

# Implementation of Energy Transition Surcharge

## Price and Surcharge Updates

We wish to inform you about upcoming changes to our surcharge structure that will affect your shipments from and to Europe.

### What's changing?

Complying with the new Fuel EU legislation, a new **Energy Transition Surcharge** will be implemented from **January 1st, 2025**. This surcharge will replace the current EU ETS surcharge.

The Energy Transition Surcharge is associated with :

#### - The new Fuel EU Legislation

The Fuel EU legislation aims to reduce greenhouse gas emissions from maritime transport by promoting the use of sustainable fuels. This regulation requires maritime companies to gradually increase the use of renewable and low-carbon fuels, thereby decreasing their environmental impact. The costs associated with complying with this legislation will be included in the new Energy Transition Surcharge.

#### - The existing EU ETS

The EU Emissions Trading System (EU ETS) is a cornerstone of the EU's policy to combat climate change and reduce greenhouse gas emissions cost-effectively. The system works on the "cap and trade" principle, where a cap is set on the total amount of certain greenhouse gases that can be emitted by installations covered by the system. Companies receive or buy emission allowances which they can trade with one another as needed. The Energy Transition Surcharge will continue to cover the costs associated with the EU ETS, ensuring compliance with these important environmental regulations.

If you have any questions or need further clarification, please do not hesitate to contact your local sales representative.