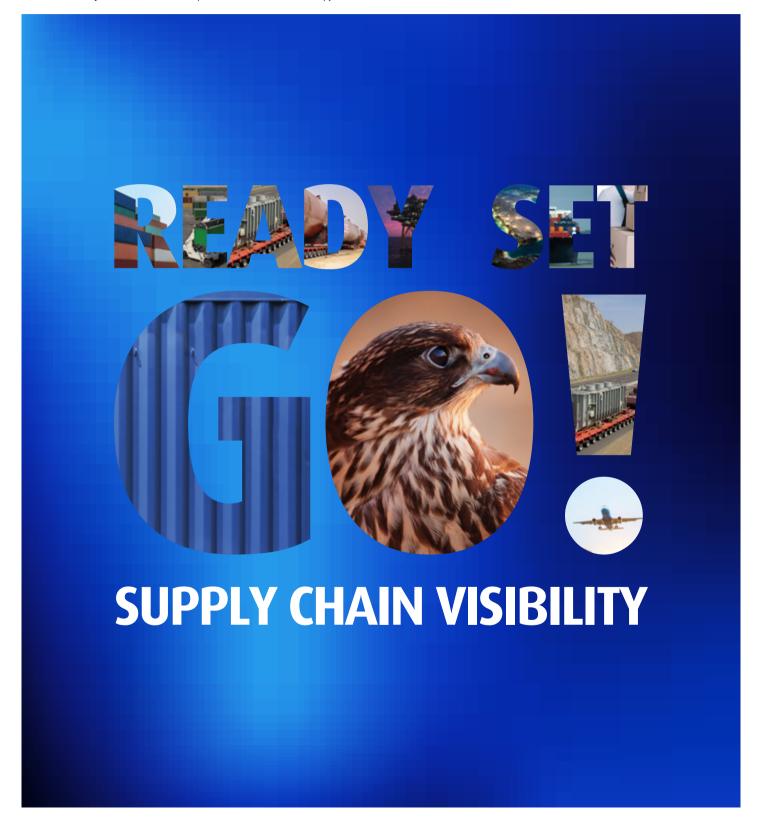
logistics further



ALMAJDOUIE LOGISTICS | NEWSLETTER ISSUE 14 | JANUARY 2019





CONTENT





CEO NOTE

New Year of Growth

4 IN VISION

Blockchain Technology's Impact on the Supply Chain.

Proud Partnership With Yanpet Continues.

Joint Venture in Automotive Logistics.

7 IN SAFETY

Gulf SQAS 2018 Core Module Training.

Housekeeping Campaign to Enhance Safety Culture.

9 UPDATES

Exploring Opportunities at Saudi Supply Chain and Logistics Conference 2018.

Vision 2030 Goals Highlighted at Saudi Freight & Logistics Conference.

Exploring the Future of Road Transport at IRU World Congress 2018.

12 FURTHER INFORMED

Build New Skills with the Almajdouie Toastmasters Club.

The Role of Strategy Development.

Driver Training to Enhance Safety.

New Software to Enhance Operations.

Heavy Lift Movement at SAMREF Plant in Yanbu.

Heavy Lift Movement in Bahrain.

Almajdouie Attends Forum to Enhance Arab-Africa Trade.

Almajdouie to Play Key Role at the Eastern Gateway Bonded Zone.

Meet One of Us.

8 SAFETY TIPS

Before You Go Checklist

Izaz Ahmed Editor-in-chief

Editor-in-chief

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New Year of Growth

As we enter 2019, we look back with pride on the past 12 months which have been filled with many challenges and achievements for Almajdouie Logistics. Throughout, we have been able to rely on our incredible team who have proved time and time again that they can face any obstacle and turn it into an opportunity.

This year has seen us continue to shine in the logistics space. Our dedication to service excellence was recognised by some of the world's most reputed organisations with numerous prestigious awards. We also received a higher classification within the industry as we expanded outside the Kingdom to establish a stronger regional presence.

Always ahead of the market, Almajdouie Logistics leads the way once more by expanding into digital solutions for the logistics industry. We have established a new digital logistics company, the first of its kind in the region, which is set to take advantage of the exciting opportunities that exist in a rapidly developing market.

Looking towards 2019, we set our aim higher still. We are fuelled by a passion to become the leading logistics company in the region, and eventually worldwide. Of course, none of this would be possible without the continued dedication and hard work of our exceptional team.

I would also like to thank our clients for their valued support and the strong spirit of cooperation we share. Our firm understanding of each other's objectives is of the upmost importance and helps to ensure we achieve our mutual goals.

Saudi Arabia is taking huge strides towards reducing its dependence on oil and developing its service sectors in line with the Vision 2030. The upcoming Neom City project, for example, is a \$500 billion, 26,500km2 transnational megacity and economic hub the likes of which the world has never seen. Furthermore, there are several upcoming renewable energy projects that will create new job opportunities and contribute to the country's continued growth and prosperity. Almajdouie Logistics is looking forward to being involved in many of the logistics operations relating to these massive projects in 2019 and beyond.

I hope you enjoy this newsletter, which highlights some of our ongoing projects and latest achievements. We have a special feature on blockchain technology's huge potential in Saudi Arabia, an overview of our involvement in the upcoming Eastern Gateway Bonded Zone, details about our latest safety campaigns, and a recap of our participation at some of the region's leading logistics events.

I wish you all a very happy New Year, filled with success, happiness, and good health.



From tracking inventory and assets to conducting payments and audits, blockchain technology has the potential to make supply chains more efficient than ever. MdR General Manager Rudy Sadi discusses how supply chain challenges can be overcome with blockchain solutions and the gamechanging impact this will have on the logistics industry.

Blockchain is a distributed database that holds records of digital data or events in a way that makes them tamper-resistant. While many users may access, inspect, or add to the data, they can't change or delete it. The original information stays put, leaving a permanent and public information trail, or chain, of transactions.

The advantages of blockchain are practically endless. In fact, some are calling it the most important invention since the Internet. Issues like fraud, forced labour, counterfeit products, points of origin, long lead times, and cash in hand will disappear for good. Moving money, transferring information, and allocating resources are also easier and more transparent since the data is incorruptible.

Let's look at the supply chain's specific requirements. Products and services have to be transferred quickly, safely, and effectively from producer to customer. The speed and quality of transactions, which range from transportation and handover to document approvals (customs clearance) and payments (cash collection), are equally as important.

Blockchain improves data accuracy and speed while reducing costs by cutting out the middlemen, which makes it a truly peer-to-peer way of doing business.

Blockchain will also improve the logistics industry from customers' perspectives. Open access to information, the simplified exchange of goods and payments, reduced risk of fraud, and the ability to track and trace transports as well as evaluate products and their origins are just some of the many benefits.

Audits and cross-border transactions will also be simpler and less time consuming with blockchain. For regulatory bodies, it is much easier to ensure compliance and a common standard amongst suppliers is easier to adopt. Since the network decision-making (algorithm) is based on consensus, it will eliminate trade barriers and give participants a sense of equality.

Blockchain will also make doing business in Saudi Arabia faster and easier, which is in line with the Kingdom's Vision 2030 to become a global logistics hub, particularly for petrochemicals and any downstream business. A large percentage of the Kingdom's population are in their early 20s and eager to adopt new technology, which means the potential for blockchain is huge.

Although blockchain technology won't tackle all the challenges facing supply chains and logistics, it will certainly help to make many processes more effective and secure.

IN FOCUS IN FOCUS 5



Proud Partnership With Yanpet Continues

Almajdouie Logistics and Yanpet recently renewed our proud 18-year partnership. Project Manager, Imtiazuddin Khan, highlights how our business relationship has evolved over time and the important role teamwork plays in our continued success.

Yanpet is one of the largest petrochemical complexes in Saudi Arabia, producing 1.4 million tonnes of polyethylene and polypropylene a year. Almajdouie Logistics has provided on-site logistics services (transportation, warehousing, and customs clearance) for the project since 2001. Over the years, the strong spirit of collaboration both companies share has helped to ensure the project maintains the highest levels of safety and efficiency.

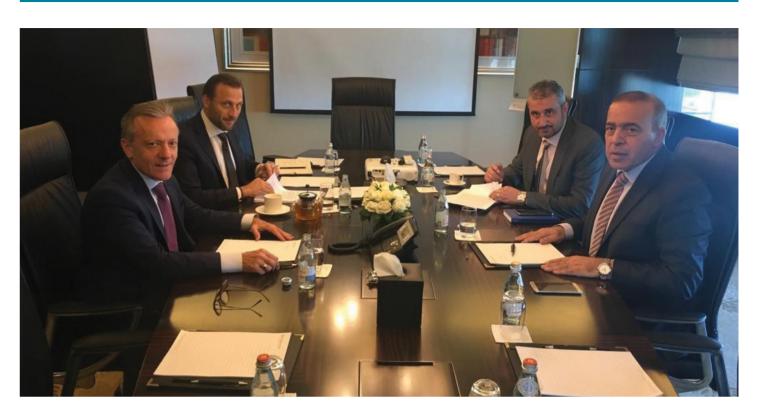
When it comes to working with petrochemicals, the importance of health and safety cannot be overstated. There were some challenges during the project's early stages, but we overcame them by working together to address areas that required improvement. Thanks to the diligence of highly skilled safety officers and frequent training and awareness sessions, the project has been accident free for the past three years.

The Yanpet project is a huge operation and faces various other challenges, including meeting increased demand (up to 25 per cent) during peak times of the month and dealing with road bans, security, and port customs processes. With careful planning, hard work, and valued assistance from Yanpet, we are able to solve almost all issues swiftly and efficiently.

Yanpet has always appreciated our hard work, especially when it comes to safety and on-time delivery. We, in turn, greatly appreciate Yanpet's continued trust and collaboration. Our relationship is based on transparency, honesty, and immediate support whenever and wherever it is required.

In total, 250 Almajdouie Logistics employees are assigned to the project. We each feel privileged to watch the project grow and to be involved in its continued success. Although there have been various challenges along the way, our ability to work together and face any obstacles head-on has helped us to achieve our common goals.

Almajdouie Logistics was recently part of a milestone operation for the Yanpet Project, lifting 157.3 KT of solid Polyethylene and Polypropylene products. The Yanpet site management team, alongside the business planning and product handling & logistics departments, marked the achievement with a special ceremony. Yanpet President, Eid Al-Subhi commended the efforts of everyone involved and encouraged them to keep up the momentum.



Joint Venture in Automotive **Logistics**

Almajdouie Logistics and GEFCO Group have formed a 50-50 joint venture in automotive logistics. The relationship between the two powerhouse companies began in January 2018 when we partnered to provide finished vehicle logistics services to Almajdouie Auto (MMC), the importer of Hyundai in Saudi Arabia. In its second phase, the joint venture plans to offer a full range of finished vehicle services to the Saudi Arabian market and will officially launch operations in the first half of 2019.

Almajdouie Logistics CEO Baheej Al Bigawi said: "We are delighted to partner with GEFCO Group to serve the automotive logistics needs of the Saudi Arabian market. We are very excited about this joint venture, which is part of our development strategy to tap into new market opportunities. Through this partnership, our two groups will be able to leverage each other's competitive strengths, enabling us to provide new options and cost-efficient solutions to our customers in the region. We are confident that our shared commitment to professionalism, quality, and innovation will cement this new venture's reputation for service excellence."



GEFCO Partners, unlimited



GEFCO Group CEO Luc Nadal said: "We are very pleased to announce this 50-50 IV agreement with Almaidouie Logistics. The new JV will benefit from MLC's strong position in the market and GEFCO's experience in providing smart and flexible supply chain solutions to customers around the world. With 69 years of expertise in automotive logistics and leadership in finished vehicles, we look forward to contributing our unique know-how, high standards and cost-effective solutions to the JV company. This partnership also complements GEFCO's growing presence in the Gulf, a region in which we have been delivering supply chain excellence for a number of years."



Gulf SQAS 2018 Core Module Training

In line with our commitment to safety and operational excellence, Almajdouie staff recently underwent awareness training for the new Gulf SQAS 2018 core module. Conducted by Senior SSHEQ Manager and Gulf SQAS Technical Committee member, Amador Brinkman, the training familiarised participants with the module's updates. In attendance were Almajdouie Logistics and MdR team members from the Operations, Procurement, Business Development, and SSHEQ departments.

Introduced in 2014 by the Gulf Petrochemicals and Chemicals Association (GPCA), which represents the Arabian Gulf's downstream petrochemical sector, Gulf SQAS is the system used to evaluate logistics service providers (LSP) environmental, health, safety, security, corporate social responsibility, and quality performance.

It is the most important accreditation for LSPs working in the GCC petrochemical manufacturing industry and demonstrates a commitment to Responsible Care.

value matters

For the past 30 years, Responsible Care has helped American Chemistry Council (ACC) member companies significantly enhance their performance and improve the health and safety of their employees, the communities in which they operate, and the environment as a whole

Brinkman said: "Almajdouie Logistics takes great pride in its strong safety culture and continuously works to improve its SSHEQ practices. Staying up to date with the Gulf SQAS core module is a top priority, which is why we made sure our team members received proper awareness training about its content. Workplace safety is about much more than legislation; it's about creating a productive, efficient, and professional workplace we all want to be part of."



Housekeeping Campaign to Enhance Safety Culture

As part of efforts to maintain a safe and productive workplace environment, MdR and Sadara launched a housekeeping campaign at the MdR-operated Liquids Handling Centre. It aimed to highlight the important role good housekeeping plays in operational safety and is in line with a broader Packaging Centre programme called 55.

The 5S programme, abbreviated from the Japanese words seiri, seito, seiso, seiketsu, and shitsuke, is a methodology for creating a high-performance, clutter-free workplace, which has "a place for everything and everything in its place" and is standardised throughout the workplace on an equally sustained level. Launched last year, it encourages employees of all levels to play a proactive role in creating safer working conditions.

5S is practiced continuously in the Liquids Handling Centre, which is also inspected weekly and audited monthly by area. Any gaps or areas for improvement are identified and tracked daily through operational stand downs and meetings.

Sadara's Site Logistics Senior Manager, Aiman Baslamah, and Supply Chain Director, Usman Mushtaq both praised the success of the housekeeping campaign, noting it was a great example of the teamwork between the two companies and their shared commitment to creating a strong safety culture.







Exploring Opportunities at Saudi Supply Chain and Logistics Conference 2018

Almajdouie Logistics was a Diamond Sponsor of the Saudi Supply Chain and Logistics Conference 2018, the biggest event of its kind in the Kingdom. Organised by the Ministry of Transport, the event brought together senior decision makers, expert speakers, and representatives from leading regional and international companies to network and explore the challenges and opportunities shaping the logistics sector.

More than 7,000 visitors attended the event, which featured four panel discussions and 33 speakers in total. In attendance were Almajdouie Logistics President, Abdullah Almajdouie, CEO, Baheej Al Biqawi, MdR General Manager, Rudy Sadi, and a number of other team members who showcased our diverse services at our exhibition stand.

The conference highlighted the logistics sector's important role in the Kingdom's Vision 2030 and the steps being taken to facilitate its growth, including streamlining import and export processes, reforming government structures and regulations, utilising technological advancements, and enhancing public-private partnerships. The event also gave Saudi Arabian students in



attendance the chance to interact with some of the industry's leading players and learn more about the latest supply chain practices and trends.

During the event, the Minister of Transport, His Excellency Dr Nabil bin Mohammed Al Amoudi presented Mr Almajdouie with a token of appreciation. In addition, Mr Sadi delivered an engaging presentation on blockchain technology and its impact on the supply chain.

Participating at leading events such as this provides us with valuable insight into the industry's latest developments and trends, which helps us to improve our operations and services.



Vision 2030 Goals Highlighted at Saudi Freight & Logistics Conference



Almajdouie Logistics participated at the 3rd Annual Saudi Freight & Logistics Conference, which brought together government authorities and industry experts to discuss the latest issues impacting Saudi Arabia's growing freight and logistics sector.

Held at the Rosh Rayhaan by Rotana in Riyadh, it aimed to create synergy between the public and private sector to help achieve the Kingdom's Vision 2030 goals. Almajdouie Logistics COO Brent Melvin shared his views during the panel discussion: Establishing the Kingdom of Saudi Arabia as a Global Logistics Hub - The Strategy and Design.



The conference covered various other topics, including current and upcoming freight projects, strategies related to ports and customs clearance, and regional development initiatives. Many new engineering, design, and technological aspects were also discussed.

The global logistics market is estimated to be worth \$15.5 trillion by 2024. Saudi Arabia is aiming to play a larger role by establishing itself as the Middle East's leading trade and logistics hub, connecting Asia, Europe, and Africa. Almajdouie Logistics is looking forward to playing a proactive role in these ambitions plans.

Exploring the Future of Road Transport at IRU World Congress 2018

Almajdouie Logistics participated at the International Road Transport Union (IRU) World Congress 2018, one of the world's largest road transport, mobility, and logistics events. Held recently in Muscat, Oman, it provided a platform for global decision-makers to exchange ideas, debate solutions, and define the future of the road transport industry.

High-level speakers including ministers, CEOs, industry leaders, innovators, and disruptors as well as heads of UN agencies and other prominent international organisations addressed participants from over 70 countries. Exploring the theme: 'Innovation on the Move', the event included more than 20 interactive sessions, along with networking opportunities, and ministerial and CEO summits.

The comprehensive programme focused on innovation, autonomous road transport, mobility, and trade. It also addressed new technology, disruptive business models, laws and investment strategies, changing trade patterns, new market needs, emissions, decarbonisation, and social issues.

Geopolitical uncertainty, the risk of a global recession, and keeping up with changing customer demands are some of the biggest challenges facing road transport. Technology and innovation are the keys to overcoming these challenges and securing the future of the industry, which is why Almajdouie Logistics is focused on expanding its digital capabilities. This will enable us to improve customer satisfaction levels, streamline the running costs of our operations and, most importantly, save our customers' time and money. Attending leading events such as this provides us with valuable insight that will help us to achieve our goals.

Located in the middle of some of the world's most dynamic transport and trade corridors, Oman is working on becoming a leading global logistics player in the coming years. The nation's focus on logistics, transportation, and infrastructural development helped the Sultanate win the honour of hosting the event. Almajdouie Logistics recently opened a new office in Oman, which further reflects the country's strategic importance.



Star of the Month honour for Almajdouie-GEFCO team members



ALMAJDOUIE - GEFCO TEAM MEMBER ABDUL RAHIM ZAIN WAS RECOGNISED AS STAR OF THE MONTH FOR OCTOBER 2018



ALMAJDOUIE - GEFCO TEAM MEMBER AHMED KAMAL FAYED WAS NAMED AS STAR OF THE MONTH FOR NOVEMBER 2018



Build New Skills With the Almajdouie Toastmasters Club

At Almajdouie, we know that investing in our employees is vital to our continued success, which is why we offer a number of development programmes across the company's portfolio. One of our proudest initiatives is the Almajdouie Toastmasters Club, which provides a platform for employees to build valuable leadership and communication skills as well as self-confidence.

The club, established in 2005, has received numerous prestigious awards and enjoys the full support of our company's management. It holds separate meetings for English and Arabic speakers, which means more employees can participate.

Toastmaster President Amador Brinkman said: "The Almajdouie Toastmasters Club helps employees to build lifelong communication, time management, and public speaking skills which are incredibly beneficial both personally and professionally With its welcoming and supportive culture, the club offers a great platform to develop and practice new skills among peers. Through internal meetings and in collaboration with other clubs, it also provides excellent networking opportunities."

Toastmasters International's new education programme, Pathways, provides an interactive way for members to develop their skills. The innovative content is grounded in the latest principles of instructional design, which ensures it is relevant to the needs of today's members.

There are 10 pathways to choose from - dynamic leadership, effective coaching, innovative planning, leadership development, motivational strategies, persuasive influence, presentation mastery, strategic relationships, team collaboration, and visionary communication. Each pathway is divided into five levels, which increase in complexity.

The course is delivered via an online learning management system and weekly practical sessions organised by the Almajdouie Toastmasters Club. The club meets for the English session every Tuesday from 3.50-5.00pm auditorium. The Arabic session takes place every Wednesday at the Hyundai Showroom meeting room. All are welcome to attend.

Toastmasters International is a US-based non-profit educational organisation that operates clubs worldwide aimed at promoting communication and public speaking skills.



The Role of Strategy Development

Almaidouie Logistics management recently convened for a strategy development workshop to review the company's business plan and set goals for the next three years. In attendance were top executives and first line managers from across all regions.

Strategic workshops play a key role in the overall growth and success of any business. They enable participants to step back from their day-to-day routines, deliberate on the company's long-term direction, and develop strategic initiatives that bring corporate visions into focus.

Strategy Development Manager, Ahmad Saeed, said: "In the fastchanging business landscape of the logistics sector, companies that focus on strategy development are more profitable and successful. They tend to make better-informed decisions because they have considered both the short-term and longterm consequences and oriented their strategies accordingly. In contrast, firms that do not engage in meaningful strategic planning are often bogged down by internal problems and a lack of focus that leads to failure."

The Almajdouie Logistics Strategy Office works to keep the company's long-term goals on everyone's radar by promoting them on the intranet and celebrating important milestones.



13

With digital platforms on the rise, one of the company's main strategic objectives is to develop its expertise in digital logistics. Saeed said: "The game is not over for traditional logistics service providers. Almajdouie Logistics will continue to build on its decades of industry experience and reputation for service excellence by expanding its networks and finding new ways to exceed customer expectations."

Driver Training to Enhance Safety

Safety is a top priority for Almajdouie Logistics and we continuously strive to raise our standards. A team from Saudi Aramco recently conducted a safety awareness session for our drivers. After the session, our drivers received ID cards, which indicate they are fully aware of safety regulations at Saudi Aramco sites.

At Almajdouie Logistics, we know that investing in our employees is vital to our continued success, which is why we offer a number of training and development programmes and work with our partners to develop our employees' skills in the best possible way.



PARTICIPANTS AT THE SAFETY AWARENESS SESSION

New Software to Enhance Operations

Almajdouie Logistics Chief Engineer, Edward Gonzal Celebre successfully completed a three-day training programme covering the use and operation of Scheuerle Axle Load Stress Analysis (SALSA) Plus software. Held at Scheuerle's factory in Pfedelbach, Germany, the programme gave participants a broader understanding of the software's various functions.

Celebre will conduct an internal training session for Almajdouie engineers, explaining how the software, which carries out technical simulations for heavy load transport projects, can be used to create technical support documentation, improve safety, and increase customer satisfaction.

Celebre said: "Simulation and loading case investigations of heavy-duty transport operations are much easier with the help of SALSA Plus. It will definitely support Almajdouie Logistics in raising the benchmark for safety and efficiency even higher."

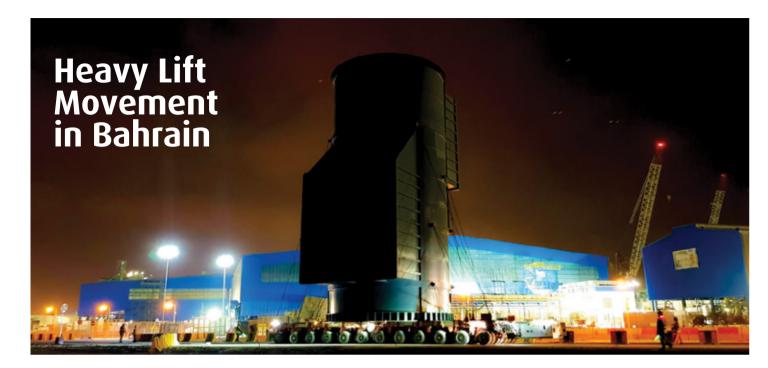


Heavy Lift Movement at SAMREF Plant in Yanbu



Almajdouie Logistics specialises in heavy and oversized loads and always welcomes a new challenge. This shipment for SAMREF Plant-Yanbu measured a massive 21.7 x 11.58 x 33 metres (L x W x H) and weighed 576 tonnes. Receiving the cargo at Yanbu industrial port, we conducted a RORO operation using 32 axle lines of SMPT before transporting it to its final destination.

15



Working with our business partners in Bahrain, Almajdouie Logistics recently moved a middle stack for Alba's Pot Line 6 project, which measured 83 x 10.10 x 18.10 (L x W x H) and weighed 72 tonnes.

Receiving the cargo at Ramsis Engineering Yard, the team used 24 axle lines of SMPT to transport it to its destination. To ensure

safety during the night- time operation, warning lights and escort vehicles were used. Due to the height and width of the cargo, lashing/securing was also crucial for safe transportation. At the recommendation of the Almajdouie Logistics heavy lift engineering team, special lashing points were welded to the cargo during fabrication, which helped ensure it stayed secure during the movement.

Almajdouie Attends Forum to Enhance Arab-Africa Trade

Almajdouie Logistics participated at the first Arab-Africa Trade Promotion Forum, which took place in Ethiopia from 22 to 23 November 2018. In attendance were senior decision makers from major Arab, African, and Islamic finance institutions, as well as Arab export companies and African import institutions.

The forum provided a platform for participants to showcase their activities and products, hold bilateral meetings, and explore partnership opportunities that will enhance Arab-African trade. In total, 35 countries were represented at the event, which was organised by the Arab Bank for Economic Development in Africa (BADEA) in partnership with the Al-Iktissad Wal-Aamal Group and Mamoun Beheiry Centre.





Many topics were discussed during the two-day event, including the roles export promotion and guarantee institutions play in promoting Arab-African trade, the reality of trade between Arab countries and Africa, strategies and mechanisms to develop and stimulate trade, and success stories of Arab exporters to African markets. Arab, African, and Islamic development banks and institutions also presented new trade finance programmes.



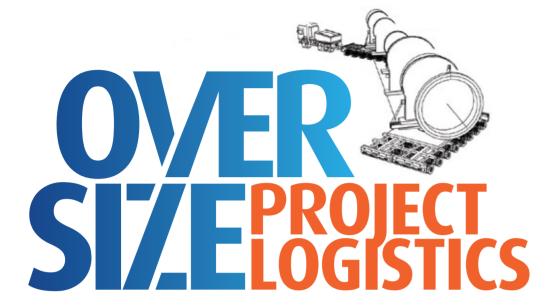
Almajdouie to Play Key Role at the Eastern Gateway Bonded Zone



Almajdouie Logistics has been appointed as a 4PL joint venture partner for the upcoming Eastern Gateway Bonded Zone (EGBZ), a state-of-the-art multi- model, multi-user, temperature-controlled, bonded storage & customs clearance gateway. In this role, the company will provide cargo handling equipment, manpower, IT solutions, and inventory management services, which are crucial for the facility's operation and overall success.

Located at King Fahd International Airport, the 40,000 sqm EGBZ is approaching the final stage of construction and is expected to launch operational services in Q1 2019. The project is financed and owned by the Eastern Gateway Logistical Services Company (EGLSC), an investment vehicle established by a group of prominent Saudi Arabian merchant families, including Albawardi Group, Al Muhaidib Group, The Globe Group, and Alissa Group.

The EGBZ will streamline and simplify the movement of cargo and goods (import and export), offer flexible and enhanced trading options for inbound and outbound merchandise, ease congestion at busy KSA border crossing/entry points, and assist with training KSA nationals. It will also serve as a vehicle for inward investment by foreign companies wishing to establish business units at the zone.





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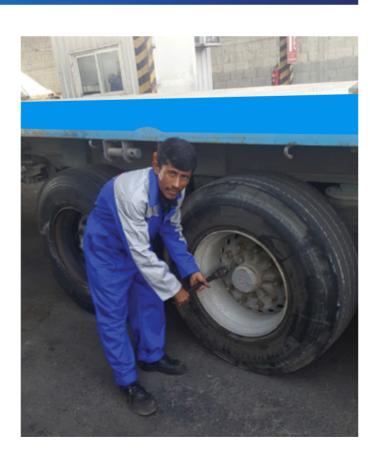
Meet One of Us

Name: Mounir Haris **Nationality:** Bangladeshi **Job Title:** Tyre Man **Team Member Since: 2010**

During his eight years with the company, Mounir has gained both theoretical knowledge and practical experience, which has helped to ensure our vehicles run efficiently and get us where we need to go. He plays a key role by maintaining and repairing tyres for light and heavy vehicles. If wheel alignment, tyre pressure, and tyre rotation are properly taken care of, tyres

will last much longer, which is beneficial for the company.

"I really enjoy my work and am fortunate to have great coworkers. The company's management is very supportive and encourages us to submit ideas for improvements through the Spark platform. I feel extremely proud that many of my ideas have been implemented and I look forward to submitting further suggestions in the near future."





BEFORE YOU GO CHECKLIST



Keep a vehicle emergency kit



Wear appropriate clothing and footwear



Use hazard lights appropriately



Inspect vehicles regularly



Drive slowly in low visibility



Do not use cruise control

Adverse weather conditions and longer periods of darkness make driving during the winter more hazerdous. This means we need to adjust the way we drive and ensure we are prepared for a variety of different scenerios.



LETS STAY SAFE TOGETHER

SMART, STREAMLINED AND EFFICIENT. WAREHOUSING & DISTRIBUTION

