

JULY 2017

SOCAR Polymer Newsletter / Issue 7 / 2017

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7,446,651

Man-hours LTI Free

310

Employees

88.2%

PP Total progress in July

65%

HDPE Total progress in July

 **SOCAR**
POLYMER

Continuous professional development is your key to the future



Dear team,

SOCAR Polymer is very supportive of any efforts to improve knowledge, skills, or performance. Professional development is the means by which employees expand the boundaries of their expertise and keep abreast of the rapidly expanding range of knowledge related to any given field. It is absolutely essential in order to grow as a specialist and achieve the highest quality performance. To maintain and enhance professional competence and performance, one must engage in lifelong learning. It is our professional responsibility to ourselves, our profession, and the industry we serve.

Continuing education is possible through many types of learning activities that keep an employee updated and contribute to ongoing professional development. However, we must not forget how important it is to share acquired knowledge with co-workers. We must put an emphasis on the culture of "Knowledge Sharing rather than Knowledge Hoarding". In our teams, we must develop the habit of sharing knowledge, for a number of good reasons. Firstly, sharing knowledge creates awareness and your colleagues are on the same page as you, getting the idea before you put it into words and cooperating with you better and more efficiently. Secondly, complications are handled more easily when one who has handled a similar issue before shares the knowledge with the rest of the team, thus, reducing response time and securing faster solutions. Thirdly, co-ordination is largely improved when everyone works up to the best standard equally known to and accepted by all team members.

Fourthly, a constantly updated employee is open to new ideas and objectives that change shape as the project progresses through different stages of implementation.

An Argentinian author, international speaker and global expert on talent and leadership, ranked by BusinessWeek as one of the most influential executive search consultants in the world, Claudio Fernández-Aráoz said, "The question is not whether your company's employees and leaders have the right skills; it's whether they have the potential to learn new ones". Having a fixed set of skills is what makes you proficient in a specific area – but growth means continuous development. You could learn something from everybody in your life - make sure you do, following the saying that "If you're the smartest person in the room, then you're in the wrong room".

In short, the essence of this message is a call to pursue personal and professional development and to encourage greater interaction and sharing, for any successful project, be it big or small, has one thing at its core: effective collaboration!

Farid Jafarov

A handwritten signature in blue ink, appearing to read 'Farid Jafarov', with a stylized flourish at the end.



July 2017

Site Photos



PROGRESS ON SITE DURING JULY

HDPE plant

RCC works have been completed in the Blending Silo area, but are continued in the Organoleptic/Effluent Treatment, Polymerization and Extrusion areas. SS installation started in the Polymerization area and is ongoing in the Extrusion Pipe Rack area. Finishing, Facade and HVAC works are ongoing in the E/Substation area. Pipe support installation is ongoing at the pipe racks of the Polymerization, Extrusion, and Solvent recovery/Steam condensate pipe rack areas.

June	Progress over July	July
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HDPE: Blending Silo.
RCC works completed



HDPE:
Organoleptic
Structure
and Effluent
Treatment.
RCC works
ongoing





HDPE:
Extrusion
Structure.
RCC works
ongoing



HDPE:
Polymerization.
RCC works
ongoing. SS
installation
started



HDPE:
Electrical
Substation.
Finishing,
Façade and
HVAC works
ongoing



HDPE:
Polymerization
Pipe Rack.
Pipe support
installation
ongoing



June

Progress
over July

July



HDPE:
Extrusion Pipe
Rack.
RCC works
completed.
Pipe support
and SS
installation
ongoing



HDPE: Solvent
recovery
and Steam
condensate
area Piperack.
Pipe support
installing
ongoing



HDPE:
Reactors
Dump tank.
Preparation
for equipment
installation



PP plant and U&O area

Works reported as started or ongoing in June have been continued throughout July, with the following works completed or initiated in July in the areas specified hereafter.

SS column installation is completed in the Warehouse area, but is ongoing in the Bagging and packing building. Pipe installation/connection is ongoing in the areas of the Cooling Tower, Flare Knock our Drum, Valve house, Side stream filter package, Raw Water Storage Tank, Interconnecting pipe racks, Pipe sleepers, and has started at the Isobutane Sphere area.

Façade painting of the Common Control Room, Laboratory completed, but started in the Valve House.

Tank painting is ongoing at the DM Water Storage Tank area.

Roof insulation works are completed in the Laboratory building, but are ongoing in the Administration building.

Equipment installation is ongoing at the Cooling tower, Flare Stack, Polymerization section, Extrusion Building, and has started in the Nitrogen Package area. Fan installation is completed in the Cooling Tower.

Pump and pipe installation is ongoing at the Fire water pump house and Impounding basin for isobutane.

Equipment and pump alignment is ongoing at the Nitrogen Condensate Compressor Station, Powder silo, and Blender silo.

Instrumentation installation started at the Blender silo.

Interior finishing works are ongoing in the Chemical and Additives Storage Building, Laboratory, Administration building, Workshop, and Gate/Guard house.

HVAC works ongoing in the Laboratory and have started in the Administration building.

Cable pulling is ongoing in the areas of the Electrical Substation, Interconnecting pipe racks, and Pipe sleepers.

Internal south and west roads' construction started.

June	Progress over July	July
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PP/U&O: Electrical substation.
Panel testing ongoing.
Cable tray erection and cable pulling ongoing



PP/U&O:
Common Control Room.
Panel and cable installation ongoing.
Façade painting completed





PP/U&O:
Chemical
& Additives
Storage
Building.
Finishing
works ongoing



PP/U&O:
Laboratory.
Roof insulation
completed.
Façade
painting
completed.
Finishing and
HVAC works
ongoing



PP/U&O:
Administration
building.
Roof insulation
ongoing.
Façade works
ongoing.
Interior
finishing works
ongoing. HVAC
works started



June

Progress
over July

July



PP/U&O:
Workshop.
Interior
finishing works
ongoing.
Workshop
crane
installation
started



PP/U&O: Bagging & Packing Building.
SS (column) installation ongoing



PP/U&O: Fire water Retention Basins and Pump House.
Pump and pipe installation ongoing. Roof insulation ongoing



PP/U&O: Air/HP Nitrogen Condensate Compressor Station
Storage & Pumping.
Equipment and pipe alignment ongoing



PP/U&O: Flare Stack.
Equipment and derrick installation ongoing



PP/U&O: Valve
house.
Valve and pipe
installation
ongoing.
Façade
painting
started





PP/U&O: Cooling Tower. Sprinkling system installation ongoing. Pipe and equipment installation ongoing. Fan installation completed. Cable tray installation started



PP/U&O: Flare Knock Out Drum. Pipe connection ongoing



PP/U&O: Side Stream Filter Package. Pipe installation ongoing





PP/U&O: Gate/
Guard House.
Finishing
works ongoing



PP/U&O: PP Wet section / Polymerization.
Equipment installation and alignment ongoing



PP/U&O: PP Dry section / Powder Silo.
Equipment and pump alignment ongoing



PP/U&O: Homogenization / Blender Silo.
Pump, pipe and equipment alignment ongoing. Instrumentation
installation started



PP/U&O: Raw
Water Storage
Tank.
Pipe
installation
ongoing



PP/U&O: DM
Water Storage
Tank.
Tank painting
ongoing



PP/U&O:
Isobutane
Sphere.
Dike wall
welding
ongoing. Pipe
installation
started



PP/U&O:
Impounding
Basin for
Isobutane.
Pump
installation
ongoing



June

Progress
over July

July



PP/U&O:
Interconnecting
Pipe Racks.
Pipe erection
ongoing. Cable
pulling ongoing



PP/U&O: Pipe Sleepers.
Pipe erection and cable tray installation ongoing. Cable pulling
ongoing

June

Progress
over July

July



Nitrogen
package.
Equipment
installation
started



Warehouse.
SS column
installation
completed.
Truss
installation
started.
Backfilling
completed.
Heavy duty
paving ongoing.
Valve house
RCC works
completed



Roads.

Internal south and west roads' construction started

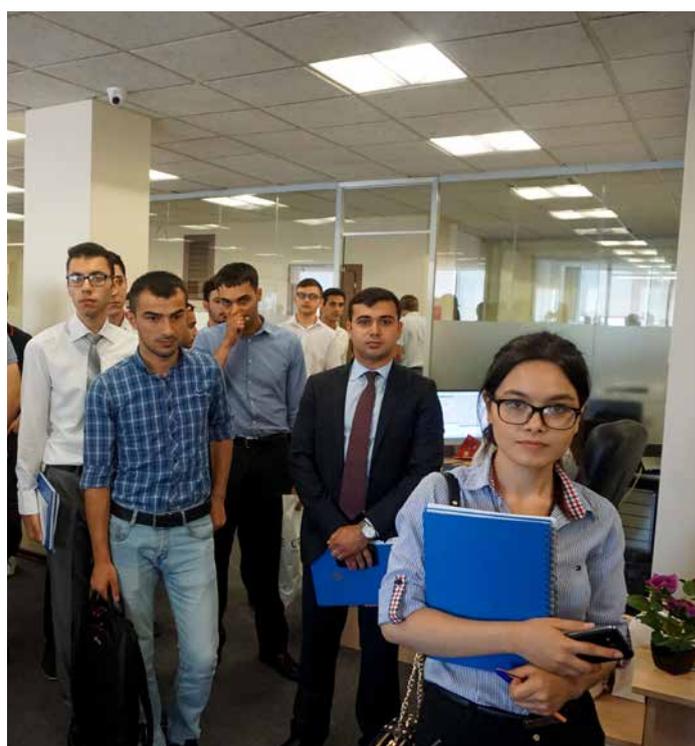
The interns' rewarding journey begins



On July 3, the 21 interns selected from among almost a thousand applicants were gathered in SOCAR Polymer's Baku office for an induction session which was aimed at their better familiarization with the company's activity and the environment in which they will work for the following 2 months.

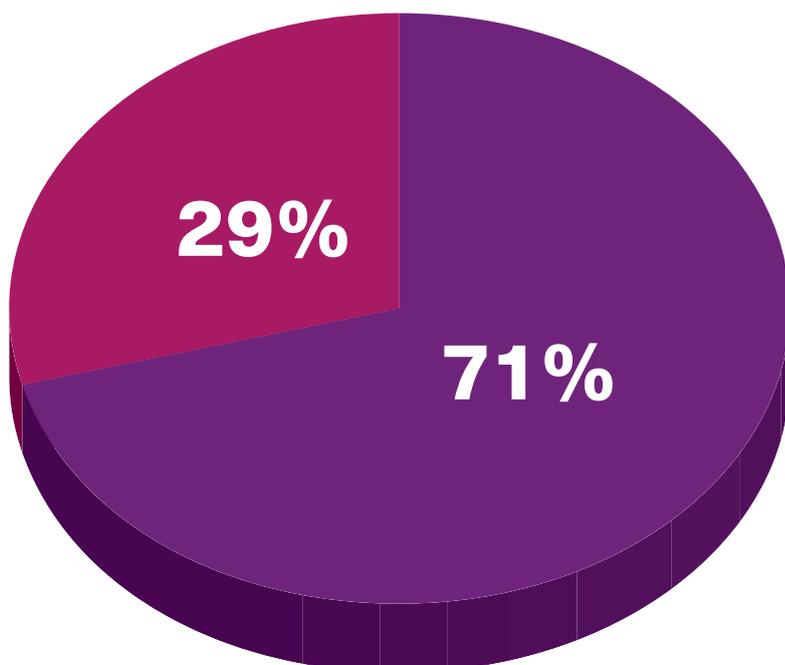
The introductory presentations were made by the Training and Development (TD) Specialist Nargiz Salimova and TD Coordinator Aylar Mustafayeva, who also conducted the on-boarding process by having the interns sign their internship contracts with SOCAR Polymer. The HSE Adviser Rashad Ibrahimov informed the interns about the different aspects of safety in office and generally on site. He delivered the rules of conduct in emergency situations and took time to show the group the fire exits, fire extinguisher stations, and first-aiders list.

To break the ice among the interns and better acquaint them with one another, the Bingo game sheets were passed out to the interns with questions about fellow-interns' likes, dislikes, hobbies, talents, etc. By the time the game was over our HR colleagues faced an emotionally changed





Education Background



- undegraduate year students
- graduate year students/graduates

group with a newly born team spirit. In conclusion, the interns were seen to their respective departments and entrusted to their line-managers and colleagues.

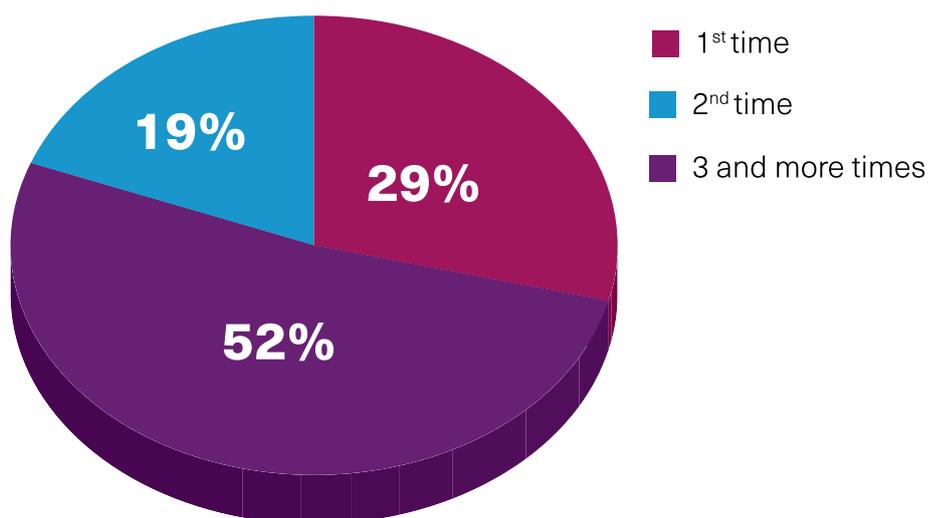
Meanwhile, to describe to you the newly inducted team of interns, let us look at some of the statistical aspects of the thoroughly selected team. SOCAR Polymer is committed to equal opportunities and welcomed applications from all sections of the community without discrimination based on disability, gender, ethnicity, or religion. Nonetheless, statistical research revealed that male candidates demonstrated greater interest in applying for SOCAR Polymer's internship opportunity and better correspondence to the selection criteria requirements. Ladies make up only 14.3% of this year's interns who represent a range of 13 different higher education facilities, from which the Baku Higher Oil School and Baku Engineering University stand out by



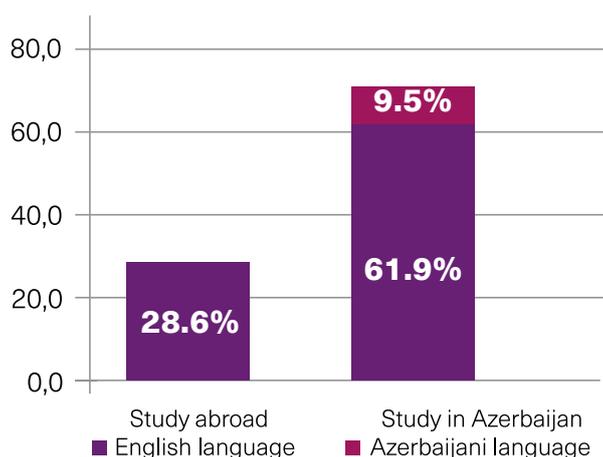
the number of successful applicants. The majority of our interns are undergraduate students and study in Azerbaijan, but the dominating language of instruction is English. This summer internship experience is a first-time experience for 29% of the interns, whereas 52% have previously undertaken internship-based career development before. So much so that for one of them this internship experience is the 8th on his personal list.

We wish them all successful professional development and achievements!

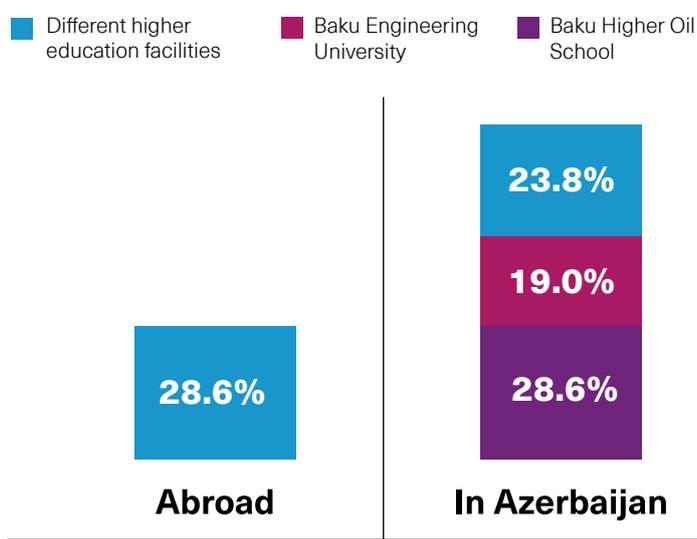
Previous Internship Experience



Language of instruction at interns' higher education facilities (HEF)



Represented Higher Education Facilities



Training and practice make best

SOCAR Polymer by all means encourages raising of its staff members' qualification level and offers financial support as needed. Many of our colleagues attend relevant courses. Today we shall speak of two young employees' accomplishments in this direction. Mushfig Hajiyev and Agil Rahimov are both undertaking studies in the field of accounting and finance to pass CFA exams and become chartered financial analysts (CFA).

The CFA Program is offered to investment and financial professionals by the USA-based CFA Institute (formerly the Association for Investment Management and Research, or AIMR). The program covers a broad range of topics relating to investment management, financial analysis, stocks, bonds and derivatives, and provides a generalist knowledge of other areas of finance.

A candidate who successfully completes the program and meets other professional requirements is awarded the "CFA charter" and becomes a "CFA charterholder". As of June

2016, there are approximately 132,000 charterholders around the world. It takes an average of 4 years to earn the CFA charter. According to the CFA Institute, fewer than one in five candidates who begin the program receive the CFA Charter. A successful candidate shall have 4 years (48 months) of qualified work experience (or a combination of education and work experience acceptable by the CFA Institute); complete the CFA Program by mastering the current CFA curriculum and passing three 6-hour examinations; become a member of the CFA Institute; and adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct. The top employers of CFA Charterholders globally are JP Morgan, UBS, RBC, Bank of America, and Wells Fargo.

Mushfig Hajiyev and Agil Rahimov both took the CFA level 1 exam on 3 June 2017 and were informed on 25 July 2017 to have passed the exam at first attempt. Level 2 and 3 exams are held only once a year, early in June.

Mushfig Hajiyev - Internal Audit Specialist



I have been working at SOCAR Polymer since January 2015, employed as an assistant to the Internal Auditor. I graduated from the Academy of Public Administration under auspices of the President of the Azerbaijan Republic, and continued my education at the Azerbaijan State Economy University to get an MBA degree in 2016. Eager to continue enhancing my academic knowledge I took up CFA course studies in December 2016 and am very thankful to SOCAR Polymer for the support in financing my endeavors to pass the CFA exams. Currently, I am at the start of a long journey and determined to complete it successfully. I am also encouraged by the fact that I have done well in all my past exams at university. I had scored 622 out of 700 at the university

entrance exams. But the largest portion of inspiration came from SOCAR Polymer as my application for a Financial Analyst position was accepted and I am expected to switch departments in September. SOCAR Polymer is truly supportive of any progressive initiatives and I am working hard to achieve the goals.

So far, I have done well. Basically, I studied for the exam on my own. Beside the official curriculum materials that you get upon registration, there are plenty of 3rd party exam preparation providers and online video lectures that can really help.

In general, a CFA charter gives its holder vast career advancement opportunities, better job prospects, and a globally recognized status. The specialized knowledge that I shall gain through the CFA program can help improve my performance which I believe will also add value to the company.

Agil Rahimov - Junior Financial Analyst



I joined the SOCAR Polymer team as a Junior Financial Analyst in December of 2016. I held a Bachelor degree diploma (2014) in Economics from the Royal Holloway University of London and Master's (2015) in International Accounting and Finance from Cass Business School. SOCAR Polymer believes in the potential of youths and gives professional development opportunities to young specialists. Before employment at SOCAR Polymer, I worked at PWC's Tax and Legal Department.

I keep looking for ways to accelerate my development and growth as a specialist and one of the quite reliable and easily available tools and means on this way are trainings. CFA is highly commendable in this respect.

Preparing for the exam, I used the official resources provided by the CFA Institute, as well as the revision package provided by Kaplan Schweser which I found especially useful.

Ultimately, what this training can give one is profound understanding of Accounting and Finance, and worldwide recognized accreditation. Alongside with the direct professional performance related improvement, these training courses teach you good time-management skills. It is a self-study course, so, a lot depends on your motivation, diligence and, of course, willpower.

SOCAR Polymer once again meets with entrepreneurs



On 28 July 2017, SOCAR Polymer participated in the event organized by the Ministry of Economy in support of local production and cooperation among enterprises and attended by the Deputy Minister of Economy Niyazi Safarov.

The list of about 50 participants who gathered in the Baku Business Centre included representatives of the Ministry's Industry Department, Sumgayit Chemical Industry Park, Scientific Institute of Economic Reforms, AMEA Polymer Materials Institute, Sumgayit Technology Park, and about 17 private industrial companies engaged in trading or production of polymer-based goods such as electrical products, composite panels, doors and window profiles, sheds and fences, packaging materials, bags, containers, PE sheets and coatings, films, lamination materials, copolymer wall paints, etc. Among the companies' representatives were founders, directors, deputy directors, financial directors, sales managers, lawyers, and heads of logistic, business development, and procurement

departments. They carefully followed SOCAR Polymer's General Manager Farid Jafarov's presentation about the company and expressed their interest in its products which promise them considerable savings in logistic funds, faster procurement, better price deals and greater profits.

SOCAR Polymer was also represented by the Finance Director Fuad Ahmadov and Senior Financial Analyst Babek Beydullayev. The purpose of our participation was to discuss cooperation opportunities with the companies that use polymers as feedstock in production.

The private sector was represented at this event by the Met-Ak LLC, Fostanpak LLC, Interplast-A LLC, Azlitbalkan JV LLC, Chirag Inshaat LLC, EL-Plastic LLC, Fin-Plast International LLC, Klaus-Plast LLC, Muradli-M LLC, ProMetal LLC, Veliev LLC, Gok-Nur Baki LLC, Fab Paints and Chemical Industry LLC, Sob-San LLC, and A-Plastik companies.



Papr Watch – the first watch from polyethylene

The German company Paprcuts Gang in Berlin, Germany, makes unique objects from paper. It has recently developed a relatively inexpensive and at the same time an unusual device for checking the time called Papr Watch. The gadget looks like a bracelet and is made of a fairly unconventional material for electronics – polyethylene or, to be more exact, a durable subspecies of polyethylene called Tyvek. This material has allowed the company to create a huge variety of different designs of watches. At the start of sales, there will be 29 different options available for every taste and for any style of clothes.

Made of 100% high-density polyethylene, this extremely durable watch was developed by DuPont. Lightweight and resistant to scratches, tearing, fading and water permeability, it needn't be taken off before a shower or a swim in a pool. It can even be washed in the washing machine. Don't compare the watches with a smartwatch. So far, the Papr Watch can only display time on an old-fashioned LCD display, but its battery will serve for about two years before replacement is needed.

A Papr Watch can be ordered for as little as 28 euros. The start of sales is scheduled for August of 2017.





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OPENING NEW FRONTIERS
IN THE PETROCHEMICAL
INDUSTRY OF AZERBAIJAN

 **SOCAR**
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