

## DHL Supply Chain and Aramco launch ASMO

- Newly created company aims to drive supply chain efficiencies of procurement and logistics in the energy, chemical and industrial sectors.

**Dammam, Kingdom of Saudi Arabia, 5 February 2024:** Aramco, one of the world's leading integrated energy and chemicals company, and DHL Supply Chain (DHL), global leader in contract logistics, have formed a joint venture company, ASMO (Advanced Supply Management Operations); a new Procurement and Logistics Services Hub in Saudi Arabia.

Mr. Salem Al Huraish, Chairman of ASMO, commented: “We have formed ASMO, with the vision to establish sustainable solutions for the modern supply chain challenges we all face. In forming this strategically powerful alliance, which harnesses Aramco's energy ecosystem and DHL's logistics expertise, we are intent on creating value by driving efficiencies and enhancing the reliability of supplies, making them less vulnerable to disruptions, while focusing on sustainability and lowering carbon emissions.”

Mr. Wail Al Jaafari, Aramco Executive Vice President of Technical Services, said: “This is an exciting day for Aramco, for DHL, and for everyone working to build a brighter future for our region. We're launching ASMO with an ambitious vision for it to become a market leader in Saudi Arabia and the wider MENA region offering world class comprehensive end-to-end supply chain services that would create value for its customers and enhance the resilience of their supply chain. ASMO will not only work on advancing the economic interests of Aramco and DHL, but it plans to also help accelerate growth across the industrial sector of Saudi Arabia and the MENA region while supporting the Kingdom's 2030 vision of becoming a global logistics hub.”

Mr. Oscar de Bok, DHL Supply Chain CEO, emphasized the transformative power of the joint venture: “By uniting the expertise of DHL Supply Chain and Aramco in this new joint venture we aim to break free from traditional procurement and logistics constraints, responding to the evolving dynamics of global supply chains. ASMO is the region's first hub providing a comprehensive and integrated end-to-end supply chain service offering for businesses in the energy, chemical and industrial sectors. ASMO plans to redefine the way these companies will procure, store and transport goods and services within, to and from Saudi Arabia and the wider MENA region, seeking to drive efficiencies, cost savings and economies of scale.”

ASMO is envisioned to meet the growing demand for more sustainable and efficient supply chain services in Saudi Arabia, while at the same time reflecting the expanding market potential of the region as a global trade gateway for the energy, chemical, and industrial sectors. Digital technologies are fundamental to ASMO, which plans to integrate advancements of automation and collaborative robotics, Artificial Intelligence (AI), Data Analytics, and Blockchain. In a world challenged by supply shortages, logistics disruptions, and rising costs, ASMO is poised to emerge as a regional supply chain hub, covering supply chain services from procurement to logistics, warehousing, and even a B2B e-marketplace for customers.

Sustainability will be a core principle. The measures ASMO is implementing across supply chain operations seek to advance circular practices in the economy.

ASMO aims to drive efficiencies across the supply chain while delivering savings, with its approach generating value to customers as well as Saudi Arabia. Combining Aramco's procurement expertise and DHL's supply chain potentially allows ASMO to offer the lowest cost of procurement, enabling growth for the energy, chemical and industrial sectors. It will connect suppliers and customers through its brokerage model, reducing the need for inventory holding and reducing costs. Delivering cost savings through optimized procurement, logistics, and inventory, ASMO aims to enhance service levels in procurement and supply chain management, allowing customers to focus on core business activities by alleviating operational burdens.

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DHL is part of DHL Group. The Group generated revenues of more than 94 billion euros in 2022. With sustainable business practices and a commitment to society and the environment, the Group makes a positive contribution to the world. DHL Group aims to achieve net-zero emissions logistics by 2050.

## **About ASMO**

At ASMO, our ambition is to redefine the supply chain and break free of traditional logistics and procurement barriers, giving energy, chemical and industrial sectors the opportunity for boundless growth.

Through a strategic partnership between Aramco and DHL, we provide comprehensive end to end supply-chain services for the energy, chemical and industrial sectors within and outside the Kingdom.