

Glossary

Terms and definitions

API 2 Index	The CIF (cost, insurance and freight) price of coal at the ports of ARA (Amsterdam, Rotterdam and Antwerp) with coal calorific value of 6,000 kcal/kg.	PCI coal	Pulverised coal injection coal is a soft, non-coking coal that is finely ground and injected directly into a blast furnace and has the effect of reducing the coke rate.
API 8 Index	The CFR (cost and freight) price of coal delivered to south China with coal calorific value of 5,500 kcal/kg.	Semi-hard coking coal	Coal with coke strength reactivity index falling between 35-65% and a free swelling index (FSI) of 5 to 7.
Calorific value	is the amount of potential energy in coal that can be converted into actual heating ability.	Semi-soft coking coal	Coal with low coke strength reactivity, usually between 10-35%, and a free swelling index (FSI) around 3 to 5. It is blended with hard coking coal to reduce the cost of coke making in the steel making process.
CIF	'Cost, Insurance and Freight' means that the seller delivers the goods on board the vessel or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel. The seller must contract for and pay the costs and freight necessary to bring the goods to the named port of destination.	Sized coal	Coal which has passed through a screening process and is grouped into ranges according to size of particles. It is used mainly by households for heating purposes.
Coking coal	Coal suitable for carbonisation in coke ovens. It must have good coking properties to produce strong coke for steel making, with low sulphur and phosphorus content.	SGK	Siberian Generating Company, SUEK's sister company, is one of the largest energy holdings in Russia, which includes 17 power plants with generating capacity of 7,820 megawatt.
FOB	'Free On Board' means that the seller delivers the goods on board the vessel nominated by the buyer at the named port of shipment or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel, and the buyer bears all costs from that moment onwards.	SRK	SRK Consulting is an independent, international consulting practice that provides advice and solutions mainly in the earth and water resource industries.
globalCOAL NEWC	Index based on the FOB delivery of thermal coal at the Port of Newcastle in Australia with coal calorific value of 6,000 kcal/kg NAR.	Steam coal	Also known as thermal coal. Burned primarily in boilers, to generate steam for the production of electricity or for process heating purposes, or used as a direct source of process heat.
High-volatile coal	Coal containing less than 69% fixed carbon and more than 31% volatile matter on a dry basis.		
LoM	Life-of-mine model is specifically designed for each coal production unit based on well-developed 3D geology, using special mining software, and covering the production process for both brownfield and greenfield operations for the total duration of mining.		
Low-ash coal	Coal containing less than 10% ash on a dry basis.		
Low-volatile coal	Coal containing 78-86% fixed carbon and 9-20% volatile matter on a dry basis.		
Metallurgical coal	Generic term referring to coking coal and its different qualities as well as PCI.		
Mid-volatile coal	Coal containing 69-78% fixed carbon and 20-31% volatile matter on a dry basis.		
Overburden	(also called waste or spoil) is the material that lies above an area that lends itself to economical exploitation, such as the rock, soil and ecosystem that lies above a coal seam. Overburden is removed during surface mining, but is typically not contaminated with toxic components and may be used to restore an exhausted mining site to a semblance of its appearance before mining began.		

Abbreviations and acronyms

\$	US Dollar	OHSAS	Occupational Health and Safety Assessment Scheme
\$m	Million US Dollars	PPE	Personal protective equipment
£	British Pound	Q	Quarter
bn	Billion	R&D	Research & Development
Bt	Billion tonnes	RUB	Russian Rouble
CCS	Carbon capture and storage	t	Tonne
COP	Conference of the Parties	TWh	Terawatt hours
ECA	Export credit agencies	UIS	United Information System
ERP	Enterprise Resource Planning	UNDP	United Nations Development Programme
GEF	Global Environmental Fund		
GRI	Global Reporting Initiative		
GW	Gigawatt (one billion watts)		
HELE	High Efficiency Low Emissions		
HR	Human resources		
IAD	Internal Audit Department		
IEA	International Energy Agency		
IFRS	International Financial Reporting Standards		
INDC	Intended Nationally Determined Contributions		
ISO	International Organisation for Standardisation		
JORC	Joint Ore Reserves Committee (standards for public reporting on mineral resources and mineral (ore) reserves, Australia)		
kcal	Kilocalorie		
kcal/kg	Kilocalories per kilogramme		
kg	Kilogramme		
km	Kilometre		
KPI	Key performance indicator		
kW	Kilowatt		
kWh	Kilowatt hour (1,000 watt-hours/ 3.6 megajoules)		
LTIFR	Lost-time injury frequency rate		
m	Metre		
m³	Cubic metre		
mln	Million		
mm	Millimetre		
Mt	Million tonnes		

Information on the company

SUEK PLC¹ was established in the Republic of Cyprus with head office in Limassol on 13 April 2011. SUEK PLC and its subsidiaries are collectively referred to as the Group. The principal activity of the Group is the extraction and sale of coal.

The principal ultimate beneficiary of SUEK PLC is Andrey Melnichenko. MADAKE ENTERPRISES COMPANY LIMITED is the immediate parent company of SUEK PLC.

The main assets of SUEK PLC are Joint Stock Company 'Siberian Coal Energy Company' (JSC SUEK) and its subsidiaries and individual Group entities. SUEK PLC also owns the sales company SUEK AG, which sells coal to international markets.

¹ On 18 April 2016, SUEK PLC changed its name to SUEK LTD.

STRATEGIC REPORT	02
CORPORATE GOVERNANCE	81
FINANCIAL STATEMENTS	95

Forward-looking information and statements on competitive position

This Annual Report contains certain forward-looking statements. All statements, other than those of historical fact, are forward-looking statements that involve risks and uncertainties. There can be no assurances that such statements will prove accurate and actual results and future events could differ materially from those anticipated. The information contained herein represents management's best judgement as at the date of the Report, based on information currently available. SUEK does not assume the obligation to update any forward-looking statements.

Any statements referring to the Group's competitive position are based on our understanding of the prevailing market environment. This derives from a range of sources including investment analysts' reports, independent market studies and SUEK's own assessments of market share, based on the publicly available information regarding the financial results and performance of market participants.

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