

RHENUS AIR & OCEAN UKRAINE CRISIS UPDATE

25th February 2022

Dear Valued Customer,

In view of the current crisis situation in Ukraine and its possible impact on transport and logistics, we would like to share the following information:

The safety of our employees and their families in Ukraine is our main focus. We are thankful to report that at the moment all of them are safe. We have asked our employees in Ukraine to stay home.

Please be advised that as the situation is prone to change frequently over the next days and weeks, there is an increased risk to goods destined for Ukraine, with transport links into the region being severely impacted.

Air & Ocean Freight:

We inform you that due to the current situation in Ukraine, most carriers stopped all operations with this country until further notice also terminals and airports in the Ukraine have suspended operations. It is therefore to be expected that discontinuity in freight traffic will continue to increase. All ocean freight bookings from/to Ukraine are not accepted anymore.

The affected areas are ports of Odessa (Ukraine), Novorossiysk (Russia), Constanta (Romania) and the whole Black Sea area. Currently floating shipments for Ukraine are diverted to Constanta, Tripoli or Piraeus.

Due to the unpredictable scenario, any new export or import bookings to Russia and to any other adjacent countries may be rejected at any time. Vessels are still calling Russian ports; however, most carriers demand prepaid terms only and may require a deposit prior to entering Russia.

Air cargo to Ukraine destinations is suspended until further notice, no more commercial carriers are currently flying to Ukrainian airports as airspace has been fully closed (Kyiv, Dnipro, Lviv and Odessa). We can also expect a severe impact on the trade lane Asia-Europe and vice versa as most flights between the continents will need to be rerouted. Ukraine International Airlines has suspended scheduled and charter flights to and from the country.

Lately, British airlines have been banned from landing at Russia's airports and from crossing its airspace.

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Landbridge:

We have communicated with several major carriers about this topic since yesterday and can confirm that current freight trains are operating normally and there is no impact for the time being.

In case of any unforeseen sudden change, the subsequent trains will adjust the route according to the real-time situation and try to minimize the impact. This is already being done in the past to avoid/reduce congestion along the way. The service from Xian and Ganzhou to Budapest is continuing to be routed via Ukrainian territory (EU Border: Záhony). If the operation is affected by a worsening situation on site, corresponding changes will be made. All other corridors are not moving via Ukrainian territory. Nevertheless, we ask our customers to prepare themselves accordingly in case of a change and to switch to alternative transport routes and modes.

Road Freight:

Most road traffic into Ukraine is currently suspended, with freight insurance for goods transiting the region being rendered void.

Rhenus Air & Ocean has established a crisis task force that continues to monitor the situation. Please be aware that the conflict also has the potential to affect consignments to and from other eastern European countries. So far, all other consignments are running as usual. We are working on contingency plans for different scenarios and will keep you informed you of any major changes.

If you have further questions regarding your shipments, please get in touch with your respective local Rhenus contact.

Kind regards,

Rhenus Air & Ocean