

Date December 29th, 2023

Subject Customer Advisory: Red Sea Situation - Updated ECRS: Emergency Cost Recovery Surcharge

Dear Customer,

We are continuing to monitor the situation in the Red Sea very closely.

What is the latest status?

In order to mitigate any risks of sailing through the region, many shipping lines are continuing to divert their ships around the Cape of Good Hope until further notice. Shipping lines are therefore confronted with irregular costs, which were unpredictable at the time of calculating the initial transportation rates. The much longer sea voyage triggers higher bunker consumption, additional port and terminal costs as well as supplementary charter expenses for extra capacity.

What is the impact for you?

As announced last week in our customer advisory, these additional costs are significant and we therefore have already introduced our Emergency Cost Recovery Surcharge (ECRS) for all affected shipments, in order to continue efficient operations. Additional cost for shipments already "on the water" and diverted will occur. We are working to mitigate this as much as possible, but we kindly ask for your understanding that we will charge the ECRS on your invoices for all diverted shipments including those already "on the water".

Access the latest ECRS on our website

The surcharge will be implemented as of January 1st, 2024 and will be invoiced to the freight paying party in addition to the agreed ocean freight rate. As the situation is dynamic, we will be updating the surcharge and publishing updates separately <u>on our website</u>. We expect to announce the ECRS valid for January 16-31 by January 5^{th} .

What is DHL doing to help you?

We continue to monitor the development, track your shipments and supply most actual data via mydhli.com. We continue to try to secure space, empty containers and upflift for our customers via our multi-carrier program.

With our alternative solutions <u>DHL Multimodal Ocean Express</u>, <u>DHL China Rail</u> and China Road we are able to offer you fast and reliable options for your urgent FCL & LCL cargo moving between Asia and Europe.

Please contact your local DHL Global Forwarding Sales or Customer Service representative if you are interested in these solutions.

We appreciate your continued support and hope for your understanding.

Kind regards DHL Global Forwarding