Ship Green Terms



Any Merchant may opt to add <u>Ship Green service</u> to his offer or booking subject to these general terms and conditions (the Ship Green Terms) and the payment of a Ship Green Fee (BIO) per TEU as per <u>Hapag-Lloyd's standard tariff</u>. Ship Green is provided by Hapag-Lloyd ("Carrier") to utilize biofuels, thereby aiming to avoid CO₂e emissions associated with the shipment.

If a Merchant selects the Ship Green service in his offer or booking, the Ship Green Terms will form an integral part of the contract of carriage once the booking is confirmed by the Carrier. The Carrier then will quarterly issue a Ship Green Declaration to the Merchant detailing the amount of avoided CO₂e emissions in relation to Merchant's bookings over a quarterly period.

The Ship Green service can also be requested by a Merchant for a specified larger amount of CO₂e reduction across multiple bookings under a separate frame contract.

Details regarding the Ship Green Fee (BIO) are available on Hapag-Lloyd's <u>website</u> (https://www.hapag-lloyd.com/de/online-business/quotation/tariffs/local-charges-service-fees.html).

Payment of the Ship Green Fee (BIO) must adhere to tariff payment terms unless expressly agreed otherwise.

Further conditions of service:

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- 1. By purchasing Ship Green, the Merchant is obtaining Scope 3 emissions reduction rights the Carrier creates by using biofuels (e.g., biodiesel, refined oils or biomethane) instead of conventional fossil fuel. Specifically, emission reduction rights equaling 25%, 50%, or 100% of the total Well-to-Wake (WTW) emissions associated with the shipment are allocated if Ship Green 25, 50 or 100 are added. The underlying emissions calculations per shipment are based on Hapag-Lloyd's standard routings. Adjustments to routes resulting from changing geopolitical circumstances (e.g., rerouting via the Cape of Good Hope) are not considered.
- 2. Ship Green operates on the "Book and Claim" chain of custody, which involves tracking the global fuel mix used by the Carrier's fleet of vessels, calculating the emissions avoidance achieved through the use of biofuels and allocating emissions avoidance to the Merchant's shipments. By doing so, Merchants can actively participate in the avoidance of greenhouse gas emissions on a global scale, by supporting the physical fuel switch in Hapag-Lloyd's fleet. For the sake of clarity, it is not possible for a vessel to solely operate on biofuel and the majority of the Merchant's cargo will still be shipped on vessels deploying fossil fuels.
- 3. Where the Merchant has satisfied all the conditions for Ship Green service and the Carrier fails to provide the Ship Green Declaration, the exclusive remedy available to the Merchant shall be limited to a refund and/or cancellation of the Ship Green Fee. In such event, the Carrier will either refund any Ship Green Fee already received or allow cancelation of the Ship Green Fee in a booking confirmation or invoice.
- 4. The Merchant may not cancel the Ship Green service once he has already received the booking confirmation issued by the Carrier.
- 5. When Ship Green is purchased, the payment of the Ship Green Fee is to be made in the same currency as the freight, as further specified on the invoice. However, Merchant and Carrier may agree on a different currency. The Ship Green Fee is shown as a component on the freight invoice.
- 6. The Ship Green service is available for the ocean leg only. It does not cover any inland move including

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truck, rail, barge nor terminal operations.

- 7. The Merchant is eligible to receive a Ship Green Declaration every quarter. The values in this Ship Green Declaration issued by Hapag-Lloyd are based on a calculation outlined in the Hapag-Lloyd Ship Green Process Report 2024. The implementation of the process as described in the report was subject of a limited assurance engagement according to ISAE 3000 (Revised) by an independent auditing firm.
- 8. Since the Ship Green service forms an integral part of the contract of carriage the Hapag-Lloyd Bill of Lading or Sea Waybill terms and Conditions shall apply unless stated otherwise in the contract of carriage.

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