

Kuehne + Nagel Indonesia

Contract Logistics Presentation

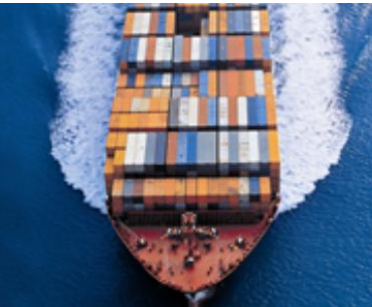
GM Contract Logistics, Jamil Siddique
May 2017



Introduction to Kuehne-Nagel

Comprehensive Global Logistics Solutions

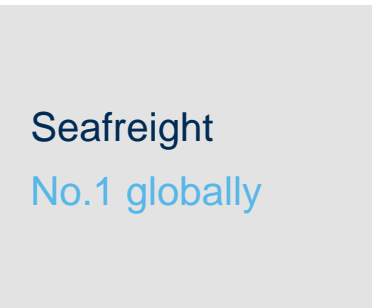
World Class Capabilities and Positioning



Airfreight
Top 2 globally



Contract Logistics
Top 2 globally



Seafreight
No.1 globally



Overland
Top 3 in Europe



Integrated
Logistics
Top 2 globally

3.8 million
TEUs shipped

1,194,000 tons
handled

22 million road
orders

8.7 million m²
warehousing space

650 supply chain
experts
650 experts in
6 global Logistic
Control Centres

Note: All figures apply to the year 2014



South Asia Pacific (SAP) at a Glance



17 countries



96 locations



6200
specialists



88
Warehouse sites
456,000
Warehouse space (sqm)



53
CFS Sites
174,000
CFS space (sqm)



Country references in South Asia Pacific



India

- 52 Sites
- 220,000 Sq.m



Thailand

- 6 Sites
- 22,560 Sq.m



Malaysia

- 2 Sites
- 27,000 Sq.m



Indonesia

- 1 Sites
- 4,000 Sq.m



Vietnam

- 5 Sites
- 36,000 Sq.m



Singapore

- 3 Sites
- 52,810 Sq.m



Australia

- 9 Sites
- 64,000 Sq.m



Japan

- 3 Sites
- 16,640 Sq.m



South Korea

- 2 Sites
- 23,470 Sq.m



Philippines

- 2 Sites
- 4,660 Sq.m



New Zealand

- 1 Site
- 5,000 Sq.m





Indonesia

Head office - Jakarta



Main Office Locations

- Jakarta
- Surabaya
- Semarang
- Medan
- Batam
- Balikpapan
- Bandung



Licenses

- IATA/FIATA
- Customs Brokerage
- Trucking & Cartage
- Warehousing & Distribution
- Ocean Freight Agent
- NVOCC
- Break-bulk Agent



No. of staff

150



No. of offices

7



Warehouse facilities

1



Warehouse capacity

300
sqm



CFS Facilities

1



CFS Capacity

2,000
sqm



Highlight

Extension of network through new local partner



Kuehne + Nagel Indonesia

Established in 1987, Kuehne + Nagel is a market leader in integrated logistics in Indonesia and is fully equipped to meet all your needs along international supply chains.

Locations

| | |
|------------|----------|
| Balikpapan | Medan |
| Bandung | Semarang |
| Batam | Surabaya |
| Jakarta | |

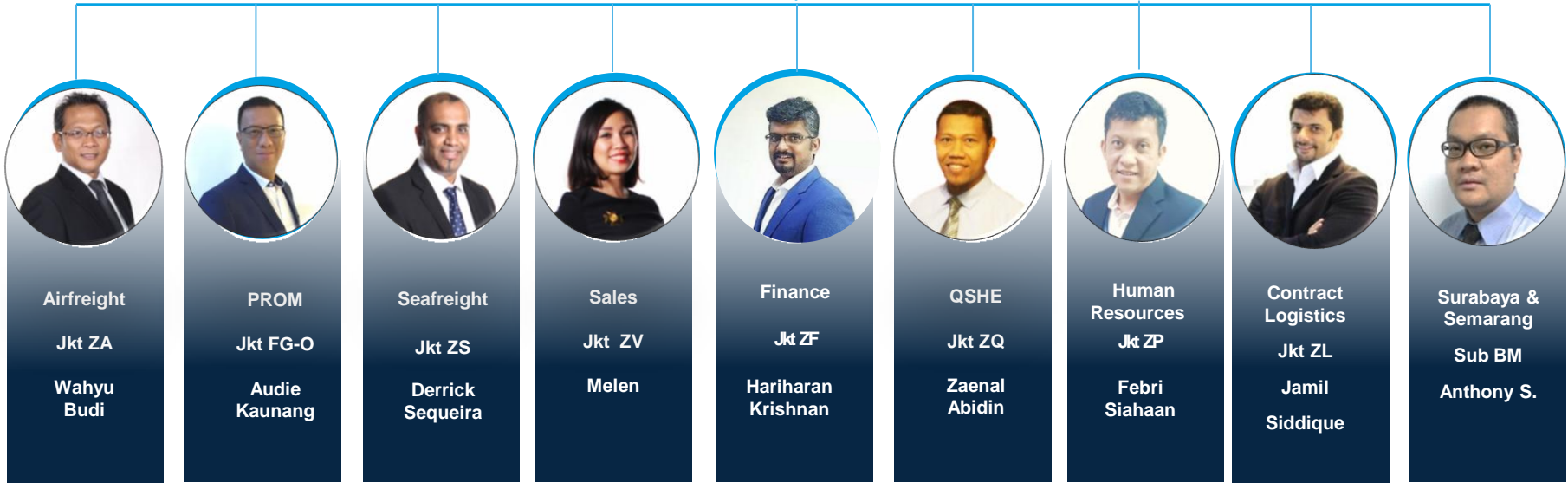
Licenses

- Full Business License
- IATA / FIATA
- Customs Brokerage
- Trucking & Cartage
- Warehousing & Distribution
- Ocean Freight Agent
- NVOCC
- Break-bulk Agent



Kuehne + Nagel Indonesia

Organisation of the Kuehne + Nagel Indonesia





Kuehne + Nagel Indonesia

Contract Logistics Network

Indonesia is a country composed of many islands that make it a challenging environment for domestic distribution. Kuehne + Nagel Indonesia has a nation-wide supply chain network and a multi-modal transportation model is available to ensure products get from the origin to end customers





Kuehne + Nagel Indonesia

Contract Logistics Network

Jabotabek Network

| | |
|------------|-------------|
| RDC MM2100 | : 16,000 m2 |
| Ancol | : 3,000 m2 |
| Bintaro | : 1,500 m2 |
| Tangerang | : 1,200 m2 |
| Bekasi | : 3,000 m2 |

Central Java Network

| | |
|--------------|------------|
| RDC Semarang | : 2,500 m2 |
| Yogyakarta | : 700 m2 |
| Pati | : 200 m2 |
| Solo | : 600 m2 |
| Pekalongan | : 850 m2 |
| Purwokerto | : 700 m2 |

North Sumatra Network

| | |
|------------------|-----------|
| RDC Medan | : 2500 m2 |
| Pematang Siantar | : 1000 m2 |
| Aceh | : 750 m2 |
| Lhokseumawe | : 1000 m2 |
| Kisaran | : 1700 m2 |
| Rantau Prapat | : 800 m2 |

West Java Network

| | |
|-------------|-----------|
| RDC Bandung | : 4000 m2 |
| Cirebon | : 300 m2 |
| Tasikmalaya | : 250 m2 |
| Sukabumi | : 200 m2 |
| Subang | : 200 m2 |

East Java Network

| | |
|--------------|-----------|
| RDC Surabaya | : 2000 m2 |
| Bali | : 1000 m2 |
| Makasar | : 1000 m2 |
| Malang | : 500 m2 |
| Probolinggo | : 300 m2 |
| Kediri | : 600 m2 |

South Sumatra Network

| | |
|-----------|----------|
| Palembang | : 700 m2 |
| Lampung | : 900 m2 |
| Jambi | : 250 m2 |
| Bengkulu | : 350 m2 |

West Sumatra Network

| | |
|--------------|----------|
| Padang | : 900 m2 |
| Pekanbaru | : 250 m2 |
| Bukit Tinggi | : 100 m2 |

* The capacity represented is by local partner of Kuehne+Nagel

Kuehne + Nagel Indonesia

Contract Logistics Network

Nationwide logistics depot support structure through local partner provides quicker access to customers. Depots can act as ;

- Transit point
- Cross – Dock facility
- Temporary storage (projects)



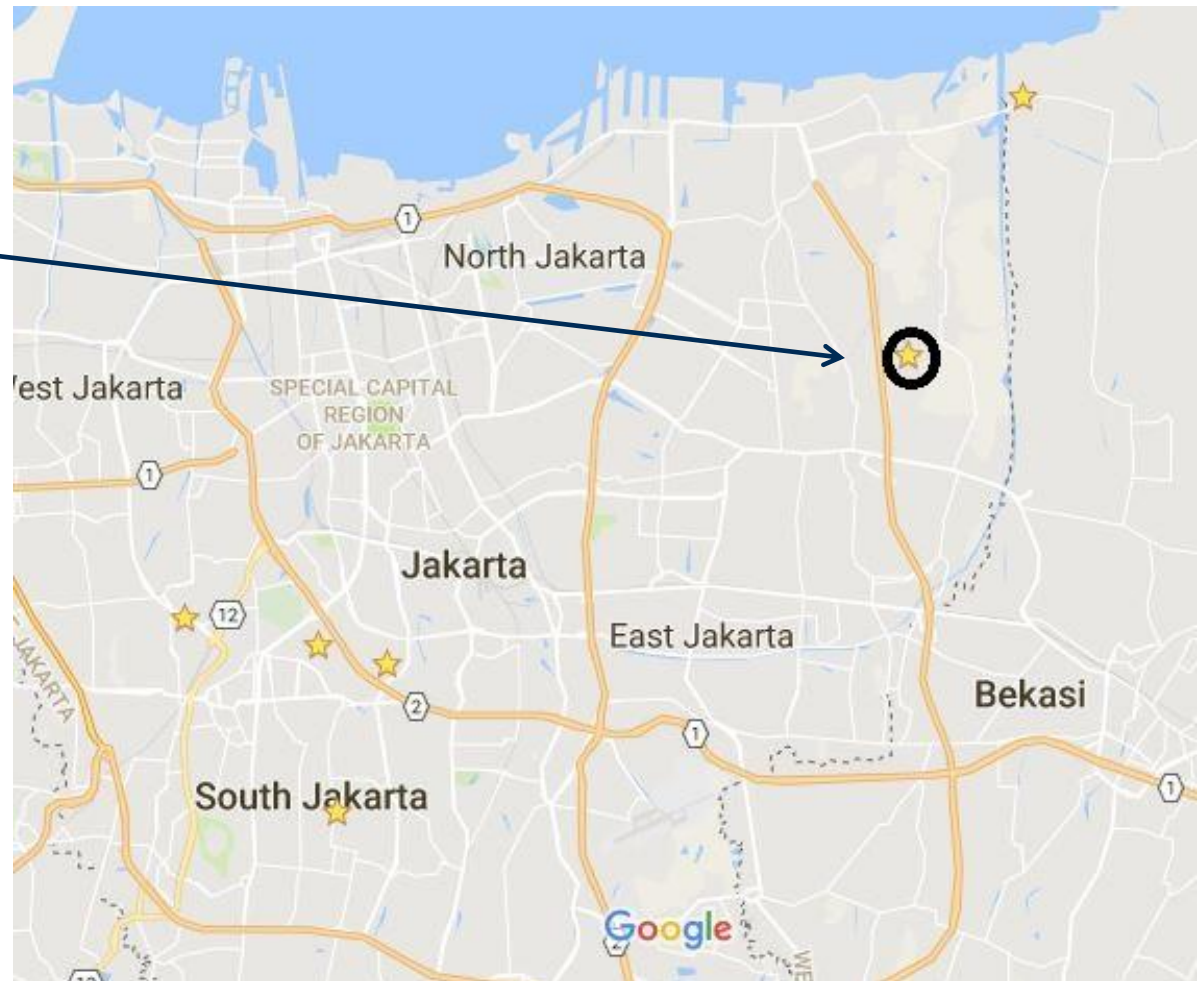
Proposed Warehouse Location

Address :

PT. Tungya Collins Terminal
Jln. Cakung Industri
Srelatan I No. 12,
Kawasan Industri Cakung
Cilincing,
Jakarta Utara, 14140,
Indonesia

Key Points :

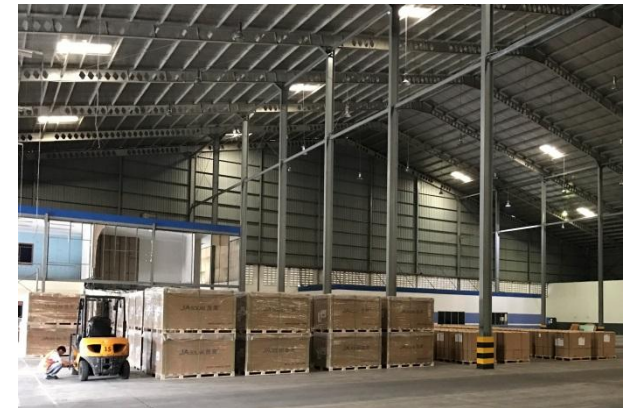
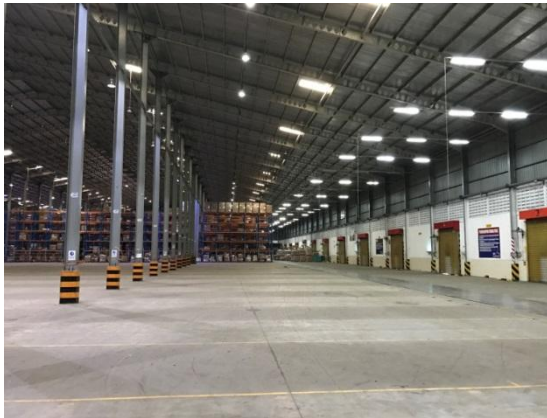
- Good access to toll road and highway
- Close proximity to the port area of Jakarta



Warehouse Structure

Key Facts :

- Modern Warehouse structure
- Flexible arrangement to space utilisation
- Racking available
- Shared facility leveraging overhead costs



Contract Logistics

Key Focus Areas



Industrials



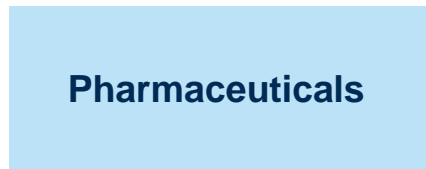
Automotive



FMCG



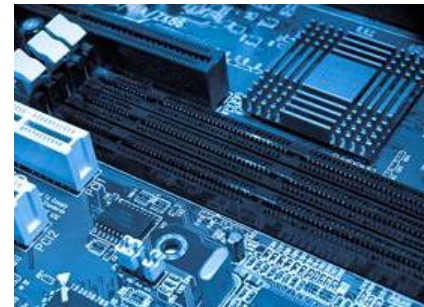
High-Tech



Pharmaceuticals



Retail





What it means to work with Kuehne + Nagel?



People

- + 7 Regions
- + 100 countries
- + 66,000 dedicated employees



Innovation

- + 125 years
- + Superior products
- + Strong investment in IT



Compliance

- + Reliability
- + Compliance with regulations
- + QSHE



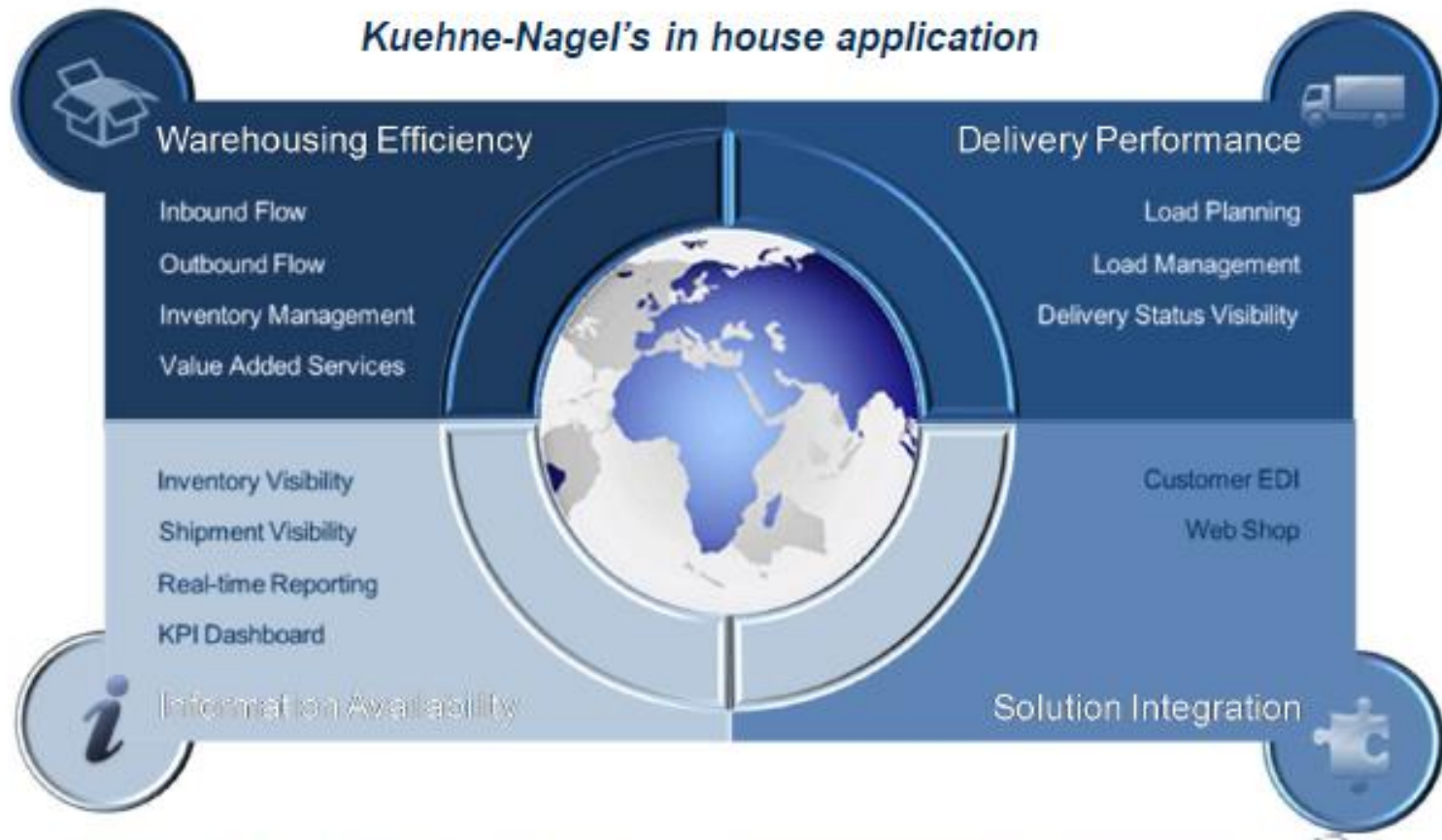
Partnership

- + Global network
- + Understand customer needs
- + Create value for our customers

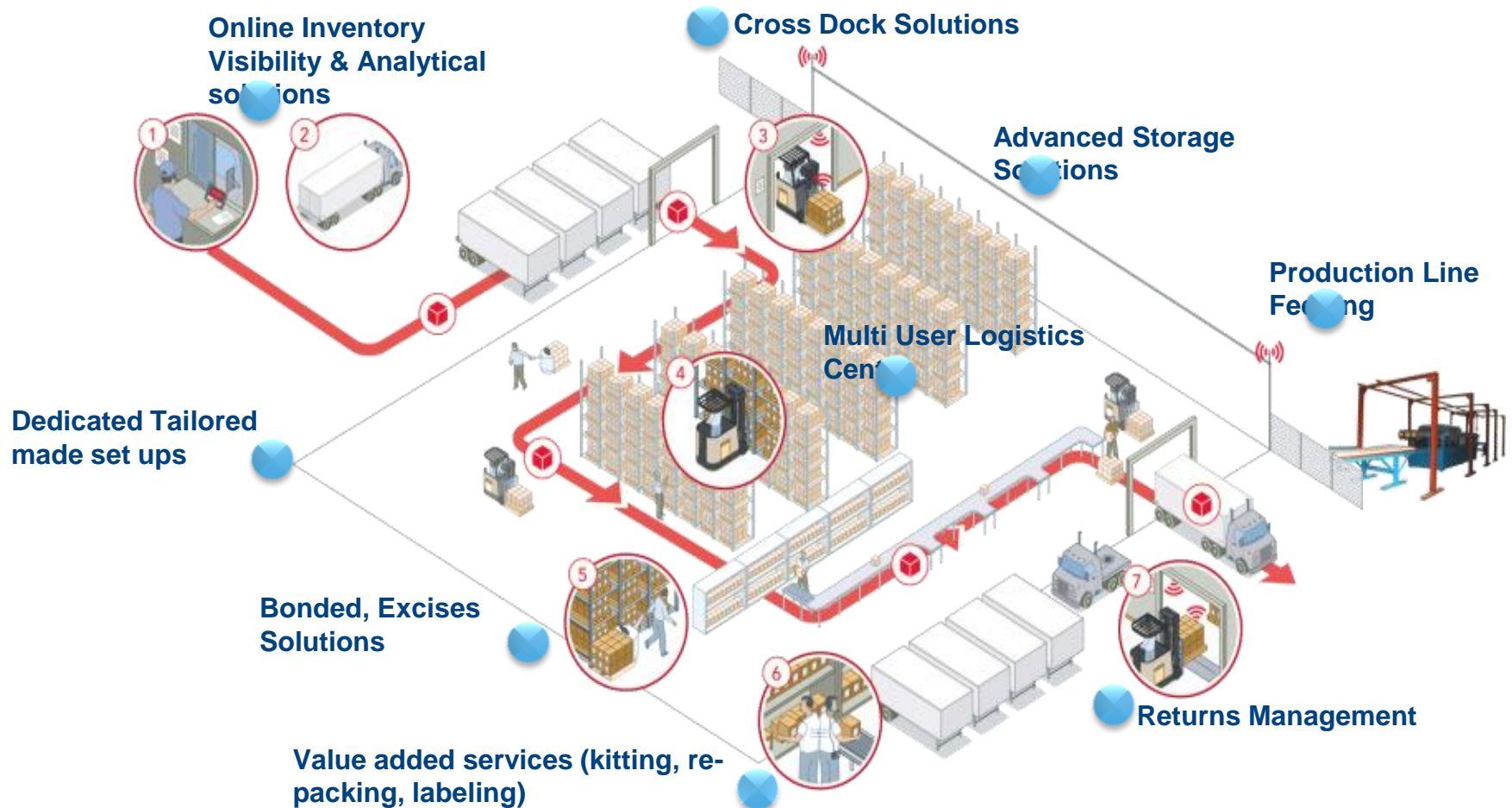
I.T. Systems Solution

One Platform : CIEL FW/FD

Warehouse & Transport management in a single application



Providing Solutions for all aspects of Warehousing



Warehouse Management System – Ciel FW

Main Ciel FW Functions





Full Supply Chain Coverage by Kuehne + Nagel

Logistics Management enabled by **KNControlTower**



650 Supply Chain Specialists in 6 global Logistics Control Centers provide

- End-to-end management
- Enhanced visibility, monitoring and control
- One single point of contact
- Integrated, state-of-the-art information systems
- Vertical Industry Expertise
- Synergies and Savings

KN Login: 360° visibility. Active Control. Customer Information System

- Premium visibility, monitoring, collaboration and information management in one solution
- Complete bird's eye view of entire inventory in motion
- Collaborative platforms improve productivity, efficiency and usability
- Immediate exception alerting and proactive event management helps streamlining decision making and contingency planning
- Modular structure ensures best fit to customer's business requirements
- Globally standardised system enabling fast, targeted access to relevant data

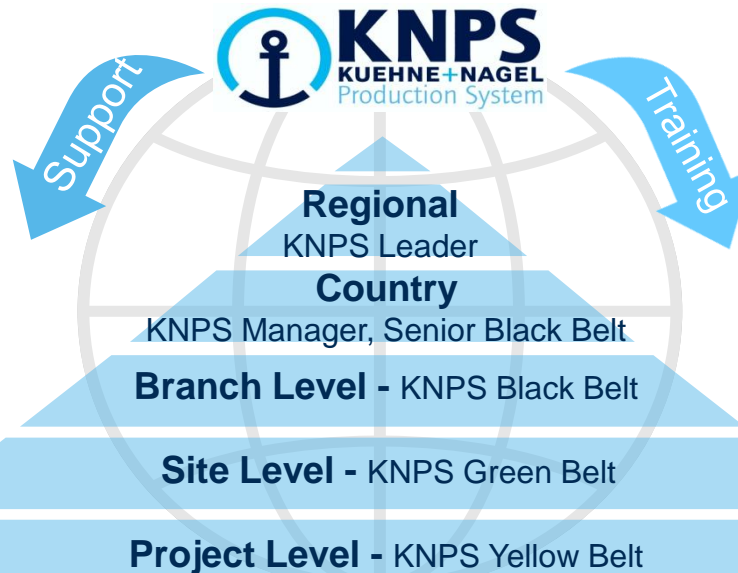




Kuehne + Nagel Production System (KNPS)

Lean

- Focuses on the customer value
- Elimination of waste in our logistics processes
- Value stream optimization



Six Sigma

- Making processes more reliable
- Data-driven and structured problem solving
- Robust root cause analysis



Operational Standards





CTI Phases



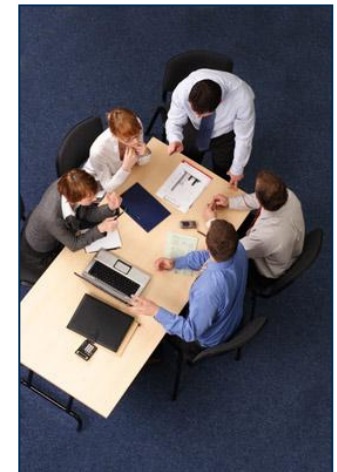
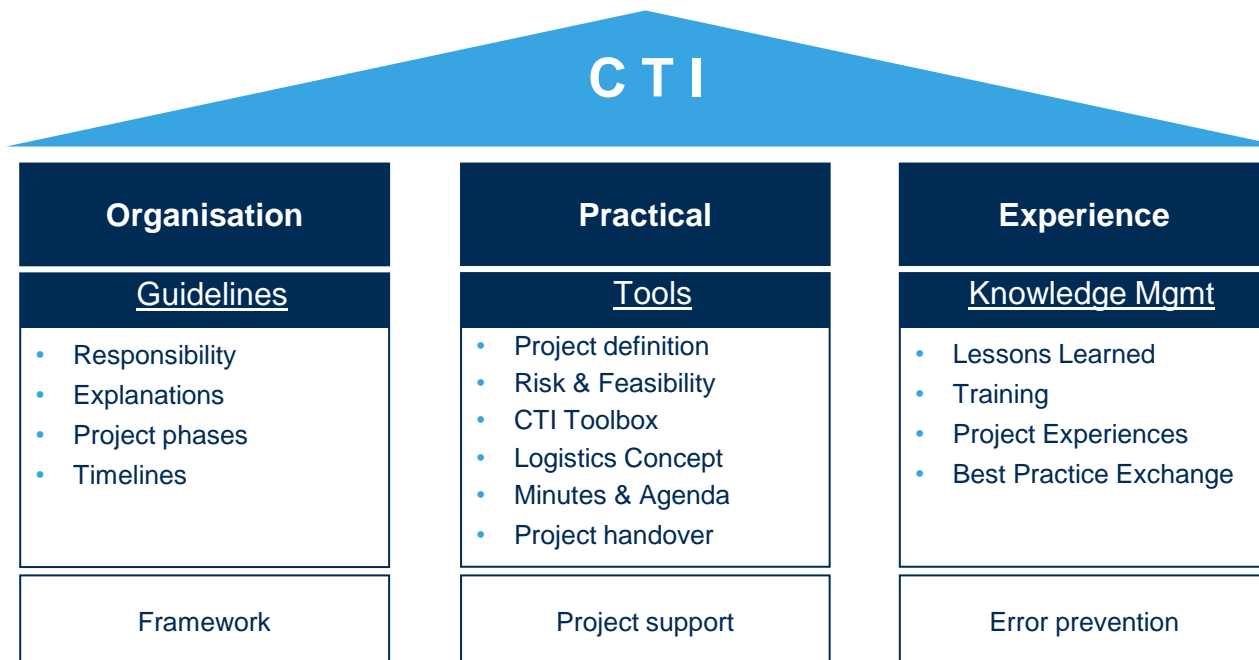
| | | | | |
|------------------------------------|--|---|--|---|
| Workflow and Storage Configuration | Logistics Studies, Define Workflow, Handling Areas, Storage Areas | Monitor, Review, Develop Contingency and Backup Plan | Dry Run (Simulation) | Validation after Go-Live |
| Operational Organization | Operational Set-Up, Identification of Key Personnel | Recruitment Schedule | Training according to Training Plan | |
| Order Process Management | Define Process & Performance Measurement | Embedded in SOP Development | Validate Feasibility | Measure Quality & Performance |
| Performance Transparency | Define KPIs & Operational Reports | Connect Data Sources & Develop Customized Reporting Tool | Validation during Process Dry Runs | Training of User Group, Training of Target Group |
| Transition Plan | Situation Analysis, Strategy Evaluation | Operational Preparation | Transition Simulation | Process Set-Up, Physical Transition, Ramp-Up Period |
| Item Master File | Request Definition, Analysis of Client Master Data, Validation | Define Contingency Plan | Validate updated Master file & Contingencies | Physical Validation |
| Operational Testing | Hardware Procurement & Set-Up TTR, Definition of Standard Orders, Definition of all Operational Test Scenarios | Executive of Unit/System Test, Finalization of IS Setup | Execution of Operational Integration/Performance and User Acceptance Tests, Sign Off | |
| Operational Staff Training | Definition of all operational staff training modules and allocation to the target groups | Preparation of Training Material, Training Schedule, Key Staff Training | Execution of all defined operational staff training modules. | Final training of new hires and temps Retraining |

8 Focus Areas

Customer Transition and Integration Cycle

What is Customer Transition & Integration?

“CTI is our Project Management Method for the purpose of organizing and steering of resources to keep projects within scope, tasks and costs.”



Project success through a mixture of:

- internationally recognised project management standards
- and a focus on special contract logistic tasks.

Transport Solution

Transportation and Delivery Management

We recognise that handling of products requires special handling and attention. Driver training, supplier selection, handling equipment used, systems and SOP's employed are all part of the delivery process managed by Kuehne-Nagel

Delivery Care





Transport Solution

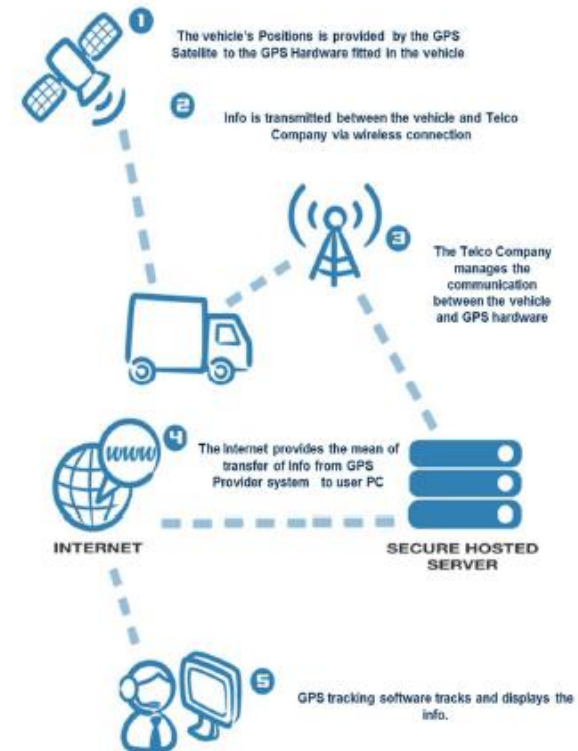
Trip Management, Track & Trace

Kuehne-Nagel Transport management system provides for delivery management by trip.

Deliveries can be planned and managed by a single system providing seamless supply chain visibility

Continuous tracking and traceability of trucks and deliveries. Trained staff will monitor and control deliveries through the TMS

| Task | Inbound Plan | Inbound | Outbound | Manufacturing | Warehousing |
|-----------------------|----------------------|----------|----------------------|--|-------------|
| Order | | | | | |
| Order | <input type="text"/> | - | <input type="text"/> | <input type="radio"/> Sales Order <input type="radio"/> Internal Order <input checked="" type="radio"/> Both | |
| Pick Slip | <input type="text"/> | - | <input type="text"/> | | |
| Lines per Order | <input type="text"/> | - | <input type="text"/> | | |
| Order Type | <input type="text"/> | | | | |
| Customer Number | <input type="text"/> | | | | |
| Customer Name | <input type="text"/> | | | | |
| Customer Class | <input type="text"/> | | | | |
| Shipping | | | | | |
| Wave Number | <input type="text"/> | Trip | <input type="text"/> | | |
| Delivery | <input type="text"/> | Carrier | <input type="text"/> | | |
| Ship Method | <input type="text"/> | Priority | <input type="text"/> | | |
| Shipment Date | <input type="text"/> | - | <input type="text"/> | | |
| Time Till Shipment | <input type="text"/> | | | | |
| Time Till Appointment | <input type="text"/> | | | | |
| Ship To | | | | | |
| | | | State | <input type="text"/> | |
| | | | Country | <input type="text"/> | |
| | | | Postal Code | <input type="text"/> | |



Outstanding Achievements

Quality, Safety, Health, Environment, Security



ISO 9001 Quality Management System

ISO 14001 Environment Management System

OHSAS 18001 Occupational Health & Safety Assessment System

Cargo iQ Certificate

GDPMDS Good Distribution Practices for Medical Devices

QEP Qualified Envirotainer Provider

RCAR Regulated Air Cargo Agent Regime

TAPA FSR 2011 Class A Transported Asset Protection Association

C-TPAT Customs Trade Partnership Against Terrorism

TradeFIRST – Enhanced band (Trade Facilitation and Integrated Risk-based System)

Secure Trade Partnership

Quality, Safety, Health & Environment (QSHE)

QSHE Certificates – ISO 9001, ISO 14001 & OHSAS 18001





Thank You