

Shchekinoazot: business for the public good

Representatives of the Haldor Topsoe company and members of the Topsoe family visited the industrial site of Shchekinoazot and Yasnaya Polyana.



Shchekino chemists honour the memory of Haldor Topsoe, company founder

Historic meeting

THIS VISIT does not require any formal declarations; Danish and Russian companies have a long history together, which exceeds the scope of standard protocols. Yes, the partnership also has a purely commercial side to it: Shchekinoazot buys modern and unique technologies from Haldor Topsoe. As part of the partnership, the M-450 methanol production plant with a yearly capacity of 450,000 tonnes (2011) and the hydrogen producing plant for 26,000 cubic metres per hour (2012) were launched. The construction of a unique manufacturing centre for the production of 450,000 tonnes of methanol and 135,000 tonnes of ammonia per year is at the completion stage, and there is an agreement on the construction of a new M-500 methanol production plant. Yet, the partnership is about more than mutual interest.



"I consider it a great honour and fortune that I personally knew Dr Topsoe and had the opportunity to interact with him. He was a famous scientist, a talented businessman and a legendary man," said **Boris SOKOL, Director General**

of Shchekinoazot. "At the first meeting we had to discuss a whole range of issues. Once all the formalities were settled, Dr Topsoe suddenly asked me: "How do you see your company in 10 years?" And he was ready to listen to the answer carefully. I hadn't thought about this at all. It was a period when Azot was grappling with a very straightforward question: will we survive? Unfortunately, there was no clear response to it, so I started giving a somewhat convoluted answer. He listened to me and said: "After all, the most important thing in our work is where the company will be in 10-20 years."

In later communications, we devoted 10 percent of the total time to negotiating business-related issues, and the remaining 90 percent we spent talking about life, charitable projects. In reality, we are working to be able to help people."

At the origins

PARTNERSHIP between Russian and Danish companies began ten years ago. And this is not a coincidence. The owners of Shchekinoazot were looking for a strategic breakthrough, whether technical, technological or philosophical. This was the only way to save the old and energy-intensive industry. It was difficult and expensive to reanimate the Soviet legacy, and it was hard to predict the result as well. It was necessary to find a fundamentally new way. At the same time or even much earlier, the Danish scientist and entrepreneur Dr Haldor Topsoe initiated meetings with almost all post-Stalin leaders of the Soviet Union and then the Russian Federation and persuaded them that it is more profitable, prestigious and promising to sell not gas but its processed products with higher added value.

This conversation started in Shchekinoazot museum, where guests were able to see old photographs. Some of the photos have a clean clover field, and others – the construction of gas factory buildings in its place. Then, when it became clear that the technology of generating gas from brown coals near Moscow is not cost-effective, the construction of new capacities began – the Shchekinsky Chemical Combine. The village of Pervomaisky was built in parallel. It is noteworthy that practically all the people involved in this process went through World War II and despite the devastation, grief and blood, grasped the essential: the value of human life. A dignified life. Sergey Alexandrovich Dzhobadze, one of the first directors of the chemical combine, did not simply serve in the war; he was the developer of the "rail war", training subversives and saboteurs who operated behind enemy lines. He even led the group of graduates to the first task himself. His successor, Pyotr Mikhailovich Sharov, also fought in a war, although he received his main award – the star of the Hero of Socialist Labour later – for the famous Shchekinsky method, which, at that time, made it possible to significantly reduce labour costs, while simultaneously increasing labour productivity and worker wages. Despite the rigour of production plans, these people, who had fought across half of Europe, tried to make the life of their comrades dignified and comfortable.



Haldor Topsoe technologies are now being put into practice.

For their efforts in the village of Pervomaisky, in addition to houses, schools, kindergartens and their own factory hospital, they received a House of Culture, an amusement park with a pond, as well as a tennis court and a stadium. Later, already in the status of Hero of Socialist Labour, Sharov built a Sports House with a swimming pool at great personal risk to his freedom, career and health. And he didn't receive anything in return, except for a strict reprimand from the Party. These people were not at all acquainted with Dr Haldor Topsoe, but they did share his views: "Business exists in order to benefit society".

To become the best among the first

THE SCALE of successful work on the company's transformation has been highly evaluated. This is evidenced by high state awards given to the managers at Shchekinoazot. Just before the

visit of the Danish partners, Shchekino chemists took part in the 5th International Moscow Chemical Forum as an official partner of the event. Also the Ministry of Industry and Trade of the Russian Federation awarded Boris Sokol, Director General of Shchekinoazot, with a Certificate of Honour for his great contribution to the development of the domestic chemical industry.

"I'm grateful to the members of the Topsoe family and the management of Haldor Topsoe for our joint projects," Mr Sokol told the guests. "Today you can see the implementation of one of those projects – the integrated methanol and ammonia production facility. We plan to launch it in late May 2018. The first three years we will ship ammonia to the consumer, then we will start reprocessing it here. By the end of the year, we expect to sign a contract for the construction of ammonium nitrate production plant. Currently, the total amount of investments exceeds USD 880 million.



The ammonia storage is part of the integrated production facility.



The work on the methanol and ammonia production facility is almost complete.



The grandson of the Haldor Topsoe company founder Jacob TOPSOE spoke on behalf of the whole family when he expressed confidence in the successful implementation of the current project and stressed that Dr Topsoe, if he were still living, would undoubtedly remain satisfied with the actions of his business partners and the result of their cooperation.

Directly on the construction site, Boris Sokol said that the commissioning of new facilities will allow Shchekinoazot to join the ranks of the three largest methanol producers.

"This will be a fundamentally new and efficient type production," he assured. "The technology commonly used in Europe today is no less than forty years old. What Shchekinoazot does together with Haldor Topsoe will determine the present and even the future of the chemicals industry. We will reach the millionth figure, and we will keep envisaging production levels of one and a half million tonnes of methanol per year. With technology partners like Haldor Topsoe and the support that we receive today from the Ministry of Industry and Trade of the Russian Federation as well as that of the government and the governor of the Tula region, I hold this for entirely feasible."

The leaders of Haldor Topsoe commended what they saw. **Jeppé Christensen, Chairman of the Board**, particularly noted that this cooperation is leading to a remarkable result – the creation of enterprises of the highest class. At the same time, it is important that Shchekinoazot is an example of how by producing carefully, it is possible to take care of society and the general public good. And this, of course, will positively affect relations between the two countries.



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History, family, society

ALL EMPLOYEES and business partners of Haldor Topsoe know that its founder consistently noted three driving factors of his multifaceted activity: history, family and the well-being of society.

Both Haldor Topsoe and Shchekinoazot continue the traditions laid down by those who stood at the origins of both companies. Honest wages, comfortable working and living conditions, taking care of the health of employees and their families, the possibility of decent holidays, professional growth, the encouragement of study and scientific activity are all practiced by each of the partners equally. Charity here is not a tribute to trends and not a factor of prestige, but part of a competently constructed and coherently conceived social policy.

Even prior to partnering with Haldor Topsoe, Shchekinoazot initiated the so-called tripartite Yasnaya Polyana Agreement, uniting the efforts of the company itself, Yasnaya Polyana Museum Estate and the executive power of the Tula region to create a comfortable and intellectual-cultural environment for the region's inhabitants. As part of the agreement, support was given to educational projects and creative initiatives, sports and a healthy lifestyle. Today, the residents of the village of Yasnaya Polyana, Per-



Boris SOKOL: "I am sure that you will grow up to be dignified and happy people."

vomaisky, the whole Schekino district and even Tula residents have already positively assessed the this initiative's results.

In 2014, cooperation reached a new level: the Topsoe, Tolstoy and Sokol families created a charitable foundation charged with supporting the talents of children in difficult life situations.

"Our children spend their holidays in Artek, this year some of them attended the Sirius camp, working under the patronage of the President of Russia; they participate in presentations of the Tula region together with the Governor A.G. Dyumin, for example, in China," said **Natalia Pilyus, State Duma deputy and member of the Board of Trustees of the charitable foundation of Topsoe, Tolstoy and Sokol Families**.

"The Charitable Foundation pays for the travel costs for creative contests held in our country, for sports competitions, including at national

level, not to mention the purchase of instruments, concert costumes and sports uniforms. However, the main thing is the fact that children make friends, that they are concerned about each other, that they support their friends and rejoice at their successes, as their own, and maybe even more. It is also important that their hearts are open to kindness and compassion. They give concerts in orphanages in the Tula region, and their sporting successes convince the younger generation that nothing is impossible for those who have the ability and the desire to achieve high results."

Now the Foundation has 25 wards, who are



Daniil, a pupil of the charitable foundation of the Topsoe, Tolstoy and Sokol Families, plays the traditional Tula harmonica.

talented in different spheres. In honour of the guests, they gave a small concert. The young musicians, dancers, vocalists, of course, were somewhat nervous, but still managed to demonstrate their achievements to thunderous applause.

Christina TOPSOE was sympathetic to the children, who were a little overwhelmed at the sight of a large number of unfamiliar adults. She understood their feelings.

"Grandpa loved music very much, and we, his grandchildren, had to take cello lessons from the age of three," she remembered. "Not only did we play for grandfather, but public performances were an integral part of our upbringing. We were also very shy."

Jacob Topsoe also wished the children all the best. He expressed hope that the pupils of the foundation will be justly proud of themselves and what they are doing. Similarly, he stated his readiness to attend such concerts in the future. But, jokingly, he promised that he and Cristina would not play the cello...

"We not only help the children, which the foundation cares about, but we also try to be together with them through both success and failure," said Boris Sokol. "I am sure that you will grow up to be dignified and happy people. Over time, perhaps, you will join the friendly teams of Haldor Topsoe and Shchekinoazot. However, it is not necessary to become chemists. Even if you shine on the best stages of the world or achieve sports records, you will still remain ours – good and kind people. That is the purpose of our work."



Christina TOPSOE shared her impressions of the museum.



Boris SOKOL, Director General of Shchekinoazot, personally conducted a tour of its museum.