

COMMITTED TO DIALOGUE

Effective stakeholder engagement is an integral part of how SUEK operates. In the process of developing relations with our stakeholders, we are committed to open dialogue and trusted partnership. This enables us to understand and respond to the interests and expectations of key stakeholders.

We determine our key stakeholders by assessing the impact that different groups have, or might have, on our performance, as well as the impact that the company has on their well being. When building stakeholder relationships, the basic principles we adhere to are defined in SUEK’s Code of Corporate Ethics. They include:

- Regulation of stakeholder relations by law in Russia and other countries where SUEK operates;
- Respect for the interests of all stakeholders, and the promotion of active cooperation based on honesty, transparency and mutual respect;

- Informational transparency;
- Compliance with ethical standards relating to business conduct.

When interacting with stakeholders regarding material matters, we use a comprehensive communications system. This system helps ensure the completeness, timeliness, objectivity, reliability and consistency of information, as well as providing open access to this information. In addition to publishing information on the company’s website, SUEK’s management participates in Russian and international forums, holds interviews with the media, and conducts regular meetings with employees.

The internal communications system includes a corporate portal and a hotline.

We also use special channels that are designed both to inform our stakeholders about all material matters that could affect the company’s operations, and to gather their feedback on our financial and non-financial disclosures. These channels include conferences, round tables and public hearings at which we disclose information relevant to certain stakeholder groups.

The company’s stakeholders	Relevant material issues	Channels and formats of engagement
<p>Shareholders</p> <p>We seek to ensure sustainable growth for the company and increase its long-term value for the benefit of our shareholders. We always respect shareholders’ rights and enable full access to necessary company data.</p>	<p>M1</p> <p>M2</p> <p>M3</p> <p>M4</p> <p>M6</p>	<ul style="list-style-type: none"> • General Meeting of Shareholders • Corporate reporting • Corporate media
<p>Financial stakeholders and potential investors</p> <p>Our relations with financial stakeholders and potential investors are based on the improvement of the company’s investment potential through the development of our corporate governance and operational efficiency.</p> <p>We aim for maximum disclosure of relevant information in this area, including information regarding the company’s strategy and operational and financial performance.</p>	<p>M1</p> <p>M2</p> <p>M4</p> <p>M6</p>	<ul style="list-style-type: none"> • Meetings with banks and potential investors • Corporate reporting • Corporate website, press releases and investor presentations • Site visits
<p>Employees</p> <p>We offer fair remuneration, fulfil our social commitments and provide professional and personal development and training for our staff. We also aim to improve labour efficiency and safety, protect workers’ health and implement social programmes to raise living standards for our employees and their families.</p>	<p>M1</p> <p>M3</p> <p>M6</p>	<ul style="list-style-type: none"> • Staff training and development • Meetings between management and employees • Corporate media • Staff opinion surveys • Agreements with trade unions and collective arrangements • Social programmes and corporate medical programmes • Multi-channel hotline

The company's stakeholders	Relevant material issues	Channels and formats of engagement
<p>Suppliers and business partners</p> <p>In our relations with suppliers and business partners, we try to create and develop long-term and constructive partnerships. Our principles of cooperation are based on the observance of business ethics and the complete fulfilment of contractual obligations, as well as responsible supply chain management (for details on our supply chain, see page 68). We also include health, safety, social and environmental issues in our arrangements with contractors.</p>	<p>M4</p> <p>M5</p> <p>M6</p>	<ul style="list-style-type: none"> • Cooperation agreements • Business meetings • Conferences and exhibitions • Open tenders • Participation in professional Russian and international unions and organisations • Section of website www.suek.ru that is dedicated to suppliers • Publications in the media
<p>Customers</p> <p>We focus on providing high-quality service, which means ensuring seamless, uninterrupted and timely delivery of coal shipments. We are constantly improving our product quality and we strive to personalise our approach with each and every one of our customers.</p>	<p>M1</p> <p>M2</p> <p>M4</p> <p>M5</p>	<ul style="list-style-type: none"> • Cooperation agreements • Conferences and exhibitions • Business meetings • Claims resolution and accounting systems • Corporate reporting • Corporate media system • Online coal purchase form on the corporate website
<p>State authorities</p> <p>Our key objectives in cooperating with state authorities include: the development of close cooperation and partnerships to improve the competitiveness of the national and regional economies; the promotion of social development throughout the regions; and the creation of solutions to environmental problems. The company's interaction with the state is based on strict adherence to all applicable laws and requirements, and joint development of regulatory documents. Government agencies also call upon our industry expertise to help inform strategic decision making on Russian fuel and energy issues, and purpose-oriented programmes.</p>	<p>M1</p> <p>M3</p> <p>M4</p> <p>M6</p>	<ul style="list-style-type: none"> • Social and economic partnership agreements • Joint working groups • Committees and conferences • Round tables and meetings • Corporate reporting
<p>Local communities in the regions where we operate</p> <p>In our interaction with local communities, we aim to jointly develop social infrastructure, create human capital, implement social activities, and deliver projects focused on environmental protection. We implement social and charity projects in healthcare, education, housing improvement and development. We also provide communal services, culture, sports and business development initiatives, as well as support to disadvantaged social groups. In addition, we actively encourage and enable local communities to get involved in solving urgent social problems, which is a prerequisite for sustainable development.</p>	<p>M3</p> <p>M4</p> <p>M5</p>	<ul style="list-style-type: none"> • Employment of local populations • Social, charity and environmental projects • Public hearings and round tables • Seminars and conferences • Corporate reporting • Our corporate media system • Publications in the media
<p>Expert organisations and NGOs</p> <p>Engagement with expert and public organisations allows us to receive feedback on how to deliver better business, social and environmental outcomes. We engage specialist organisations and Non-Governmental Organisations (NGOs) in the study, evaluation and implementation of social projects and programmes in the field of environmental management. Our relations with such organisations rely on open dialogue, transparency and parity.</p>	<p>M3</p> <p>M5</p>	<ul style="list-style-type: none"> • Joint implementation of social projects • Seminars, conferences • Round tables and working groups • Corporate reporting • Publications in the media and corporate resources