



Saudi Cement Company's Internal News Bulletin
Volume - VI, 1st Edition 2015

SCC Newsletter

Stronger than ever

Read Inside:



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Mohammed A. Al-Garni

Board Member & Chief Executive Officer

MESSAGE FROM THE BM & CEO

We started 2014 with the objective of improving “Efficiency” and reducing “Cost”. We worked diligently for the entire year as “One Team” and achieved tremendous results. The improvement in efficiency helped us to offset the reduction in revenue for 2014 due to tough market conditions and lower cement sales as a consequence. This achievement is worth applauding, and was due to efforts orchestrated by the entire SCC Team for improving operational & equipment “Efficiency” and reducing “Costs”.

The market situation for 2015 remains uncertain, but we anticipate improvement in dispatch volume. Our drive for further operational efficiency improvement and cost reduction should strongly continue in 2015 to be able to adjust to uncertain market situations.

I urge you to understand that 2015 is a very critical year for us, not only in terms of operation, but also due to critical projects that are strategically very important for our Company. These strategic projects would create a firm foundation for our Company, to further enhance our Efficiencies and condense our Costs.

We as a team should be ready to tackle next year’s challenges head-on. Special emphasis should be given to “Team Work”, as we embark on our critical projects of Railway Dispatches, Bulk Material Loading and Yard Remodeling, and Cement Capacity Enhancement. Close cooperation and coordination between Operations and Projects team is mandatory, with appropriate and timely support from all departments at the head office, which, Insha’Allah will generate success.



SCC SIGNED CONTRACT WITH NATIONAL GUARD

Based on SCC’s corporate social responsibility commitment towards the community, the Extraordinary General Assembly approved the recommendation of SCC’s Board of Directors for allotting an amount of SR 50 million from the conventional reserve for the construction of Casualties & Accidents Center in King Abdul Aziz Hospital of the National Guard Health Affairs in Al Ahsa Governorate.

Since the Health Affairs have started the execution of the project, and following a visit to the project site by some Company’s officials, the Executive Management has signed a contract for donating the construction of Casualties and Accidents Center in King Abdul Aziz Hospital in Al Ahsa. Accordingly, the payment shall be effected through 5 equal instalments during the years 2015 and 2016. It is planned that the project shall be completed during October 2016.



BM & CEO'S VISIT TO DALOH VILLAGE

As part of Saudi Cement Company's humanitarian initiatives which the Company is always committed for the society, our BM&CEO Mr. Mohammed Al-AI-Garni has led a delegation of SCC Management and other staff to participate in the conveyance of condolences to the victims of the unfortunate incident which took place at Al-Daloh village in Al-Hasa Province.

The local Al-Youm newspaper has also reported the visit of SCC delegates to the village. It also mentioned the statement from our BM&CEO, i.e. "I express my deep sorrow and great sympathy to the families of the victims for the painful situation, and pray to Allah Al-Mighty to have His mercy for the departed souls, and wish speedy recovery for the injured victims and peace to their families".



SCC SIGNED CONTRACT WITH IBAU GERMANY

Looking on the future growth of Saudi Cement Company and in order to reach to the customers in the shortest possible time, SCC had decided to transport cement in bulk to Dammam and Riyadh by Rail thru dedicated Rake of Rail Bulklers from Hofuf Plant. After technically evaluating the best technology available for Bulk Transportation of Cement by Rail, M/s IBAU of Germany was

short-listed for carrying out the Project of Bulk Transportation of Cement by Rail from Hofuf Plant.

The Project involves Transportation facility of 15,000 Tons of Cement in Bulk by Rail to Dammam and Riyadh. The Cement in Bulk will be directly extracted from our existing and new Cement Silos planned in the upgradation Project to the Dedicated Rail Cement Bulklers. A complete Rake of about 3500 Tons of Cement will be loaded in about 4 hours time .The complete operation of extraction of Cement from the Cement Silos to transportation up to Rail Bulklers will be done thru a battery of Air slides and Belt Bucket Elevators.

M/s IBAU of Germany has been selected to carry out the proposed Bulk loading of Cement by Rail Project on EPC basis .The Project will be completed in 14 months' time from the date of signing the Contract. A Contract signing ceremony and Kick off meeting of Saudi Cement and IBAU was held on 26 November 2014 in Dammam Head office. Our BM&CEO Mr. Mohammed Ali Al-Garni and Mr. Reiner Meyer Managing Director of IBAU signed the Contract in the presence of senior officials of IBAU and SCC.





BM & CEO'S VISIT TO HOFUF QUARRY

During the month of October 2014, the BM&CEO Mr. Mohammed Ali Al-Garni visited Hofuf Quarry along with OMM(A), PTM, PRM, RSM, and other management staff of Quarry. He visited the newly constructed workshop, and was pleased to see the working conditions in the Limestone Quarry. He appreciated the efforts exerted by the Quarry team in the new workshop, and urged them to

keep up with continuous improvements and safe practices. PTM Mr. Abdullah Al-Dulijan also highlighted the hard work of Quarry team and urged them to be committed to continue with the same spirit.



OUR PORTRAIT

Name: Mr. Khaled Mostafa Ibrahim
Title: Senior Manager, Plant Maintenance
Qualifications: BSc in Mechanical Engineering from Assiut .
 University, Egypt in 1987 .

Career: He has more than 23 years of rich experience in engineering and managerial responsibilities at various

organizations in the cement industry. He started his career with BSC Company, Egypt in 1990 as Mechanical Engineer, and then he moved to join Lafarge Titan Cement Company, Egypt as Head of Preventive Maintenance Department from 1998 to 2003. Later, he moved to Orascom International Cement Group (ACC), Algeria as Team Leader of Preventive Maintenance from 2003 to 2007. Later, he joined Lafarge Building Material Holding (Ciba), Algeria as Maintenance Manager from 2007 to 2010, and then joined Italy Cement Group (Suez Cement), Egypt as Maintenance Manager from 2010 to 2011. Finally, he joined Saudi Cement Company in the capacity of Senior Manager, Plant Maintenance from 2012 to date, and relishes this assignment by managing four maintenance Departments, i.e. Mechanical, Electrical, Electronics & Preventive Maintenance, and carrying out world's latest plant maintenance methods i.e. Preventive, Predictive and Proactive Maintenance.

Hobbies: Reading particularly Engineering & Maintenance related articles, Swimming .

Opinion: SCC Newsletter is a perfect channel of communication within the Company, and an excellent way to keep the employees updated on various activities of the Company. I wish all the success and series of improvements in the years to come. Also, my sincere appreciation to the Editorial Team for their great job.





SCC HOSTED EID GATHERING

On the occasion of Eid-ul-Adha, Saudi Cement Company hosted a special social gathering for its employees at the Head Office premises in Dammam. This is a customary tradition of SCC over the past several years to invite its employees on the first day after the Eid holidays. The aim of this social gathering is to create an opportunity for employees to greet each other under one roof.

The gathering was held under the patronage of our BM&CEO Mr. Mohammed Ali Al-Garni, who welcomed and greeted all employees. More than 100 corporate employees attended this event which was organized by the Public Relations in SCC. Delicious cake, snacks, and soft drinks were served during the event which were enjoyed by everyone.



SCC's CEMENT SALES

Saudi Cement Company's total cement sales during the year 2014 was 7.97 million tons compared to 8.76 million tons during the same period of previous year 2013 i.e. a decrease of about 9%. The consumption of cement in the local market during the year 2014 totaled to 56.5 million tons compared to 55.2 million tons during the previous year 2013 i.e. an increase of 2.4%.

Furthermore, due to import of clinker by all cement companies in KSA, the closing stock of clinker at the end of year 2014 stood at about 21.5 million tons compared to 14.7 million tons during the same period in the previous year 2013. i.e. an increase of 6.8 million tons, equivalent to about 46.3%.



SCC PARTICIPATED IN CAREER DAY FAIR

Under the patronage of HRH Prince Saud Bin Nayef Bin Abdulaziz Al-Saud, Governor of Eastern Province, SCC participated in a Career Day Fair at Dhahran Exhibition Center during the month of November 2014. The fair was organized by Al-Sharqia Chamber of Commerce. Several leading companies from all over the Kingdom participated in this event which aims at creating job opportunities for

Saudis. SCC participated in this event with an exhibition stand which was visited by several fresh graduates from leading universities in the Kingdom.

Various faculty fresh engineers showed their keen interest in joining SCC to pursue their careers. They have submitted their resumes on the spot whereas some have preferred to submit online. SCC's booth was represented by Recruitment and HR personnel. Al-Sharqia Chamber of Commerce thanked SCC's efforts for promoting the Kingdom's Saudization program, and participating in the event.



ITD ACTIVITIES

ITD has signed Oracle upgrade contract and started major upgrade for Oracle Business Applications from Release R12.0 to R12.2 with several advancements to business and systems performances as following. Upgrades duration is 6-months including stabilization and support, completion by 1st quarter 2015.

- Leverage performance and usability
- Enable enhancements to increase the efficiency
- Access new functionality to meet business needs
- Reduce some customizations by standard processes
- Advance product support eligibility by Oracle cooperation
- Increase Software and hardware efficiency, performance, virtualization and cost effective in the long terms.

Finally, ITD reduced upgrades cost and optimized it by performing agreed activity internally by ITD employees which save almost 40-50% of upgrades cost.



SCC DELEGATES VISITED HOSPITAL SITE

A two-member delegation consisting of Mr. Abdullah Omar Saleh, Civil Manager and Mr. Abdullah Al-Moosa, Deputy Manager, Plant Support Services visited the Trauma Center hospital site which was donated by Saudi Cement Company for the Al-Hasa Community. It was a formal visit to monitor the construction work and progress of the site.



SCC HONORED LONG SERVICE EMPLOYEES

On Tuesday, 9th December 2014, Saudi Cement Company organized its Annual Service Award Event at Hotel Sheraton Dammam to honor the long service employees who have completed 20, 25, 30, and 35 years of continuous service with the Company during the year 2014. This year, a total of 39 eligible employees were awarded during the special ceremony.

The event was held under the patronage of our BM&CEO Mr. Mohammed Ali Al-Garni. The event started with a welcoming session by the Service Award Committee followed by a motivational speech by HRM Mr. Salah Hakim. Later, Mr. Mohammed Sammak from Relations Department, shared his 30 years' experience with SCC's culture and its environment. This was followed by a speech from our BM&CEO, who thanked the awardees for their long and dedicated services, and applauded their contribution to raise our Company to this height.

OPERATIONAL NEWS



Resolving Axial Movement of Cement Mill # 3:

The axial movement of main gearbox of cement mill # 3 was a big problem since its startup. SCC Mechanical Team successfully modified the main coupling between Gearbox and Mill by reducing the thickness of coupling by 10mm through machining. The modification job was completed in record four days' time, under the direct supervision of M/s RENK Supervisor. Now, the above mentioned mill is running very smoothly without any axial movement alarm.



Housekeeping at Cement Mills & Dispatch T2:

All the Managers, Engineer, Foreman and other employees / contractors' personnel contributed personally in the conduct of housekeeping in order to give a good example for others to keep their area clean. With the same objective, everybody should participate in the improvement of housekeeping inside the Plant.

الجمعية السعودية للاسمنت SAUDI CEMENT COMPANY ONE POINT LESSON			
THEME:	Ref. No.		
CLASSIFICATION	Basic Knowledge	Improvement Case	Trouble Case
Training Requested to:	Signature		
Prepared by:	Name:	Dept: Mechanical	
Checked by:	Name & Signature	Approved by: MEM	

One Point Lesson by the Mechanical Department:

In order to enhance knowledge and skill level of staff, Mechanical Department conceptualized the One Point Lesson to its staff / employees, as part of SCC's Internal Training. The Standard write-up & a form has been circulated among all Mechanical Department's sections on 01-10-2014, and the department gave them the initial target to prepare at least two OPL per month for each employee.



Rewards for Good Initiatives:

Problem of cement extraction from cement silo no. 4 was resolved in co-ordination with Mechanical & Production Departments by replacing complete Air Slide Fabric and cleaning of all aeration pipes. Above action has resulted in free flow of cement from the above silo. 10 employees were rewarded by SCC for their initiatives.



Saudi Aramco Delegates Visit:

A delegation from Saudi Aramco visited SCC during the month of November 2014. The delegation was jointly received by OMM, Mr. Mohammadine El-Baraka, SLM, Mr. Hussain Abu Taki, RSM, Mr. Samir Al-Jindan and DMS, Mr. Abdullah Al-Moosa. The delegates visited SCC's sales Office and Packing area at Hofuf Plant. General discussions were held between both parties, followed by a lunch in their honor.



HRD ACTIVITIES

Replacement of Time Attendance System:

The existing Time Attendance Recording System is obsolete and it is being replaced by the new Biometrics (Finger Print) System. In line with this, the enrolment process has been done with the recording of finger prints and taking of photographs on 24 & 25/12/2014 of all SCC employees. We are expecting to implement this system very soon. This system will be more efficient after its implementation.



Health Hall for General Check-up:

A special 'Health Hall' gathering was arranged in collaboration with Bupa Arabia (the medical insurance provider for SCC employees) at the Head Office on 10.12.2014 for the employees' basic medical check-up. M/s. Bupa representatives checked our employees particularly those who were above 40 years and suggested the appropriate health precautions. It was part of SCC's health awareness program amongst all employees.



Farewell To Two Retiring Employees:

A special farewell gathering was held during the month of December 2014 in honor of Mr. Abdul Aleem from RSSD (32 years) and Mr. Jamaluddin Ahmed from ITD (17 years) who retired from the Company after long services. On behalf of our BM&CEO, Mr. Mohammed Ali Al-Garni, HRM Mr. Salah Hakim patronized the event in the Head Office and thanked both retiring employees for their dedicated efforts exerted during their long tenure of service to SCC.



He highlighted their contributions and remarkable service, and wished them and their families all the success in their future endeavors. Both retiring employees also thanked SCC and its management for their support and the care taken by the Company during their tenure, and wished the Company all the success. Employees from RSSD and ITD, along with HO management, joined the farewell event and wished both gentlemen all the best.

A Public Relations Publication