

Customer Advisory

Low Sulphur Fuel Surcharge (LSF) implementation in Central China

Dear valued Customer,

Due to a regulation requiring ships to use 0.5% or less Low Sulphur Fuel in the Yangtze Delta ECA designated areas coming into force on 1 October 2018, Ocean Network Express wishes to advise of the following pricing adjustment.

As a consequence of the regulation and changed circumstances, ONE will implement the following **Low Sulphur Fuel surcharge (LSF) of US\$15/TEU for all China export cargoes shipping via Shanghai & Ningbo & Nanjing** as from **January 1st 2019**[^] (*^as determined by the actual date of cargo loading at Shanghai & Ningbo & Nanjing*).

The LSF quantum will be **applicable for cargo shipping to all destinations**.

The quantum has been derived via a logical & equitable calculation mechanism and any future adjustments will be made on the same basis.

ONE continues to explore all avenues available to mitigate fuel consumption and fuel associated costs for the benefit of the global environment and the supply chain costs of our valued customers.

Should you have any questions relating to this matter, please contact your ONE Representative for further information.

Sincerely,
Ocean Network Express Pte. Ltd.