

UPS Supply Chain Solutions
12380 Morris Road
Alpharetta, GA 30005



April 10, 2020

Re: Updated International Air Freight Capacity Surcharge (CS)

Dear Valued Customer,

Thank you for choosing UPS as your trusted logistics provider. Your business is very important to us, and we remain focused on offering the highest quality solutions to help you achieve your business objectives.

The growing impact of the Novel Coronavirus pandemic and restrictions imposed by authorities to contain the spread of the virus continue to result in extremely limited capacity around the world. According to the latest report from [Seabury](#), global air freight capacity is 35% lower than last year. In fact, all trade lanes across the world are seeing double-digit air cargo capacity declines compared to last year; most key trade lanes have lost more than 30%, and some have lost even more than 60%.

Therefore, it has become necessary to update the air freight capacity surcharges for specific lanes effective Monday, April 13, 2020, according to the schedule below.

As a reminder, for bookings made outside of those lanes with explicit surcharge amounts, the global air cargo conditions remain in flux, capacity continues coming offline, and governments around the globe are imposing local restrictions. While UPS remains open to provide service, we'd like to remind you that advance shipment-specific planning will assist us in our efforts to meet your specific service requests. Your local Operations and Sales professionals are here to support the movement of these shipments, and we are making all reasonable efforts to avoid delays. However, shipments are subject to delays/service disruptions due to conditions attributable to the Novel Coronavirus and related containment efforts that are beyond our control.

We appreciate your business and will continue to work closely with our air carriers in an effort to mitigate the surcharges to our customers. If you have any questions, please contact your UPS Account Manager. For the latest updates on the novel coronavirus, please visit the [UPS Supply Chain Solutions landing page](#), and be sure to [register here](#) to receive important notifications about service disruptions, rate changes and regulations.

Sincerely,

UPS Global Freight Forwarding

Capacity Surcharge Schedule: Effective **April 13, 2020** for all IAF Services

| Origins | Surcharge amount (USD per kilo)† | | | | | | Effective Date |
|------------------------------------------------------------------------|----------------------------------|------------|--------|----------|--------|----------|----------------|
| | Destinations | | | | | | |
| | US | Americas | Canada | ISMEA | Europe | APAC | |
| North China* | \$6.50 | \$6.50 | \$6.50 | | \$7.00 | | April 13, 2020 |
| East China** | \$7.50 | \$7.50 | \$7.50 | | \$8.00 | | April 13, 2020 |
| South China*** | \$5.00 | \$5.00 | \$5.00 | | \$4.00 | | April 13, 2020 |
| Hong Kong | \$4.00 | \$4.00 | \$4.00 | | \$3.00 | | April 13, 2020 |
| Korea | \$3.00 | \$7.00 | \$3.00 | | \$3.00 | | April 13, 2020 |
| Taiwan | \$4.50 | \$4.50 | \$4.50 | | \$5.00 | | April 13, 2020 |
| Singapore | \$5.00 | \$5.00 | \$5.00 | | \$5.00 | | April 13, 2020 |
| Thailand | \$7.50 | \$7.50 | \$7.50 | | \$6.50 | | April 13, 2020 |
| Malaysia | \$6.00 | \$6.00 | \$6.00 | | \$6.00 | | April 13, 2020 |
| Vietnam - Ho Chi Minh | \$6.00 | \$6.00 | \$6.00 | | \$6.00 | | April 13, 2020 |
| Vietnam - Hanoi | \$6.00 | \$6.00 | \$6.00 | | \$6.00 | | April 13, 2020 |
| Philippines | \$6.00 | \$6.00 | \$6.00 | | \$5.00 | | April 13, 2020 |
| Australia | \$6.50 | \$6.50 | \$6.50 | | \$6.50 | | April 13, 2020 |
| United States | | | | | \$1.00 | | April 13, 2020 |
| Canada | | | | | \$2.50 | | April 13, 2020 |
| Americas Region | | | | | \$1.00 | | April 13, 2020 |
| Germany, Netherlands (UPS Air Freight Consolidated Service) | \$3.00 | \$6.00**** | \$4.00 | \$4.00‡‡ | | \$4.75*‡ | April 13, 2020 |
| Rest of Europe‡ (UPS Air Freight Consolidated Service) | \$3.45 | \$6.00**** | \$4.40 | \$4.40‡‡ | | \$4.75*‡ | April 13, 2020 |
| Germany, Netherlands (UPS Air Freight Direct & Premium Direct Service) | \$3.00 | \$6.00**** | \$4.00 | \$4.00‡‡ | | \$4.75*‡ | April 13, 2020 |
| Rest of Europe‡ (UPS Air Freight Direct & Premium Direct Service) | \$3.45 | \$6.00**** | \$4.40 | \$4.40‡‡ | | \$4.75*‡ | April 13, 2020 |

* North China: BJS, DLC, TAO, SHE, CGO, TSN, XIA

** East China: CTU, CKG, HGH, KUB, NKG, NGB, SHA, SZV, WUX

*** South China: XMN, FOC, CAN, SZX

**** Excludes Mexico (No surcharge)

‡‡ Excludes Dubai (No surcharge)

*‡ Excludes China and Hong Kong

Example Shipment – Nanchang CN to Minneapolis MN US

- Routed from Nanchang CN to Shanghai CN to Minneapolis
- Shanghai is in “E China” (origin) and Minneapolis is in “US” (destination)
- **Surcharge** amount would be \$7.50 per kg

Because industry conditions are dynamic, the surcharge is subject to decrease, increase, termination or expansion to additional lanes. To view the current capacity surcharge structure, please visit our [Surcharges homepage](#).

The above surcharges will be assessed on UPS® Air Freight Premium Direct, UPS Air Freight Direct®, UPS Air Freight Consolidated®, UPS Trade Direct Air®, and UPS Temperature True® shipments and will be reflected on your invoice.

† Surcharge reflected above is in USD per kilogram of chargeable weight and reflects amount of surcharge and not the entire rate. Other currencies will fluctuate pursuant to prevailing currency exchange rates and are subject to fees. For details see [UPS Air Freight Terms and Conditions of Contract](#).



‡ Countries in Europe

| COUNTRY_CODE | COUNTRY_NAME |
|--------------|------------------------|
| AL | ALBANIA |
| AM | ARMENIA |
| AT | AUSTRIA |
| BA | BOSNIA AND HERZEGOVINA |
| BE | BELGIUM |
| BG | BULGARIA |
| BY | BELARUS |
| CH | SWITZERLAND |
| CY | CYPRUS |
| CZ | CZECH REPUBLIC |
| DE | GERMANY |
| DK | DENMARK |
| EE | ESTONIA |
| ES | SPAIN |
| FI | FINLAND |
| FR | FRANCE |
| GB | UNITED KINGDOM |
| GE | GEORGIA |
| GI | GIBRALTAR |
| GR | GREECE |
| HR | CROATIA |
| HU | HUNGARY |
| IE | IRELAND |
| IL | ISRAEL |

| COUNTRY_CODE | COUNTRY_NAME |
|--------------|--------------|
| IS | ICELAND |
| IT | ITALY |
| KV | KOSOVO |
| LT | LITHUANIA |
| LU | LUXEMBOURG |
| LV | LATVIA |
| MC | MONACO |
| MD | MOLDOVA |
| ME | MONTENEGRO |
| MK | MACEDONIA |
| MT | MALTA |
| NL | NETHERLANDS |
| NO | NORWAY |
| PL | POLAND |
| PT | PORTUGAL |
| RO | ROMANIA |
| RS | SERBIA |
| RU | RUSSIA |
| SE | SWEDEN |
| SI | SLOVENIA |
| SK | SLOVAKIA |
| TR | TURKEY |
| UA | UKRAINE |