

Welcome

At National Grid our vision is to connect people to the energy they use today, and be trusted to meet the energy needs of tomorrow. As we develop energy infrastructure, safely, sustainably and reliably, we are committed to ensuring that stakeholders views are heard, listened to and acted upon.

We have a strategy in place to ensure we meet this commitment, embedding this into normal working practice is something that I, along with my senior leadership team, are very much focussed on.



Nick Winsor
Executive Director, UK

This submission outlines our stakeholder strategy, the important role it plays within our business, the governance structure that ensures stakeholder views are at the heart of our decision-making and how we are working to ensure stakeholder engagement is part of the culture of our organisation. Part two of our submission will focus on specific examples of engagement and the outputs and outcomes of these.

Our stakeholder strategy

Regular communication with our stakeholders is vital to our business, their feedback helps us to understand their needs and expectations and shapes the way we go about our business. We are committed to being a business that not only listens but also responds to and adapts our business to what our stakeholders tell us.

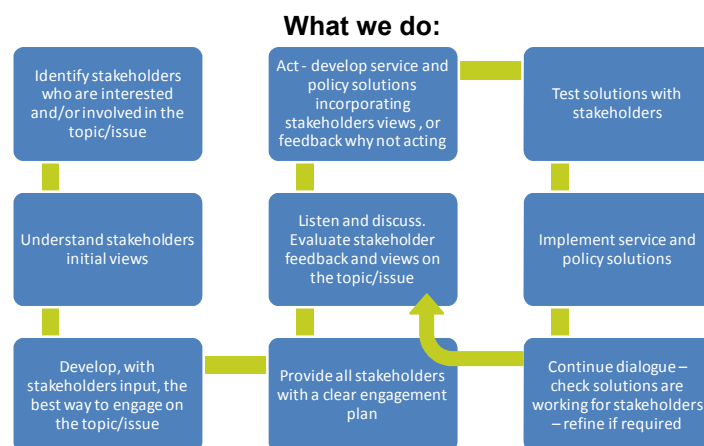
Together, with our stakeholders, we have developed our stakeholder strategy to strengthen our commitment to our stakeholders, making clear what they can expect from us. This strategy was developed and refined during our Talking Networks process - the engagement process we used in developing our business plans for our price control. It is an enduring process that provides the basis for all stakeholder engagement across our businesses ensuring we are listening and working with stakeholders to provide the types of services they want to see from us. We have developed the 'Talking Networks' brand and website across our regulated businesses to enable our stakeholders to have a single focused hub where they can find information and get updates on our engagement processes. Our stakeholders can register on the Gas Transmission section of our website to get updates specific to this part of our business. We tailor our engagement to meet the needs of our different stakeholder groups, however our stakeholder engagement strategy and culture applies to our entire business, not just our Transmission businesses. Some of our stakeholder groups do not distinguish between the separate parts of our business and engage with us as an integrated energy company. It is therefore right that some of our engagement spans our different business units.

In embracing this approach our stakeholders have recognised our engagement as being inclusive and of a high standard. A selection of feedback received from our stakeholders about this approach is shown below:

"I developed a greater understanding of how National Grid are engaging and how well informed stakeholders are"

"National Grid are much more approachable and open to engagement and discussion with stakeholders than we previously experienced – very welcome"

The key is not only listening to and discussing issues with stakeholders, it is also about acting on what stakeholders have told us so we can improve the services we provide to them. Our engagement with stakeholders will typically follow the process outlined in the diagram below.



The timescales involved in the process will depend on the nature of the topic or issue being discussed. Through this process we are able to monitor how areas are progressing and ensure stakeholders are involved throughout.

The core of our strategy is our commitment to Listen, Discuss and Act, ensuring we provide channels through which this can be achieved.

How we do it:



Integrity

We will be open, honest and create an environment which enables you to discuss what is important to you.

Accountability

We will show you how we have taken your views into account. Where we have not, we will tell you why.

Transparency

We will ensure all relevant information is easy to access quickly.

Inclusive

We will be flexible enough to provide opportunities for everyone to be involved.

These principles will guide and govern us to ensure we understand the views and priorities of all our stakeholders. They are core to our strategy and something we endeavour to achieve in all of our stakeholder engagement activities.



Best Practice

We have sought the views of a range of stakeholders, spoken to third parties and taken account of Ofgem's recommended 'principles for effective enhanced engagement' to develop our approach to stakeholder engagement.

Implementing our strategy

In implementing our stakeholder strategy we follow the engagement process outlined on page one. This approach is used for all our engagement activities, from large annual consultations through to smaller one-off pieces of engagement and everything in-between.

The example on the next page demonstrates our stakeholder engagement strategy 'in action' to show how it is implemented.

Reviewing our stakeholder engagement strategy and approach.

In addition to asking for feedback as part of our specific engagement programmes, we have also recently published a stakeholder update and consultation document for our electricity transmission business. As

well as outlining our commitments for 2013/14 we have asked our stakeholders about our engagement activities so far, how they would like to engage with us and what they think we should be focusing on. The feedback we receive through this consultation will help shape our delivery plan for 2013/14 and help us to develop our engagement strategy.

Pages 8 through to 10 of this submission show how we check that we are doing the right things and provide ourselves with assurance that our approach works for our stakeholders.

Implementing our Stakeholder Strategy

Our Future Energy Scenarios consultation is one of a number of topic specific engagement activities we undertake. We have used it here to illustrate how we implement our stakeholder strategy in practice.

Future Energy Scenarios (FES) consultation

Our annual UK Future Energy Scenarios publication provides a detailed analysis of credible future energy scenarios looking at a range of energy supply and demand options. The scenarios explore a range of plausible outcomes and are subject to an established industry wide consultation. These scenarios form the basis of our long-term investment plans as well as providing useful information to the wider industry, therefore it is important they have widespread stakeholder support.

We **identify** interested parties for this consultation based on previous interest, existing work in similar areas and by reaching out to a wide range of stakeholder groups through various communication channels and publications, along with recognising those parties that we have an obligation to engage with.

We use the feedback from the previous years consultation to **understand the initial views** of our stakeholders for starting the years consultation.

Based on previous feedback we **develop the best ways to engage** with our stakeholders, for some this includes questionnaires, surveys and workshops and for others it is via attendance at our annual conference. We work with our stakeholders to develop the best methods of engagement by seeking feedback after each event and/ or contact with them.

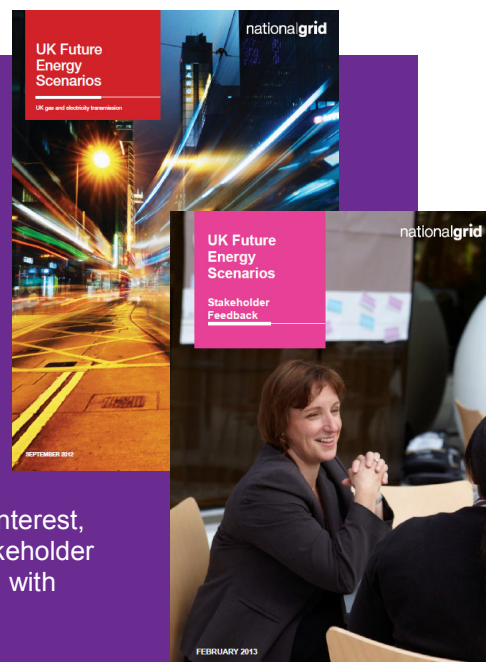
We provide all stakeholders with an **engagement plan** for the year so that they are aware of the opportunities for them to engage with this consultation and to understand what they can expect from us.

To enable us to **listen** to the views, thoughts and opinions of our stakeholders they are invited to engage and express their views through various targeted mechanisms, as listed above. This is designed to be inclusive, allowing all interested parties the opportunity to feed in their views using the approach that best suits them and to enable us to **discuss** these views with them.

In addition to receiving feedback on our processes and outputs through these methods we also have a dedicated email address for stakeholders to contact us with specific questions/ feedback around the issues we **discuss** with them.

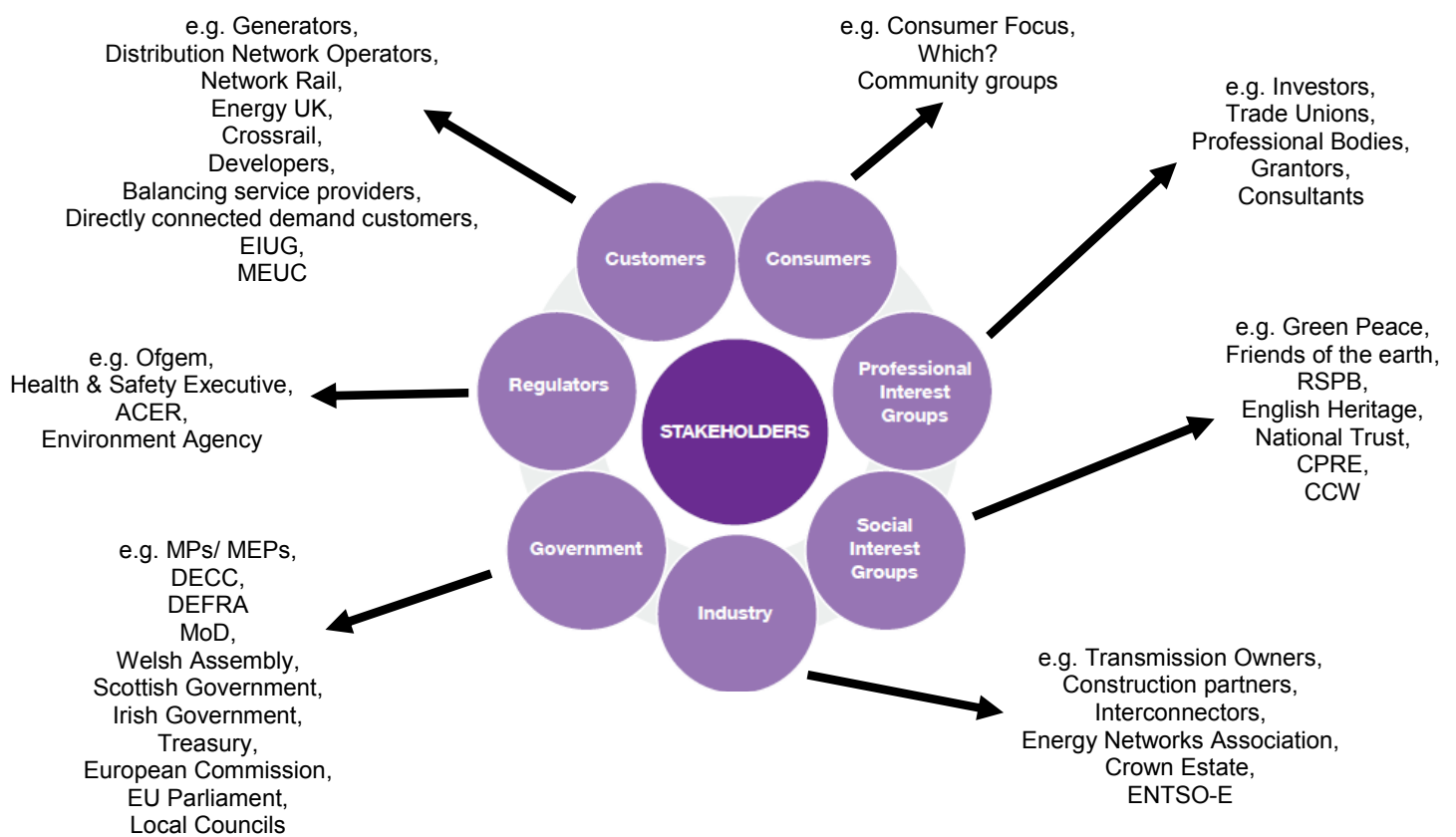
To ensure that this process of engagement fulfils our stakeholder strategy and continues to meet the needs of our stakeholders we seek regular feedback on the process itself through feedback forms, via email and through the use of surveys. This enables us to **listen** to their thoughts on our engagement and **act** on it by adapting and evolving our processes to ensure that we continue to engage with our stakeholders in a way that best suits them, ensuring that they feel **listened** to and part of the consultation every step of the way.

At the end of the engagement process, to keep everyone informed and **test solutions** with stakeholders, we share the feedback received with all our stakeholders through our UK Future Energy Scenarios Stakeholder Feedback document. This document provides a summary of the views that were expressed in the consultation process, highlighting the key themes, our next steps and outlining how we will **act** on their views now or in the future, enabling them to see what **actions** we will be taking based on their feedback for which they can hold us accountable. This enables them to see **what is implemented** as a result of their engagement and it also allows for **continued dialogue** and an opportunity to continue to discuss and refine our outputs.



Identifying our stakeholders

Grouping our stakeholders helps us to understand where their interest lies and ensures that we are providing information that is timely and relevant. These groups are identified via our engagement activities and by what our stakeholders tell us is important. In our price control engagement and consultation five key outputs were identified - safety, reliability, environment, customer satisfaction and connections. We can then identify which of these areas interest specific stakeholder groups, recognising that there is often overlap and interaction between the groups and outputs. This enables us to target relevant material at specific groups. Across our organisation, we have a diverse range of stakeholders, as shown in the image below, each with their own specific interests and interactions with us.



Mechanisms of engagement

We employ a variety of tailored engagement mechanisms to both inform and engage with our stakeholders. For example,

We **consult** through community liaison, surveys, consultations and forums.

We **inform** through conferences, summits and publications.

We **discuss** through meetings, seminars, workshops and surgeries.

This array of engagement tools allows us to tailor our methods to specific stakeholders, enabling us to capture everything they want to say to us, and ensuring that we remain accessible.

Throughout all our engagement processes, such as our Future Energy Scenarios outlined on page 3, we check with our stakeholders how we are engaging with them and ensure these are tailored and fit-for-purpose.

For instance, as part of our FES engagement we introduced electronic voting buttons to allow our stakeholders to have a direct impact on the development of our energy scenarios. This is an innovation that has been replicated by other network companies and organisations as they engage with their stakeholders.

How we ensure stakeholders are at the heart of our decision-making throughout the organisation

Stakeholders are part of everything that we do within our electricity transmission business and it is vital that they remain at the core of our business activities. To make this a focus of our business we utilise a 'line of sight' framework to ensure that stakeholders remain central to our decision-making process:



Line of sight provides a framework that shows how the things our employees do every day connects directly to National Grid's vision and strategy which includes commitments to engage internally and externally and work with our stakeholders. Every employee is able to trace their objectives through to the strategic actions, strategy and vision. Line of sight is fundamental to delivering our business plan and performance management. It's at the heart of everything that we do, ensuring that our commitment to stakeholder engagement is understood throughout the organisation. The Line of Sight is reviewed annually to ensure it keeps pace with a fast evolving energy market.

Vision

Connecting you to your energy today, trusted to help you meet your energy needs tomorrow.

Strategy

To be a recognised leader in the development and operation of safe, reliable and sustainable energy infrastructure to meet the needs of our customers and communities and to generate value for our investors we will:-



Deliver operational excellence – Achieve excellent levels of safety, reliability, security and customer service.



Engage our people – Create an inclusive, high performance culture by developing all our employees.



Stimulate innovation – Promote new ideas to work more efficiently and effectively.



Engage externally – Work with external stakeholders to shape UK, EU and US energy policy.



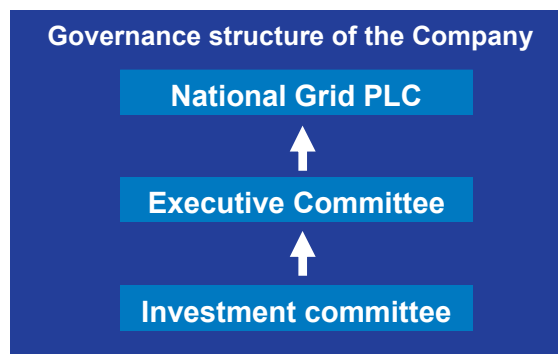
Embed sustainability – Integrate sustainability into our decision making to create value, preserve natural resources and respect the interests of our communities.



Drive growth – Grow our core businesses and develop future new business options.

Internal governance and responsibilities

We are committed to ensuring stakeholder views are incorporated into our decision-making at every level of our business. This includes the key decisions that are made at the top of our organisation. Our governance structure ensures that stakeholders are considered in the decision-making process at the top of our organisation.



The views of stakeholders are considered as part of all our decision-making processes. For instance, when sanctioning investment on our network all proposals include a section on 'customer issues' to capture stakeholder input. As an additional assurance check, our Director of Transmission Network Service, Mike Calviou, is also our stakeholder and customer business lead and is part of all Transmission related Executive Committees, where he represents the interests of customers and stakeholders.

Stakeholder Management Steering Group

In 2012 we established a stakeholder management steering group to "drive and support the delivery of a business that shapes everything we do around our stakeholders requirements, putting customers and stakeholders at the heart of our business". The membership of this group includes senior management representatives from across our UK business: Transmission, Distribution, Corporate Affairs, Human Resources, Electricity Market Reform, Price Control Delivery and Process Development. The group is jointly chaired by Mike Calviou.

The steering group has the following objectives:

- Develop a framework and approach for effective enduring stakeholder engagement;
- Ensure appropriate strategies, governance and assurance are in place to meet requirements;
- Demonstrate stakeholder requirements are understood, evidenced, discussed and ultimately delivered through future business plans;
- Ensure that processes for stakeholder engagement and managing the change resulting from it are robust and embedded in normal business;
- Develop the organisational and individual capability, skills and tools to deliver enduring engagement.

Customer Strategy Steering Group

The Customer Strategy Steering Group consists of nominees from across the transmission business who directly impact on the service we provide to our customers and stakeholders. The focus of the group is ensuring that we satisfy the needs of our customers and stakeholders. The group is chaired by Mike Calviou.

The steering group has the following objectives:

- Drive performance to ensure we deliver for all our customers;
- Provide leadership support and guidance;
- Monitor and control progress at a strategic level;
- Hold the business accountable for improving customer and stakeholder satisfaction by:
 - Challenging and reviewing action plans,
 - Monitoring progress,
 - Reviewing investment proposals that improve satisfaction;
- Provide knowledge and experience to support effective decision making;
- Provide insight and innovation that accelerates performance;
- Agree terms of any benchmarking, research, and other relevant studies.

Resource, Skills , Capabilities & Culture Change

We are committed to ensuring that we have the correct resource, skills and capabilities for delivering on our stakeholder strategy and commitment to our stakeholders. We are continually trying to improve in this area. For instance we have reviewed staff competencies with regard to customer and stakeholder facing roles and we have rolled out customer service workshops across our transmission business.

Competency Review

We are working to ensure that we have the resources, skills and capabilities to deliver on our strategy. To assist in these efforts this year we have reviewed our staff competencies for our customer and stakeholder facing roles to include:

- Customer Focus
- Communication
- Work Management
- Business & Commercial Knowledge & Awareness

The process of reviewing these competencies included an external benchmarking exercise to determine what good customer engagement competencies look like.

These competencies have been deployed to all staff through our normal performance management processes and internal governance for competencies.

For example, ensuring that they are incorporated into performance reviews. These competencies were then made available beyond our customer facing teams to the whole of our transmission business.

Customer Service Workshops

In addition to the competency review we have also run 'delivering great customer service' workshops internally. These focus on the skills, knowledge and attitude that collectively enable our people to deliver great customer and stakeholder engagement.

The workshop is delivered across teams in Transmission to help them focus on what 'customer' means to them on a personal level and in the context of their day job. The primary aim is to encourage individuals to think about the customer, encouraging them to ask questions and address the issues that stop them delivering great service in their area.

Individuals are helped to understand that attitude and behaviour drives successful service interactions, encouraging them to realise that the key is to understand customer needs, communicate progress effectively and deliver as promised.

It is made clear how all their work outputs link to the customer satisfaction feedback from our customers and the importance of driving home our "promise" to customers through our Customer Commitment (see page 7) for which everyone in the business is accountable for delivering.

This workshop has been attended by over 200 employees in the last year (800 in total to date). This is something that we do intend to develop and refine in the coming year by working in partnership with external trainers.

Improving internal communications to drive culture change

To instil in our employees the importance of the stakeholder and effective engagement we regularly cascade key messages and desired behavioural traits down to all employees through a variety of communication tools. This seeks to reinforce our continued drive for excellent engagement throughout the business. For instance we utilise weekly communication channels such as 'straight talk' (a weekly view of life in National Grid from a Director or senior manager) to deliver strategic messages straight from Directors to all employees. Again, this highlights our commitment from the top of the business to actively influence the behaviours in others. For example, in July 2012 a 'straight talk' from Alison Kay, then Commercial Director, highlighted that: 'We continue on the journey to becoming an organisation where customer sits at

heart of everything that we do. This means really listening to and reacting to the needs of our customers and seeking their views, understanding and managing their expectations, responding and adapting to what they tell us they need...'

These messages are reinforced through monthly team talks (face to face team briefings and discussion forums), where teams are encouraged to discuss and debate what good customer and stakeholder engagement looks like, what it means for their team and what it means for them as individuals. They are asked to highlight any areas of improvement in this area and to ask for any development they think they need to deliver our commitment to stakeholders.

Further to this we have regular penetration of messages through 'Brown Bag' lunches (ad-hoc presentations on a specific topic - held over a lunch time), which bring together employees to discuss, share and learn about key issues. In October 2012, as part of our month long learning@work campaign we held a Brown Bag Lunch on Customer Service Excellence.



nationalgrid

Learning@Work Week One!

Just in case you didn't already know, October is Learning@Work month and, with events running at sites across the month, there's plenty to get involved with.

This week is National Customer Service week so there are presentations from both the Customer Strategy team in Gas Distribution and their counterparts from Transmission Network Service – hear how the teams are working to help us improve our customer performance.

Straight Talk - Alison Kay

Published by [Sheila Passey](#), 23 Jul 2012

Topics: [Customer focus](#) [Customer service](#) [Operations](#) [+](#)

Our new UK Operating Model will place customers at the heart of all that we do and give even greater focus to operational safety, the reliability of our networks and the significant increase in our capital investment capability to match the plans laid out in the RfO submissions.



Let's look back on what we've achieved to date within the transmission business. We've a strong platform on w

So that we can achieve our plans affordably, sustainably and reliably, we need to work more closely with our customers and other stakeholders than we ever have before; understanding and managing their expectations, responding and adapting to what they tell us they need, recognising that we will be incentivised for getting this right, penalised should we get it wrong.

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Like this article

Focus on Line of Sight

Transmission Brown Bag Lunches

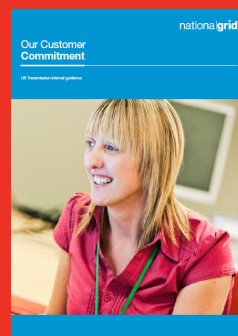
Brown bag lunch presentations are given to provide managers and staff in National Grid a broader understanding of topical issues facing the business.



CUSTOMER COMMITMENT

As our strategy details, our stakeholders are central to our business and we are increasing our focus on our engagement with them and our commitment to them.

We have **listened** to their feedback and they told us what we need to do better. As part of our commitment to great customer service, our stakeholders have told us that we need to get the basics right for them – that we need to make our processes more transparent, communicate more clearly and work more flexibly. To spell out exactly what our customers and stakeholders can expect from us we have created a customer commitment for our UK Transmission business to which they can hold us accountable for delivering.



Our commitment:

- We will work closely with you to build a foundation for trust through open and honest relationships and **discussions**
- We will **listen**, understand your needs and expectations, and seek solutions that work for you
- We will help you understand our business so that we can work better together
- We will be accountable for delivering a clear and timely service
- We will seek and **act** upon your feedback

Through our customer research and day-to-day interactions and conversations with customers we identified what our customers wanted from us. Through this dual process of internal consultation and obtaining customer feedback we have developed a programme to become more customer focused in order to enable us to deliver what our customers need. Our directors and their teams worked together to articulate a collective view of what our core values mean when delivering our services. We launched our customer commitment internally a year before we made it public, to ensure that the basic behaviours were embedded within our way of working. This internal document provided a high-level overview of our customer strategy and provided guidance to the business in relation to the Customer Commitment outlined above.

We measure how we are performing against the customer commitment as part of our regular customer satisfaction survey (please see page 9).

Listening to our stakeholders - a balanced approach

One of the most significant deliverables in 2012 was our detailed 8-year RIIO price control business plan. This was developed in conjunction with our stakeholders via a robust and extensive stakeholder engagement plan. The stakeholder engagement annex of this plan clearly shows where stakeholder feedback influenced our plans.

Our stakeholder update and consultation document outlines how we have acted on feedback we received from stakeholders with some examples of how stakeholder led proposals influenced our business plans outlined below:

Carrying out further research to see if consumers would be 'willing to pay' to mitigate the visual impact of existing overhead lines in National Parks and Areas of Outstanding Natural Beauty. The outcome of this research has resulted in a £500m fund being put in place to address the visual impact of existing lines in designated areas. We have also developed a new approach to building new electricity lines in consultation with our stakeholders entitled "Our approach to the design and routeing of new electricity transmission lines"

Making our current customer forums more accessible, given the geographical dispersion of our stakeholders. We continue to try and ensure we reach as many stakeholders as possible and that a wide range of stakeholders have access to us. For instance, we visited County Shows across the country to engage with grantor land owners and also distributed a quarterly magazine to 30,000 of these stakeholders. Our customer seminars are held in London and Glasgow, recognising the location of our customer connection stakeholders. As part of our North West connections project there is now the opportunity to register for email and text updates on the project through the North West Coast Connections website. The introduction of this text service forms part of our approach to enable hard to reach stakeholders to access the information they need.

Explore innovation topics that are suggested by our stakeholders. We work very closely with our stakeholders to deliver innovative solutions, such as LineScout, a remotely operated overhead line inspection robot we have developed in collaboration with a Canadian electricity company.

Our plans also included a number of ideas that our stakeholders did not support and therefore were not taken forward such as:

- Introducing additional customer forums
- Developing a web based customer portal
- Opening a Scotland based office

Our stakeholder engagement strategy results in a wide

range of stakeholder views, often giving a wide range of perspectives. When assessing potential outputs and outcomes of our engagement activities we ensure that all views are considered. Our decision-making has to be cost-effective and balance the needs of our different stakeholder groups. For instance, we often have to balance the needs of our stakeholders with the potential cost to consumers. This is most evident when we engage with stakeholders when building new transmission infrastructure. The example below illustrates this approach to cost-effective and balanced decision-making.

Visual Amenity is a highly emotive subject for our stakeholders and we consulted widely on this throughout our Talking Networks programme. The outcome of this engagement was that stakeholders told us the undergrounding of new electricity transmission lines should always be considered as a potential option when designing new infrastructure routes.

One of the outputs from this consultation is that we have developed a new approach to our engagement in this area which we have published in our 'Approach to the design and routeing of new electricity transmission lines'.

An example of our new approach is illustrated by the Bramford-Twinstead project, where we require a new 28 km double circuit route to meet the needs of our customers.

We conducted an extensive consultation, where many of the responses raised concerns about the potential impact a new connection would have on landscape where there are no pylons.

Local people were able to participate in a variety of ways including independently-chaired community forums and public consultation events. We also spoke to people with an interest in the land, local authorities, environmental bodies and other organisations.

The decision-making process included a number of competing variables including all stakeholders views as well as our statutory duties and any environmental constraints. In order to be cost-effective we had to balance the need to place a greater emphasis on reducing the visual impact of our projects with the higher cost of putting cables underground.

We now consider all projects on an individual basis, taking into account a balance of environmental, cultural, visual, technical and cost factors. This example is the first project where this new approach has been used.

We have selected two sections along the 28 kilometre route where we believe the high cost of putting the cables underground can be justified and in May 2012 we published proposals to underground around 8km of this route.



Understanding how we perform

In assessing the quality of our approach to stakeholder engagement we have gathered various pieces of evidence to measure our progress and to focus us on continual improvement.

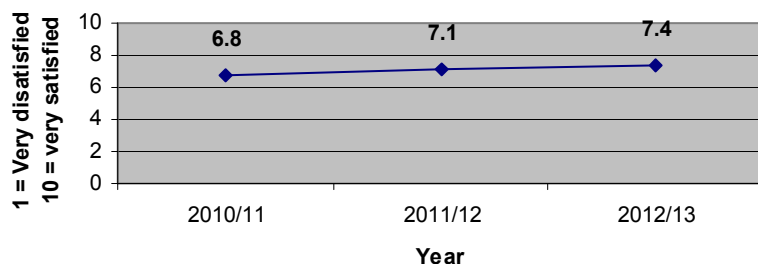
Customer Service Excellence accreditation

To support our continued drive to improve our services, we are using the Customer Service Excellence (CSE) government standard as a practical tool to drive our customer focused transformation. The standard is based on those things which customers have highlighted are important to them (in research with Mori) and has enabled us to identify further improvements in our service provision. Our electricity customer team have achieved the CSE standard, following independent assessment, and we are committed to ensure the principles of CSE are applied to customer and stakeholder facing teams across our organisation.

Stakeholder survey scores

Since 2009 we have been asking our customers how satisfied they are with various aspects of our service. Overall satisfaction with National Grid Electricity Transmission is getting better and we are working hard to build on the improvements our stakeholders recognised in our electricity business. We conduct surveys across service areas including connections, charging, outages, control rooms and regulatory frameworks. The graph below summarises our overall performance:

Electricity Transmission Overall Customer Satisfaction

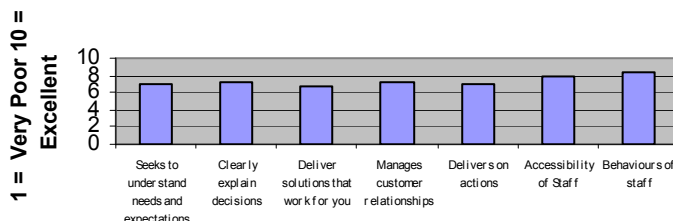


Customer Commitment

As part of our regular customer satisfaction survey we have introduced questions on our customer commitment, as described on page 7. This enables us to measure how we are performing against the commitment.

The following chart shows how we have performed over the last year.

Electricity Transmission - Customer Commitment 2012/13



These results drive our processes going forward, allowing us to focus on specifics and continue to improve and revise our commitment to customers and stakeholders. This helps us to ensure that we are delivering on our promises to stakeholders and that they are satisfied with our processes and outcomes.

Stakeholder Feedback

One of the best ways of assessing our engagement activities is to ask for our stakeholders views. We seek regular feedback from our stakeholders on our engagement processes to help us to understand how we are performing and to ensure that we are meeting their needs.

Talking Networks: "National Grid is more serious about engaging with stakeholders than I had thought. There should, and hopefully will, be more opportunities to engage, which we appreciate."

FES: "I thought last year's event was one of the best events I've attended, with both good context and good critique of Grid's work"

FES: "I thought the focus was too heavy on power this year, though I thought the morning session was outstanding"

FES: "I thought this was an excellent event. A wide range of points of view were presented"

Sustainability Summit: "Thank you for putting on such an inspirational summit on Sustainability"

Sustainability Summit: "I really enjoyed the summit, and I am so inspired by the energy, positive stories, and possibilities that we discovered in these two days. It is truly amazing how National Grid presented itself"

Sustainability Summit: "I thought that opening the summit to external parties and baring National Grid's sustainable soul to public scrutiny was a bold move. It certainly paid off"

In the Community: "The support from the team at Kemsley substation is a great boost to the young people of Kemsley"

In the Community: "...good communication between bird

watchers, ornithological society members and residents led to National Grid being alerted to the raven nest and they promptly stopped their work enabling the birds to raise their brood undisturbed. This goes down as a small but successful conservation story.”

Feedback from our regulators

Ofgems feedback on our engagement for our price control submission, known as Talking Networks, provides assurance that our engagement is improving and moving in the right direction.

“For National Grid Electricity Transmission (NGET) there are significant positives in their plan, most notably their detailed stakeholder engagement processes”

“All of the companies have sought to engage more effectively with a wider range of stakeholders. NGET and NGG have been most effective. Third parties, including the CCG, identified a number of positives in National Grid’s process including that they started engagement early and demonstrated a multifaceted and iterative process for engagement”.

“National Grid demonstrated a detailed, multi-faceted and inclusive process of stakeholder engagement. They also make a strong commitment to enduring stakeholder engagement”

Development areas:

“NGET need to provide evidence of where stakeholders had a different perspective and an explanation as to why they had adopted a different approach”

“There is scope for further development in the stakeholder engagement processes”

“We expect NGET and NGGT to keep developing their approaches to stakeholder engagement and to seek continually to improve”

Taking these views into account we will be ensuring that an appropriate level of stakeholder diversity is used in the future. Our effectiveness will be monitored by the Stakeholder Management Steering Group outlined on page 5.

We are also in the process of establishing a Stakeholder Advisory Panel to ensure our business and practices properly take into account the interests, aspirations and concerns of all stakeholders and customers.

The objective of the panel is to allow our executive to draw on the experience of eminent and diverse senior advisors outside of National Grid to discuss key stakeholder issues and their impact on our business. The panel will provide a challenge to our executive team and a strong voice for our stakeholders, helping to shape our business strategy.

An annual statement will be published on our website explaining how the panel has operated, the areas it has focused on, how it has assured itself that we engage fully and with diversity and areas for improvement.

Building for the Future

Our engagement strategy has developed significantly over the past year, as we work to ensure that we are engaging with our stakeholders in the way that best suits them and around the issues that are of greatest importance to them. Our strategy will continue to develop and strengthen over the coming year, utilising the feedback from our stakeholders and the initiatives outlined in this submission.