

RIPPLES talk Issue No. 4





Content

Managing Director Message	03
RSGT Features	05
CLD (Customer Stickiness) and (Container Logistic Department's Performance)	09
Customer Voice	П
RSGT in Numbers	13
The Ideal Location for World Trade Services Coverage	15
Safety for Life	17
Vessel Operation Performance	19
Service Coverage : Technical Service; Investing in our Employees	21
Success at Work	24

Managing Director Message



On Dec. 22, 2014 we celebrated our fifth year anniversary. During the first five years we set a record by handling more than 5.5 million TEUs (twenty-foot equivalent units). With this achievement RSGT has phased into a matured stage of terminal operation and are prepared to face the new challenges and growing customer demands. RSGT is already equipped for the new paradigm in the shipping industry and the next generation of the new build of containers' ships, and is proud to be the "Home for Mega Vessels" in the Middle East.

The year 2014 has been challenging yet successful for RSGT, maintaining high productivity and achieving a high level of performance. RSGT successfully positioned itself as one of the most efficient and productive terminals within the global industry, and that was achieved by a focused and dedicated team pursuing continuous process improvements and by investments in the infrastructure and equipment. RSGT ended 2014 on a high level of achievement, with December breaking the highest monthly throughput since commercial operation starts up with 135,268 TEUs.

All the components are in place to ensure that a strong logistics chain emerges in the region, as RSGT is the "Home of Imports," the biggest gateway for all imports into KSA, which will benefit not only Jeddah's economy, but the Kingdom of Saudi Arabia as a whole.

Investing in our human capital, infrastructure and facilities in terms of capacity, technology and efficiency are targeted at productivity and efficiency in our service delivery to our customers and stakeholders.





I- Quality Policy:

RAGT have launched Quality Management System with a commitment to comply with requirements of customers and ISO 9001: 2008 and 10002:2004 Standard, and to continually improve the effectiveness of the Quality Management System by;

- Ensuring all data/information coming from line agent/shipping lines is updated correctly and in a timely manner to complete smooth receiving and delivery of containers
- Keeping open and transparent communication with the shipping lines for berth planning of their vessels
- Pre allocating locations for containers before vessel /truck arrival for both receiving and delivery
- Managing Gate In/Out by providing effective resolution to road transport inquiries and queues.
- Ensuring that containers are handled safely and within minimum waiting time by equipment
- Empowering our employees & operators to have necessary knowledge & skills through trainings

- Providing our employees with a safe environment conducive for work
- Maintaining reefer containers correctly as per customer requirements
- Ensuring all Policy and Procedures are maintained, updated, adhered and improved to have continuous and sustainable service result

The Quality Management Representative ensures that Terminal Operation Department's QMS will be communicated to all levels of employees in every department with full understanding. The Quality Management Representative assures that all the items written are implemented and consistently followed at all levels of the company by setting direction, strategy and methodology which aim for continuous improvement of Customer Service Satisfaction.

2- Six Sigma:

In House Six Sigma Awareness Course

Approach Discussed - Topics Covered

Course Delivery

What is Six Sigma

Objective

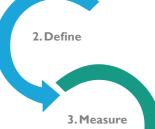
To impart knowledge and demonstrate the basic principles of Six Sigma

Benefits

All participants educated about the methodology can apply the tools and techniques to improve processes in their respective work

Certification

- Six Sigma
- **Process Variation**
- Six Sigma Phases



- Project Evaluation Project Charter

- Process Mapping & Value Analysis Cause and Effect
 - Scamper Techniques
 - Select Solution Weights
 - Mistake Proofing
 - Measurement Tools for sustaining Improvement





3- Free Wireless service:

Based on the efforts of RSGT and its commitment to provide excellent services to its customers, RSGT decided to offer a Wireless Internet Service for all vessels' crew who are mooring at the RSGT wharf.

4- Admiral program:



Based on the efforts of RSGT to provide outstanding services, a variety of training programs for its employees, and an exceptional career for the community, RSGT has designed the "Admiral" program. The program aims to target and attract high potential Saudi graduates who seek such outstanding opportunities. The platform for the "Admiral" program is to train those talents on a range of terminal operations expertise. Those candidates are expected to develop a long and successful career with RSGT, and aspire to various management positions within RSGT.

It is a highly selective program which is the first of its kind in the kingdom of Saudi Arabia provided only by RSGT that surpasses all comparisons among all other marine terminals in the Kingdom.

5- Fast turnaround of vessel:

RSGT made huge improvement with the yard micro plan that increased the yard capacity to handle import containers. This enhancement helped in accelerating the vessel call turn.



Container Logistic Division

Customer Stickiness Program:

With continuous efforts and direct focus on Customer Stickiness CLD-Customer Relations team has managed to attract customers' interest towards RSGT and was able to secure more business with constant visits.

Mobile application:

RSGT has taken its Customer Stickiness Program to a different level to reach out to clients, providing basic information that will be useful for them as individuals and as a company.

Therefore, the Container Logistic Division-CLD- is reviving the Mobile Applications as they are the most common means of communication in the current business world.

The Mobile Tracking Solution Applications designed by RSGT will provide users with real-time information on the go. Whether you are a shipping line, agent, trucking company or consignee, you will have instant access through your smart phone from anywhere on the globe to monitor the data which would enable you to keep track of your precious cargo.

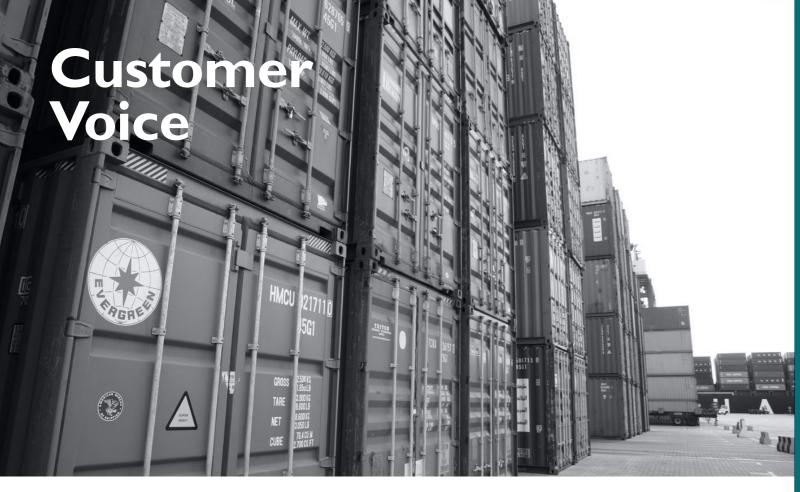
Value Added Services:

Additional channels for communication to facilitate customer service such as "Mobile Application – E-Service" are to enable our customers to track and trace online:

- Consignment
- Vessel Status
- Berth Schedule
- Invoice Status
- News updates
- Feedback and Complain







Mr. Kamran Khan
Country Customs & Transport Manager.



I. IKEA's business has had stable growth in Jeddah Market. How do you see Jeddah and Saudi Arabia in IKEA strategic point of view and how do you see Jeddah and Saudi Market in the future?

IKEA business is experiencing tremendous growth and Jeddah is an important strategic location as we grow the business along the west coast. With most products being shipped from Europe we see Jeddah as the main port of destination to service the Kingdom for the foreseeable future. Using our strategic logistics partner FLOW, we are planning a bright future of extraordinary volume growth.

2. How do you see JEDDAH as the regional hub for Red Sea ports compared to other competitive ports in the same region?

Jeddah geographically is best suited for our expansion plan, with a fast clearance time this gives us the edge over other

sea-ports.

3. How can a container terminal postively contribute to the con signees' business?

Main contributions are full track and trace, super fact clearance and competitive rates.productivity, and that reflected on our shared interests.

4. How do you see RSGT and IKEA partnership to progress further in the future?

Dealing with the volumes of IKEA RSGT can help further by continuing innovation, reducing bureaucracy, speed and clearance and a strong collaboration with our logistics partner FLOW.

5. What is the bottleneck for IKEA to increase business in Jeddah? What can Jeddah and especially RSGT improve in terms of capability, performance and services for the customers?

Clearance times, bureaucracy, competitive rates and good road transport to our main hubs.

Mr. Ahmed Salem BaSfar Clearing Agent.

I. How do you evaluate value services between Red Sea gateway terminal and other terminals in Jeddah Islamic Port?

Red Sea terminal is growing day by day by handling huge number of containers although with have very excellent feature and low handling charges while comparing with the other terminals.

2. How can container terminal contribute to raising the Kingdom's economy?

All companies in the world import their cargo through the ports, terminals are considered high efficiency like the engine and the accelerator to the Kingdom's economy.

3. What is your advice to improve Red Sea Gateway Terminal performance to meet your expectations?

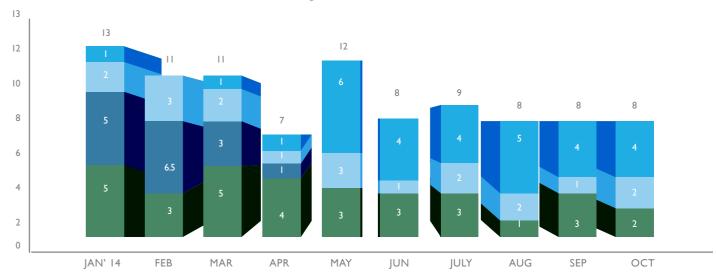
I suggest that if Red Sea gateway terminal can open more channel of communication with traders and consignees and share their news like (new shipping line, online services, etc. ...") to facilitate the process of clearing agent.

RSGT in Numbers (commercial)



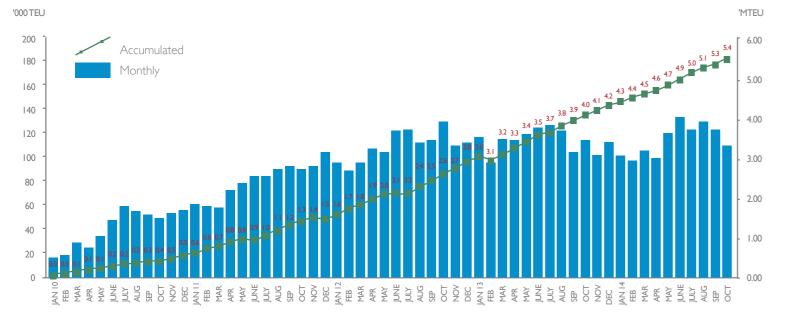
Mega Vessel Callings





■ Since June 2011, RSGT has handled a total of 361 mega vessels (14,000TEUs); In 2014, RSGT handled 95 calls of mega vessels, up to October 2014.

RSGT Volume Growth

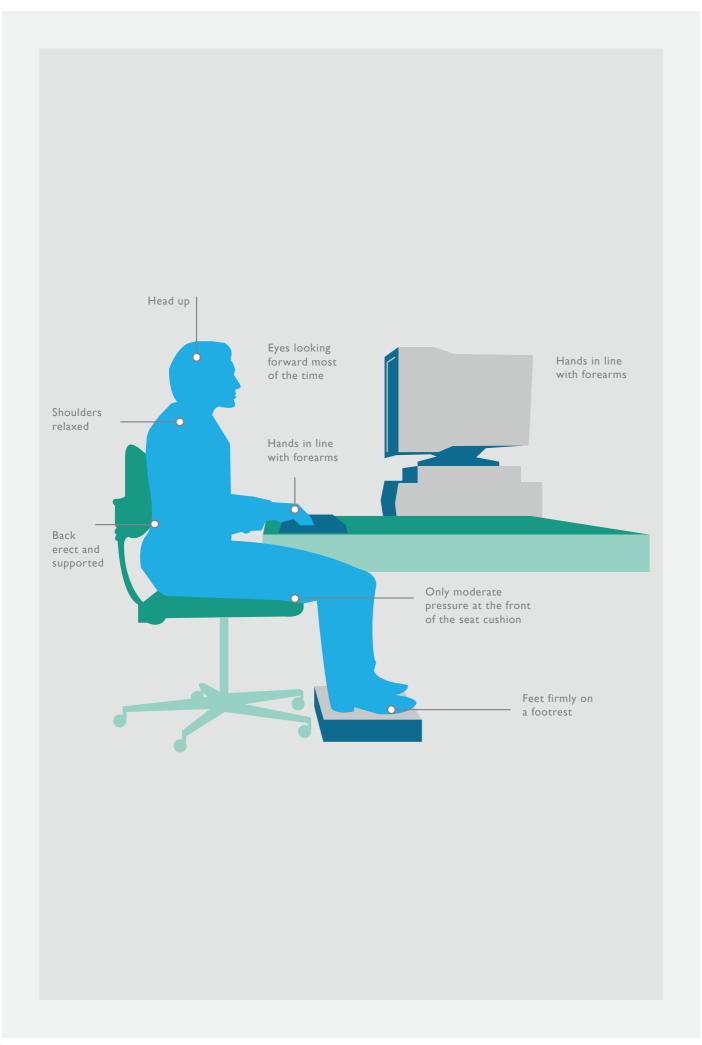


- RSGT achieved an accumulated throughput of 5.0M TEUS in July 2014, since the start of commercial operation in December 2009.
- In June 2014, RSGT handled the highest throughput of the year with 132,811TEUs.



13





Safety for Life

Ergonomics: Terminal Operations

- Ergonomics is essentially about the interactions between humans and the systems in which they work. In relation to such interactions, individuals' tasks must be considered, taking into account the physical demands of the job, in terms of the nature of any load and equipment being operated, working postures, applied forces, systems of work, work organisation and work practices. This also includes the skills and knowledge required to perform the work along with the working environment in terms of temperature, humidity, wind and/or vibration. Therefore the goal of ergonomics is to enable human interaction with their tasks in a way that:
- Reduces error
- Increases productivity
- Enhances safety
- Enhances comfort

Workers' surroundings should be safe, comfortable and appropriate to the time they spend in performing their various tasks. They should not be required to sustain awkward postures or exert high forces which are uncomfortable, and which could expose them to a risk of injury.

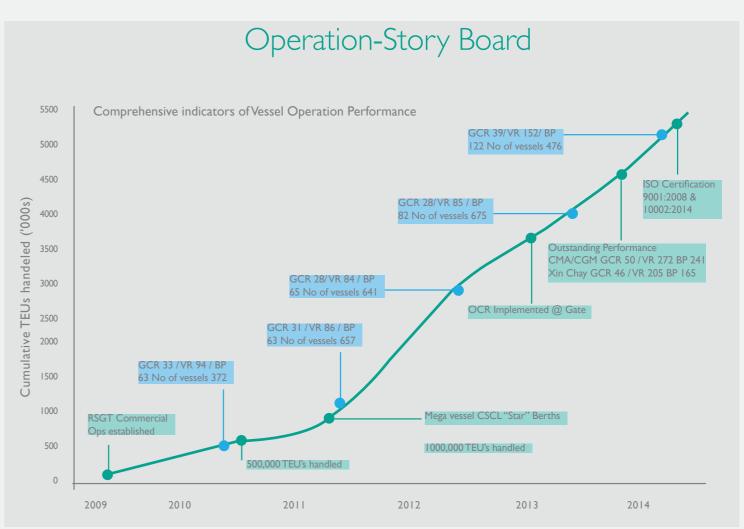
RSGT has set control measures by:

 Providing training and education to operators on correct seat and control panel adjustment to optimize working postures. Providing training to encourage conning

- assistants to pick twist locks from bins using both hands and alternative between hands when supporting twist lock to remove from container. Providing training to lashers in order to use appropriate tools and equipment, and to find the best leverage point in order to minimise efforts. Implementing well-coordinated and supervised two-person lifts to handle heavier bottle screws and lashing bars.
- Implementing preventative maintenance schedules on all mobile equipment to include seating. Implementing reporting log books. Considerig replacing with Ergo seats where practical.
- Measures to reduce frequency of and exposure to tasks which include any combination of high force, awkward postures and/or whole body vibration.
- Shoes with shock absorbent inner soles, in order to reduce compressive loads on the spine and pressure on the feet and legs, given the nature of the work involving extended periods of standing on concrete (pinning), the need to climb on and off equipment (mobile equipment) and/or ladders (e.g. to access a YC). The shoes provide good cushioning not only for back injury prevention, but also for prevention of injuries to feet (including arches), ankles and knees. Due to the uneven surface on vessels the shoes provide strong side-to-side support to reduce the risk of sprained ankles and have slip resistant outer soles.

17





Gross Crane Rate (GCR): Crane speed of average moves per hour. Higher GCR reduces vessel time at berth &increases overall efficiency

Vessel Rate (VR): No. of moves per vessel by working hours after deducting all unavoidable delays. Higher VR indicates higher efficiency and quicker turn around

Berth Productivity (BP): No. of moves per hour during stay at berth til sail. Higher BP indicates faster turn around for a vessel



Technical Service; Investing in our Employees (Engineering)

Technical Services – Investing in our Employees

Business performance is all about employee performance. Our employees are one of our most valued assets. Without a properly trained and skilled workforce we are unable to achieve our best performance to satisfy our clients and shareholder needs.

At RSGT Technical Services Department we understand this important link we play in our company's commitment to deliver reliable equipment performance.

We have a structured internal training program to develop the skills and knowledge of our technicians and engineers. During the course of this calendar year we have invested a lot of time and effort to ensure our staff has been involved in knowledge and career development courses to ensure their effectiveness is improved so as to deliver on our commitment.

Training undertaken this year has covered many areas ranging from technical expert knowledge to process improvement courses.

These included:

- Introduction to 6 SIGMA
- 5s fundamentals in Process Excellence improvement leading to equipment reliability improvement
- PDCA (Plan Do Check Act) training as a structured approach to problem solving and Root Cause Analysis
- Lubrication Excellence practices as a way of directly improving reliability and longevity of equipment
- Hydraulic hose crimping training based on world's best practices to reduce breakdowns
- Electrical & Mechanical Systems training on cranes by Fuji Electrical Systems Engineers as well as ZPMC Engineers

In 2015 we will continue on this mission to keep introducing and improving our staff knowledge and expertise.

Work Ethics

Proper work ethics are a major component to the success of any business. Work ethics are the code of conduct to how everyone in a business should act; they provide a guideline to the expected behaviors at the workplace.

Work ethics reflect diligence and passion for the job, as well as differentiate between those who are responsible and capable of benefiting the business from those who are not. Work principles include characteristics such as honesty, fairness, hard work, and corporation; an ethical worker should be a mixture of those qualities. Employees should also understand that productivity; organizational skills, reliability, and good character are all attributes to both their own achievement as well as that of the business. Part of work etiquette is accountability; a worker must take responsibility for his/her mistakes and not blame others. Employees are ambassadors of their business and must be aware of the image they portray. They must respect their colleagues, communicate well with them, and aim for a healthy work environment.

Solid work ethics affect how people think about and address issues that arise on the job. They steer employees away from jeopardizing their work integrity and their company's reputation. Ethical obligations allow those who work to meet their company's expectations as well as model appropriate behavior for others. An employee exhibiting strong ethics is definitely prone to more trust from employers; he/she will be deemed as an asset to the workplace.

Proper work values ensure the productivity and thoroughness of the entire business. Work ethics guarantee success, development, and good reputation; they also result in an amicable working atmosphere.

