



EVERGREEN LINE

SPECIAL ANNOUNCEMENT

EU EMISSIONS TRADING SYSTEM (ETS) SURCHARGES EFFECTIVE JANUARY 01, 2024

December 8, 2023

Dear Valued Evergreen Customer:

Since 2005, the EU Emissions Trading System (ETS) has been recognized by the European Union as a market-based mechanism to tackle greenhouse gas emissions within European communities. According to ETS's latest decision, beginning in 2024 the ETS will include shipping activities within the European Economic Area (EEA) consisting of the EU member states, Iceland, Liechtenstein, and Norway. Ship operators will now be required to pay allowances for every ton of CO₂ emitted.

Under the new law, shipping companies are obligated to purchase allowances for the following:

1. 50% of emissions for voyages departing from a EU port to a non-EU port, and vice versa.
2. 100% of emissions for voyages between EU ports.
3. 100% of emissions for ships docked at a EU port.

Shipping companies are required to submit allowances as follows:

1. In 2024: 40% of their verified emissions.
2. In 2025, 70% of their verified emissions.
3. From 2026 and forward: 100% of their verified emissions.

In compliance with the new regulation and the carbon pricing introduced by EU ETS, beginning Jan 1, 2024, Evergreen Line will collect the equivalent EU Innovation Surcharge (EUIS), as follows:

From USA & Puerto Rico to any EEA destinations noted above:

20 USD per 20' container
40 USD per 40' high-cube container
64 USD per 40' high-cube reefer container
50 USD per 45' container

From any EEA origins noted above to USA & Puerto Rico:

33 EUR per 20' container
66 EUR per 40', 40' high-cube container
100 EUR per 40' high-cube reefer container
83 EUR per 45' container

Should you have any questions, please contact your local Evergreen Sales Representative. A comprehensive contact list can be found by visiting

<https://www.evergreen-shipping.us/egsweb/jsp/officelist.jsp>

Thank you for your attention and cooperation.

Evergreen Shipping Agency (America) Corp.,
as Agent for: EVERGREEN LINE