Cooled Down Beauty

Why preserving flowers is a serious logistical task

Delivering Under Fire

During the Lebanon War
Aramex took service commitment
to a new level

SUSTAINABILITY

It's sink or swim time for planet earth. Can business save the world?

Logistics is the infrastructure of life. In today's world, nothing can take place without some form of logistics. At Aramex we are at the heart of this exciting industry which is as old as civilization itself. We are launching *The Explorer* to take you on a journey into our world of racing against time and challenging the odds so the goods and services that make up your everyday life are always there; where you need them and when you need them.

aramex

Exploring the Extra Mile



We are a company that is on a continuous journey of exploration. We are constantly exploring innovative solutions to existing problems, better ways of helping our customers achieve their goals, new frontiers, unique services beyond the norms of our industry, and creative strategies that can turn us into better global citizens and better neighbors in our communities.

We are launching *The Explorer* as yet another way of connecting with you, our stakeholders, and bringing you extraordinary stories from our network and logistics news from around the world. We hope that by taking you behind the scenes of our industry we will have brought the world of logistics closer to home.

I hope that you will find *The Explorer* engaging, informative, perhaps even inspiring.

Fadi Shandoux

Fadi Ghandour Founder & CEO, Aramex

*** Navigator





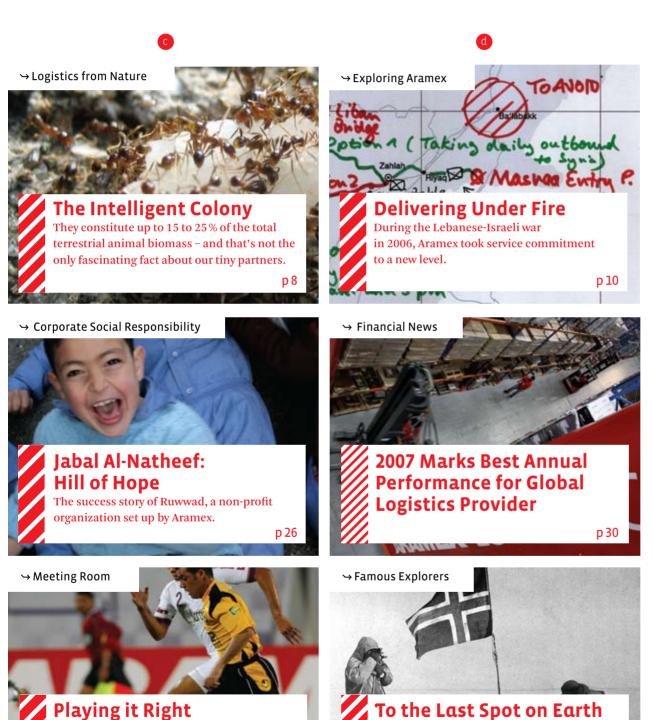












An interview with Cristina D'Alessio, Vice

President of World Sports Group, about the

logistical challenges of huge sports events.

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Roald Amundsen led the first Antarctic

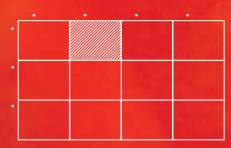
expedition to the South Pole. He wanted

to be the first man to reach there.

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This magazine is not for sale and is distributed free of charge to businesses, public offices, organizations and individuals with an interest in transportation and logistics.





b 1 Behind the Scenes

The Explorer takes a look at the extraordinary and complex logistical arrangements required to bring otherwise ordinary things to your

everyday life.

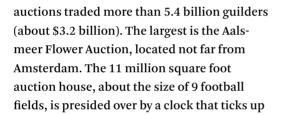
COLED DOWN BEAUTY

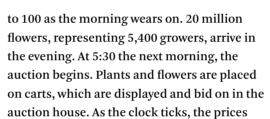
Flowers travel long distances. Their mission: to please, to console, and to appeal. Preserving their beauty is a task that calls for serious logistics.

Flowers are big business. The floral industry has grown from less than US \$3 billion in the 1950s to over \$101.84 billion in 2003, with new occasions being created all the time where flowers are the best choice to express goodwill. However, the horticultural business is a delicate one; many flowers and plants do not do well outside of a limited temperature range, and with today's globalization, flowers grown in Guatemala may be destined for markets and recipients in Europe. Dead foliage and wilted flowers won't sell. What's a shipper to do?

The largest traditional flower market is in the Netherlands, thanks in no small part to the Dutch flower auctions. In 1995, the flower

The largest traditional flower market is in the Netherlands





of the flowers go down. The art is in knowing when to bid to gain the best price, without waiting too long and being shut out. At the end of the morning, the plants are distributed and taken to the airport, port, and trucks, to be shipped out and sold later that day.

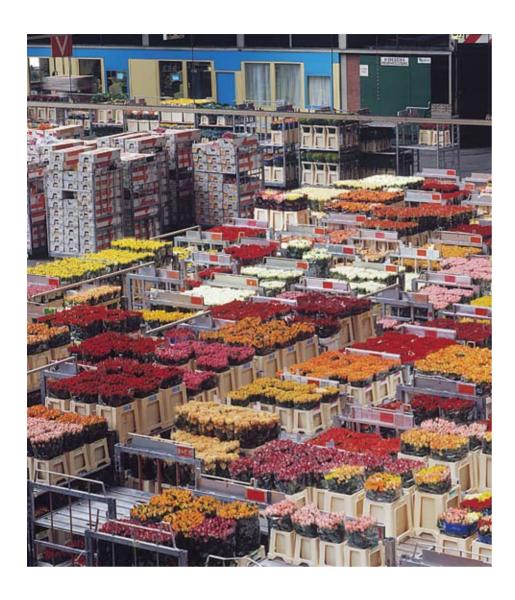


Warm home during winter times: Greenhouses in the Netherlands



Dutch flower auction: as the clock ticks, the prices of the flowers fall

All photos supplied by The Flower Council of Holland



New competitors on the flower market

Traditionally, major flower growing countries include the Netherlands, Germany and France. Their short shipping distances made up for their sometimes-unfriendly weather. Recently, however, other countries are taking advantage of their more temperate climates. Ecuador, Columbia, and India are among those who have entered the flower game. Columbia, for example, was responsible for about 60% of all flowers imported to America in 2004.

95% of the foreign flowers destined for Aalsmeer come in and out through Schipol Airport, a 12-kilometer journey that takes 30 to 40 minutes, depending on traffic. Alternatives include shipping the flowers by sea to locations like Heathrow, and then transferring to planes for the final journey. Flowers can be put into stasis by lowering the temperature during the sea journey to near freezing. However, it is critical that the temperature doesn't change during the trip. Too low, the plants will freeze; too high, they will wilt. Due to the limited volume and high cost of air shipping out of Schipol, sea shipping is beginning to catch on.

A Cool Chain Network For the Middle Fast

In the Middle East the new cool chain model from Aramex will soon challenge the established way of things. By utilizing the resources of its 304 offices located on five continents, Aramex can receive flower shipments from major markets in South America, Europe, and Africa and distribute them to receivers in the Gulf and Levant in a more professional and cost-effective manner than before.

The model will link the original exporters in Africa and South America directly with markets in the region through the Dubai Flower Center, a state-of-the-art facility located in the Dubai International Airport. Andre Nuijten, the General Manager of Aramex Perishables, knows that flowers need to arrive at their best to market. You could say that he has followed the cool chain, backwards. After starting in Amsterdam in 1985 in airfreight and perishables, he moved to Kenya in 1995 to manage floral freight operations.

Under Nuijten's watch, when flowers reach the Dubai Airport, they will immediately be moved to the Flower Center and put into a special chamber that is kept at four degrees. Here they will be cut, wrapped, tagged and loaded in buckets of water. From the cool chamber, they will be moved to a cool truck. An advanced temperature tracking system will monitor the truck as it crosses the desert, which can reach more than 45 degrees during the summer, from Dubai to regional markets.

Currently, most shippers in the area cannot ensure a reliable cool chain; a situation that usually increases the amount of loss. At Aramex Perishables, the daily cool chain is guaranteed. When picked up from the supplier, flowers are transported in a temperature-controlled truck to an air-conditioned warehouse. Here, they are pre-cooled and packaged for transport. During international transport, temperature control is maintained during the shortest flight duration possible. Before arrival, customs and quarantine forms are completed over the Internet. Upon arrival, the flowers are brought to a refrigerated warehouse, inspected, rejuvenated and priced

During each step of the process, customers can track their goods

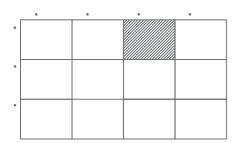
before being delivered in a temperature-controlled truck for on-time delivery. During each step of the process, customers can track their goods through a special on-line portal and will receive an electronic proof of delivery when they are received. Other value-added services include state-of-the-art technology for cutting, bouquet-making and branding products.

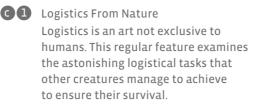
The goal of Aramex is to bring these services to the region, and eventually expand to the Far East and Europe. With fresher flowers bringing increased customer satisfaction, the future looks bright for Aramex Perishables.





 $\label{lem:condition} \mbox{Airlines mimic ant behavior, thus organizing the use of the gates more efficiently}$





The Intelligent Colony

Imagine an organization of millions of individuals without leadership. An organization where no one blindly follows orders. An organization where decisions are taken by groups. An organization where, despite all that, the most complex logistical tasks are accomplished with extraordinary efficiency.

It's not human. But it exists.

Warehousing food to building and maintaining large colonies, ants are considered one of the most advanced logistics experts nature has ever produced. Ants do not blindly follow orders, they have no leader, decisions are made using what is called "swarm intelligence," the intelligence of the group versus the intelligence of the individual. Modeled after how ants systemically organize themselves, Swarm Intelligence, is a new paradigm emerging in the business world, a shift from the rigid hierarchies of the past to a new, more flexible concept where a group makes decisions.

Swarm intelligence means that ideas are solved efficiently, but not necessarily intuitively. Communication is the key. Each task is broken down into small parts and each ant is assigned a role. By constantly communicating about the progress of each task, the ants together complete much larger and more complicated logistical tasks than they would be able to individually.

Computer algorithms that mimic ant behavior have been developed to enable businesses to take advantage of these unique ideas. Companies like Southwest Airlines and American Air Liquide have utilized these concepts, revamping the way they do business in ways that are not intuitive, but are highly efficient.

Examining ants helps minimizing lines at check-in desks

Southwest Airlines has used this type of ant-based organization to manipulate both the way that airplanes use the gates available at an airport, in order to minimize the time passengers sit waiting to deplane, and also the way that passengers use gates and check-in kiosks, to minimize lines at the beginning of a trip. When they

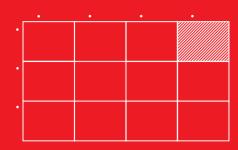
studied the way that Southwest handled freight, they found that the shortest trip wasn't necessarily the least expensive. What mattered was how many hands touched the freight during the trip. Just this one insight has saved the company over US \$2 million annually.

American Air Liquide, based in Texas, uses the ant algorithms to locate the best prices for gases like nitrogen, oxygen and hydrogen, which are used for industrial and medical purposes. Their market is made more complicated by the highly volatile state market for electricity, but by using ant algorithms, run on high-powered computers, the company can chart out their best options for sourcing gases at the best prices, with the least amount of delivery disruption due to traffic or weather. All in all, their business runs smoothly, all with the help of the ants.

Communication is key to the success of any ant-based program. In the same way as ants complete their task and communicate the results, and any other pertinent data, back to the nest, it is imperative that team members not only complete their tasks, but also communicate back to their team. Without this linkage, the system will fail. Complex behavior can be broken down into a series of simple tasks; as long as each person communicates about each task, the complex behavior can be accomplished. Southwest and American Air Liquide's programs work because they are given specific information to work with. Without this data, the programs

would be worthless.

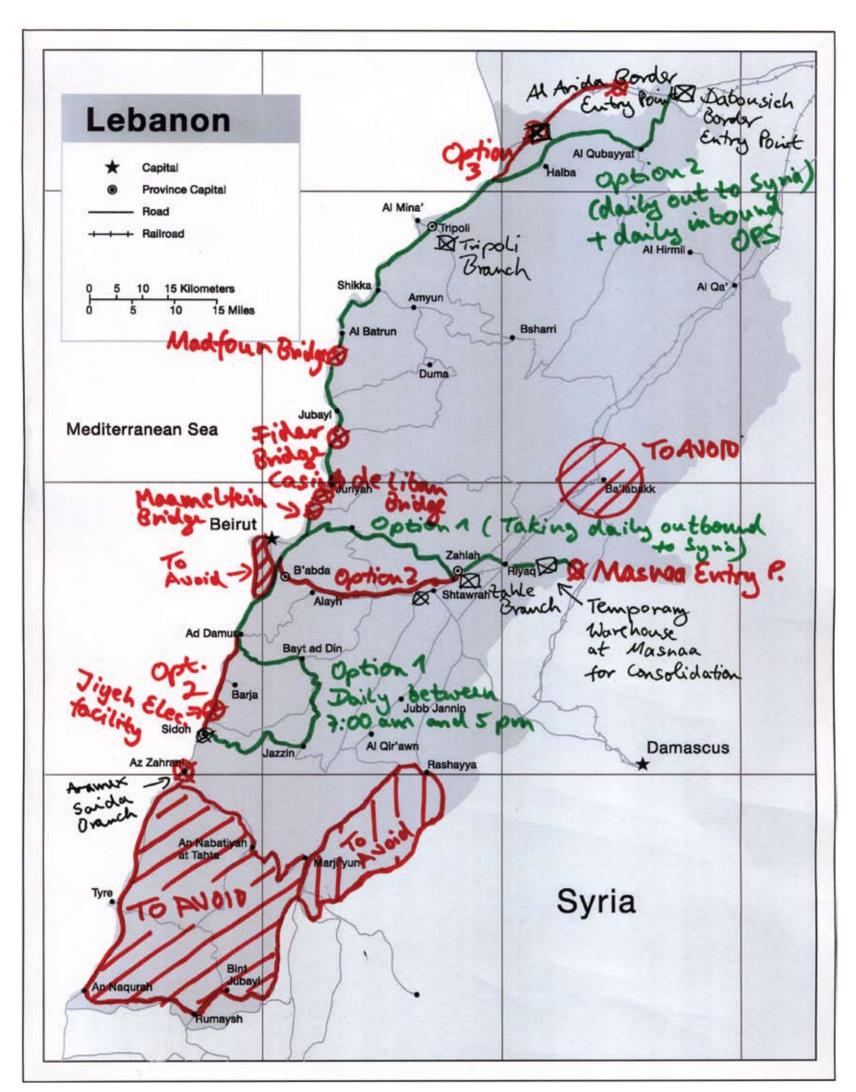
So next time you see an anthill, take the time to observe it. The ants can teach you more than you think.



d 1 Exploring Aramex

In a global company with hundreds of operations in every part of the world, there is bound to be plenty of remarkable stories that deserve to be told. Here, The Explorer will shine the spotlight on a division of Aramex that went the extra mile to deliver the goods.

During the Lebanese-Israeli war in 2006, Aramex Lebanon took service commitment to a whole new level. The company joined forces with others to deliver aid material to the half-million displaced people.



"We had to react very fast and create our own routes": The operations room's task was to guide the ground couriers through the war zone

July 13, 2006, Beirut — The breaking news on the world's satellite television screens was the bombing of the Beirut International Airport by the Israeli Air Force. The world watched, open mouthed. But while most people in Lebanon were seeking shelter, Asma Aboud, Aramex's Lebanon Country Manager, found that during this confusion there was one thing in her mind: she must keep going and deliver what she had promised.

"The sudden destructive war in its early hours left us two options; either we shut down or we continue and serve the country. Instinctively, we chose the latter." says Ms. Aboud.

The air, sea and land strikes continued for five weeks, with most Lebanese cities and villages hit. The road network was targeted and the main highways and bridges that crisscross the country were frequently cut. Supplies to the southern part of the country were particularly affected. This resulted in the

"the continual attacks meant that the team had to constantly adapt"

displacement of more than half a million Lebanese who sheltered in schools, public parks, and other "safe areas" for several weeks. "My key concern was to make sure everybody who came to work could do so safely. To guarantee their safety, we cleared an entire floor in Aramex Beirut Centre for the ground couriers and booked rooms for the rest of the staff in nearby hotels." says Ms. Aboud.

The war developed very quickly and the continual attacks meant that the team had to constantly adapt. "We had to react very fast and create our own routes. I was running an emergency room with a specialized Aramex team where we got updates on the roads as events developed so we could guide our ground couriers to the safest routes. We understood that the businesses of our clients depended on us being able to keep them running and we had to be creative in how we did that."

Al Masnaa and Al Bodieh, two Syrian border crossings, were the only land links for the Lebanese with the outside world. Sea and air routes were completely controlled by the Israeli forces. "In order to keep our normal business running we had to keep shifting teams between the land ports, set up temporary warehouses and arrange for accommodation for staff. Everything had to happen very quickly and complete operational set-ups that normally take months to prepare were now taking days and sometimes hours.

Aramex created assembly points where



small vehicles were used to off-load the trucks and distribute materials to the needy across Lebanon. "By providing sub-routes and hubs in Syria and Jordan to support our efforts, both on the business and relief sides, we were able to deliver. We were also prepared for the worst and supplied our key people with *Thuraiya phones* in order to make sure that we could be connected with our regional network under any circumstances," added Ms. Aboud.

The Aramex team, with their commitment to excellence even under fire, made the grade. Because of their bravery and efforts, deliveries in Lebanon continued and aid supplies were received by many who desperately needed them during these horrific times. Ms. Aboud and her team where the unsung heroes; operating behind the scenes and delivering hope where it's needed.

A dangerous aid campaign

Aramex joined forces with the efforts of the Higher Relief Commission (HRC) in Lebanon to manage the logistics and distribution of the international aid materials sent from several countries to support the half-million displaced people.

"Our operations had two objectives: trying to operate and keep the business flow as usual, and joining hands with the HRC to execute our own "Aid Lebanon with Us" campaign that was launched in Jordan and the Gulf, where 500 tons of aid material were collected from donors in the region and shipped by land through the Al Masnaa border. We worked on segregating and distributing those materials to more than 22 NGOs and we also bought aid materials from the local market to deliver to the displaced people," said Ms. Aboud. "We had allocated specialized teams to support the HRC, where more than 30 Aramex experts in IT, 3PL and Supply Chain Management coordinated with the HRC project with cooperation from other transportation companies such as Skynet, FedEx and DHL."

Aid materials included medical supplies, non-perishable food, and personal hygiene products, all of which were in short supply during the crisis. Aid was sorted and sent where it was most needed as quickly as possible. Aramex used to dispatch an average of six to nine trucks on a daily basis loaded with aid materials that reached all the Lebanese municipalities.



"We had only one choice: hitting the road"

31 year old Basem Nabham, an Aramex truck driver, witnessed the impact of the war first hand when, at 4:30 a.m., a missile hit a building very close to his house. His windows shattered, causing minor injuries to his wife and four year old daughter. Basem knew he had to get them to safety, so he drove them to a safe area outside Beirut, traveling on a mountain route that at times reached 1,400 meters above sea level.

"It took a few days to find a shelter for my family and make sure they were in safe hands, but then I went to the Aramex centre in the Sin Al Fiel area of Beirut to join

my colleagues," said Basem.

"In my six years working with Aramex I have built a strong relationship with this organization, its values and culture. We don't just go to work to be paid, there is something more than that and this became very clear to me during the hard war days last summer. When I resumed work, the missions were allocated to the truck drivers on a daily basis, and it was up to the driver to accept the job or not. Rejecting the mission was something that did not even cross my mind at that time, and when I look back now and evaluate the risks that we have took I have no answer for that."

Basem used to drive seventon trucks. He was forced to remove the cover of the truck in order to minimize the possibility of getting hit, as the Israeli air radars were monitoring any suspicious trucks that they suspected were loaded with food supplies.

"Once I was with a colleague of mine on the road 300 meters away from the Casino Bridge where an air missile hit



another truck, and the sand and the hot smoke reached us. Those were terrifying moments but for us we had only one choice: hitting the road."

"We used to receive around-the-clock updates from the Aramex operations team to lead us through the safe roads and avoid areas which were under fire.

Ms. Aboud used to follow up with us with a great sense of emotional and professional responsibility. We were one strong family serving the country."

After the war came to an end, the political tension in the troubled country continued. In these times of uncertainty Aramex continues its investments and expansion plans in Lebanon and has now launched a new state-of-the-art Logistics Centre in the Beirut Port Free Zone. "We believe that the future is there and the business is there. We have to move forward" said Ms. Aboud.





Buying shoes that were made by the shoemaker around the corner, or the ones produced on the other side of the globe? Building our new office next to a kindergarten, or in the middle of an industrial zone? Whatever decision we take, our actions affect life. Sometimes locally, and sometimes in places that we have never heard of before.

THE PENGUINS

Closing the Loops — In an attempt to promote a more responsible, future-oriented lifestyle, the London Olympic Committee has started a campaign to host the first sustainable Olympic Games in 2012. Among other things, the organizers intend to recycle as much of the used materials as possible.



Sustainability is a hot topic right now, discussed in Hollywood blockbuster films, the Nobel Peace Prize, magazine covers and classrooms all over the globe. Our current lifestyle wastes too many resources and releases carbon gases. The gases act like a greenhouse, trapping heat in the atmosphere. This raises the average temperature, changing the environment, melting the polar icecaps and affecting the climate. Viewed by scientists as a warning of things to come, the 3,000-year-old Ward Hunt Ice Shelf, previously the largest arctic ice block, began to crack in 2000 and split into pieces in 2002. Scientists predict that this thaw will raise sea levels by a meter by 2100, impacting island nations like the Maldives and coastal cities like Shanghai and Lagos. Loosely defined as a way to live well while also preserving the same for the future, sustainability is not only an issue of reuse and recycling, but also technological innovation and new ways of thinking about "the good life", from individuals up to the largest corporations and events.

London 2012: the first sustainable games?

The London Olympic Committee has launched a campaign to host the first sustainable Olympic Games in 2012. Citing studies that show that if everyone in the world had a lifestyle comparable to that in Britain, the human race would need three Earths in order to meet the demands, the committee has partnered with WWF and BioRegional to create a giant event that aims to produce no carbon footprint and no waste. Greenhouse gases are naturally occurring gases, including water vapor, methane, carbon dioxide, nitrous oxide and ozone. A carbon

footprint is a way to measure the amount of greenhouse gases any human activity releases, measured in terms of carbon dioxide. Primarily released through fuel burning, industry, transportation, deforestation and agricultural activities, the levels of greenhouse gases in the atmosphere have spiked, impacting global temperatures and climate change.

Clean Olympic Games through recycling

To reduce their carbon footprint, the London Olympic Committee plans to assemble an Olympic transport fleet of low- and noemissions vehicles for use during the games, as well as to create public transportation networks and cycling and walking trails so that spectators can arrive to the Games in an eco-friendly way. Carbon offset programs will be put into place to reduce the toll on the environment from international travel. In addition, all materials for construction will be sourced locally and, when possible, will be recycled. Even temporary buildings will have a future home, thus minimizing their environmental impact. Landscaping and building design will focus on increasing biodiversity and reducing ecological impact. Waste is a tricky issue. Any gathering of people will generate unwanted products. The Committee will increase the amount of recycling, source food locally, and use sewage and grey water for energy production and recycled water for irrigation and vehicle washing.



To reduce the ecological footprint, the London Olympic Committee will create walking trails to guide the spectators to the sports events



Johnson & Johnson put customers first

Johnson & Johnson brought a different perspective to its corporate governance since the early days of the Second World War. The health care product producer is winning awards for its holistic sustainability programs. In addition to adopting environmentally friendly practices, they are committed to employee retention and development, as well as community involvement.

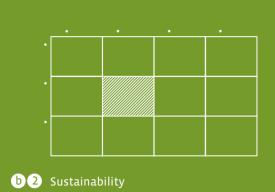
as community involvement.

Instead of a mission statement, Johnson & Johnson adopted "Our Credo" in 1943. Written by founder General Robert Wood Johnson, it listed customers first, employees second, communities third and stockholders last. According to the Credo, the company is responsible to protecting the dignity of all employees, help them fulfill family

In 2006, the company, which has over 120,500 employees in 57 countries, donated over US \$544.8 million in cash and products worldwide, out of \$53.3 billion in sales.

The London Olympic Committee and Johnson & Johnson have, in the best tradition of the Olympics, set their sights high. They have committed the resources and put their money where their mouth is. Their commitments can only be seen as testaments to the seriousness of the challenges that face our planet and the world community at large.







Aramex launches the first sustainability report in the Arab region. On the one hand, the report acknowledges expanded responsibilities. On the other, it illuminates tremendous business opportunities.

On September 4th, 2007, Aramex released the first corporate sustainability report in the Arab world in a special forum held in Dubai under the theme 'Changing Today, Protecting Tomorrow'.

The Aramex Sustainability Report communicates the company's strategic objectives, achievements on the ground and ongoing activities towards sustainable social, economic and environmental development, including Aramex's plans to become the first carbon neutral global logistics operator.

Aramex's independently audited report adheres to the world's de facto standard in sustainability reporting guidelines set by the Global Reporting Initiative, and is the first of its kind in the region and opens the door for corporations to follow this global model for corporate social responsibility.

Speaking about the adoption of corporate sustainability practices in business strategies, Fadi Ghandour, Founder and CEO of

Aramex, said: "By adopting sustainability reporting we are sending a

clear message to our stakeholders: community development is a strategic responsibility for which we will hold

Respecting our environmental surroundings is a principle that is deeply ingrained in our

ourselves accountable.

corporate culture, and our ambitious goals in that area are a reflection of how seriously we take the issue."

PROFIT

The seven commitments

The report identifies seven major sustainability issues that will drive Aramex's sustainability strategy, each driver is further divided into several key performance indicators with

short-term strategic targets and a long-term goal. All seven issues are deemed essential by the company and are not prioritized, they are: human resources development, workplace and road safety, economic growth, community, the environment and climate change, urban impact, and catalyzing sustainability.

"To us at Aramex, customers and communities are inseparable, this has been our perspective and approach from the early days of the company. In the past 25 years, we have been committed to taking the initiative and acting responsibly towards our shareholders, customers, people, the community and the environment", Ghandour added.

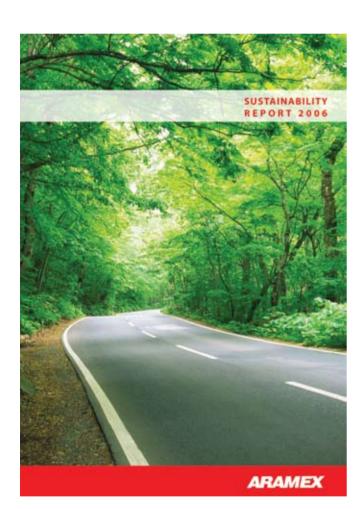
The Aramex hosted forum highlighted the

Women in Management

Aramex has made a major commitment to including women in management positions. By the end of 2009, they aim to have women in 10% of the senior management positions, 20% of the middle management positions, and 25% of the leaders.

"This report will change the way we think"

Aramex's Founder and CEO Fadi Ghandour at the Aramex-hosted forum *Changing Today, Protecting Tomorrow,* where the Aramex Sustainability Report was launched



To download the Aramex Sustainability Report, visit www.aramex.com

private sector's role on the regional level and the role of sustainability reports as a transparent communication tool between companies and their stakeholders. Participators in the forum's discussion were experts on the subject, senior management personnel and representatives from a number of organizations, including Najeeb Mohammed Al-Ali, Executive Director of the Dubai Centre for Corporate Values, William Foster, Executive Director, Hawkamah, the Institute for Corporate Governance and Ralph Thurm,

Associate Director Business Engagement & Development, the Global Reporting Initiative (GRI).

Aramex's Ruwwad Development Project was examined as a community-based program that continuously adds value to its target constituents and cooperates with others in the private sector in a collective result-oriented effort. The panel also addressed responsible behavior in commercial activities and the role of the private and public sectors in contributing positively to the environment.



Human Resources Development

Key performance indicators

- Employee Satisfaction and Motivation Index
- Salaries and benefits
- Training per employee
- Women in management
- External rankings
- Workplace conditions

Long term strategic goal

Foster a sustainability-rooted culture of excellence in innovation, entrepreneurship, creativity, dynamism, results, and respect and care for our employees and others to be our number one competitive asset.

Short term strategic targets 2009

- 40 hours per employee annual average
- 10% women in senior management, 20% in middle management, 25% among 'leaders'
- Top 10 Most Respected Employers
- All stations capable of successful certification against SA8000
- 10 hybrid electric vehicles
- 2% of revenue from green services

"Sustainability is an opportunity"

Ralph Thurm from the Global Reporting Initiative



Environment & Climate Change ey performance indicators Fuel consumption

- -Greenhouse gas emission reductions
- Fleet composition emissions rating Service innovations and revenue

from green services Long term strategic goal

Be the first global logistics and express transportation provider in the world to be carbon neutral

Short term strategic targets 2009

- 50% reduction in emissions per shipment
- 20% reduction in fuel
- 100% elimination of leaded gas consumption
- 50% of fleet transitioned towards LEV (minimum Euro 4) where applicable
- 10 hybrid electric vehicles
- 2% of revenue from green services

Community

Key performance indicators

Number of marginalized persons or families positively effected

Long term strategic goal

Create opportunities and initiate meaningful change in marginalized societies, touching over 1 million underprivileged persons

Short term strategic targets 2009

- Invest 1% of pre-tax profits into the communities where we operate
- Continue to take a leadership role in facilitating humanitarian assistance in emergency situations

Urban Impact

Key performance indicators

- Driving delivery time
- NOx and other smog emission reductions
- Partnerships and service Innovations

Long term strategic goal

To create innovative services that will help shape and accelerate 'sustainable cities'

Short term strategic targets 2009

- 50% reduction in NOx and other smog related emissions from road fleet
- 10% reduction in driving delivery time





Director of the Dubai Centre for Corporate Values; Business Engagement and Development, Global Reporting Dr. Sulaiman Al Hattlan, Editor-in-Chief of Forbes Arabia



Workplace & Road Safety

Key performance indicators

- **Fatalities**
- Lost-time injury (LTI) rate
- At-fault accident rate

Long term strategic goal

Drive for Zero; zero at-fault fatalities, zero at-fault injuries, zero at-fault accidents

Short term strategic targets 2009

- 50% reduction in accidents/shipment
- 50% reduction in LTI/shipment
- Zero fatalities

As a provider of package delivery, freight forwarding,

logistics and other transportation services, Aramex is

through sustainability innovation, which will benefit

particularly committed to environmental preservation

the planet safely?

shareholders and stakeholders alike.

Catalyzing Sustainability

Key performance indicators

- Direct impact on take-up of sustainability in countries where we operate
- Public and media recognition as sustainability

Long term strategic goal

Be the pioneer in the Middle East, Gulf, and North Africa. Ultimately, earn ranking among international sustainability leaders. Achieve corresponding recognition and growth in customers and 'green' customers

Short term strategic targets 2009

- Be the sustainability performance and reporting leader, as ranked by public opinion, sustainability indices, and relevant major international sustainability rankings
- Engage at least 20 other companies plus GDA members in Sustainability Excellence Leadership Forums

Economic Growth

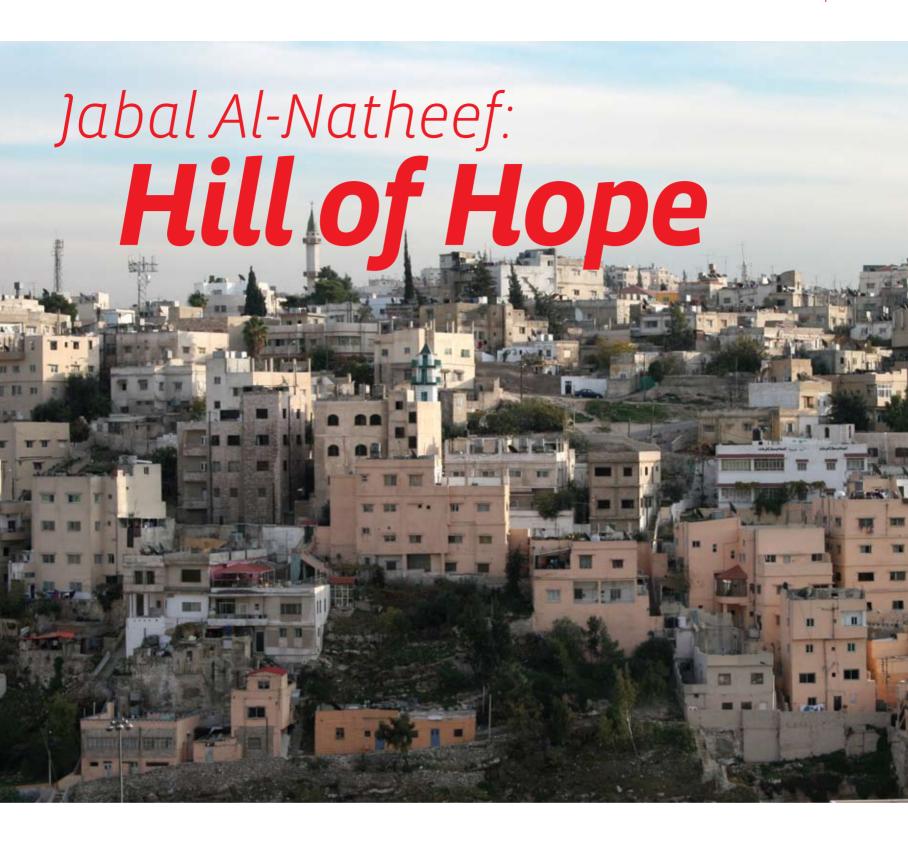
Key performance indicators

- Growth
- Profitability
- International recognition

To be recognized as the 5th global logistics and express transportation company in the world

Short term strategic targets 2009

Achieve 18% growth in revenue and 20% in profitability



The NGO Ruwwad was founded by Aramex in 2005 with the aim to help. Aramex wanted to be a partner in the development of local communities. Fadi Ghandour, Aramex's CEO, explains: "We have a vested interest and we have the capability to make a difference. It's about initiating meaningful change in marginalized parts of our society."

Giving back to the community is not a corporate PR gimmick to polish a company's image, nor should it be. A living example of that is *Ruwwad*, a non-profit organization founded by Aramex. "*Ruwwad* is unique in being solely funded by the private sector. This is not simply a charity organization, it is not only about giving money and PR, it is a lot of hard work. We engage marginalized communities, enable individuals and work together to achieve and meet their needs, as identified and prioritized by themselves," states *Ruwwad's* director, Raghda Butros.

Ruwwad's first project is bearing fruit in Jabal al-Natheef, an underprivileged area in eastern Amman, Jordan.

Originally occupied by refugees but not officially recognized as a camp.

Originally occupied by refugees but not officially recognized as a camp, the area remains underdeveloped and suffers from bad construction,





crowded living conditions and lack of certain governmental services. The unemployment rate in Jabal al-Natheef is fifty percent above the national average, and the number of higher education graduates is fifty percent lower.

The birth of change

When *Ruwwad* first came to Jabal al-Natheef, they spent the first year gathering information about the neighborhood and determining priorities by listening to residents. The residents prioritized projects according to their needs, which range from creating a children's library to cooperating with the government to open the area's first post office,

police station, and public health clinic.

Ruwwad brings together volunteers by providing university and college scholarships to 250 students from the community, and in return the students volunteer by working with children at Ruwwad's library and creative arts workshop; refurbishing furniture for area residents, upgrading and repairing substandard dwellings, as well as volunteering at events and activities across the country and abroad.

A new library and art workshops

Residents of all ages appreciate the changes made to their neighborhood. "Since the doors

Left

Jabal Al-Natheef, a residential area in Amman, is home to a vivid community of Jordanians

Spirited kids playing at school in Jabal Al-Natheef



Since *Ruwwad* has established a library as well as various youth programs, playing football is not any more the only thing kids can do during their leisure time

of the library opened in July 2007, approximately 200 children come daily to the library and creative arts workshop. There was nowhere for them to gather safely before and many played in the streets," says Butros. The students are excited about the library and they find that school is more interesting now. Children with learning disabilities can receive tutoring and mentoring at the library. Twelveyear-old Mahmoud says, "Now, I like school more than before."

The schools in the area are also receiving upgrades through *Ruwwad's* programs. The first school that *Ruwwad* renovated is now receiving weekly teacher training from private school teachers, who also organize extracurricular activities and bring in student volunteers. Four additional schools are currently being renovated, in which teacher training will also take place once renovation is completed.

Leaving a positive mark

The difference *Ruwwad* has made is evident. Students who receive scholarships from *Ruwwad* fixed Sahar's home, from roof to back door, in less than a week. "I had been living with these problems for fifteen years. And now *Ruwwad* also convinced my daughter to stay at school and finish her end of school exams, so that she may receive a scholarship and go to university".

"Ruwwad helps young people to polish what they know," says Iyad Yusuf, one the first students to receive a scholarship from Ruwwad two years ago, "they are working to minimize the gap between underprivileged neighborhoods like Jabal al-Natheef and more privileged areas, and have had an amazing impact on our education." Another student, Shuroq al-Khatab, who has just graduated with a degree in teaching, feels that Ruwwad has brought hope and access. "Ruwwad built a network for us. We used to go from home to school and back, with nothing really in between. Now we have built relationships with one another and we meet with decisionmakers, too."

Shababeek, window of opportunity

Students also contribute to starting new programs at *Ruwwad*. Mohammad Nizam, for example, began the popular program *Shababeek* (meaning "windows" or "gateways"), which uses creative strategies to help foster love of learning in local children. Inspired to create a game to help students with spelling, Mohammed began to regularly

use activities such as journaling and storytelling to encourage struggling students. A few months later, Mohammed himself received a scholarship to study nursing through *Ruwwad*. Clearly, this program has made a difference in his life.

The impact of applying the entrepreneurial and innovative practices of business on community development is evident in Jabal al-Natheef through *Ruwwad*. Aramex took the hands-on approach of engaging the community and seeing change delivered, rather than giving money to charity organizations and calling it a day. "While money goes a long way, time, respect, and consideration are the most important gifts that we can give to one another," as Raghda puts it.

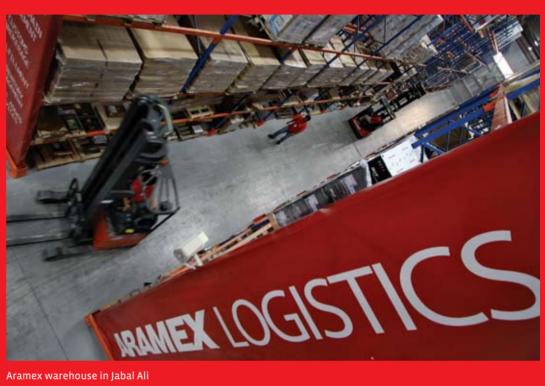




Break time at the local school: *Ruwwad* sponsored the new furniture as well as the teacher capacity building, and pays school fees for children who can't afford the regular fee amount

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Aramex warehouse in Jabal Ali

2007 Marks Best Annual Performance for Global Logistics Provider

GCC and Middle Eastern markets, the sound financial performance of total transportation solutions provider Aramex is driven by the company's strong organic growth in its traditional markets.

The trend of outsourcing logistics in the region is growing, and Aramex's expertise in providing supply chain solutions in the warehouse and beyond, facilitated by its domestic and regional distribution networks, was a key factor in winning strategic contracts for major clients in several industries such as IT, Fashion Retail, Telecom and FMCG.

Set on a global expansion strategy aimed to propel the company into the front ranks of the global transportation solutions sector, Aramex has successfully concluded the integration process with TwoWay, the leading European freight and logistics provider it acquired in 2006. The expansion has contributed positively to the bottom-line bringing the new acquisition into profitability. In 2007, Aramex undertook strategic acquisitions in Singapore and Indonesia extending the company's reach across lucrative emerging markets.

Priding itself on introducing new innovations to its range of services, Aramex's latest addition to its portfolio has proven successful with the sound financial performance of InfoFort, the only document management and storage company in the Middle East. InfoFort was acquired by Aramex in 2005 and has already reached 100 % growth in revenues.

Aramex's achievements on the ground are reflected in its financial results, the company reported an increase of 31 % in revenues and 28% in profits for the year ending December 31, 2007, while the number of staff employed by the company grew from 6,031 to 6,600 people over the same period.

Commenting on the results, Aramex founder and CEO Fadi Ghandour said: "We can confidently say that 2007 was Aramex's best year ever. We grew in size, reach, capability, and reputation. And we did it in a thoughtful, measured, and sustainable manner that will enable us to continue leveraging our strengths as we move boldly into 2008."

Draft new safety standards for warehouse. Order circulation pumps for the Groundwater project. Check customer shipping orders. Track international shipments to Europe and China. Focus on meeting all the deadlines house details. Track inventory levels for HGA stores. Send shipment of jeans to boutique in Dubai. Arrange new storage facility for shipment. Clear what really matters from the main container. Run supplier credit reports. Interview the distribution center management team. Arrange for an inspection tour of facility. Conduct all system evaluations. Email request for proposals to all the suppliers. Schedule interviews for the district manager position. Place the new orders to replenish stocks. Order new pallets for all factory floors. Process all purchase orders and invoices. Check out appropriate locations for the new warehouses. Meet with the manufacturer to schedule all product deliveries. Ask Marc to handle shipping and leave the rest to us. Make sure the shipment is sent with overnight-delivery. Hold meeting with project team to discuss focus of project. Determine important short-term strategic goals. Check all the emails and prioritize what really matters. Formulate dual strategy for current project. Hire extra security for Gulf shipment in warehouse. Discuss the general testing of warehousing management system with the design team. Transfer buffer stock to facility B. Charter trucks for delivery to port this Friday.

With the Aramex Logistics team on board, you no longer have to worry about the hundreds of details of how your products get to your customers on time. All you have to do is keep doing what you do best and let Aramex worry about everything else... it's that simple.

www.aramex.com





The new Dubai World
Central is the largest
urban planning project
in the UAE. In order to
provide a green-friendly
working environment,
each of the tenants
was asked to submit a
sustainability program.

The question has officially been answered. It's not love that makes the world go round, it's Dubai, especially the new Dubai World Central (DWC), the largest urban planning project in the UAE. Adjacent to Dubai Logistics City (DLC), DWC is a 140 square kilometer, multi-phase development with the world's biggest airport, Dubai World Central International, at its core. DWC, with infrastructure costs estimated at US \$33 billion, comprises six specialized clustered zones: Dubai World Central International Airport (JXB), Dubai Logistics City (DLC), DWC Commercial City, DWC Residential City, DWC Enterprise Park and DWC Golf Resort.

Dubai has allocated \$82 billion for aviation infrastructure investment alone. 40% of this (\$33 billion) will be invested in DWC. According to Michael Profitt, the

Chief Executive Officer of DLC, "The strategic geographic location of Dubai on the world map through its access to emerging markets of more than 2 billion customers across the Middle East, India, Southeast Asia, Africa and Central Asia, is a key driver for the growth of the supply chain business in particular."

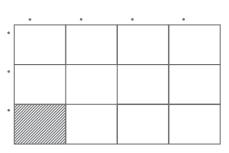
The total dedicated land area for DWC is almost twice the size of Hong Kong Island and is expected to have an ultimate population of 900,000 people working and living within its borders. It will be home to 250,000 people and will feature, among its many amenities, two 18-hole golf courses. "We are meeting the time lines we have defined earlier. The first 4.5 km runway has been already completed at the airport. The key construction projects within DWC have been awarded and we will go live by Q4 2008," says Mr. Proffitt.



Model of the future DWC Commercial City

Ports and Airports

They are the focal points of the global transportation network, where numerous routes converge and diverge every day. In each issue, *The Explorer* will take you on a tour of a notable port or airport from around the world

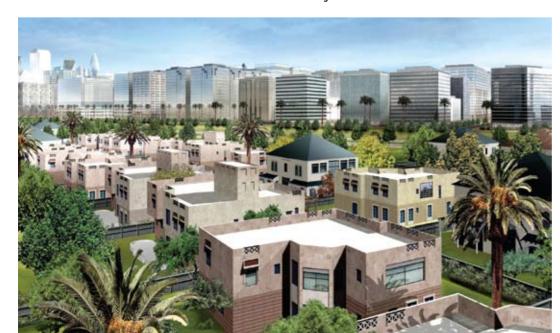


Environmental concerns

Developing one of the world's most active aviation, freight and logistics hubs will mean a tremendous increase in gas emissions, which will impact the global warming issue in the Gulf region. Those concerns are also addressed by DWC. "The tenants of DLC have to submit – along with their business plan – a sustainability management program, showing how they will develop a green-friendly working environment. We will leave this to the individual company to decide how they will manage themselves to be sustainable but there will definitely be guidelines to follow in order to control and reduce the environmental impact," Mr. Proffit commented.

The downside of Dubai's 7-star lifestyle is beginning to show. Congested roads are a key challenge, not just for Dubai but also for DWC, which is looking to link Dubai International Airport with the upcoming airport. "We are looking at the possibility of having a dedicated road between the two airports", Profitt stated. "This road will provide a link under a defined time and will be run by routes and shuttle services to provide effective solutions."

Dubai is quickly becoming one of the hottest places to be on earth. Pretty quickly, it may become the center of the universe! We'll just have to wait and see.



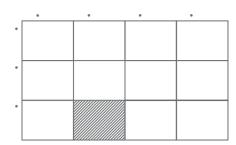
Aramex signed for large tenancy in DLC's logistics area

DLC will become the ultimate home for freight forwarders and logistics providers. Many key international players have confirmed their presence. Aramex secured for one of the first and largest tenancies in an inaugural lease agreement in September 2006, in which the global logistics provider signed for 140,000 square meters in DLC's contract logistics area with an option for an additional 100,000 square meters.

"We took a strategic decision 22 years ago to make Dubai the hub of our operations. This is now bearing fruit.
We are ideally positioned to capitalize

"Logistics is key to Aramex's expansion strategy"

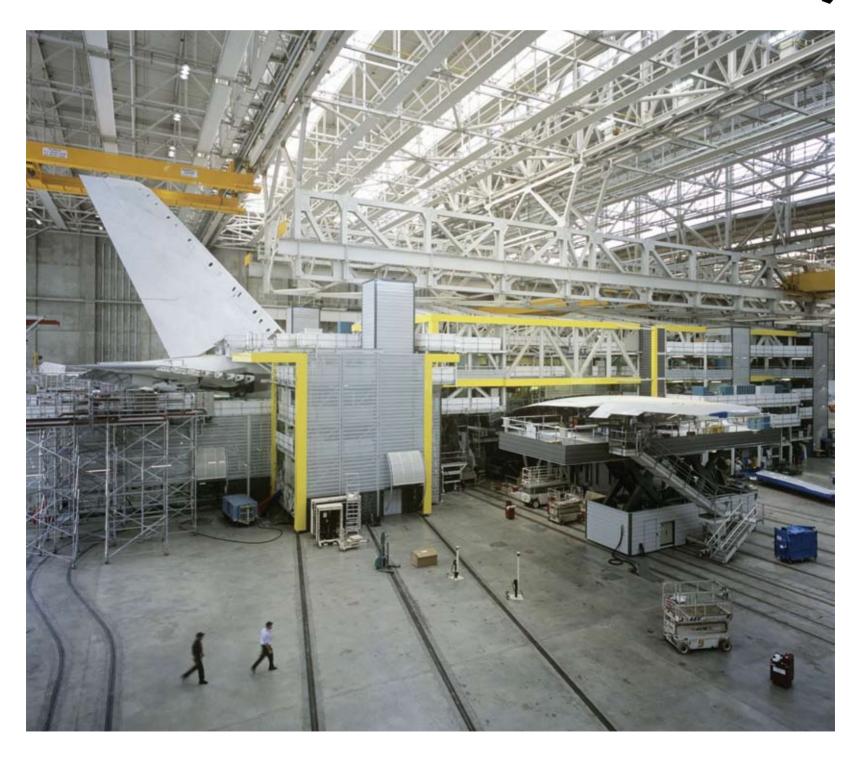
on the development of DLC" said Fadi Ghandour, founder and CEO of Aramex "Logistics, particularly our third party logistics service offering, is key to Aramex's expansion strategy and DLC has an important role to play in this. Our customers should certainly see the benefit, which is part of the reason for our substantial commitment to DLC. With this agreement we are sending a clear signal to our existing and potential customers that we are ready to invest in providing the cost-effective and timely express and logistics solutions they increasingly need in a highly competitive global marketplace", Ghandour added.



(b) (3) Amazing Logistics
Unprecedented procedures are continually devised to solve bigger and more complex tasks.
This feature reveals the solutions to some of the biggest logistical challenges that businesses

face every year.

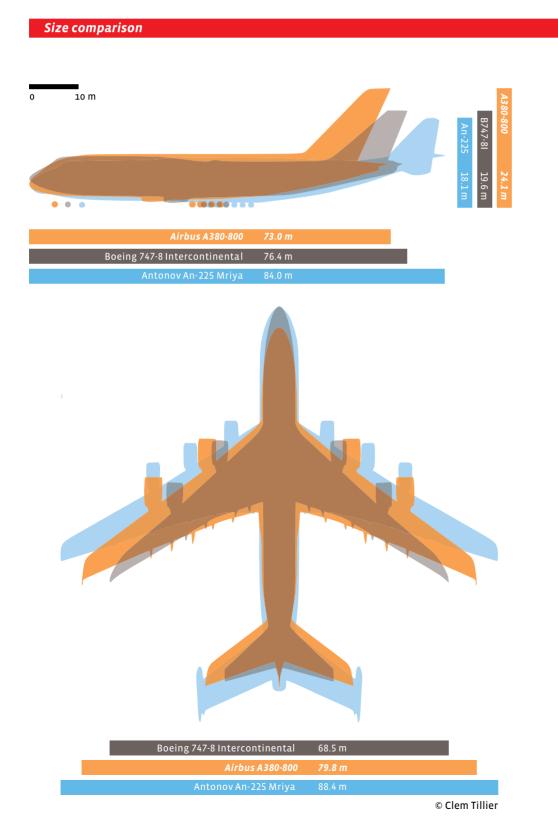
One Bird,



Different Nests

The skins for the wings are made in the US, the wings in the UK. The tail is manufactured in Spain, parts of the fuselage in Germany, and the nose in France. From Toulouse, France, the A380 takes off for its maiden flight.

The second largest airplane ever built after the Antonov An-225 transporter, the Airbus is the largest passenger airplane, carrying 555 passengers for longer distances in unexcelled comfort. At 73 meters (239.3 feet), this makes it about 35% larger than the current standard, the 747 (in most configurations). However, this length, coupled with a wingspan of 79.8 meters (261.7 feet), makes it too big for most existing airports. More than 60 airports are currently planning to modify their facilities to handle the Airbus, with Los Angeles International budgeting an estimated US \$50 million for the upgrade.



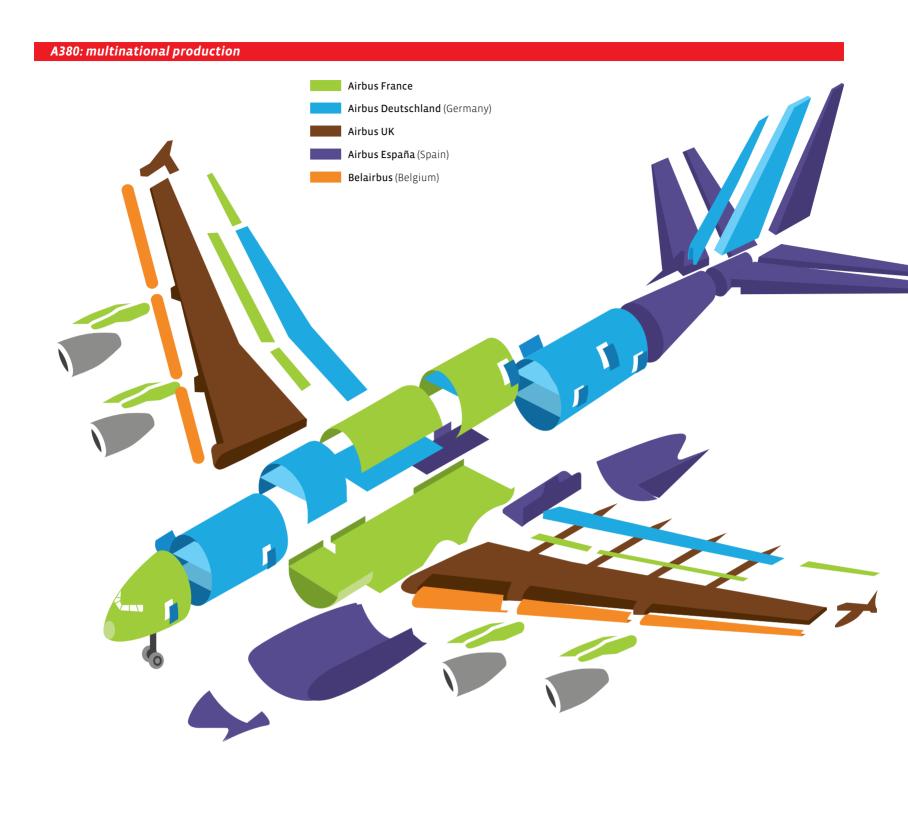
23 miles of wiring – in one wing

Utilizing suppliers from 30 countries, the A380 is put together like a giant quilt. Piecing together a plane this large was an incredible process. The wings themselves were an engineering marvel. The Airbus headquarters in Toulouse, France, was not able to handle a project of this magnitude, so, being a trendsetting company, they outsourced it. The skin for the wings was made at an aluminum mill in Iowa - the American plant was the only one in the world large enough to fabricate pieces of that size. Trucks were designed specifically to transport these giant puzzle pieces to the east coast to be shipped to Wales, where the wings were assembled. The Welsh plant, the size of 12 football pitches, assembled 32,000 parts and utilized 23 miles of wiring per wing. Other major aircraft pieces were similarly outsourced to other European countries, such as the fuselage, rudder and tailplane.

The final stitching together of the plane was done in Toulouse. Due to the weight of the finished sections, most of them could only be shipped on the water, often on purposebuilt barges through improved canal systems that could only travel on the Garonne River for a few hours a day. Other Airbus plane sections have been shipped to Toulouse by the A300-600ST Beluga aircraft, but this was not feasible with the 380. The roads from the river to the assembly plant had to be improved in order to manage the increased traffic. Once completed, each plane needs 3,600 liters (950 gallons) of paint to cover it. The supply chain can produce four 380s per month.

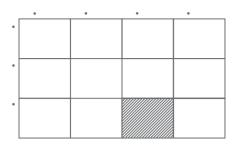
The production rate will be critical, as Emirates Airlines announced at the Dubai AirShow that they will be purchasing 70 Airbus 350 planes, with an option to add 50 more planes, including possibly the A380. This deal, worth a potential \$31 billion, is the largest order ever in civil aviation history. The Saudi Prince Al Walid is the first private purchaser of an A380, the VIP version called "The Flying Palace." With this kind of demand, the pressure to perform is enormous.

Airbus spent an inordinate amount of time and effort just on the infrastructure to handle the construction of the Airbus 380. With supplies from 30 countries, the plane is a globalized project, which required transportation solutions that had never been considered before. Airports around the world are being adapted to handle a plane of this size. Airbus is betting that bigger is better for the environment, and especially better business.



Evolution of the A380

Set-up of the "Large October 2007: Research to evaluate Boeing cancels Commercial Airbus Start of Delivery Maiden flight; of the first market demand similar project Aircraft Division" to launch becomes a componentannouncementAirbus delivers prepare the launch of of the A3XX joint stock manufacturing engine of first delivery first A380 the A3XX program company, delay owned by EADS (80%) and BAE Systems (20%)



G Meeting Room

The Explorer meets with industry insiders to bring you details on the inner workings of their various operations.



Asian World Cup qualifier between Iran and Japan in Tehran

Playing it Right

You can't predict which team will get its hands on the cup at the end of a soccer tournament. Yet when planning the logistics of the event, there is no room for any surprises. The AFC Asian Cup is marketed by the World Sport Group (WSG) and backed by logistical support provided by Aramex. We asked Cristina D'Alessio, Vice President of WSG, how they reached the finals without any major incidents.

The Explorer: What are the key logistic tasks when you bring a soccer game to millions of fans both in the stadiums and the broadcast media?

Christina D'Alessio: In general, the Asian Football Confederation (AFC) manages all competition-related logistics: air and ground transfers, procurement of travel visas, accommodation, training facilities and on-ground support. The AFC also provides medical infrastructure.

What organizations do you partner with? The AFC works alongside the host association, and in the case of the Asian Cup, also with the Football Association of Thailand, the Football Association of Malaysia, the Vietnam Football Association and the Indonesian Football Association, to manage ticket sales and drive live attendance. For all the logistical elements we have partnered with Aramex for the past three years.

You've explained AFC's responsibilities. What do you do at WSG?

As the exclusive marketing arm of the AFC, WSG manages marketing, television, licensing and new media rights. WSG has managed the AFC's television rights since 1993, which includes the rights for its top soccer competition - the Asian Cup, which has been held since 1996.

What exactly is the Asian Cup? The Asian Cup takes place every four years. It sees 16 of Asia's top nations compete and is the region's most prestigious trophy.

How popular is the Asian Cup? Television broadcast of this year's AFC Asian Cup reached record audiences in almost every country across the Asia-Pacific region. Through pan-Asian satellite, terrestrial and cable stations, fans in virtually every corner of Asia can follow and experience top-class live football on TV.

Which other tournaments are organized In 2007, we have seen a number of very important tournaments under the AFC umbrella. The Gulf Cup, for example, took place in the UAE in January. For the Gulf, the Gulf Cup is arguably the most important tournament and it takes place in the region every two years.

"The key factor is knowing the matches and venues well in advance"

What other tournaments are played? In 2007, in addition to the two tournaments mentioned previously, the following took place: the AFC Champions League (which includes the top clubs across Asia), the AFC Cup (similar to the European UEFA Cup), the AFC Olympic Qualifiers and GCC Champions League, which is only played in the Gulf countries.

Field branding represents a major chunk of your advertising revenues. How do you ensure that the branding material is shipped on time and installed properly?

Although this was an issue once, today it's not so critical. Now that we have gained experience working in countries across Asia, we are familiar with the timing and logistics involved in getting the advertising boards to the venue on time. The key factor is knowing the matches and venues well in advance. In addition, we have cultivated a network of local contractors who can change the advertising fascias on the ground should the need arise. We are at the point where each Middle Eastern country contains a set of our boards. This makes our lives a lot easier. It's now a simple case of moving the boards from the warehouse to the stadium and back again. Making sure the boards get to the stadiums on time is a job our logistics partner Aramex handled well.

How do you select the host city for each game? The AFC is the one that selects the host city for the centralized tournaments. For club matches, obviously the venue has to be the home of the club. There are a number of criteria that the venue has to meet: political

stability, economic and financial strength, government support, the availability of world-class stadiums and training facilities, as well as infrastructure and accessibility.

Have you ever gone through a "nightmare" logistics situation?

Every event has its logistical challenges. In over 15 years of operating in Asia we have been fortunate not to have had any major "night-mares", although we have managed events and produced live broadcasts from countries like North Korea and Iraq.

Where does the AFC Asian Cup 2007 rank regionally and internationally?

The AFC Asian Cup is Asia's largest sporting event. In just half a century, since the first Asian Cup in 1956, football has become firmly established as the most popular sport in Asia. This year's Asian Cup made sporting history as millions of viewers around the world tuned in to watch Iraq beat Saudi Arabia in the finals.

World Sport Group (WSG)

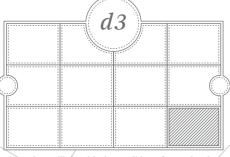
Headquartered in Singapore, the World Sport Group is Asia's leading sports marketing, media and event management company, with a roster of golf, football and cricket events across the region. The World Sport Group has been at the forefront of Asian sports since 1993 and is the exclusive marketing partner of the Asian Football Confederation (AFC), the Asian Football Federation and a major stakeholder in Asian golf as organizers of Barclays Singapore Open, Hero Honda Indian Open, Volvo Masters of Asia and Omega China Tour.

With its expertise and experience in sports marketing, event management, television production and distribution, the company is uniquely positioned to assist governments, sport-governing bodies, athletes, media and corporations. WSG creates viable and sustainable programs that develop the assets and opportunities offered by major sports in Asia.

The World Sport Group is staffed by more than 120 employees with offices in Beijing, Beirut, Hong Kong, Mumbai, Singapore and Tokyo.

www.worldsportgroup.com





The Explorer will chronicle the expeditions of a grand explorer in every issue. The achievements of these courageous pioneers brought major developments, from opening new trade routes and paving the way to the colonization of uncharted lands, to grandiose scientific discoveries and changing human history.

Famous EXPLORERS

To the Last Spot on Earth

Nearly one hundred years ago the explorer Roald Amundsen and four of his companions set out on a historic expedition across Antarctica. Amundsen intended to do something that no man before him had ever achieved: to set foot on the South Pole.



Frontispiece portrait of Roald Amundsen in his book "The South Pole", 1912

n December 8, 1911, with the sun shining vividly overhead, they passed the farthest south reached by English explorer Shackleton, who was previously the first human to set foot on the South Polar Plateau.

By this time, the dogs were hungry and depleted and the men had frostbitten faces; yet, the party, led by Norwegian explorer Roald Amundsen, pressed on. They were only 95 miles from the South Pole, and the nearer they got, the more motivated they became to battle on, at full speed, deep into the Arctic wastelands.

The journey to be the first to reach the South Pole had begun on October 20, 1910 for Amundsen and his crew. At 3:00 p.m., on Friday, December 14, 1911, there was a simultaneous cry of "Halt!" as the sledge meters registered their arrival. Amundsen has achieved his goal.

Hanging on for their lives, sled dogs dangling in their harnesses above an icy crevasse, the men, with their frostbitten hands, grasped the Norwegian flag and planted it firmly on the icy grounds of the South Pole. They returned to their base camp on January 25 of the following year – 99 days and 1,860 miles after their departure.

Before this huge accomplishment, Norwegian Captain Roald Amundsen was already a celebrated explorer. He had been the first person to successfully navigate the fabled Northwest passage (1903-6) and was one of the first men to

winter south of the Antarctic Circle, on board the Belgica in 1898.

His dream as a boy was to be the first man to set foot at the North Pole, but instead he aimed for the South Pole in 1909, when two Americans claimed to have reached it already. Amundsen lived on to experience other polar adventures, where he was also the first person to fly over the North Pole in 1926.

But the Arctic would eventually claim his life, too. While attempting to rescue his friend, the Italian explorer Umberto Nobile in 1928, Amundsen was killed when his plane crashed into the Arctic Ocean. Earlier that year, Amundsen had told a journalist about his love for the icy Arctic, saying, "If only you knew how splendid it is up there, that's where I want to die."



Amundsen's ship, the FRAM, January 1912



At the South Pole