NEW VESSELS PROJECT UPDATE

AUGUST 2024



STEEL CUTTING CEREMONY



Building work officially got underway on our new passenger and freight vessels in June, with the first steel for the ships being cut during a special ceremony at Piriou's shipyard in Vietnam.

The event marked the start of the build and was attended by senior company executives from ISSG and Piriou.

The ships will be built alongside each other, to ISSG's detailed specifications, by Piriou's expert teams of engineers and fabricators. The build will be overseen in Vietnam by ISSG project managers, Chris Lingham and Peter Broad, who have relocated to Vietnam for the duration of the build.

The steel cutting event was preceded with a meetand-greet between ISSG representatives and Piriou's workforce, alongside a presentation about the New Vessel Replacement project and its importance to the Isles of Scilly.

The ceremony was regarded as a very important event for the workers in the shipyard. Most of the workers are Buddhist and blessed the project and the safety of the workers.



VIDEO UPDATES AND PODCASTS

Watch our series of podcasts and video updates here:

www.islesofscilly-travel.co.uk/newvessel-replacement-news-media

Podcast - Episode 1

A chat with Project manager Chris Lingham and site manager Peter Broad.



Podcast - Episode 2

Stuart Reid talks about his time in Vietnam for the ceremony.



Video Update - Steel cutting ceremony

A short film showing the steel cutting ceremony hosted by Piriou.



CONSTRUCTION PROCESS

SITE MANAGER PETER BROAD EXPLAINS THE TECHNICAL SIDE OF THE STEEL CUTTING PROCESS

Steel cutting is not only a contractual milestone but is the start of the production and fabrication of a ship.

The steel for both vessels has been delivered to Piriou shipyard in Ho Chi Minh City, Vietnam.

The steel plate and sections are approved by Lloyd's Register, the leading provider of classification and compliance services to the marine industry. Surveyors from Lloyd's Register have certified the steel for marine use, specifically for our project, as part of its supply chain and quality assurance measures.

The Lloyd's Register unique certificate number is hard stamped onto each steel plate, which corresponds to a material/mill certificate. The details on the mill certificate are unique to each plate and show the grade of steel, its chemical properties and mechanical properties, including strength and ductility. These quality tests are carried out at the steel mill and witnessed by the attending Lloyd's Register surveyor.

When the plate is received in the shipyard it goes through a blasting process carried out in a closed machine that blasts both surfaces of the plate with shot to a minimum standard of SA2.5. This not only removes any mill scale and rust, but also provides a rough finish so that a shop primer paint can be applied immediately in a semi-automatic process.

The purpose of the shop primer is to stop any further rusting and to make it easier to mark out the plate for cutting into distinct pieces for fabrication. The shop primer paint is also approved by Lloyd's Register so it does not contaminate the welding processes.

The plate is then transferred to the cutting table which is a plasma cutter that is controlled by Computer Numeric Control (CNC). This is programmed with a 'nesting plan' that is like a jigsaw and allows the maximum number of small component pieces to be cut out of one steel plate with minimum waste. Each part cut from the parent plate has a unique part number and is traceable back to the original plate.

Once the steel plate is cut into small component pieces it is ready to move to the panel workshop where the first parts are welded together.

PHOTO DIARY

Peter Broad has been keeping a photo diary of the new vessels' construction in Vietnam, the below all show some of the the **cargo vessel hull block construction** process.

3RD JULY

Cutting shop – component parts for sub-assemblies cut from LR Grade parent steel plate.



3RD JULY

Sub-assembly components being prepared on the dockside.



19TH JULY

Hull Block U3 Tank Top prepared ready for welding.



LOOK AROUND OUR LATEST ADDITION

Due to popular demand, we will be giving you the chance to look around our new landing craft, Gugh, and meet the crew in an open event this summer.

To register your interest, please visit: www.islesofscillyfreight.co.uk/gugh-tour

Gugh, which entered service in June, is a 22m vessel which transports freight direct to shore almost anywhere on any island.

Gugh is our fourth freight-specific vessel, named after our inter-island launch of the same name which served between 1961 and 1991, and can carry 50 tonnes of freight and 12 passengers.



A BUSY START

It's been a busy introduction for Gugh. Since commencing operations in late June it has transported a range of cargo including building materials, lorries, a boat, a digger, laundry containers and more. Gugh has also transported 11 passengers to date

NEXT MILESTONE

Work is on track for the next major milestone – the keel laying ceremony for both vessels – to take place later this year.

Traditionally, keel laying was the initial placement of the central timber making up the backbone of a ship, called the keel. Today, modern shipbuilding uses pre-fabricated, complete hull sections and keel laying refers to the first joining of the components.

STAYING CONNECTED

1-2-1 SESSIONS

We have now completed a series of 1-2-1 sessions on the islands, with the last being held on 18th July. These sessions have given islanders the opportunity to speak directly to a range of senior leaders within ISSG about a number of topics. Please get in touch with the vessel project team if you would like to arrange a 1-2-1 meeting with a member of the senior management team.

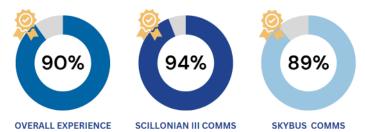
ST MARY'S ISLAND HUB

We are working on an exhibition which will be located in the Hub, showcasing various elements of this project alongside latest information, slides and video of the build proces.

OTHER COMPANY UPDATES

Outside of the new vessel replacement project, there has been lots going on within the Group over the past few months.

CUSTOMER SURVEY FEEDBACK



As part of our commitment to continual improvement, earlier this year we introduced customer surveys to passengers seven days after the completion of their journey, in order to capture feedback and benchmark our services.

We are delighted to say the results so far have been excellent. The latest results, for the month of June, show:

- 90% of passengers rated over overall service as "excellent" or "pretty good"
- 94% of passengers rated our communications prior to travel on Scillonian III as 4/5 or 5/5
- 89% of passengers rated our communications prior to travel on Skybus as 4/5 or 5/5

Customer surveys will be continuing this season to capture important feedback and to ensure we don't lose sight of our **People Focus** and **Excellence** values.

The start of the season has had its challenges, but, because of the hard work of our employees and their dedication to customer care, we are continuing to deliver a strong customer experience as rated by our passengers themselves.

We thank all our employees for their efforts so far this season and for their attention to customers that are delivering these results.

NEW PARTNERSHIP WITH CORNWALL AIR AMBULANCE

We are proud to announce our support for Cornwall Air Ambulance with customers able to make a voluntary donation to the charity when booking their travel with the Group online. So far we have raised almost £140,000 for the Isles of Scilly Wildlife Trust and Island Haven since 2019 by fundraising in the same way.

FIVE ISLANDS ACADEMY SPONSORSHIP

During our ongoing sponsorship of Five Islands Academy, we have donated 200 Scillonian III tickets and helped pupils attend various sporting events on the mainland.

NEW FREIGHT VESSEL NAME TO BE ANNOUNCED SOON

Voting has now closed on our vessel naming survey and the name for the ship, which will replace the faithful Gry Maritha will be announced soon.

The name will encapsulate how important this freight ship will be to the Isles of Scilly.

The island community have been voting for a favourite and the entries are now being counted.

SCILLONIAN III EQUIPMENT DONATED TO NCI PENZANCE

During our winter refit an obsolete gyrocompass, replaced by a more modern equivalent, has been donated to NCI Penzance.