

1. *Please explain the basis for determining which projects are prioritised and selected as part of a programme. Additionally, please clarify what input stakeholders have in this process and how you deal with conflicting opinions from different stakeholders.*

We have built strong and enduring relationships with our stakeholders, and often the inception of new projects is the result of engaging with these trusted partners on programmes of work that deliver outcomes important to our stakeholders and customers, aligning with our three commitments and seven customer priorities. When a new project opportunity is identified, to ensure our process is robust we use our project initiative assessment process to 'score' initiatives by evaluating against a set of criteria that are aligned to our stakeholders' and customers' priorities (*see part 1, page 8 of our SEI submission for more information*). Furthermore, our social value tool, which has been developed with the involvement of our stakeholders, allows us to identify the social value that a project is expected to generate prior to commencement. We can also use this tool to monitor progress during a project and ultimately evaluate the social value of the outputs at the end. In this way we are able to determine whether an initiative will deliver a social return on investment, and prioritise those which deliver the greatest benefits.

We always test our proposals with our stakeholders. As an example, at our stakeholder workshops in January and August 2019 we discussed the measures that we were 'minded to' proceed with to enhance our support for vulnerable customers, and a 'shopping list' of other ideas to potentially take further. Stakeholders shared views on how and where we should invest to deliver beneficial outcomes, including audience voting/polling, so that both qualitative and quantitative prioritised insight was captured from these exchanges. In general, our strategic approach to customer and stakeholder engagement utilises both qualitative and quantitative engagement and research techniques. This allows us to triangulate insight from multiple sources, which can be an important means of reconciling potentially conflicting views from individual stakeholders or engagements by revealing where the consensus of opinion lies in relation to a particular consideration. As an example, some customers and stakeholders have differing views on our level of ambition in relation to operating our business more sustainably, so we have engaged extensively to identify which activities in our Environmental Action Plan are seen as delivering the most benefit in the eyes of stakeholders and customers. Our updated stakeholder mapping also requires us to assess stakeholders' level of influence/impact on our decision making, allowing us to weight key influential stakeholders' views on certain topics where, for example, a high level of technical knowledge is required in order to provide well-informed views. Our stakeholder mapping also quantifies the amount of engagement we have undertaken with different stakeholder groups, which can again identify if we need to do more targeted engagement to resolve potential areas of conflicting opinion.

2. *Your Sustainable Development Goals ("SDGs") are being adopted by many organisations. However, their adoption can mean different things. Often, it is unclear whether the priorities adopted reflect the targets that sit under those goals. Please provide responses to the following:*

a. Provide further clarity on the work undertaken with your stakeholders to gain input to the selection of the subset of SDGs as the most appropriate goals.

Working with SDG consultancy experts, our first step was to conduct a series of materiality reviews with key internal stakeholders. These included representation from Safety, Health & Environment (SHE), HR, stakeholder engagement, finance, estates management, innovation and operations. This first stage identified which SDGs we felt were most important to us, and likely to be important to our stakeholders, based on the role of our business and our activities. We undertook a comprehensive review of all the goals and the key targets underpinning each one, which included determining which were most material and relevant for our business. Consequently, eight of the 17 SDGs which most directly apply to our business were selected as highest priority. To test this initial determination, we conducted two workshops with external expert stakeholders who had a focus on sustainability and knowledge of the SDGs. Stakeholders were asked the same questions as our internal stakeholders and asked to score the SDGs based on their views as to the significance to our business and the importance to stakeholders. As a result, we have given all views equal weighting to create a materiality matrix for the SDGs and their relevance to our business and our stakeholders (*see part 2, page 8, figure 1 of our SEI submission*). This includes an indication of our ability to impact a specific goal (which is represented by the size of each 'bubble' in the matrix diagram).

b. Explain how SDGs are delivering tangible benefits in your operating area, and how you are monitoring and reporting progress to stakeholders.

We have shared and discussed our environmental performance with stakeholders and customers at workshops, and have historically published information externally on our website, on social media and in our Annual Report. Our SDG-led net zero strategy has been developed with input from internal and external stakeholders, and will be officially launched this year. Examples of positive actions we are already undertaking include the use of innovative GECO pumps to avoid natural gas emissions to atmosphere, joining the Supply Chain Sustainability School to better engage with and support our supply chain and contractors in operating more sustainably, and procuring 100% Renewable Energy Guarantees of Origin (REGO) certified renewable electricity for the majority of our offices and depots (creating a saving of more than 3,600 tonnes of CO₂ each year). To monitor progress we report 10 leading and 10 lagging indicators to our Board each quarter, and have committed to monitoring and reporting progress towards our SDG-led net zero strategy on an annual basis, including in our Annual Report and in a public Annual Environmental (net zero) Report. Additionally, in 2019/20 we joined 'Support the Goals', an initiative that enables us to showcase the actions we are taking to achieve the SDGs and learn from other industry leaders.

3. *The COVID-19 pandemic has changed both the ways of working and how stakeholder engagement is conducted. Please provide responses to the following:*
- a. *How have stakeholders helped you put in place new ways of working for the COVID-19 pandemic?*

We engaged in bi-weekly Covid-19-specific meetings of the Gas Transporters Operational Safety Group, chaired by the HSE, to develop consistency with the other GDNs around safety related issues. Facilitated by BEIS, we split our gas control over multiple sites to ensure resilience and our Customer Experience team benefitted from the Customer Contact Association's best-practice advice in relation to procedures and employee welfare when transitioning to home working.

Changeworks helped us to alter our approach to energy and debt advice for vulnerable households by diversifying our energy advice cafes and developing a series of short films, providing practical tips on saving energy and managing debt, and an intervention fund to support those in desperate need. **56** vulnerable households have been supported through the fund and our films have been viewed over **2000** times. Advice from local charities has helped us to reshape our community action programme, which now allows staff to volunteer for community schemes in their working time. This greater flexibility has resulted in our people spending over **1000** hours volunteering.

b. *What new methods of stakeholder engagement have you found useful and why?*
We've used a new online customer sentiment panel and face-to-face customer doorstep surveys to understand the public's views in relation to restarting our Repex programme, which has influenced our communications and the way we carry out our works. Since early March we've substituted our face-to-face events with online meetings and real-time polling, allowing us to continue engaging stakeholders whilst adhering to Government guidance. This has avoided any need to travel, kept everyone safely working from home, cut carbon emissions, and reduced costs and travel time for all concerned. We've set up a dedicated Covid-19 microsite containing an information video and FAQs to reassure and inform stakeholders and customers about how we are working safely (including in people's homes where necessary). We have also issued regular e-newsletters and an online survey to keep stakeholders updated on our activities and gain valuable feedback on our engagement and what more we can do to support the pandemic.

- c. *What learnings from the pandemic are enabling you to deliver more for customers and stakeholders?*

Taking on the lessons learnt from Covid-19, we've developed a 'Fit for the Future' programme to deliver efficiencies through enhanced use of technology, increased collaboration, faster decision making and improved communications. Working in collaboration with other GDNs, we are investigating new innovations to reduce the potential risks of our works on customers (in particular those who are shielding or vulnerable) as we restart our Repex programme. For example, our Live Service Transfer project would allow us to transfer a gas service without entering a customer's property.

4. *Many companies are using technologies such as Artificial Intelligence to improve stakeholder engagement.*
- a. *Please explain what steps have been taken to use technologies such as Artificial Intelligence, Big Data and others to improve stakeholder engagement, deliver benefits to stakeholders and improve services to vulnerable customers.*

We have undertaken successful projects using Big Data to develop Predictive Analytics (PA) models. We used historical 'dark data' pertaining to our above 7 bar assets (including pressure, volume and temperature at a site level, captured at minute intervals over the past seven years) to produce a model that successfully predicted asset faults with a nominal 70% accuracy of when an alarm would be raised up to 14 days ahead. This year we also refreshed our iron and steel pipe failure PA model with a further five years' worth of data. This integrates several million bits of data relating to our pipes with fixed and temporal datasets including ground conditions and temperature changes, allowing us to predict which metallic mains will leak first. The models deliver benefits including lower carbon emissions and improved network safety and reliability (which our customer research has shown is the highest priority for vulnerable customers). We've shared this model with stakeholders including Ofgem, the HSE and other utilities. This is a developing area for our business, and we have identified the need to progress these solutions to meet our three commitments and customer priorities, including providing excellent service and supporting those vulnerable in the community, by explicitly defining future technology readiness (including AI and Big Data) as areas we are seeking regulatory funding for within our IT business plan (which is currently under consultation).

- b. *What data sets have you made available to other stakeholders?*

As discussed in our SEI document, we have shared data such as fuel poverty mapping information to enable targeted support for vulnerable customers. We have worked with stakeholders including the GLA and local authorities throughout our footprint to share datasets pertaining to our network, enabling enhanced strategic planning in relation to coordinating planned streetworks and likely future demand on our network. We've ensured easy access for stakeholders and third parties to view our pipeline assets online via a digital mapping portal.

- c. *What help, if any, are you giving these stakeholders with using the data?*

As described in our [Digitisation Strategy](#), we continue to develop processes, platforms and governance arrangements around data sharing with our key stakeholders, including receiving input from, and providing updates to, our stakeholders. We are working with BEIS and Ofgem on a Modernising Energy Data strategy via the ENA Data Working Group, through which we are leading on the coordination of stakeholder events to engage with a broad spectrum of industry data consumers, supporting cross-network activities to make our data available to assist the development of energy sector data services.