

RESPONSIBLE COAL PRODUCER

A LEADING COAL PRODUCER

SUEK is one of the ten largest coal producers in the world by output and sales, with hard coal reserves set to last for over 30 years.

5.3

Billion tonnes reserves

26

Open pits and underground mines

9

Washing plants

SUEK is a vertically integrated business with extensive control of its value chain. We oversee all stages of the coal lifecycle, from extraction, processing and transportation through to worldwide sales and distribution.

We have large-scale open pits and underground mines in Siberia and Far-Eastern Russia, as well as modern washing and processing facilities that enable us to enhance the quality of our coal. We also own railcars and port infrastructure, which means we can efficiently reach our customers in the Russian, Atlantic and Asia-Pacific markets.



FOR MORE DETAILS, SEE OUR ASSETS ON PAGES 56-65.

A RELIABLE COAL SUPPLIER

Our production capacities, infrastructure and extensive sales network enable us to satisfy customer demand in Russia and abroad.

We are the largest supplier of thermal coal to the Russian market, accounting for 41% of domestic sales. Located close to major consumers, and with a large railcar fleet, we provide fuel for major power-generating companies, which in turn supply electricity and heat to industry and households across the country.

Our aim is to enhance our position as the largest exporter of coal from Russia, focusing particularly on supplying high-quality coal. Some of our assets are located much closer to the Asia-Pacific markets than those of other Russian coal companies – 4,300 km closer, in the case of our Urgal production facilities. This means our delivery times are shorter and transportation is more reliable, giving us a distinct competitive advantage. Similarly, our ports in the west and east of Russia help us avoid shipping bottlenecks, even in the busiest seasons.



FOR MORE DETAILS ABOUT SUEK'S SALES TO RUSSIAN AND INTERNATIONAL MARKETS, SEE PAGES 66-67.

FOCUSED ON SUSTAINABILITY

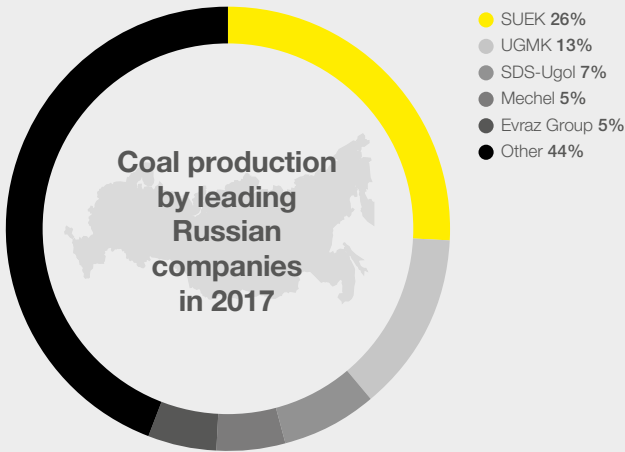
Our sustainability priorities include achieving a high standard of industrial and environmental safety, improving the efficiency of our production, and looking after our employees' health, well being and development.

Across our business we invest in the health and safety of our employees and support their professional and personal advancement. Our regular technical improvements help to make the workplace safer, more efficient and more productive.

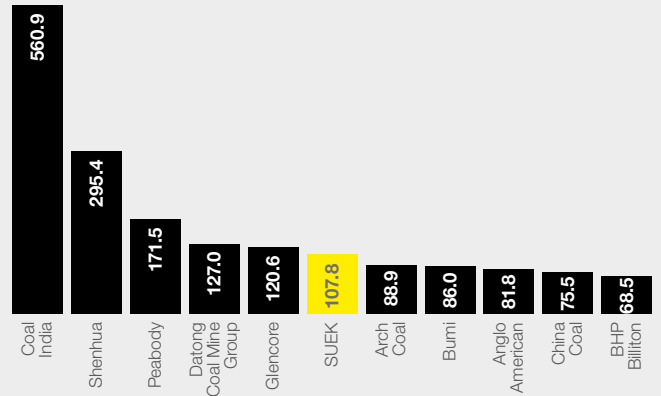
We also harness technologies which are designed to reduce the negative environmental impact of our operations. In 2017, SUEK adopted an environmental strategy that provides for a wide range of measures to reduce emissions and waste, to ensure rational use of water resources, energy efficiency, land reclamation, reduction of dust emissions during storage and coal transfer at coal terminals. Our coal-washing facilities enhance the calorific value of mined coal by reducing ash and moisture, resulting in greater energy efficiency and enabling our customers to decrease emissions during coal combustion.



FOR MORE DETAILS, SEE THE SUSTAINABILITY SECTION ON PAGES 76-94.

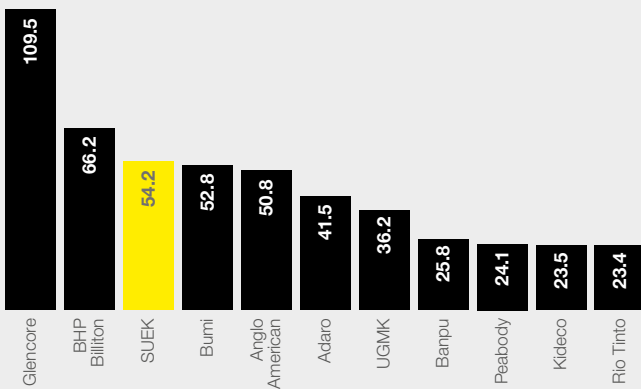


Coal production by the world's leading companies in 2017 (million tonnes)



Source: SUEK's estimates, companies' reporting

International coal sales by leading producers in 2017 (million tonnes)

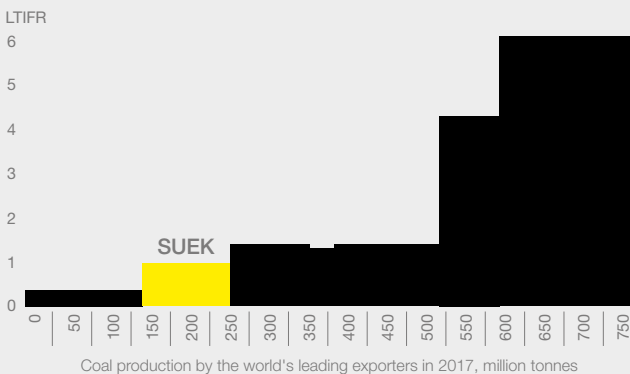


Source: SUEK's estimates, companies' reporting.

1,900 Customers in 42 countries
30 Trading and distribution offices in Russia and key global markets

3 Ports

One of the lowest LTIFR in Russian and global mining



33,583 Employees work for SUEK in 12 countries
\$22m Spent on social and community projects in 2017

\$28m Spent on environmental activities in 2017
\$56m Spent on health and safety initiatives in 2017