

Almajdouie Logistics

Newsletter | December 2021 | Issue 20

Committed to
sustainability

Joint ventures
under the spotlight

Almajdouie issued
with new KSA logistics license

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& SHARE





***MOVING
YOUR BUSINESS
FORWARD ■***

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ISSUE 20



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Newsletter Team

For any comments related to the newsletter or requests for subscription, please email: lzazA@almajdouie.com

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P.O Box 336, Dammam 31411, Saudi Arabia.

Tel: +966920029221

المجدوعي
Almajdouie



Exceeding Expectations

Almajdouie Logistics provided direct receiving, inventory control, crane services, storage, and heavy transport for the Dumat Al-Jandal windfarm project. This aerial view photo shows a convoy transporting components from Duba Port to the project site in the Al Jouf region.

A WORD FROM THE CEO

VISION 2030 COMES INTO FOCUS



Despite the challenges of the past year, we can look back on 2021 with a sense of accomplishment at all we have achieved. We marked many important milestones, which would not have been possible without the enthusiasm, motivation, and dedication of our team.

The Kingdom of Saudi Arabia is undergoing a remarkable period of growth and transformation, despite the continued challenges of the COVID-19 pandemic. In June this year, His Royal Highness the Crown Prince, Mohammed bin Salman, announced our country's National Transport and Logistics Strategy, an ambitious plan to improve services in support of Saudi Arabia's Vision 2030.

The strategy has four main goals: to transform Saudi Arabia into a logistics hub; boost the quality of life across the country; enhance fiscal sustainability; and improve the performance of public entities. It will strengthen human and technical capabilities in the Kingdom's transport and logistics sectors, which are crucial pillars of our country's sustainable development, as reflected by the renaming of the Ministry of Transport as the Ministry of Transport and Logistics Services.

The continued development of our national and regional rail network is an exciting prospect. The new strategy will increase the total length of the rail network and includes a "land bridge" project that will connect the Kingdom's

ports on the coast of the Arabian Gulf with those on the Red Sea.

The launch of King Salman Energy Park (SPARK), a new megaproject intended to reinforce Saudi Arabia's position as a global energy hub, reflects a more cautious approach to economic development in the Kingdom. Also under development is a regional Logistics Zone connecting SPARK to the rest of the Kingdom and neighboring countries through the future GCC railroad.

With direct land, air, and sea links connecting to Europe, Asia, and Africa, a rapidly strengthening infrastructure, and an inviting environment for the private sector and foreign direct investment, Saudi Arabia is fast emerging as a major global logistics hub.

Leveraging our expertise in various facets of logistics and supply chain management, Almajdouie Logistics is keen to support this process whenever possible. We also remain committed to finding new ways of enhancing transparency and communication, both internally and externally.

Our company recently underwent an organizational restructure that will enable us to improve operational efficiency and better serve our valued clients across the Kingdom.

As 2021 draws to a close, we look forward to 2022 with a renewed sense

MOHAMMAD ALMAJDOUIE
CEO
ALMAJDOUIE LOGISTICS

With direct land, air, and sea links connecting to Europe, Asia, and Africa, a rapidly strengthening infrastructure, and an inviting environment for the private sector and foreign direct investment, Saudi Arabia is fast emerging as a major global logistics hub.

of optimism and remain ready to take on new challenges. I would like to take this opportunity to thank our employees, stakeholders, partners, and business associates for their support and our customers for their continued trust. Without these essential elements, our company's success would not be possible.

I wish you and your families a happy, healthy, and prosperous New Year and look forward to sharing brighter days in 2022.

IN VISION

EXPLORING THE ADVANTAGES OF LOGISTICS HUBS



Logistics hubs have become key contributors to the growth and efficiency of the sector globally, offering a range of competitive advantages. Almajdouie Logistics COO Kris Brusselmans explains the benefits of developing more integrated facilities across the Kingdom of Saudi Arabia and the importance of support from both private and public sectors.

A logistics hub is the center of a specific area where all the activities relating to transport, logistics, and goods distribution - both for national and international transit - are carried out on a commercial basis.

The operators may be either owners or tenants of the buildings or facilities built there, such as warehouses, distribution centers, storage areas, and offices. To comply with free-market rules, a logistics hub must be accessible to all companies involved in the activities set out above, and equipped with all the public facilities necessary to carry out these operations.

If possible, it should also include public services for the staff as well as users' equipment. To encourage intermodal transport for goods handling, a logistics hub should preferably be served by a variety of transport methods (roads, rail, sea, inland waterways, and air).

To ensure synergy and commercial cooperation, logistics hubs must be managed as a single and neutral legal body, preferably by a public-private

partnership. Finally, logistics hubs must comply with certain standards and quality performance to provide the framework for commercial and sustainable transport solutions.

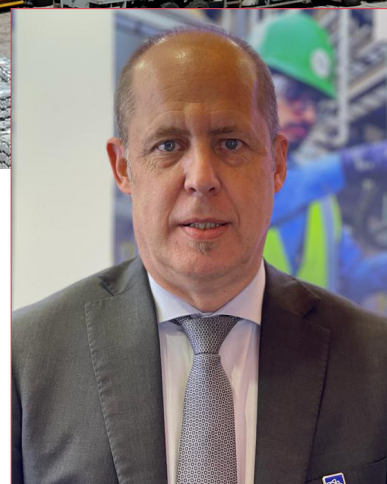
King Abdullah Port, as part of King Abdullah Economic City, Al Khumra - Jeddah Islamic Port corridor, and the Integrated Logistics Bonded Zone at King Khaled International Airport in Riyadh are some of the major logistics hubs currently operational in KSA.

The Saudi Logistics Hub (SLH) is a government initiative mandated to drive growth in Saudi Arabia's logistics sector. This important process supports ongoing efforts to position the country as a strategic gateway connecting three continents in line with the Kingdom's Vision 2030.

As part of this initiative, 60 logistics platforms are being developed. Connected to airports, ports, and road and rail networks, these could potentially become logistics hubs based on industrial clusters.

Logistics hubs offer a range of competitive advantages in logistics operations, including greater operational efficiency, flexibility, and adaptability; reduced handling costs; increased reliability; improved service quality; and better on-time delivery performance, driven by resource pooling and traffic decongestion.

Moreover, logistics hubs support economic



KRIS BRUSSELMANS
COO
ALMAJDOUIE LOGISTICS

development by attracting international trade flows, enabling exports and reexports, and creating opportunities for public-private partnerships. They also contribute to the country's GDP through their construction, operation, and maintenance, and create direct and indirect jobs for Saudis and non-Saudis alike.

The launch of Vision 2030 formalized Saudi Arabia's ambitious plan to become a global logistics hub. The Kingdom is taking significant strides to achieve this goal by building and upgrading its physical and digital infrastructure. Developing different interconnected logistics platforms over the coming years will support the sector and capture the opportunities at the heart of the global industry.

At Almajdouie Logistics, we aim to invest in and build our solutions around the Kingdom's logistic hubs, delivering operational excellence for our clients across different verticals.

COMMITTED TO SUSTAINABILITY

ALMAJDOUIE LOGISTICS SUSTAINABILITY EFFORTS

With a view to long-term growth, Almajdouie Logistics' sustainable development strategy focuses on six key pillars: care and wellbeing, environment preservation, sustainable end-to-end logistics operations, digital adaptation, management systems integration, and team diversity. These pillars, which include 30 distinct targets aimed at improving performance across the organization, are in line with the UN Sustainable development Goals.

The care and wellbeing goal is focused on providing a nurturing and secure work environment for all employees to achieve their highest potential. The environment preservation goal is centered on protecting the environment and combating climate change.

The goal of sustainable end-to-end logistics operations reflects the company's aspirations to be the Kingdom's leading organization in terms of providing this objective. Digital adaptation supports Almajdouie's aim to optimize its operational and organizational

capabilities through digital transformation and innovation.

Management systems integration reflects the company's objective of implementing an effective integrated management system to support continuous improvement. Finally, the goal of team diversity demonstrates Almajdouie's aspiration to be the Kingdom's most inclusive and diverse company.

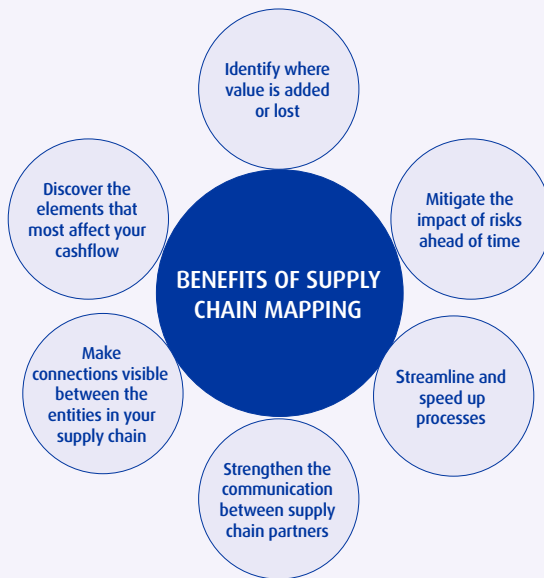
To achieve these goals, the company rolled out a series of initiatives, which began in September 2021 and will continue until November 2022. By the end of this year, Almajdouie will have introduced sustainable development aspirations and strategies, conducted a materiality assessment related to sustainability, invested in developing sustainable strategies, utilized Sustainability Accounting Standard Board (SASB) requirements as a benchmark in sustainability reporting and performance monitoring, and developed key performance indicators based on sustainable development.

By 2025, Almajdouie aims to reduce its CO2 emissions up to 20% by optimizing operational processes and utilizing sustainable materials when possible, further reflecting the company's commitment to sustainability. Almajdouie is also conducting a feasibility study as part of plans to utilize hydrogen-powered trucks. Moreover, the company has implemented sustainable development awareness campaigns and activities to encourage employees to be more environmentally conscious and help the Kingdom achieve its sustainability goals.

Greenhouse gas emissions and carbon footprints drastically impact the environment and the communities we live in. As such, environmental sustainability is a major area of focus for the logistics and supply chain industry. By implementing sustainable development initiatives today, the industry can play an important role in creating a cleaner and brighter future.

INDUSTRY INSIGHT

SUPPLY CHAIN MAPPING AN ESSENTIAL STEP TOWARD RESILIENCE



ATHER ALI KHAN
CONTRACTS MANAGER
ALMAJDOUIE LOGISTICS

Supply chains are increasingly global, complex, and multi-tiered. Consequently, companies often struggle to maintain complete visibility of their supply network. This poses a problem, as visibility of the network structure is required for tasks like effectively managing supply chain risk.

The COVID-19 pandemic created a huge challenge for procurement and supply chain professionals. When the outbreak began, the disruptions were significant and 70% of organizations did not have a clear sense of what parts of their supply chain network were affected.

Instead, they were still in a "data collection and assessment" mode, manually trying to identify which of their supply chain partners had a site in a locked-down region and which regulations and laws were being applied.

This made it challenging to secure raw materials and components and protect their network from further disruption.

Further complicating this process, countries around the world went into various stages of lockdowns and restrictions, which meant that supply chain experts spent several months reacting and responding.



However, organizations that invested in supply chain risk management tools and integrated them into their processes digitally, particularly mapping their supply chain networks, had a different experience. This gave them better visibility into what was happening with their supply chains, enabling them to take decisive action.

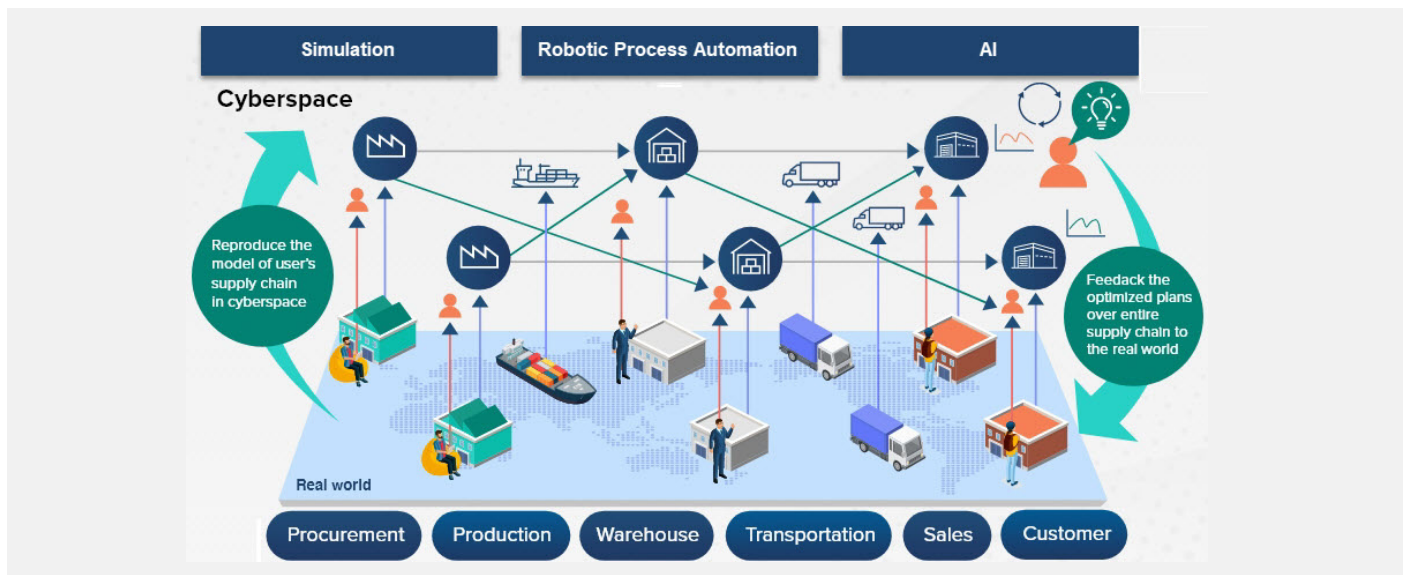


They were able to conduct what-if analyses for different regions as the first few cases emerged, proactively working with supply chain partners in these areas to protect the supply chain network. These success stories demonstrate why supply chain mapping is an essential step toward resilience.

Disruptive events like COVID-19 put increased pressure on organizations to choose specialized partners to protect the future of their supply chain. These partners have clear supply chain visibility and insight into changes in global compliance and regulations, IoT, health and safety, quality sourcing and processing, distribution, and marketability.

With its focus on supply chain mapping, a supply chain risk management policy, business continuity planning, advanced technology, and a professional team, Almajdouie Logistics is well prepared for the challenges of the pandemic. The company's proactive response demonstrates why Almajdouie is the right logistics partner for its customers.

SUPPLY CHAIN ECOSYSTEMS UNDER THE SPOTLIGHT



As digital transformation continues to thrive in the post-pandemic environment, a new trend of automation and data exchange is surging across manufacturing technologies, promising an even deeper and more significant revolution, writes Dr. Turhan Bilgili.

If the vision of Industry 4.0 is to be realized amongst enterprises in the supply chain network, many processes must become more digitized. This requires the evolution of traditional supply chains toward a connected, smart, and highly efficient ecosystem.

Many companies have struggled with longer and more difficult implementation trajectories for their enterprise software with certain gateways, specifically ERP (Oracle Sap MS Project, etc.), than foreseen. The process did not change the software, rather the software changed the process without setting an umbrella type of collaboration with communication systems.

In the realm of Enterprise Resource Planning systems (ERPs), interactions have been protected as internal processes. However, a particular challenge for these systems is enabling flexibility, agility,

responsiveness, and interconnectivity between information systems throughout the supply chains by leveraging the use of microcomputers, broadband internet access, radio frequency identification (RFID), and stronger networking. This is creating information transparency along the entire value chain.

Today, the supply chain is a series of discrete, siloed steps taken through marketing, product development, manufacturing, and distribution before reaching the customer. Proper application of digitization brings down those walls, helping the supply chain to become an integrated ecosystem that enhances value and transparency.

An example of a supply chain ecosystem is understanding the drop shipping operational process. Rather than purchasing the product, shipping the inventory, and holding it in a warehouse in anticipation of customer orders, the e-tailer purchases the product and processes the customer order when it comes into its order management system. While the orders are processed simultaneously, they are shipped out from the supplier to the end customer.

A supply chain ecosystem is a network of organizations, people, activities, information, and resources, all of which are involved in moving a product or service from suppliers to customers. The goal of these ecosystems is to build a new kind of digital supply network that is resilient, collaborated, interconnected, and more responsive. This will help to resolve bottlenecks in operations, sales, orders, product life cycles, and align business strategies with end-to-end service processes.

Adopting a new supply chain ecosystem may be challenging for various enterprises. Although evolving from an analogue supply chain to a connected, autonomous, and self-optimizing supply chain ecosystem is complex, within five to 10 years, prerequisites will enable radical changes that enable organizations to walk-the-talk.

Supply chains are evolving into increasingly interconnected networks of partners, suppliers, regulators, service providers, and customers with profound interdependencies that can no longer be described adequately using the linear concept of a "chain".

UPCOMING *EVENTS*

Almajdouie Logistics regularly participates in leading regional events to gain insight, develop our existing relationships, and explore new connections. Our team members look forward to meeting with you and discussing how our integrated, end-to-end services can help to drive your business forward.



 11-13 JANUARY, 2022  RIYADH, SAUDI ARABIA



 1-2 FEBRUARY, 2022  DUBAI, UAE



 21-23 FEBRUARY, 2022  RIYADH, SAUDI ARABIA



 6-9 MARCH, 2022  RIYADH, SAUDI ARABIA



MdR SADARA TEAM

SETS THROUGHPUT RECORDS FOR SOLIDS & LIQUIDS

The MdR Sadara project team set new records for solids and liquids handling in May 2021, reaching 31 kilotons (KT). This surpasses the previous record of 30 KT, which was set in July 2020. Total liquids handling was 134 KT, topping the Jan 2020 record of 131 KT, while King Fahd Industrial Port (KFIP) shuttling volume hit the 100 KT mark for the first time.

MdR Sadara solids operations manager Fareed Mohammed congratulated all involved for achieving the new milestones safely and thanked them for their dedication. CMY Operations Manager Nadeem Khan also congratulated the team on the achievement, noting the



importance of keeping safety as a top priority.

MdR Liquids Operations Managers Bop Martens said: "Congratulations to the team for achieving yet another milestone while maintaining our high safety standards. With the Eid holidays and several other operational challenges, May was a difficult month. However, we



overcame all obstacles to achieve these impressive results."

MdR Operations Manager Bart Darcis thanked the team for their exceptional efforts while overcoming various challenges, including COVID-19 vaccinations for truck drivers, a wooden pallet shortage, and working during the Eid holidays.

MdR RECOGNIZED FOR COMMITMENT TO SAFETY



Yanpet recognized MdR for its exceptional commitment to Environment, Health, Safety & Security (EHSS).

MdR and Yanpet jointly operate the Product Handling and Logistics department, which was named best EHSS department for May 2021. The department's high safety standards are the result of monthly EHSS campaigns, regular awareness training, and strict adherence to best practices.





SINOTRANS ALMAJDOUIE MIDDLE EAST AWARDED CONTRACT FOR SOLAR PROJECT

China Energy Engineering Corporation has awarded our joint venture company, Sinotrans Almajdouie Middle East (SMME), a contract for the Rabigh solar photovoltaic (PV) independent power project (IPP). In line with the agreement, we will provide customs clearance, transportation, and offloading services for the project.

SMME General Manager Zhang Lin said: "We are glad to be involved with this national development project, which marks another major step in Saudi Arabia's renewable energy journey. One of SMME's biggest advantages is that we are a joint venture, benefitting from the insight and expertise of two leading companies. Sinotrans has completed several global solar projects, and Almajdouie Logistics provided transportation and customs clearance solutions for KSA's milestone Sakaka Solar PV Plant and Dumat Al Jandal windfarm projects, gaining a wealth of experience. We look forward to applying that knowledge in Rabigh and contributing to a more sustainable future for the Kingdom."



ZHANG LIN
GM
SINOTRANS ALMAJDOUIE MIDDLE EAST

China Energy Engineering Corporation Project Manager Guo Huojin said: "We are excited to work alongside SMME on this landmark renewable energy project that will add value to the Kingdom and help it

achieve its sustainability goals."

In total, SMME will handle 1,345 containers, 2,000 cubic meters of break-bulk cargo, and two pieces of H/L within one year.

MdR CELEBRATES 15 YEARS OF SUCCESS



Almajdouie De Rijke Limited (MdR) marked its 15th anniversary with a celebration at the Almajdouie Group headquarters in Dammam. In attendance were senior officials from Almajdouie and representatives from the De Rijke Group, who attended the event virtually.

Almajdouie Group Vice-Chairman and MdR Chairman of the Board, Abdullah Ali Ibrahim Almajdouie, and former De Rijke Group President, Leen De Rijke, delivered speeches reflecting on the company's history and its journey to success.

Mr. De Rijke said: "Trust, true partnership, and a winning spirit are the key ingredients to MdR's success. Despite not having a brother of my own, I found one for life in Abdullah. Together, we have helped to create a company that is defined by accountability and respect for its clients, employees, and stakeholders."

De Rijke Group CEO and MdR Vice-Chairman of the Board, Kees De Rijke, and Almajdouie Logistics CEO of Joint Ventures, Baheej Al Biqawi, also delivered speeches highlighting MdR's many achievements and future plans. Furthermore, MdR General Manager, Rudy Sadi expressed his gratitude for having the opportunity



JEROEN DE RIJKE
CPO
DE RIJKE GROUP

to lead such an outstanding company for the past five years.

MdR offers bespoke supply chain solutions to the petrochemical industry in the Middle East. The joint venture combines the extensive expertise of Almajdouie Group of Saudi Arabia and De Rijke Group of the Netherlands, providing customers with a comprehensive range of safe,

KEES DE RIJKE
CEO
DE RIJKE GROUP

reliable, and quality-driven services.

Backed by a highly skilled workforce, advanced IT systems, and modern infrastructure, the award-winning company assures compliance with international standards. Strict EHSSQ policies and procedures are also in place to maintain the quality of MdR's services.

ALMAJDOUIE LOGISTICS WINS PHOTO OF THE YEAR: OVERLAND



The arial view image of our team transporting components for the Dumat Al Jandal wind farm was selected as Photo of The Year: Overland in the Heavy Lift & Project Forwarding International (HLPFI) Readers' Vote Awards 2021. Approximately 26 international companies were shortlisted in this category.

Our winning entry shows a convoy of trucks traveling from Duba Port to the project site in the Al Jouf region

of Saudi Arabia. Dumat Al Jandal is the largest wind farm in the Middle East and the first in Saudi Arabia.

We provided heavy transportation, storage, and heavy lift solutions for the project, which is an essential part of the Kingdom's National Renewable Energy Program.

During this milestone project, we carried out more than 850 journeys and traveled more than 600,000 km.





***MOVING
YOUR BUSINESS
FORWARD. ■***

FURTHER INFORMED

ALMAJDOUIE LOGISTICS AMONG FIRST LOGISTICS LICENSE RECIPIENTS

Almajdouie Logistics was among the first 32 companies in the Kingdom of Saudi Arabia to be issued with logistics licenses at a ceremony organized by the Ministry of Transportation and Logistics Services. President of the Transport General Authority Dr. Rumaih bin Muhammad Al-Rumaih presented the licenses.

The new logistics license aims to raise the Kingdom's logistic performance index ranking, improve work in the sector, and promote promising investment opportunities that enhance the local economy and its connection to the international market.

The Transport General Authority said that licensed logistics activities merged a range of services into one activity to simplify and speed up procedures for investors through the Naql (transport) e-gate.



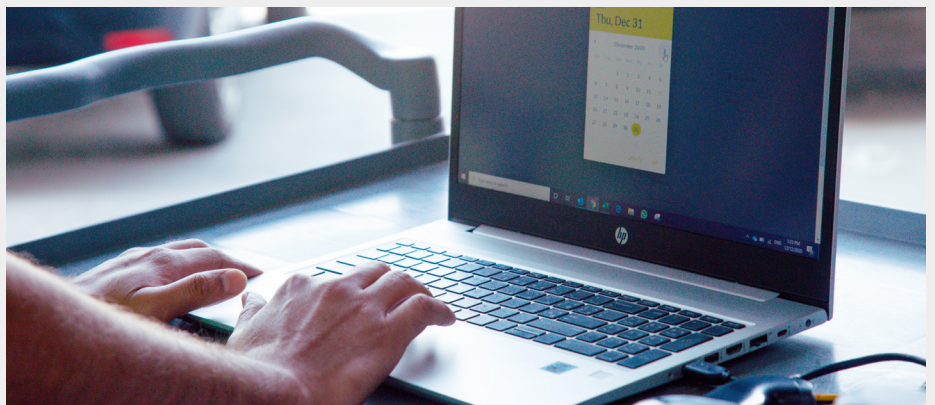
The license will enable land, air, and marine freight forwarders to practice activities that will contribute to attracting

pioneering international investments, increase the competitiveness of the sector, and enhance shipment options.

DIGITAL SUPPLY EXPERTISE



Almajdouie Logistics is embracing innovation to turn today's challenges into tomorrow's opportunities. Through its investment in 525K, a digital supply chain company that helps retail, eCommerce, and logistics companies deliver to their customers in the shortest time possible, Almajdouie is now able to provide improved levels of service and attract new customers while serving retail and e-commerce in new verticals.



525K offers value for logistics providers by optimizing resources and increasing supply chain visibility via its robust and comprehensive global platform. This platform improves fulfillment speed,

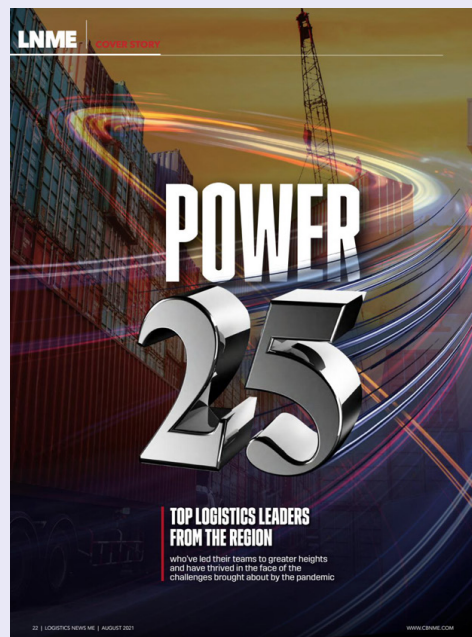
quality, and coverage to grow merchants' market share, improves and simplifies the integration time into end-to-end logistics for merchants, and maximizes efficiency.

FURTHER INFORMED

ALMAJDOUIE LOGISTICS CEO RECOGNIZED IN POWER 25 LIST

We are delighted that BNC Publishing has ranked Almajdouie Logistics CEO, Mohammed Ali Almajdouie, 3rd in its Power 25 list of the top logistics leaders in the region. Rankings such as this reflect Almajdouie Logistics' efforts as a whole and stand as a testament to the diversity of our services and the unity of our team. We would like to thank our stakeholders and employees for their continuous support and contributions to our success.

This proud achievement inspires us to build on our success and further improve our high standards. As we continue to expand our footprint and launch innovative new services, we remain committed to delivering exceptional value, quality, and customer service at every stage of the supply chain.



CELEBRATING 6 MILLION SAFE MAN-HOURS

MdR and Yansab team members came together to celebrate the milestone achievement of reaching six million safe man-hours operating without lost-time injuries. Since joining the project in 2008, our team has made important contributions to the project's operation by helping to improve productivity, efficiency, and safety.

To mark the occasion, mementoes were presented to the operations and SSHEQ teams for their contributions towards this achievement. Almajdouie Logistics CEO Mohammed Ali Almajdouie, MdR



CEO Baheej Al Biqawi, and Yansab Polymer Operations Director Mr. Jehad H. Shami, and PHD Sr. Manager.



Mohammad Al Harbi, delivered motivational speeches, encouraging the teams to maintain the momentum.

FURTHER INFORMED

ALMAJDOUIE HOLDING VICE CHAIRMAN MODERATES PANEL AT LOGISTICS FORUM 2021



Almajdouie Holding Vice Chairman Abdullah Ali Almajdouie moderated an engaging panel discussion at the Logistics Forum 2021, highlighting the key role the Eastern Region can play in the continued development of KSA's logistics sector. The Asharqia Chamber organized the event, which brought together senior decision-makers to explore new ways of developing the Eastern Region's logistics infrastructure, strengthening its cross-border transport links, and establishing it as an eCommerce hub.

Almajdouie also had a stand at the event, which give us an opportunity to interact with attendees.



FURTHER INFORMED

ALMAJDOUIE LOGISTICS SUPPORTS DUMAT AL JANDAL PROJECT

Dumat Al Jandal, a 400MW utility-scale wind power project in Saudi Arabia, is connected to the country's grid and has begun generating electricity. Developed by a consortium led by EDF Renewables and Masdar, it is the largest wind farm in the Middle East and the first in Saudi Arabia.

Almajdouie Logistics provided heavy transportation, storage, and heavy lift solutions for the project, which is an essential part of Saudi Arabia's National Renewable Energy Program and supports the Kingdom's goal to localize the production of renewable energy in line with its Economic Vision 2030.

The project was a huge undertaking and careful planning was required to ensure a successful outcome. Our team enhanced a plug-and-play solution to transport the giant components of the wind turbines, which can reach 100 meters or more in length. We moved the oversized and overweight parts, which can weigh up to 81 tonnes, in a column of 12 trucks. To transport the rotor blades from Duba port to the project site in the Al Jouf region, we used 12 new 4-axle flatbed trailers with loading platforms. The low deck height can be extended from 18.6 m up to 54.8 m.

The giant transport operation began at Duba Port, where our operations team raced against time to deliver the huge cargo safely and on-schedule with a fleet of 30 trucks exceeding 2km in length. The journey began with a set of administrative and technical tasks to determine the optimal path. The technical team also considered any emergencies that may occur due to the huge size of the cargo and created an appropriate plan to overcome difficulties.

The coastal city of Duba is one of the

most important stops for this journey. The Almajdouie team secured the fleet's entry through the streets, passing through one of the city's most important landmarks, Duba Square, which diverted the journey to the city of Tabuk - Neom.

The fleet made its way through the mountains and between archaeological sites and environmental reserves with challenging terrain. The careful coordination between the Almajdouie team and the government ahead of the operation was evident from the safe crossing line, which provided safety for the fleet and other drivers on the road. During the journey, the fleet through olive fields and agricultural reserves that spread on the sides of the road in the Al Jouf region.

During one of the many trips between the port and the project site, our team faced unexpected difficulties with one of the vehicles. The main road was closed while the technical team sprang into action to fix the malfunction. Meanwhile, others worked to open an alternative way for the fleet to pass and restore normal traffic. After a short delay our team continued the journey to the project site and safely unloaded the cargo.

We carried out more than 850 journeys, during which we traveled more than 600,000 km. Using our expertise and advanced capabilities, we proudly placed our logistical fingerprints on one of the most important projects of the National Renewable Energy Program — the Dumat Al Jandal wind farm.

We continue to record achievement after achievement, awaiting a new challenge as we work towards a safer and more sustainable future.





FURTHER INFORMED

BUSINESS CONTINUITY MANAGEMENT SYSTEM (BCMS) CERTIFICATION



Almajdouie Logistics Company received ISO 22301:2019 certification in recognition of its Business Continuity Management System (BCMS) and its efforts to address potential risks and increase its preparedness for disruptions. Senior Risk Officer Azghar Ahmed Baig discusses the company's journey to success.

In simple terms, Business Continuity Management (BCM) means having a proactive and reactive plan to help an organization maintain business functions/ services and quickly resume operations when disruptions occur.

Long before the coronavirus pandemic hit, we developed and regularly maintained a Business Continuity Plan, which we swiftly activated when the Saudi Arabian government imposed a national lockdown to protect public health. This allowed us to continue serving our customers and our Kingdom despite challenging circumstances.

Almajdouie Logistics started its BCM journey in 2018. Back then, not many team members knew about business continuity or its significance. However, with the support of our management and the cooperation of our employees, it is now a fundamental part of our company culture. The process required a great deal of thought, planning, and testing.

We held many BCM awareness sessions for employees of all levels, including supervisors, first line managers, and GMs. Risk Assessment and Business Impact Analysis workshops were conducted for each function to identify possible business continuity threats and business-critical services, resources, and IT systems.

The top threats identified were unavailability of IT systems, inability to access premises/ work locations, and the loss of crucial documents. To mitigate these risks, we took decisive action, including partnering with Oracle to develop a cloud-based IT disaster recovery solution, and by developing and testing detailed manual procedures to manage operations in the absence of IT systems. We also developed and tested a remote working policy and began using Microsoft OneDrive to store important documents securely. To promote the use of OneDrive, we launched an awareness campaign across the organization.

Through a Business Impact Analysis (BIA) workshop, business-critical services/ processes were also identified. RTO, RPO, and MTPD for IT systems were defined and used for developing an IT-DR cloud solution. Moreover, we formed a Business Continuity Management Committee and dedicated Damage Assessment, Public Relations, Business Continuity, Business Recovery and Resumption teams that will assist during activation of the Business Continuity Plan.

During the early stages of the pandemic, our CEO headed the Business Continuity/ Crisis management taskforce, which included senior staff from various departments. The taskforce held virtual meetings daily for more than six months to remain on top of situations and take appropriate actions accordingly. With the pandemic largely under control, this meeting now takes place monthly.

Achieving ISO 22301:2019 BCMS certification would not be possible without the cooperation and efforts of our colleagues, staff, and support service units. Their

unconditional support helped us achieve a feat that not many logistics companies have. I would like to thank our company's senior management, particularly our CEO Mohammed Ali Almajdouie, and our Strategy Manager Moustafa Shakib, for their encouragement and guidance.

The ISO 22301:2019 BCMS certification covers all Almajdouie Logistics' functions, including transportation, terminal handling, warehousing, freight forwarding, customs clearance, heavy transport, last-mile delivery, and support services across KSA's Eastern, Central, and Western regions.



FURTHER INFORMED

CONTAINER TERMINAL AUTOMATION AND ITS BENEFITS

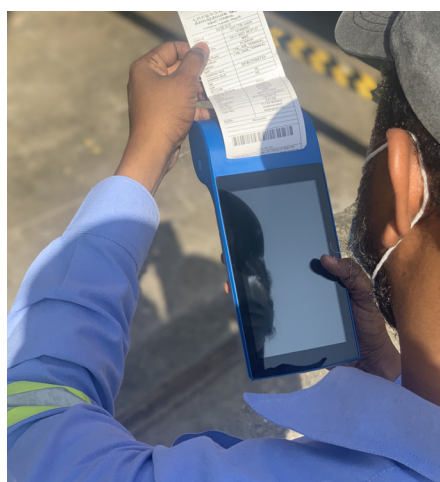


Container Terminal Automation (CTA) is becoming increasingly prevalent globally, enhancing the safety, stability, and efficiency of operations. It also makes it easier to meet contractual agreements with clients and deliver a seamless service to shipping lines.

Although investing in automation technology can be expensive, many terminal operators, including Almajdouie Logistics, recognize the long-term benefits. Adopting this technology makes it easier to keep up with market trends and customers' evolving expectations.

Saudi Arabia's Crown Prince Mohammed bin Salman recently launched the National Transport and Logistics Strategy, which features ambitious targets to help deliver the Kingdom's Vision 2030. One of the goals is to increase the handling capacity of local ports to more than 40 million containers annually. Automation will be key to achieving this objective, and Almajdouie Logistics aims to be a key enabler.

We use a modified version of Oracle at our terminals, which improves the exchange of information between our facilities, vehicles, and stakeholders. CTA also helps us to manage empty container repositioning (ECR) problems while arranging the storage and movement of empty containers in the shipping networks to better satisfy customer



demands. In line with our continuous efforts to develop our capabilities, we are also busy adapting to modern trends of digitization across the organization.

Despite the many advantages of automation and artificial intelligence, some people believe that these technologies will make human workers obsolete. However, this is not the case. They are important tools that free people from dangerous or boring tasks so they can take on more intellectually stimulating assignments, making companies more productive.

FURTHER INFORMED

FULFILLMENT OPERATIONS SUPPORT ECOMMERCE GROWTH

With online shopping surging in popularity, the demand for reliable eCommerce fulfillment is higher than ever. Although busy merchants often prioritize sales and marketing, those who make flexible fulfillment a part of their long-term eCommerce strategy often see better results.

Using a fulfillment service is a smart option for businesses that have outgrown their current warehousing capabilities or organizations looking for support to keep customers satisfied and improve efficiency.

Fulfillment providers, act as hubs for receiving, preparing, and shipping orders. These essential functions have a significant impact on the growth of many businesses.

Almajdouie offers competitive rates without compromising on quality. It has dry, ambient, and chilled storage facilities in three main cities, ensuring that customers' temperature-



sensitive goods remain in pristine condition. It also offers full stock visibility and order movement status updates, which allow businesses to better monitor operations.

With fulfillment centers spread across 29,000sqm, Almajdouie maximizes efficiency and supports stock availability with periodic inventory reporting. This helps

to ensure faster delivery and lower costs storage.

The biggest advantage of outsourcing fulfillment to a trusted provider is that it frees companies to focus on what matters most, growing their business.

HOUSEKEEPING CAMPAIGN TO ENHANCE SAFETY CULTURE

In line with efforts to maintain a safe and productive workplace environment, Almajdouie Logistics conducted a housekeeping campaign at the company's Jubail terminal. It aimed to highlight the important role good housekeeping plays in operational safety and combating the spread of COVID-19. The campaign will continue each month, reaffirming our continuous commitment to safety across the organization.

The campaign saw team members work their way through dispatch offices, cabin offices and the parking area, as well as the heavy equipment workshop and along the truck workshop fence.

Terminal management and the SSHEQ department concluded the program by

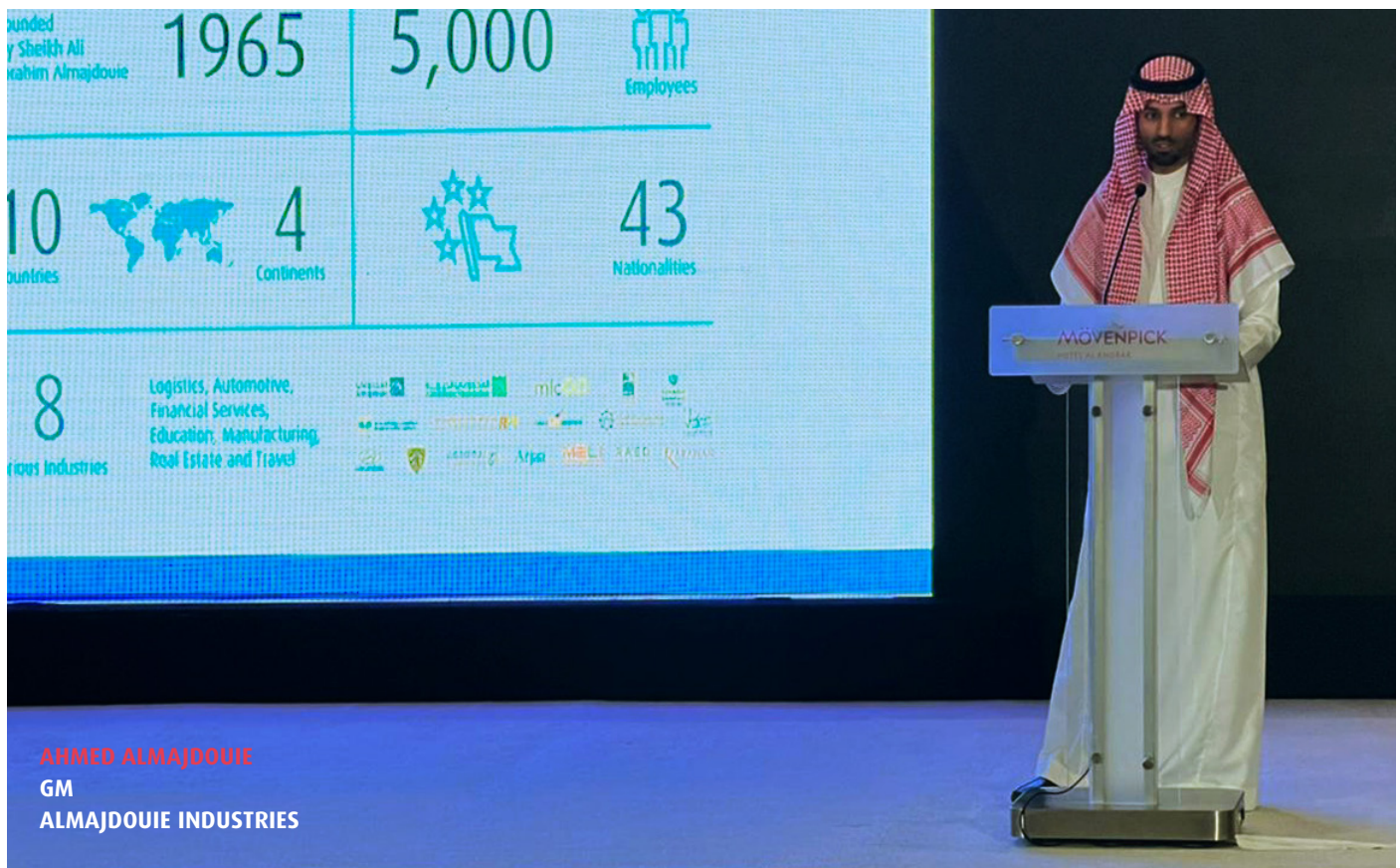
presenting Safety Excellence Awards to employees who proactively contributed to improving the company's safety culture. SSHEQ Superintendent Ahmed Aburass &

Terminal Superintendent Adil Al Ghamdi thanked team members for their efforts and encouraged employees of all levels to play a role in creating safer working conditions.



FURTHER **INFORMED**

SAUDI-INDIA BUSINESS NETWORK LAUNCHES DAMMAM CHAPTER



AHMED ALMAJDOUIE
GM
ALMAJDOUIE INDUSTRIES

Almajdouie Industries General Manager Ahmed Almajdouie shared his insight and expertise at the launch of the Saudi-India Business Network's (SIBN) Dammam chapter. The SIBN brings together entrepreneurs, senior executives, and professionals from Saudi Arabia and India to explore channels of cooperation. In attendance were leading Saudi and Indian businesspersons and professionals based in the Eastern Province.

Indian Ambassador to Saudi Arabia

Dr. Ausaf Sayeed inaugurated the event, highlighting the growing economic and commercial ties between India and Saudi Arabia as well as the Eastern Province's position as an oil & gas and industrial hub in the Kingdom.

During his presentation, Mr. Almajdouie discussed the Almajdouie Group's activities and its successful interactions with Indian companies. He also highlighted the advantages of partnerships between Saudi and Indian companies, potential

opportunities, and the importance of initiatives that strengthen bilateral relations between the two friendly countries.

The SIBN provides a valuable platform to promote trade and commerce, business alliances, joint ventures, and investments between India and Saudi Arabia. The inauguration of SIBN's Dammam chapter completes the launch of its pan-Saudi network, which includes Riyadh and Jeddah chapters.

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Supporting the Middle East
petrochemical industry with regional
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FURTHER INFORMED

CHALLENGES, LEARNINGS, AND OPPORTUNITIES

The coronavirus (COVID-19) pandemic greatly affected the petrochemical logistics industry on an unprecedented scale, costing billions of dollars in lost opportunities and sunk costs. However, our proactive approach throughout this global crisis enables us to continue serving customers effectively and efficiently.

To sustain the supply chain in the midst of the pandemic, we had to mobilize backup staff and resources when Covid-19 affected many team members required self-isolation. Cost was also a crucial factor as we had to provide additional support in terms of medicine, testing, and accommodation for employees who were self-isolating.

At the peak of the disruption, our clients' plants had to be shut down or production curtailed, leading to significant losses. Due to precautionary measures required self-isolation of the virus, ports also witnessed reduced capacity and container recirculation came to stop. This caused a huge impact in terms of the volume of exported goods and the associated cost for clients.

The price of containers increased approximately 30%, while the supply of pallets came to almost a total standstill. To counteract these challenges, we implemented an innovative approach centered on outside-the-box thinking.

Due to global travel restrictions, several of our team members were stuck abroad, which required the temporary utilization of outsourced staff to fill the gaps. It also meant that hiring new resources from abroad to start up new projects, such as OQ in Oman, was temporarily disrupted.

Instructions from the Ministry of Health to vaccinate all staff working on-site at our clients' facilities was particularly challenging. With support from the



corporate team, our clients, and by closely managing by our operations and HR leaders, we were able to ensure compliance.

Before the pandemic, we moved planned volumes across the board without issue. However, we now see a big difference month-to-month due to the reduced availability of containers and transportation. Fortunately, our team of experienced professionals continues working tirelessly to overcome these challenges.

In the Yanbu region of KSA, we improvised to offset these challenges with flexible schedules, working hours, and adaptable plans. As a result, we have not seen significant losses in terms of volume, although the cost of resources to complete the job has increased.

Several trends are impacting the petrochemical logistics industry and we are working diligently to adapt to them. Although the circulation of containers and transportation capacity remain key issues, we are working with our clients to adjust our service model where needed.

One of the biggest advantages of being a JV during these difficult times is that we benefit from the support and advice of different parties. To align our efforts

and overcome common obstacles, we have increased the frequency of communications and share resources more freely when required.

By redefining and reinventing our business strategies, we are working to reshape the future of the petrochemical industry with a renewed sense of pride and sense of purpose. Almajdouie remains focused on further strengthening our health and safety credentials, and our business continuity plans, enabling us to continue serving customers with the same high levels of service.



WAREHOUSE *SOLUTIONS*

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STORAGE MADE SIMPLE

Our state-of-the-art warehouses are strategically located across KSA and offer a variety of services that help to maximise your company's efficiency, services, and more...

FROM **THE GROUP**

ALMAJDOUIE GROUP HIGHLIGHTS COMMITMENT TO SUSTAINABILITY



Almajdouie Group reaffirmed its commitment to sustainability and environmental awareness at the recent Aramco Global Hydrogen Technology Conference. Held at the King Abdulaziz Center for World Culture (Ithra), the event brought together representatives from leading international companies to discuss the growing global demand for renewable energy.

Almajdouie Logistics Chief Executive Officer and Almajdouie Group board member Mohammed Ali Almajdouie headed the group's delegation, which included

representatives from Almajdouie Motors, the authorized distributor of Hyundai Commercial Vehicles in the eastern & northern regions of Saudi Arabia.

Speaking at the event, Mr. Almajdouie noted that investing in the future and preserving the environment are pillars of Saudi Arabia's Vision 2030, highlighting the Kingdom's ongoing efforts in these areas. He also discussed Almajdouie's support of local and international renewable energy initiatives, including sustainable logistics services and solutions.

He said: "The Kingdom continues making huge strides towards sustainable development, in line with its Economic Vision 2030. Sustainability is crucial to the future of the logistics industry, which is why leading logistics service providers around the world are taking steps to support this process. From our use of fuel-efficient vehicles to our involvement with national renewable energy projects such as the Dumat Al Jandal windfarm and the Sakaka Solar PV Plant, Almajdouie Logistics is pleased to play a role in shaping a cleaner and brighter future for Saudi Arabia."

Almajdouie Motors delivered a presentation introducing the most prominent achievements of Hyundai in the field of renewable energy. The audience also had the opportunity to visit the exhibition of Hyundai vehicles on display, including heavy transport (XCIENT), public (FCEV), and commercial (NEXO), powered by hydrogen.



Hyundai
Hydrogen Mobility
Partnership with H2Energy

FROM THE GROUP

ALMAJDOUIE GROUP VICE CHAIRMAN MEETS WITH INDIAN AMBASSADOR



Almajdouie Group Vice Chairman Abdullah Almajdouie welcomed His Excellency Dr. Ausaf Sayeed, the Indian Ambassador to the Kingdom of Saudi Arabia, during visit to the Group's headquarters in Dammam.

During the meeting, Mr. Almajdouie and Dr. Sayeed explored potential trading and economic opportunities between the Group and Indian companies. They also discussed initiatives aimed at strengthening channels of cooperation between the two friendly countries.



ARJAA TRAVEL AND TOURISM OPENS NEW OFFICES

Arjaa Travel and Tourism, part of Almajdouie Group and the general sales agent for Salam Air, opened new offices in Riyadh and Dammam.

The openings were held under the patronage of His Highness Sayyid Faisal bin Turki Al Said, the Sultanate of Oman's Ambassador to the Kingdom of Saudi Arabia.

With the support of the Oman Tourism Board, the new offices will help to promote the Sultanate as an attractive tourism destination.



FROM **THE GROUP**

INVESTMENT IN LOGISTICS TRAINING AND RE-SKILLING IS CRUCIAL



AMMAR KHATTAB
SALES OFFICER
MELI

Saudi Arabia's logistics and transportation industries are facing a unique challenge: balancing a period of rapid growth with the need to re- and upskill its professionals. According to the Chartered Institute of Logistics and Transport (CILT) International, investing in professional training and skills for transport & logistics professionals is key to the sustainable implementation of policies like the recently announced National Transport and Logistics Strategy.

To help address these challenges, the Middle East Logistics High Institute (MELI) partnered with CILT to deliver professional certifications programs that help logisticians to gain a deeper understanding of their local market operations based on international best practices and standards.

Ammar Khattab, Sales Officer of the Middle East Logistics High Institute (MELI) said: "The growth of e-commerce, the need for urgent medical supplies because of the pandemic, and the issues associated with sustainability have all meant the methods we used 'yesterday'

to deliver are no longer the methods we need for 'tomorrow'. Saudi Arabia needs agile, skilled, and adaptable logistics and transport professionals so that we can realize our ambition of becoming a leading hub in the global supply chain.

"With the logistics sector at the top of the Vision 2030 plan, MELI and CILT Saudi Arabia are proud to be the first formal logistics professional certification in receipt of a financial subsidy from the government, targeting young Saudis to fulfill the recruiting gap with local talented resources. MELI has also launched Arabic-language versions of CILT's programs to create more learning opportunities for the Kingdom's existing and aspiring professionals."

Globally, millions of workers will be required in transportation and logistics over the next decade due to increased demand from the Covid-19 pandemic. However, according to PwC, "economic growth is already significantly outpacing talent development, leading to serious skills shortages." Leading corporations have already invested in comprehensive

education programs in Saudi Arabia to deliver knowledge and skills transfer in the rail sector.

However, to deliver Saudization on the scale required, training approaches need to be agile and flexible. Compounded with fewer graduates entering engineering, construction, and allied industries, there has never been a more important time for investment in logistics training and reskilling.

Keith Newton, Secretary-General of CILT International, said:

"To promote sustainable growth in the logistics and transport industries, businesses and governments must invest in the right training. This will ensure that existing workers have the confidence and capabilities to rise to current and future challenges, and that new talent is attracted into the profession. This supports Saudi Arabia's goals of encouraging young Saudis to join the industry and raising the standards of the Saudi logistics industry into the top 25 in the world."

DRIVERS

WHAT YOU NEED TO KNOW



ENTERING A SITE

Stop and be aware of overhead objects that could catch on your truck.



SLIP, TRIP & FALL HAZARDS

Be aware of your surroundings.
Caution: Weather may impact surface conditions.



SECURE YOUR VEHICLE

Park in the designated parking area, ensure your engine is off, set the parking brake and chock tires.



SAFETY ISSUES

If you encounter possible unsafe conditions, speak to the site supervisor.

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Safe "Always"

From Almajdouie Logistics