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Grupa Azoty strengthens partnership with New Chemical Syntheses Institute of Puławy

On the initiative of Przemysław Czarnek, Governor of the Lublin Province, the Grupa Azoty Group, Poland's leading chemical group, and the New Chemical Syntheses Institute of Puławy (INS), a renowned Polish research centre, have signed a letter of intent on close and regular cooperation. Group-wide coordination of R&D activities combined with new multidisciplinary projects will improve the Group's chances of launching innovative solutions on an industrial scale. Fully unlocking the research potential of the Institute, a well-established research centre with over 50 years of presence in the Lublin Province, will also spur further development of the region and the Polish chemical industry at large.

"I am very glad that the New Chemical Syntheses Institute of Puławy will collaborate not only with Grupa Azoty Puławy, but also with other Grupa Azoty Group companies across Poland. It is an important milestone on the road towards closer cooperation between science and business – an effort championed by Polish Prime Minister Mateusz Morawiecki and Minister of Science and Higher Education Jarosław Gowin. I believe that strong links between all Grupa Azoty Group companies and the INS, fostered across many areas, will contribute to the development of the Institute itself, which already has a successful track record in scientific research spanning several decades, as well as of the entire Lublin Province," said Przemysław Czarnek, the Lublin Province Governor. The partnership will involve participation in R&D and implementation projects in Poland and abroad, research and development of new products and manufacturing technologies and their pilot implementation. The partners will also work together to organise apprenticeships, internships, and the so-called implementation-based doctoral programmes. *"By signing the letter of intent today, we are making another step towards advancing the chemical industry and strengthening the Grupa Azoty Group's position in the extremely competitive European market and among the leading global providers of chemical products. I am confident that*

a long-term alliance with the New Chemical Syntheses Institute, a highly regarded research centre, and access to *the knowledge, experience and skills of its outstanding research team, who understand our business needs, will produce breakthrough solutions and will become a driving force for the Polish chemical industry*," said Wojciech Wardacki, President of the Grupa Azoty Management Board. Regular cooperation and a comprehensive approach to projects will benefit not only Grupa Azoty Puławy, for which the Institute is a natural research base, but also the other Group companies, which have already implemented ideas resulting from previous research, for instance to upgrade and increase the capacity of two production lines at Grupa Azoty Police's ammonia unit, upgrade nitric acid units at the Tarnów and Kędzierzyn-Koźle production plants, build a flue gas desulfurization unit at Grupa Azoty Puławy, implement shared technologies, and produce catalysts. The partners are also working to develop 'smart fertilizers', which are new formulas tailored to the specific needs of various crops and to the nutrient content in soils. Since it first began to work with the New Chemical Syntheses Institute, the Grupa Azoty Group has spent a total of over PLN 80m on joint research projects. *"The partnership between the New Chemical Syntheses Institute and the Grupa Azoty Group is a model example of unlocking the potential of Polish science to implement innovative technologies for the industrial sector. I am sure that both large-scale chemical synthesis and biotechnology solutions offered by our research centre will help to expand the Grupa Azoty Group's product portfolio and stimulate growth of the Polish chemical sector,"* noted Janusz Igras, Director of the New Chemical Syntheses Institute. *"The partnership with the New Chemical Syntheses Institute falls in line with the Grupa Azoty Group's overall R&D strategy. The agreement signed today provides for a number of measures, including joint application for funding under the Horizon 2020 Framework Programme. We hope projects we will be carrying out together will also improve the competitiveness of the Group's products,"* added Grzegorz Kądziałowski, Vice President of the Grupa Azoty Management Board. The Group is also expanding its own R&D infrastructure. Scheduled to be opened by the end of this year, the new Research and Development Centre in Tarnów will focus on advanced materials, modern fertilizer products and technologies, as well as environment-friendly products. One R&D centre has already been opened by Grupa Azoty Kędzierzyn, while in Police and Puławy, competence centres are being developed. Last year, the Group launched the innovative Idea4Azoty acceleration programme targeted at various audiences, including the science and research community. Regardless of their stage of advancement, projects entered in the programme may receive a full range of support – from grants of up to PLN 20m to infrastructure and consultancy services. In line with the updated Grupa Azoty Group growth strategy, by 2020 research, development and innovation expenditure is to reach 1% of revenue. **Grupa Azoty** is Poland's largest chemical group and one of the leading players on the European fertilizer and chemical markets. It is the second largest EU-based manufacturer of nitrogen and compound fertilizers, and its other products, including melamine, caprolactam, polyamide, oxo alcohols and titanium white, enjoy an equally strong standing in the chemical sector, with a wide range of applications in various industries. In May 2017, the Group announced its updated strategy until 2020. The key development areas include finalising the Group's consolidation process, reinforcing its leadership in the European market for agricultural solutions, strengthening the second operating pillar through expansion of the non-fertilizer business, and generating and implementing innovations to accelerate growth in the chemical sector. **The New Chemical Syntheses Institute** is among the top industrial chemistry research institutions. It was rated A in the most recent parametric evaluation, which confirms the very high quality of its scientific research. Its key source of revenue is applied research and implementation projects for the broad fertilizer industry. In recent years, it has spent in excess of PLN 120m to expand its innovative research and production facilities. The Institute conducts applied research in the area of large-scale chemical synthesis related to synthesis gas production, ammonia synthesis, catalysts, nitrogen compounds, and nitrogen, phosphorus and compound fertilizers. It also works on the development of new bioeconomy and green chemistry technologies, including innovative biomaterials such as biodegradable polymers, which are made from renewable raw materials and are applied across many industries. The Institute is also a European leader in the research of supercritical CO₂ extraction of phytochemicals.