> <li>Implemented new asset registers (Maximo and ArcGIS);</li> <li>Developed and implemented a new Digital Strategy;</li> <li>Provided executive briefings on Asset Management roles and responsibilities;</li> <li>Over 50 people completed the Institute of Asset Management (IAM) Certificate training and four people completed the Diploma</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>ITAMS Asset Management performance increase from 1.4 (AWARENESS) to 3.1 (COMPETENT) from 2018 to 2020;</li> <li>Increased service and efficiency standards;</li> <li>Steps to improve our performance shared with international Transmission Owners for adoption</li> </ul>
	Workshops Bilaterals Media Industry working groups	<b>SF<sub>6</sub> Alternatives</b>  Enablers  Specialist influencers	Avoid the installation of SF <sub>6</sub> -related assets due to its greenhouse gas intensity.	<b>Action:</b> <ul style="list-style-type: none"> <li>We have been developing SF<sub>6</sub> alternatives in collaboration with our supply chain partners for 420kV high voltage networks – a world first.</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>Helped secure £2.2m funding for SF<sub>6</sub> alternatives technology development from the European Commission</li> <li>Finalising international engagements to share learning with European partners</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>Avoiding approximately 350,000 tonnes of CO<sub>2</sub> equivalent due to new g<sup>3</sup> switchgear at Kintore</li> <li>Equivalent CO<sub>2</sub> gas mass reduced by 99%</li> </ul>
 <b>Leadership in Sustainability</b>	Bilaterals Industry working groups	<b>Compensatory Planting</b>  Enablers  Specialist influencers  Communities	To deliver compensatory planting in partnership with third parties and private landowners/brokers	<b>Action:</b> <ul style="list-style-type: none"> <li>We revised our Compensatory Planting Strategy (CPS) to meet stakeholders' needs, our planting obligations and our commitment of no-net loss.</li> </ul> <b>Outputs:</b> <ul style="list-style-type: none"> <li>Forestry Management Service Strategy which delivers the stakeholder ask and provides support to local stakeholders</li> <li>New Forestry Manager role established; Subject to government approval - delivery partnerships with third sector organisations including: National Park Authorities and Community Trusts.</li> </ul> <b>Outcomes:</b> <ul style="list-style-type: none"> <li>Contribution of £10k towards a newly created role in ACT for a Woodland Enterprise Coordinator to help deliver 50ha of the 272ha replanting needed on the Argyll test site.</li> <li>Support for the Alliance for Scotland's Rainforest goals.</li> <li>Delivery of our business replanting commitments – 1275ha; additional benefit – non-invasive species, riparian woodland, broadleaved etc;</li> <li>SROI: £0.70 value forecast over the next 10 years in excess of every £1 spent, delivered by biodiversity and community benefits per hectare of woodland replanting</li> </ul>
	Workshops Bilaterals Industry working groups	<b>Science-based Target (SBT)</b>  Enablers  Specialist influencers	Share learning on how we achieved accreditation of our Science Based Target set in line with a 1.5 degree target for climate change and share best practice on decarbonisation of our activities to support carbon reduction.	<b>Action:</b> <ul style="list-style-type: none"> <li>We shared our target setting methodology and learning from the accreditation process through Ofgem working groups for ED2, in meetings with the Scottish Government, with our Network for Net Zero Stakeholder Group and in a bilateral with influential thinktank, Sustainability First.</li> <li>We made a commitment to electrify 50% of our fleet by 2026, internal EV working group established.</li> <li>We carried out over 50 site visits in the last 12 months to assess their suitability for installation of PV and modern insulation.</li> <li>We established a Net Zero Substation collaboration group to bring all the TOs together to identify common challenges and possible solutions for delivering "net zero" substations.</li> </ul> <b>Output:</b> <ul style="list-style-type: none"> <li>All DNOs committed to SBTs for ED2; Net Zero Substations collaborative adopted by the European Innovation Council</li> <li>SSE group joined The Climate Group's global EV100 initiative, which aims to make electric vehicles (EVs) 'the new normal' by 2030.</li> <li>Installation of 32 EV charging points at our substations approved.</li> </ul> <b>Outcome:</b> <ul style="list-style-type: none"> <li>Improved air quality and reduced pollution in the communities we visit; CO<sub>2</sub>e saving of 240 tonnes per year by 2026.</li> <li>Decarbonisation of our substations and introduction of microgeneration will reduce the carbon footprint to around 2,000l. tn. CO<sub>2</sub>e by 2026.</li> <li>SROI: £0.46 value created in excess of every £1 spent up to 2026, driven by energy savings, carbon emission reductions and air quality improvements from electrifying our fleet.</li> </ul>

