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URALCHEM IS A LEADING PRODUCER OF NITROGEN AND PHOSPHATE FERTILIZERS IN RUSSIA, THE CIS AND EASTERN EUROPE.

The Company runs four production facilities in the Perm, Kirov and Moscow regions, supported by transport and service subsidiaries. The production capacities of the holding allow for annual output of over 6.3 million tonnes of ammonia, 3 million tonnes of ammonium nitrate and its derivatives, 1.2 million tonnes of urea, and 1 million tonnes of phosphate and complex fertilizers, whilst a balanced logistic model ensures reliability and flexibility of supplies.

#1

In Russia by output of ammonium nitrate and its derivatives

#2

In Russia by output of ammonia

#3

Over 6.3 million tonnes of final product output in 2017

#4

Over 70 types of mineral fertilizers and other chemical products

Million dollars invested in environmental protection in 2017

Million cars of the rail fleet

Million dollars donated to charity and sponsorship programmes in 2017

Employee count

Million dollars imported by countries
**GLOBAL REACH**

URALCHEM is focused on a long-term and successful presence in the mineral fertilizer market.

**KEY MARKETS:**
- United Kingdom
- South Africa
- Turkey
- India
- Norway
- Germany
- Morocco
- Costa Rica
- Lithuania
- Republic of Korea
- Brazil
- Mexico
- Peru
- Finland
- Sweden
- Ireland
- Latvia
- Guatemala
- Honduras
- Denmark

**IN 2017, IN THE DOMESTIC AND THE CIS MARKETS, THE COMPANY’S SALES AMOUNTED TO 2.2 MILLION TONNES.**

Half of ammonium nitrate produced by URALCHEM, the most popular fertilizer in Russia, is sold in the domestic market.

**IN 2016, URALCHEM started deploying its own distribution points and a dealer network in Russia to pursue direct sales of its speciality products.**

**KEY IMPORTERS:**
- SOUTH AMERICA, MEXICO, EUROPE, THE CIS COUNTRIES

**OWN DISTRIBUTION NETWORK IN RUSSIA**

**GLOBAL REACH**

**HEADQUARTERS**
- Moscow

**PRODUCTION FACILITIES**
- Berezniki (Perm region)
- Voskresensk (Moscow region)
- Kirovo-Chepetsk (Kirov region)
- Perm

**SALES POINTS IN RUSSIA**
- Belgorod, Birobidzhan (Jewish Autonomous Region)
- Riga (Latvia)
- Krasnoyarsk (Krasnoyarsk region)
- Novosibirsk, Sarapul (Nizhny Novgorod region), Tikhoretsk (Krasnodar region)
URALCHEM’S PRODUCTS HAVE BEEN REPEATEDLY NAMED AMONG RUSSIA’S 100 BEST PRODUCTS AND AWARDED THE RUSSIAN QUALITY PRIZE

URALCHEM’s product portfolio is one of the largest in the industry and includes over 70 types of products.
Along with fertilizers, the Group offers various products for industrial application.
The Company continuously extends its product portfolio to meet the demands of consumers across different markets and segments.

MAIN PRODUCTS

Commodity fertilizers:
• Ammonium nitrate (SAN)
• Calcium ammonium nitrate
• Urea
• Liquified anhydrous ammonia
• Monoammonium phosphate 12:52
• NPK 16:16:16
• NPK 10:26:26

Efficiency upgrades of commodities:
• Stabilized ammonium nitrate (SAN)
• Calcium ammonium nitrate with sulphur (CNS)
• NS 30:7
• PK 5:55
• Various NPKS formulations

Speciality products:
• Potassium nitrate
• Concentrated/anhydrous calcium nitrate
• Water-soluble monoammonium phosphate 12:61
• Water-soluble NPK fertilizers with micronutrients
• Water-soluble NPK blends
• Technical grade sodium nitrate
• Technical grade sodium nitrate
• Porous prilled ammonium nitrate (PPAN)
• Water-resistant ammonium nitrate

In 2017, URALCHEM significantly expanded the sales geography for its speciality products, which now covers 70 countries globally. Supplies of speciality products grew by 75% in 2017.
URALCHEM GROUP’S OUTPUT by product type

- Ammonium nitrate and its derivatives: 46.9%
- Complex fertilizers: 13.8%
- MAP: 1.8%
- Urea: 19.4%
- Ammonia: 13%
- Other products: 5.1%

URALCHEM GROUP’S OUTPUT by enterprise

- KCKK Branch: 40%
- Azet Branch: 36%
- Voskresensk, Mineral Fertilizers, JSC: 9%
- PMU Branch: 15%

URALCHEM’s products enjoy a vast variety of applications in agriculture and other industries, such as chemistry, metallurgy, construction, mining, glass, etc. The main consumers of URALCHEM’s products are agricultural producers.

The Company’s priority objective is to supply high-quality mineral fertilizers to the domestic agriculture. In 2017, URALCHEM significantly expanded the sales geography for its specialty products, which now covers 70 countries globally. Supplies of specialty products grew by 75% in 2017.
BY INVESTING IN THE UPGRADE OF PRODUCTION FACILITIES, URALCHEM IMPROVES THE EFFICIENCY OF ITS BUSINESS AND LAUNCHES NEW PRODUCTS

- Extensive and systematically upgraded production assets.
- Efficient procurement activities that guarantee the supply of raw materials and energy.
- Environmentally friendly processes and rational use of energy and natural resources.
KCKK BRANCH
Kirovo-Chepetsk, Kirov region
Produces nitrogen and complex mineral fertilizers

- The plant's annual production capacity is 1,250,000 tonnes of ammonia, 1,550,000 tonnes of ammonium nitrate and its derivatives, and 450,000 tonnes of complex fertilizers.
- KCKK is the flagship enterprise of the URALCHEM Group. It provides the greatest variety in terms of product range.
- The enterprise has completed an investment project for technical refurbishment of the anhydrous calcium nitrate unit introducing two additional production lines. The quality of KCKK's calcium nitrate exceeds the best world standards.

PMU BRANCH
Perm
Produces ammonia and urea

- The plant's annual production capacity is 600,000 tonnes of ammonia and 670,000 tonnes of urea.
- PMU's urea is particularly valued for its low biuret content.
- The enterprise is the country's leader in labour efficiency among mineral fertilizer producers.
- Following the upgrade of the ammonia unit, year 2017 was marked by the highest ammonia output in the history of the plant at 632,200 tonnes. PMU's urea was the first in Russia to be registered as a feed additive for agricultural animals.
- In 2017, the PMU branch started production of micro-grilled urea.
- PMU is the first industrial facility in Russia certified according to the Protect & Sustain standard of the International Fertilizer Association (IFA).

AZOT BRANCH
Berezniki, Perm region
Produces ammonium nitrate, ammonia, urea, nitric acid, nitrates and nitrates

- The plant's annual production capacity is 1,200,000 tonnes of ammonia, 1,380,000 tonnes of ammonium nitrate and 540,000 tonnes of urea.
- The Azot Branch is Russia's only manufacturer of higher aliphatic amines, potassium and sodium nitrates, and crystalline sodium nitrite.
- Under the national import substitution programme, the Azot Branch launched commercial manufacture of granular higher aliphatic amines.

VOSKRESENSK MINERAL FERTILIZERS, JSC
Voskresensk, Moscow region
Produces nitrogen-phosphate and complex fertilizers, as well as acids of various grades

- The plant's annual production capacity is over 300,000 tonnes of monoammonium phosphate or 450,000 tonnes of NPK fertilizers.
- The enterprise is implementing a unique project for granulation of potassium chloride and production of PK 5:55 phosphate-potassium fertilizer.
- In 2016, the production of water-soluble fertilizers was launched. Voskresensk specialists developed 30 formulations of water-soluble NPK in various combinations with micronutrients.
- 2017 was marked by the commencement of the largest investment project for sulphuric acid revamp in recent years, involving the replacement of three absorption towers.
PRODUCTION RAMP-UP AT EXISTING FACILITIES

Production Chain

- Natural Gas
- Ammonia
- Nitric acid
- Urea
- Ammonium nitrate
- NPK-fertilizers
- and ammonium nitrate derivatives
- Sulphuric acid
- Potassium chloride
- Apatite
- Potassium chloride

PRODUCTION CHAIN
URALCHEM’S OWN RAILCAR FLEET AND PORT FACILITIES GUARANTEE RELIABLE DELIVERIES OF ITS PRODUCTS

URALCHEM-Trans, LLC (Moscow)

URALCHEM-Trans, LLC is a specialized logistic business unit with the infrastructure to ensure collection of finished products, as well as the supply of raw materials by rail. URALCHEM-Trans, LLC manages a fleet of 8,200 railcars including hopper cars, gondola cars, box cars, and rail tanks for transportation of ammonia and various acids.

SIA RIGA FERTILIZER TERMINAL (Riga, Latvia)

SIA Riga Fertilizer Terminal is one of the most modern and safe terminals for handling and temporary storage of bulk mineral fertilizers in Northern Europe. It was constructed using environmentally friendly technologies and materials and meets all the EU safety and environmental requirements.

The capacity of the Terminal is 2 million tonnes of bulk cargoes per year.

SIA VENTAMONJAKS (Ventspils, Latvia)

Ventamonjaks is the largest liquid ammonia terminal on the Baltic Sea capable of handling 5 million tonnes per year, located at the year-round Free Port of Ventspils. Three deep-water berths allow the terminal to service ships carrying up to 60,000 tonnes.

Continuous operation of the terminal enables daily handling of up to 250 tank cars.

URALCHEM TRADING HOUSE, LLC (Perm)

URALCHEM Trading House, LLC is responsible for all sales of URALCHEM’s products in Russia and the CIS. URALCHEM Trading House has offices in Moscow, Voskresensk, Nizhny Novgorod, Krivoi Rog, Perm and the Perm region (Berezniki), as well as storage and sales warehouses for mineral fertilizers in various Russian regions.

URALCHEM TRADING DO BRASIL LTDA (São Paulo, Brazil)

Sales and promotion of URALCHEM products in non-CIS countries are carried out by SIA URALCHEM Trading and URALCHEM TRADING DO BRASIL LTDA. In addition, SIA URALCHEM Trading coordinates port handling and sea transport of the Company’s exported goods.

SIA URALCHEM TRADING (Riga, Latvia)

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The aggregate transportation volumes including products and raw materials amounted to 6.99 million tonnes in 2017.
URALCHEM’S SUCCESS DEPENDS, FIRST AND FOREMOST, ON ITS EMPLOYEES WHOSE PROFESSIONALISM AND COMMITMENT ARE VITAL TO THE SUSTAINABLE BUSINESS DEVELOPMENT

From 2013 through 2017, URALCHEM successfully implemented a five-year HR strategy. It relied on long-term corporate programmes to maintain competitive remuneration, develop people’s productivity and management skills, raise involvement of employees in achieving the corporate goals, attract young professionals and create an engaging environment for them.

KEY CORPORATE PROGRAMMES

- Development of licensed corporate training centres
- Introduction of the sectoral system of professional qualifications
- Uniform remuneration system in the automated cycle
- Performance management system
- Programme of additional support of retired employees
- Formula of Youth movement
- Preferential mortgage programme
HR STRATEGY ACHIEVEMENTS

Labour efficiency in 2013 – 2017 increased by 24% to 639 tonnes per person.

In 2014, URALCHEM was the first in Russia to introduce the new generation product 1С:ZUP 3. This project won the 1С: Project of The Year 2017 contest as the Best Project in the Field of Wage Accounting and Human Resources Management (HRM).

The average number of employees in 2017 was 9,870 people.

Since 2013, the Company has been implementing the Talent Management System using the SAP Success Factors cloud technologies.

Due to the inflow of young people, the average age of employees has decreased by two years and is now 40 years across the Group.

The Company has introduced 48 professional standards for key production employments.

The average wage across production units increased in 2017 by 61% compared to 2013 and amounted to 53,000 rubles a month.

The external survey of Aon Hewitt rated the employee satisfaction at 70%.

While URALCHEM’s key HR priorities and values remain unchanged, the next five year cycle will focus on the following new areas:

- Development of an innovation culture
- Creating sustainable external partnerships
- Implementation of process management
- Digitalisation and self-service for internal customers
- Acceleration of marketing and sales skills

While URALCHEM’s key HR priorities and values remain unchanged, the next five year cycle will focus on the following new areas:
URALCHEM HAS VOLUNTARILY CONTRIBUTED TO SUSTAINABLE DEVELOPMENT OF THE SOCIETY

IN ITS ACTIVITIES, THE COMPANY IMPLEMENTS THE PRINCIPLE OF SOCIAL RESPONSIBILITY.

The most important undertakings in the field of sustainable development and corporate social responsibility include the support of the regions where URALCHEM operates. The Company contributes to the social and economic development of those territories as a large taxpayer, employer and partner of government bodies and public organisations in accomplishing important tasks of regional development. Projects in this area are aimed at improving the quality of life and creating a comfortable social environment for the residents in those regions.
SAFETY
Occupational health and safety (OHS)

• Occupational health and safety is a major priority for the URALCHEM Group.
• URALCHEM spent 9.2 million dollars on occupational/industrial safety and fire prevention measures in 2017.

The Company is aware of its responsibility for its employees and the residents of the regions where it operates. URALCHEM is constantly raising the level of occupational and industrial safety.

ECOLOGY
Minimising the negative impact on the environment and promoting resource efficiency

• Minimising the negative impact on the environment and promoting resource efficiency are among URALCHEM’s core priorities.
• The Company regularly improves its technological processes, upgrades and renovates waste treatment facilities, exercises process and analytical control over the pollutants emitted during its operations.
• In 2017, URALCHEM spent 3.9 million dollars on its environmental activities.

URALCHEM pays major attention to the issues of environmental protection, uses natural resources rationally, and strictly observes the requirements of environmental legislation. As a result of its efficient energy and resource saving policies, the Company has achieved a significant reduction in energy consumption per tonne of products, both in natural gas and electricity.

SOCIETY
Social investments

• Social investments are an integral part of URALCHEM’s successful business model.
• In 2017, URALCHEM donated 9.4 million dollars to charity and sponsorship projects.

The Company’s efforts and funds contributed to develop the regions of its presence are oriented toward the most socially significant projects. By changing the world around us, we make life better and more exciting for everyone.

QUALITY MANAGEMENT
Environmental management. Occupational health and safety management. Meeting Russian and international standards


Integrated management systems certified by Bureau Veritas Certification, SGS and TÜV NORD enable the Company to ensure the transparency of production and management, high quality of products, environmental protection and occupational safety, as well as to improve the efficiency of its business processes.