

SHCHEKINOAZOT:

TOWARDS A NEW SUCCESS —

THROUGH THE IMPLEMENTATION OF THE COMPANY DEVELOPMENT STRATEGY

ONLY THE MOST ADVANCED TECHNOLOGIES

The M-450 methanol production facility built on the industrial site of the company from 2007 till 2011 together with globally renowned Danish company-licenser Haldor Topsoe, became (and is still considered) the most high-tech among competitors in both Russia and Europe.

Another project is a combined production complex of methanol and ammonia with a capacity of 450 and 135 thousand tons per year respectively, the construction of which is currently underway. The complex is a guarantee of the company's financial stability, new jobs, high salaries and a constant flow of orders from consumers.

After the commissioning of the methanol-ammonia installation, natural gas processing by the enterprise will total 1.6 billion cubic meters per year. After the launch of the complex, there are plans to implement the third methanol project. At the same time, it is expected that all design works will be completed by 2020, and the permit for the construction of an additional (and the largest) production facility of ammonia and carbamide will be obtained. This will cause an additional 1 billion cubic meters of gas consumption. After this construction is completed in 2024, the company plans to reach a three-fold increase of gas processing volumes, up to 3 billion cubic meters per year, and a four-fold increase by the production volume of finished products.

The sum of investments will exceed 2 billion dollars, making Shchekinoazot the Russia-wide leader in chemical production. These are the long-term plans of the company.

The company also does not forget about other types of products being produced, and gradually updates technologies and equipment. The sulphuric acid production facility construction project is in process, as well as ammonium sulfate compacting and dimethyl ether. Activities on the modernization of the company's existing installations of methanol and hydrogen, carbamide-formaldehyde concentrate, oxygen workshop, thermal power station, maintenance and repair workshop are currently underway.

The equipment of the liquid carbon dioxide workshop is operating with high loads without any loss of output or price. The transfer project of household chemical goods to one building and the implementation of new technological equipment was implemented successfully

CONSTRUCTION OF THE COMBINED METHANOL
AND AMMONIA COMPLEX



The Day of the Chemist is celebrated by the company every year, and serves as the reason for summing up the achieved results for the Shchekinoazot United Chemical Company team. The main aspect here is the work under the Company's Development Strategy through 2028. The program is implemented according to the shaped plans and estimated timelines, without any decrease in output and quality.

It is noteworthy that Shchekinoazot receives full support of its activities from the sides of its team, business and financial partners, as well as the regional administration and Governor Aleksey Dyumin. He was the decision-maker who helped solve many important issues, including those of a benzene supply from Rosneft...

ON SOCIAL RESPONSIBILITY

Shchekinoazot is a township-forming enterprise and one of the main taxpayers to the municipal and regional treasury. The company's share in the volume of tax revenues for the treasury of the Pervomaysky industrial township municipal entity is 51%, and in the total volume of the budget of Shchyokinsky District: 47%.

There are plans to transfer taxes in the amount of 43.5 million rubles to the budget of the township in 2017. In addition, the company also sponsors this settlement. The township of chemists is transforming right before our eyes. Over a period of just two years, the facades of 31 apartment blocks were refurbished, on which the company invested 30+ million rubles.

The total volume of social spending for five years totaled 230+ million rubles. Such investments reached 60 million rubles in 2015 and 95 million rubles in 2016. In 2017, social spending will stay at the same level.

The enterprise has a well-developed social infrastructure, including a house of culture, sports complex with a swimming pool, health and recreation resort, municipal residential facilities, ambulatory-care clinics, children's homes and social centers. Recently, the Yubileyny Sports Palace with a swimming pool and boxing center was renovated. The company also participates in the co-financing of the Public Budget regional program.

There are multiple measures to support the company's employees, their family members, veterans, and to strengthen traditions. Thus, the company invests in the preservation and maintenance of memorials of the Great Patriotic War. It gives out presents on February 23, Victory Day, and other holidays to all veterans of the Great Patriotic War of Shchyokinsky District, and their number totals almost 200 people. The veterans receive benefits from the company as either 5,000 rubles or a grocery basket.

For three years, veterans of labor have been improving their health at the Synthetic health and recreation resort. The company pays 100% of their stay in the health center. A new initiative of Azot in 2017 in respect of GPW veterans and equivalent categories: they receive additional monthly payments referred to as pensions among recipients from Shchekinoazot. For a token fee, chemists relax in the health resorts of Krasnodar Krai, reviving and improving their health. The largest part of expenses is covered by the company.

The enterprise holds the annual Spartakiades of laborers in different sports, and up to 500 people participate in these contests. More than half a million rubles is allocated for the organization and running of a corporate athletic marathon.

The company maintains its own occupational health facility with annual expenses of 19 million rubles. The range of services is rather wide, including dentistry, consultations with medical specialist, fluorography, X-rays, ultrasounds, electrocardiograms and other tests. The first-aid facility on the territory of the enterprise and Yefremovsky branch of the company provide their services, and the ambulance is available 24/7.

For many years, the enterprise has provided support for the Shchekinsky kindergarten for disabled kids, Iskra social rehabilitation center for minors, Golovenkovsky children's home, and Yefremovsky complex center of social services No. 4. The enterprise also provides assistance to the Pervomaysky children's activity center.

Shortly after the commissioning of the new production facilities, the number of Azot personnel will increase by more than 300 people. These people will start working on high-tech workstations, combine into a 3,000 person team of chemists, earn respectable wages and benefit from social and other forms of support.

The achievements of the young care recipients of the Topse, Tolstykh, Sokol family charity foundation who receive different kinds of support are a special point of pride for the company.

THE FUTURE IS IN SAFE HANDS

Shchekinoazot is a party to the Yasnaya Polyana Agreement signed together with the regional authorities and Yasnaya Polyana house museum for the benefit of the development of the Shchyokinsky District and welfare of children. Diversified work is carried out, including on the improvement of environmental conditions in places surrounding the company's territory, as well as the Yasnaya Polyana house museum.

This is provided by the previously mentioned technical upgrading, where production complexes with the highest environmental standards are in operation. The environmental aspect of operations is an obligatory part of the Company's Development Strategy. Over the past five years, our company has spent over 300 million rubles on environmental protection measures. The environmental program for 2017-2021 has already been developed.

One very important project is the construction of new waste treatment plants, which will be much more efficient than their predecessors. The scope of investments is 600 million rubles. The projects is planned to be launched at the beginning of 2018.

Advanced waste treatment plants will help reach brand-new indicators of water purification. But old waste treatment plants will also still be operated, as they collect storm wastewater from Shchekino and Pervomaysky. The two waste treatment plants will operate in compliment of one another.

The high level of talent and qualifications of engineers and laborers are the main conditions of the company's competitiveness. The interest of the younger generation in technical professions is currently undergoing a revival. The quality of staff trainings increases and the connections of universities and colleges with the company are getting stronger.

Shchekinoazot is confident in its future. There is no lack of staff, but there are traditions and dynasties with employment durations of almost 400 years! This is beyond doubt the most important...



REPAIRED HOUSES IN THE PERVOMAYSKY HOUSE OF CULTURE



SWIMMING POOL IN THE YUBILEYNY SPORTS PALACE



CHILDREN OF THE CHARITY FOUNDATION

CONTEMPORARY SPORTS CENTER

