

Management Board

as at 31 December 2019

SUEK's management includes long-serving professionals with wide experience in mining, energy and their respective areas.



VLADIMIR RASHEVSKY, 46

Education and qualifications

Vladimir graduated from the Finance Academy under the Government of the Russian Federation, majoring in Global Economics. He holds a Candidate's Degree in Economic Science.

Career

Vladimir began his career in 1992, holding various positions in banking, including Vice-Chairman of the Management Board of Avtobank. In 2000, he joined MDM Bank, where he was appointed Deputy Chairman of the Management Board and then, in December 2001, Chairman of the Management Board.

**CHIEF EXECUTIVE OFFICER
CHAIRMAN OF THE MANAGEMENT BOARD**

In 2004, Vladimir became President of SUEK, and was appointed CEO of the company at the end of that year.

Vladimir is a member of the Board of Directors of Interregional Distribution Grid Company of Siberia.



VLADIMIR ARTEMIEV, 54

Education and qualifications

Vladimir graduated from Novocherkassk Polytechnic Institute as a Mining Engineer and has a PhD in Engineering Science.

Career

Vladimir worked for Gukovugol Industrial Association for over 15 years, beginning his career as an Overman at the Zapadnaya underground mine. In 1998, he was appointed General

Director of Gukovugol, a position which he held for four years. He was appointed Head of the Coal Industry Department at the Russian Ministry of Energy in 2002, and Head of the Mines Inspectorate for the Federal Administration of Environmental, Technological and Nuclear Supervision (Rostekhnadzor) in 2004.

**CHIEF OPERATIONS OFFICER
MEMBER OF THE MANAGEMENT BOARD**

In 2006, Vladimir became Chief Operations Officer of SUEK. In January 2007, he was appointed to the company's Management Board. He has been awarded the Order of Courage for a mine rescue operation, and holds all three degrees of the Miner's Glory medal.

In 2016, Vladimir was awarded the Order of Friendship state award.



IGOR GRIBANOVSKY, 47

Education and qualifications

Igor graduated from the Moscow State Institute of Steel and Alloys, where he studied Metal Forming. He did his postgraduate studies at the Faculty of Economics of Lomonosov Moscow State University, where he majored in Public Sector Economics.

Career

Between 1996 and 2001, Igor worked at the Moscow office of the Japanese Nichimen Corporation in its Department of Coal and Metals. From 2001 to 2005, he headed the export divisions of Vostsibugol, Rosuglesbyt and SUEK.

**CHIEF COMMERCIAL OFFICER
MEMBER OF THE MANAGEMENT BOARD**

In 2005, Igor was appointed Managing Director of SUEK AG, and has been SUEK's Chief Commercial Officer since 2007.

In 2017, he received a state award for his great personal contribution to the development of the national fuel and energy sector.



NIKOLAY PILIPENKO¹, 54

Education and qualifications

Nikolay graduated from Moscow State University in 1989, where he studied Political Economy. He also holds a PhD in Economics.

Career

From 2006 to 2008, Nikolay was Chief Financial Officer of JSC EuroChem. Between 2009 and 2015, he was a member

of the Board of Directors, Audit Committee and Nomination and Remuneration Committee of JSC EuroChem. From 2015 to 2016, he was a member of the Board of Directors, Audit Committee and Nomination and Remuneration Committee of EuroChem Group AG. Before joining EuroChem, he held several management positions at ABB Group in Russia, Spain and Switzerland.

**CHIEF FINANCIAL OFFICER
MEMBER OF THE MANAGEMENT BOARD**

In 2012–2018, Nikolay was a member of the Board of Directors of Siberian Generating Company, where he chaired the Audit Committee. He was appointed Chief Financial Officer of SUEK in October 2016.



ANDREI VANYUSHIN², 42

Education and qualifications

In 1999, Andrei graduated with honours from the Finance Academy affiliated to the Government of the Russian Federation with a degree in Finance and Credit. In 2004, he received a PhD in Economics from the Finance Academy. In 2011, Andrei graduated from INSEAD Executive MBA programme.

Career

Andrei started his career in 1998 as auditor at PWC. From 2003, he worked in the financial service of TNK-BP Management.

From 2005 to 2017, Andrei progressed in SUEK's Financial Service, holding positions from the Department Head

CHIEF INFORMATION OFFICER

to the Deputy Chief Financial Officer. Since 2017, he has served as Chief Financial Officer of SGC. From March 2019 to March 2020, Andrei also was Chief Information Officer at SUEK.

¹ Nikolay left the position of Chief Financial Officer on 12 March 2020.

² Andrei was appointed Chief Financial Officer of SUEK on 12 March 2020 and became a member of Management Board on 17 March 2020.

Executives



ALEXANDER DOLGOPOLOV, 40

CHIEF AUDIT EXECUTIVE

Education and qualifications

Alexander is a graduate of the Moscow State Institute of International Relations (MGIMO), where he studied International Economic Relations. He is also a member of the Institute of Internal Auditors (IIA, US).

Career

From 2000 to 2005, Alexander worked as Assistant Manager in the Energy and Mining Department at PwC.

In 2005, he joined SUEK as Head of Audit Unit and was subsequently appointed Head of Internal Control and Audit Service in May 2011.



SERGEI GRIGORIEV, 63

PUBLIC RELATIONS AND COMMUNICATIONS DIRECTOR

Education and qualifications

Sergei is a graduate of the Institute of Asian and African Countries at Lomonosov Moscow State University. He holds a Master of Public Administration degree from Harvard's John F. Kennedy School of Government.

Office. He was later a political consultant and commentator. His roles also included adviser to the Chairman of the All-Russian State Television and Broadcasting Company and, in 2001, Chief of Staff of the Department of Presidential Affairs of the Russian Federation.

In 2014, he was elected to the Civic Chamber of the Russian Federation. He was also appointed Chairman of the Commission on Development of the Real Sector of the Economy of the Civic Chamber of the Russian Federation.

Career

Sergei's early career was spent with the Soviet Union Association of Friendship Societies. From 1984 to 1990, he worked for the International Department of the Central Committee of the Communist Party, subsequently joining the USSR President's Press

Between 2004 and 2006, Sergei was Vice President of the National Reserve Bank. He was then appointed Deputy General Director of the National Reserve Corporation. Sergei was appointed Public Relations and Communications Director at SUEK in February 2007.

In 2017, he received a state award from the Ministry of Energy of the Russian Federation for his great personal contribution to the development of the national fuel and energy sector.



DENIS ILATOVSKY, 48

DIRECTOR OF LOGISTICS

Education and qualifications

Denis graduated from the Moscow State Institute of Steel and Alloys in 1994. He also obtained an Executive MBA from Antwerp Management School, Belgium, and from the Institute of Business Studies in 2011.

Metalware factory. In 2002, he was appointed Vice President of the Group, where he was responsible for investments, IT and logistics.

In 2017, he was thanked by the Ministry of Energy of the Russian Federation for his great personal contribution to the development of the national fuel and energy sector.

Career

In 1994, Denis began working for the MAIR Industrial Group and in 1996 was appointed Export Director. In 2000, he worked as General Director of Saratov

From 2008, he worked for United Metallurgical Company (OMK), where he was simultaneously Director of Logistics and General Director of the Baltic Metallurgical Terminal (Ust-Luga).

In December 2018, in accordance with the Order of the Russian Ministry of Natural Resources, he received an award for his great contribution to environmental protection, resources conservation and environmental safety.

In 2012, Denis joined SUEK as Director of Logistics.



ANDREY MIRONOV, 54

GENERAL AFFAIRS DIRECTOR

Education and qualifications

Andrey is a graduate of the Leningrad Higher Military Commanders' Training School, the Academy of Federal Security Service and the Academy of National Economy.

Career

Andrey spent the early part of his career in the Federal Security Service. In 2007, he began working in the oil industry as a Security Director.

He joined SUEK in 2011 as General Affairs Deputy Director, and was promoted to General Affairs Director in July 2012.



ALEXANDER REDKIN, 58

GENERAL COUNSEL AND COMPLIANCE OFFICER

Education and qualifications

Alexander graduated from the Saratov Law Institute in 1986.

SIDANCO - TNK-BP Management, where he held several positions including General Counsel of SIDANCO's branch in Saratov and Head of Legal Department.

In 2017, he received a state award from the Ministry of Energy of the Russian Federation for his great personal contribution to the development of the national fuel and energy sector.

Career

Between 1986 and 2001, Alexander worked in the Public Prosecution Department. He subsequently joined

Alexander joined SUEK in 2005, initially as Deputy General Counsel, and was then appointed General Counsel in January 2008.



STEPAN SOLZHENITSYN, 47

SGC CHIEF EXECUTIVE OFFICER

Education and qualifications

Stepan graduated from the Massachusetts Institute of Technology and Harvard University. He specialized in regulatory and environmental aspects of the power industry.

Career

Since 2004, he worked at the Russian office of McKinsey and was in charge of the electric power industry and heat supply in Russia and the CIS. Stepan supervised projects in the field of power

generation, network development and operation, sales activities.

He joined SUEK Group in October 2018, and has been Chief Executive Officer of SGC since November 2018.



DMITRY SYROMYATNIKOV, 53

DIRECTOR OF HR AND ADMINISTRATION

Education and qualifications

Dmitry is a graduate of Saint Petersburg State Paediatric Medical University. In 2005, he attended a Human Resources Management course at the Management Centre Europe (MCE) in Belgium.

Career

In his early career, Dmitry spent more than six years working as a doctor. Between 1997 and 2004, he worked for Bristol-Myers Squibb, a US pharmaceutical company, where he started as a Medical Representative and then held the positions

of Regional Manager, Training Manager and Sales Efficiency Manager.

In 2004, Dmitry joined the Russian Aluminium and Magnesium Institute as HR Director. In 2005, he transferred to the RUSAL Management Company, where he worked in a number of roles including Head of Recruitment and Director of Compensations.

From 2007 to 2008 and 2012 to 2014, he was HR and PR Director at Kirovsky Zavod.

From April 2008 to February 2012, Dmitry was Director of HR and Administration at SUEK, a role he returned to in September 2014.

In 2017, he was awarded the Labour Glory state third degree award by the Ministry of Energy of the Russian Federation in recognition of his great personal contribution to the development of the fuel and energy sector.



VLADIMIR TUZOV, 43

CHIEF STRATEGY OFFICER

Education and qualifications

Vladimir graduated from Bauman Moscow State Technical University, majoring in Biomedical Engineering. He holds a Master's degree in Industrial Management from Ecole Centrale Paris and an MBA from Wharton Business School (University of Pennsylvania).

Career

Vladimir began his career in 2001 as a Production Planning Engineer

for Pechiney, an aluminium company in France. Over the following five years, he held various managerial roles in production, marketing and supply chain management for non-ferrous and ferrous metallurgical companies in France, Russia, Guinea and Ukraine.

Between 2007 and 2013, Vladimir worked for The Boston Consulting Group (BCG) in Russia and the US. At BCG, he provided consultancy services

to financial institutions, heavy industry, mining, automotive and processing companies.

From 2013 until 2015, Vladimir worked at pulp and paper company Ilim Group as Deputy CEO for Strategy and Product Management, and served on the Board of Directors of Ilim Gofra.

Vladimir has been SUEK's Chief Strategy Officer since August 2015.



SERGEY TVERDOKHLEB, 46

STRATEGY AND CORPORATE POLICY DIRECTOR

Education and qualifications

Sergey graduated from the History Department of the Lomonosov Moscow State University and the Finance and Credit Department of the Finance Academy under the Government of Russia.

Career

From 1995 to 2004, he worked in the analytical and economic divisions

of the following commercial banks: SBS-Agro, Avtobank and MDM Bank.

In 2004, he began his tenure with OJSC SUEK as an adviser to the CEO.

In 2009, Sergey was appointed Director of the Corporate Policy and Special Projects Department at SUEK. Since 2019, he has been Director of Strategy and Corporate Policy.

In 2017, he was thanked by the Ministry of Energy of the Russian Federation for his great personal contribution to the development of the national fuel and energy sector.

In 2019, by the Russian President's Decree, he was awarded the medal of the Order of Merit for the Motherland, II degree, for his many years of dedicated work in the coal industry.



IRINA ZAYTSEVA, 43

PROCUREMENT DIRECTOR

Education and qualifications

Irina graduated from Perm State University, Faculty of Law in 1998, and from the National Research University Higher School of Economics, Moscow, in 2001.

Career

Between 2002 and 2011, Irina worked at Uralkali, a potash mining company, where she held a number of senior positions including Director of Inventory and Logistics.

She was appointed Procurement Director at SUEK in May 2011.

In 2017, Irina was thanked by the Ministry of Energy of the Russian Federation for her great personal contribution to the development of the national fuel and energy sector.

Management Board report

SUEK's activities are managed by executive bodies – the Chief Executive Officer and the Management Board. The CEO is elected for an indefinite period. Vladimir Rashevsky has been the CEO of SUEK since 2004 and Chairman of the Management Board since 2005.

The Management Board reports to the Board of Directors and the General Meeting of Shareholders. The primary responsibilities of the Management Board are the development and implementation of the company's production, commercial and other operational plans and improvement programmes. It is also responsible for the timely and effective coordination of the resolutions of the company's executive bodies.

In order to achieve its targets, under the Regulation on the Management Board, SUEK established Management Board committees and panels that enable key managers and experts from different functions to interact on the main issues affecting the company's operations, including consultations on economic, environmental and social matters.

Composition of the Management Board

As of 31 December 2019, the Management Board was comprised of the following four members:

- Vladimir Rashevsky, Chief Executive Officer
- Vladimir Artemiev, Chief Operations Officer
- Igor Gribanovsky, Chief Commercial Officer
- Nikolay Pilipenko, Chief Financial Officer

During the year, 11 senior managers who are not members of the Management Board regularly attended Management Board meetings in-person.

Meetings of the Management Board

There were 18 meetings of SUEK's Management Board in 2019: 12 in-person and six in-absentia. Four meetings were held in an expanded format with the participation of heads of regional coal production units.

The main areas of the Management Board's activities in 2019 were:

- The timely and effective implementation of resolutions taken at the General Meeting of Shareholders and by the company's Board of Directors; preparation of consolidated financial statements, the Group's budget including the Energy Segment, along with other issues related to the resolution of the Board of Directors on SGC consolidation
- The implementation of SUEK's joint and segmented strategies and functional strategies (including

coal asset strategy for Kuzbass and Khakassia, consolidated sales strategy, heat supply strategy, development programme for drilling and blasting operations, IT strategy, strategy for power companies in the Altai region)

- Ensuring the effective implementation of major investment projects and improving the quality of how they are monitored
- The implementation and efficiency assessment of the company's HR policies (including the provision of Kuzbass and Ural mines with key staff), Information Policy (including a survey in the regions of operations in partnership with the Public Opinion Foundation Institute, a social research into customer's attitude to SGC), Social Policy (translation of the Code of Corporate Ethics to employees), Environmental Policy (analysis of environmental protection measures at SUEK's port coal terminals)
- The monthly monitoring of our performance in meeting approved budgets and production targets in volatile market conditions
- Systematic monitoring of actions aimed at managing key risks in 2019, including the risk of coal use restrictions following the decisions of international and national regulators
- Ensuring safe working conditions, minimising the risks associated with coal mining and electricity generation, and developing a strong safety culture
- Optimising production and business processes as part of developing SUEK's management system, with a focus on labour productivity improvement
- Further improving our compliance system, including obtaining certificates for SUEK's compliance management system according to international standards

Some items relating to operational management were reviewed at meetings of specialist committees established in line with the company's Charter and functioning according to the approved work plans:

- Industrial Safety Committee
- Risk Committee
- Investment Committee
- Procurement Committee
- Budget Committee
- Project Committee
- Sales Policy Committee

In 2019, seven special-purpose committees under the Management Board held 91 meetings.

As part of the energy business consolidation, the Board approved a new version of the Regulation on the Industrial Safety Committee, which covers the company's Energy Segment. Considering the increasing focus given to environmental issues by state bodies, their social dimension and importance for SUEK's business reputation, aspects of ensuring the environmental safety at Group's units were added to the Regulation.

Management Board remuneration

SUEK's remuneration system ensures there is a direct relationship between payments to the CEO, members of the Management Board and senior executives and the achievement of KPIs and goals for the reporting period.

The indicators used for annual assessment and calculation of remuneration include both the economic performance of the company and indicators of achieving the company's

sustainable development activity (ensuring the required level of industrial and environmental safety, social security of employees, contribution to the development of the regions where SUEK operates).

In particular, ensuring the proper level of industrial safety is one of the fundamentals of the incentive system for the CEO, members of the Management Board and top managers of SUEK. LTIFR is a crucial indicator affecting remuneration. In addition to the general indicator (both for the company as a whole and by regions), managers may also be subject to additional restrictive conditions for accidents/industrial injuries, depending on the area of responsibility. If these conditions are not met, the annual variable payments are significantly reduced: by 50% or more, down to zero.

Environmental indicators are included in the KPI map for managers, whose area of responsibility includes the implementation of programmes adopted in the field of environmental protection.

The weight of general corporate indicators varies from 20 to 50% of the bonus map, depending on the functional area. Individual indicators for evaluating the performance of managers account for, respectively, 50–80% of the weight of the bonus map.

Annual targets and performance indicators are set for each member of the Management Board and the CEO. They are regularly discussed with SUEK's Nomination and Compensation Committee and approved by SUEK's Board of Directors. The actual amount of remuneration is also determined by the Board of Directors' resolution.

The total remuneration paid out to the members of the Management Board and the CEO of SUEK in 2019,

based on their performance during the year¹, was \$10.1m.

2020 priorities

In accordance with decisions taken by the Board of Directors, in 2020 the Management Board's activities will be aimed at strengthening the competitive advantages of the company. The main emphasis is expected to be given to the following areas:

- Further development and implementation of the development strategy for the Reftinskaya GRES and increasing its operational efficiency
- Developing the updated Environmental Strategy of SGC
- Reorganising the internal control system for business processes according to the 'Three Defence Lines' model
- Enhanced monitoring of industrial and labour safety issues

¹ In 2019, SUEK made remuneration for top management for several large-scale projects, the outcomes of which significantly exceeded expectations.