

# 11. STRATEGIC COMMUNICATIONS



## LHOTSE

Lhotse is one of the 8000-ers and is a very hard-to-get point. It is located in north subtropical latitudes. Its coordinates are 27.9667 (north altitude) and 86.9333 (eastern longitude). In terms of geographical position the peak can be characterized as follows: Eurasia (Asia), Himalayas, Central Nepal Himalaya. In terms of administrative regions the peak belongs to the following countries – Nepal and China.



We work hard to build close relations with key target groups. Our information policy rests on the principles of completeness, authenticity, easy access to information as well as regularity and timeliness of disclosure for general public. It sings in unison with a long-term communications strategy and united principles of Russian Grids' information policy. The Company pays a lot of attention to building its business reputation as one of the key components of strategic management. Initiation and building of efficient communications with business, professional, expert, scientific communities, federal and regional authorities or public, veteran and youth organizations as well as personnel of the Company.

The Company works hard to build a benevolent communicative environment. Key directions of the activities are media relations to build goodwill of the Company, enhance influence and promote the Company's interests in external environment. In 2013 the number of releases on our operations in mass media grew up by 24% and exceeded 8.7 thous., over 80% of all releases were initiated by our PR department. Positive and neutral publications totaled 99.06%. A high share of releases initiated by our PR sections demonstrates the Company's control over own image. The Kommersant-Ural granted us the first place for regional information transparency for the third year in a row. The key topics for press releases in 2013 were investment program, repairs and operations during acts of nature as well as a quick restoration of energy supply after incidents. A high share of releases cover our achievements in the facilitation of easy access to infrastructure in the service area. 63% of all publications on the Company covered the above-mentioned topics, 4% of publications were devoted to corporate governance and shares, 4% of releases exposed social policy of the Company, cooperation with veteran and youth groups. In terms of releases on connection we can underline a 13% growth of releases on the issue in comparison to 2012. This shows an increase of transparency on the issue. Primarily, it is a result of our internal project on the enhancement of connection efficiency and adherence to the easy-access-infrastructure governmental roadmap. The project includes 3 directions, including enhanced accessibility of information on connection and customer relations improvement.

In 2013 the Company continued to focus on efficient customer feedback. Additional information support to communication channels facilitated the usage of CEO on-line reception room on our official web-site. Over 584 customers have solved their problems via the service (+64% on 2012). The most frequent questions were related to connection, supply and metering quality. Applications forwarded via the online reception room were carefully examined by the management. In 2013 the Company strived to provide maximum convenience and comfort for customers and enhance the quality of face-to-face services. During the year we opened three new face-to-face customer centers in Zlatoust, Chaikovsky and Ekaterinburg. All in all, we have approx. 20 customer centers with the staff serving customers on one-stop principle. This helps simplify the preparation of contracts on connection and solve other supply-related issues that were formerly time-consuming.

Customer Councils created in 2013 in the Sverdlovsk and Chelyabinsk regions became another efficient instrument for face-to-face customer relations. The membership of the regional councils includes representatives from small and medium businesses, regional public associations and large industrial consumers,





regional authorities responsible for energy sector. These new public institutions are designed to enhance transparency of tariff requests and approved tariffs, to ease connection to infrastructure and to strengthen the efficiency of customer relations with a view to evolve grid infrastructure on the service area. Targeted cooperation with local authorities enables the Company to obtain support of our initiatives from the regional administrations and locate the Company as a leading regional grid company. Thus, in 2013 Ekaterinburg hosted 1st Interregional conference "Implementation of easy-access-infrastructure roadmap" arranged by IDGC of Urals, Strategic Initiative Agency and Business Russia. Representatives of legislative, executive and municipal authorities of the Sverdlovsk, Chelyabinsk and Perm regions, heads of regional branches of Opora Rossii, Russian Union of Industrialists and Entrepreneurs, Guild of the Urals constructors, Association of Russian Lawyers, entrepreneurs and heads of largest energy companies of the Urals region were among the participants. The participants discussed the implementation of the federal easy-access-infrastructure roadmap, pivotal connection-related legislation issues and examined other problems on enhancing investment attractiveness of the Sverdlovsk, Chelyabinsk and Perm regions. Regular close contacts with business community help find constructive solutions to controversial issues.

The Company continues to develop existing intracorporate communications and creates new ones. The Company also actively promotes itself in social networks. We have over 1300 followers in Facebook, over 600 users daily receive Company's news via Twitter, our page in vk.com promotes our youth policy and helps seek young professionals. The traffic of our website in 2013 grew by 10.5% and exceeded 178 thous. unique users. The web-site entered Yandex top ten resources that disseminate information on energy supply. During the year we traditionally prepared 12 issues of our corporate newspaper that is an important instrument for non-financial stimulation of employees and for distributing information on the Company's operations. Key topics covered by the newspaper were labor condition improvement, acquisition of new vehicles and equipment, labor safety, activities of veteran and young professional councils. Columns narrating on an everyday labor of the personnel and on illustrated instructions on labor protection for technical specialists became the key innovations of the newspaper.

Exhibitions are an important part of communications and market positioning of the Company as a leading grid company in the service area as well as shaping and supporting united image of Russian Grids. In 2013 the Company participated in 8 large Urals exhibitions. Innoprom-2013 (Urals international exhibition and forum for industries and innovations) is one of the most important. It is a leading Russian event devoted to new industrial technologies and developments. The exhibition is arranged on an annual basis since 2010. In 2013 Global Industries became the key forum theme line. With the participation of Dmitry Medvedev, the prime minister, Russian and international business and expert communities discussed the situation in global industries and evolution strategy taking into account various risk factors. 510 companies from 70 countries participated in the exhibition. The Company focused on its Innovative Development Program. Our "Best Idea Gets a Million" motto expressed a new trend of the program

according to which our specialists search for new ideas and partners and the Company is ready to examine cutting-edge and out-of-the-box solutions. The Company declared that a wide range of participants can be a partner under Innovative Development Program. We invited educational institutions, scientific organizations, small and medium innovative businesses, IT clusters and equipment producers to cooperation. The Company determined 4 vectors of its innovative evolution: increase of reliability and quality of transmission services, connection of new consumers, increase of equipment exploitation, increase of grid efficiency. Our key objective on Innoprom-2013 was not only to expose our Innovative Development Program and attract partners but also to make visits to our exhibition board more interesting. In the middle of the area there was an interactive Switch On! art object – installation comprising two human figures made of wires of different type, including innovative wires used in everyday work. The key message of the installation lay in the fact that any wishing person could be a participant of transmission process. Almost 5 thous. visitors came to the Company's board that became one of the popular exhibition boards.

Outreach activities on traumatism prevention among regional population became an important working aspect in 2013. The activities were arranged according to requirements of the Program on public and information activities on outsider traumatism prevention on the Company's facilities within the framework of the united Russian Grids program. The main emphasis is laid on less protected population groups: schoolchildren, children from problem families, fishermen, drivers operating heavy machinery and gardeners. To consolidate efforts we arranged interaction with the regional ministries of education, ministries of energy, Russian ministry of internal affairs and Russian Technical Supervisory Authority.

The Company arranged a closer cooperation with Fishing Sport Federation.

To strengthen communications with target audiences on prevention we prepared a detailed list of educational institutions and children holiday camps in the service area, dangerous crossings of water basins or gardeners' partnerships with power lines as well as a list of policemen dealing with difficult teenagers. We also prepared recommendations to lessons on safety. The methodical literature was approved by the Ministry of Education of the Sverdlovsk region and recommended to heads of local authorities responsible for education and heads of educational institutions.

In 2013 the Company opened the Urals Energy Museum. A new historical site was arranged under the auspices of the Company on the basis of Sverdlovsk Energy System Museum that was active since 1977 and occupied a part of a building hosting a former Sverdlovenergo educational facility. The site depicts the history of Urals energy sector evolution – from first lanterns of Ekaterinburg, Chelyabinsk and Perm to modern equipment. The Museum has over 900 photos and documents and over 500 large museum pieces. The pieces are grouped by historical periods and devoted to key landmarks of the Urals energy sector evolution: from commissioning of first power plants in the Urals to sector events in 21st century. The exhibition contains personal belongings of directors of the regional energy system, letters from the warfronts written by power engineers, belongings of repressed power engineers and historical equipment. Each visitor can observe the evolution of the regional grid sector and get to know most interesting stages of Urals energy sector evolution. Besides constant historical exhibition the museum also has a separate hall for various events – temporary exhibitions, round tables, conferences, interactive lectures, veterans' meetings, events for students and schoolchildren.

