

## SMTc Logistics Update

May 10, 2022

### Covid Logistics Update 5/10

Further to our communication last week, the lockdown in Shanghai continues but it is slowly getting better across East China.

#### Shanghai

- DHL will resume their outbound services from Shanghai (SHA), Zhejiang Area (HGH) and Jiangsu and Anhui Area (SZV, PVG) – with a temporary weight limit restriction of 100 kg per pick up (customer collection) per day until further notice.
- Kunshan lockdown is lifted.
- Shanghai air terminal is operating but remains constrained by manpower shortage.
- Ocean terminal remains in operation and LCL is recovering.
- Trucking local and cross cities are resuming but still limited.

Beijing - PEK has more areas forced into lockdown, but airport and inland trucking still operates without huge impact.

Shenzhen / Hong Kong - Cross-border truck situation is slowly getting better but barge remains in use at large.

Transpacific ocean transit time continues to average over 110 days. This is primarily driven from continued delays in staffing at ports, trailer availability and trucking pickup long haul delays.

Diesel and gas prices continue to rise, providing increased cost pressure on all modes of transportation. Diesel fuel cost broke the 2005 record this week  
Gasoline cost is again on the rise – a few cents below record pricing from 6 weeks ago.

Small parcel delays in delivery and staffing at airports continue to result in 1-2 day delay in US transportation and up to 1 week in international air. SMTc continues to use and find DHL the best alternative for all international air shipments.

The situation remains very fluid. We continue to monitor manufacturing operation and monitoring outbound shipments. We will continue to provide updates when / as obvious changes occur.

**Chuck Fries, VP Logistics & Planning**

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### DHL Service delivery

| Province Chartered City | Province/Chartered City Service Impact Updated   | Restricted City | City Service Impact Updated *  |
|-------------------------|--|-----------------|--|
| Beijing                 | <p>All Beijing IB shipments must be sanitized and stand for at least 10days @PEKGTW before next step, please expect delay delivery among Beijing.</p> <p>As per local authority requirements, shipments originated from South Korea to Beijing in the network must be returned to origin. South Korea PU to Beijing has been suspended since 8th Apr.</p> <p>As of 22nd Apr, delivery for KR originated shipments can be resumed if staging over 10 days and negative result of nucleic test on inside/outside shipments.</p>                              | Beijing         | <p>No PUD service among APD service area, no self-collection and self-drop @APD.</p> <p>No PUD service among 100021 due to COVID-19 control requirements.</p> <p>Global PU into Beijing remains normal.</p> <p>Please expect delay PUD performance in Beijing due to local COVID-19 control requirements.</p>  |
| Shanghai                | <p><u>From</u> East China to Rest of World: As of Monday <b>May 9th</b>, the temporary weight limit restriction <b>increased to 100 kg</b> per pick up (customer collection) per day <u>from</u> Shanghai (SHA), Zhejiang Area (HGH) and Jiangsu and Anhui Area (SZV, PVG) to rest of world.</p> <p>From Rest of World <u>into</u> East China: <b>The temporary restriction of a maximum piece-weight of 30 kg per piece</b> from rest of world to Shanghai (SHA), Zhejiang Area (HGH) and Jiangsu and Anhui Area (SZV, PVG) effective Monday May 2nd.</p> | Shanghai        | <p>As per local Post Bureau, a pre-delivery period is set for IB shipments, and the shortest time period from pickup to delivery is classified and determined according to factors such as the material and storage conditions of the contents of the shipments. At room temperature (20±5°C), the rest period of stainless steel and plastic materials should be at least 7 days (168 hours) before delivery, and the rest period of cloth materials should be at least 5 days (120 hours) before delivery, paper, wood, glass materials Allow at least 4 days (96 hours) of resting period before delivery.</p> <p>After the first station of IB shipments has been sterilized and kept for 24 hours, then operations, storage, and domestic transshipment can be carried out during the pre-delivery period, but the outer packaging must not be opened or delivered to the cnee.</p> |
| Zhejiang                | No Self-collection and self-drop service among Jiangsu Province  | Hangzhou        | <p>IB shipments must be staging for 7 days @SVC before qualified for delivery.</p> <p>No self-collection and self drop at all Hangzhou SVCs.</p> <p>As of 9th May, no PUD service among Tonglu County(HGF) due to COVID-19 control requirements.</p>   |

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| Zhejiang | Ningbo   | PUD service under postcode 315145 has been restricted since 5th May.<br>IB shipments must be staging for 7 days @SVC before qualified for delivery.  |
| Zhejiang | Zhoushan | IB shipments must be staging for 7 days @SVC before qualified for delivery.  |
| Zhejiang | Wenzhou  | IB shipments must be staging for 7 days @SVC before qualified for delivery.  |
| Zhejiang | Lishui   | IB shipments must be staging for 7 days @SVC before qualified for delivery.  |
| Zhejiang | Jiaxing  | PUD service under postcode 314100~314121 has been restricted since 5th May.<br>From 7th May, IB shipments to Jiaxing must stage for 24hrs @ SVC before qualified for delivery.   |
| Zhejiang | Huzhou   | From 5th May, no more staging period for IB Shipments, IB shipments can arrange next cycle delivery after arriving at SVC.   |
| Zhejiang | Shaoxing | IB DOX must be staging for 4 days @SVC before qualified for delivery.<br>IB WPX must be staging for 7 days @SVC before qualified for delivery.   |
| Zhejiang | Jinhua   | From 5th May, no more staging period for IB Shipments, IB Shipments to Yiwu can arrange next cycle delivery after arriving at SVC. However, IB Shipments to Jinhua must stage 7 days @SVC before qualified for delivery.   |
| Zhejiang | Quzhou   | No PUD service among Quzhou due to local authority COVID-19 control requirements.<br>Customer is able to JGH for self-drop and self-collection.  |
| Zhejiang | Taizhou  | TAZ(Exclude Wenling, Yuhuan) IB shipments must be staging for 7 days @SVC before qualified for delivery.<br>Wenling and Yuhuan IB shipments must be staging for 8 days @SVC before qualified for delivery.<br>No PUD service in partial area of TAZ as of 29th Apr.  |
| Jiangsu  | Suzhou   | 1. From 28th Mar, IB shipments(to Business) must be centralized sterilization and be staging for at least 72h @SVC before qualified for delivery.<br>2. From 9th Apr, IB shipments(to Consumer) must be centralized sterilization and be staging for at least 7 day @SVC before qualified for delivery.<br>3. From 9th May, PUD service in KNN/KZP has been resumed, while ONLY PU service resumed in TDC, delivery service still be restricted. |
| Jiangsu  |          | IB shipments must be staging for 7 days @SVC before qualified for delivery.  |

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| Jiangsu |  | Wuxi      | IB shipments must be staging for 6 days @SVC before qualified for delivery.<br>No PUD service among 214105/214106 as of 26th Apr.   |
| Jiangsu |  |           | IB shipments must be staging for 6 days @government appointed warehouse for centralized sterilization and ONLY self-collection @this warehouse is accepted  |
| Jiangsu |  |           | PUD service under JYC has been suspended since 5th May.<br>IB shipments must be staging for 7 days @SVC before qualified for delivery.  |
| Jiangsu |  | Changzhou | IB shipments must be staging for 72h @SVC before qualified for delivery.  |
| Jiangsu |  | Nanjing   | 1.From 17th Aug,2021, IB shipments destined to Yuhuatai District, Nanjing City, Jiangsu Province (postcodes of 200012/211039/210041/210022) must be staging for at least 72h then send to government appointed warehouse for centralized sterilization before qualified for delivery, more than 2 days delivery delay is expected.<br>2. From 28th Mar, all IB shipments destined to Nanjing(exclude Yuhua tai District)must be centralized sterilization and be staging for 72h @SVC before qualified for delivery.  |
| Jiangsu |  | Nantong   | IB shipments must be staging for 72h @SVC before qualified for delivery.  |
| Jiangsu |  | Yangzhou  | 1. From 18th Feb, IB shipments destined to Postcode 225111 area must be sent to government appointed warehouse for centralized sterilization before qualified for self-collection<br>2. Effective from 4th Mar, global PU into Baoying County has been suspended, impacts on postcode(225800/225801/225811/225812/225816/225831/225899). OB service in Baoying County as normal.<br>3. It is strictly prohibited to transfer international IB shipments to domestic express. shipments destined to indirect service area must self-collection@SVC<br>4. From 28th Mar, all IB shipments to rest area of Yangzhou must be centralized sterilization and be staging for at least 7 days @SVC before qualified for delivery.<br>5. PUD service among Yizheng city has been resumed from 7th May. |

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| Jiangsu  |  | Zhenjiang   | IB shipments must be staging for 72h @SVC before qualified for delivery.<br>No PUD service among Jurong city(agent service)/Baohua county/Xiashu County from 17th Mar.   |
| Jiangsu  |  | Taizhou     | IB shipments must be staging for 72h @SVC before qualified for delivery.<br>No PUD service among Jingjiang city from 25th Mar.   |
| Jiangsu  |  | Huaian      | IB shipments must be staging for 72h @SVC before qualified for delivery.   |
| Jiangsu  |  | Yancheng    | IB shipments must be staging for 7days @SVC before qualified for delivery.   |
| Jiangsu  |  | Xuzhou      | IB shipments must be staging for 72h @SVC before qualified for delivery.   |
| Jiangsu  |  | Suqian      | IB shipments must be staging for 72h @SVC before qualified for delivery.   |
| Jiangsu  |  | Lianyungang | IB shipments must be staging for 72h @SVC before qualified for delivery.   |
| Anhui    |  | Wuhu        | IB shipments must be staging for 24h @SVC before qualified for delivery.   |
| Anhui    |  | Hefei       | IB shipments must be staging for 24h @SVC before qualified for delivery.   |
| Shandong | <p>As per local Post Bureau, from 23rd Mar, All IB shipments to Shandong Province:</p> <p>option1: stand @first facility for 10+1 days before qualified for delivery.</p> <p>option2: customer can entrust a qualified third party to conduct nucleic acid testing on the shipment. If the test result is negative, no more resting period is required and self-collection is accepted</p> | Qingdao     | Contact-less service   |
| Shandong |  | Zibo        | Contact-less service   |
| Shandong |  | Dongying    | No delivery service among DYN since 16th Mar.<br>Self-collection is accepted if able.  |
| Shandong |  | Yantai      | PUD service among Zhaoyuan has been resumed since 7th May.<br>No PUD service among Penglai since 21st Mar.<br>No PUD service among Laizhou since 25th Mar.<br>Global PU into YNT remains normal.<br>No delivery service in Zhifu District, self-collection is available. |
| Shandong |  | Weifang     | Contact-less service   |
| Shandong |  | Jining      | ONLY self-collection is accepted for IB shipments destined to non-direct service area  |
| Shandong |  | Taian       | Contact-less service   |
| Shandong |  | Weihai      | Contact-less service   |

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| Shandong  |  | Rizhao    | ONLY self-collection is accepted for IB shipments   |
| Shandong  |  | Linyi     | Contact-less service  |
| Shandong  |  | Dezhou    | Contact-less service  |
| Shandong  |  | Liaocheng | No PUD service among Liaocheng since 25th Mar.<br>Global PU into Liaocheng remains normal.  |
| Shandong  |  | Binzhou   | Contact-less service  |
| Shandong  |  | Heze      | No delivery service among JUC.<br>No PUD service among Heze(Except Juancheng) since 18th Mar.<br>Global PU into Heze remains normal.  |
| Guangdong |  | Guangzhou | 1. From 5th May, all IB shipments(Except KR originated) to Guangzhou must be centralized sterilization @CAN-GZS and must fulfill the requirement of staging for 7days(168hs) before qualified for delivery, please expect delay delivery service in Guangzhou City.<br>2. From 9th Apr, As per local authority requirements, all KR originated shipments must be centralized sterilization and be staging for 14days before qualified for delivery. |
| Guangdong |  | Shenzhen  | 1. No delivery service among SZH/LHZ/LPZ/SZL/SZS/SZW/SZQ/FSZ/SZF service area, self-collection is accepted under COVID-19 control requirements.<br>2. IB shipments destined to SZN/SZH must be staging@SVC for 7days before qualified for delivery;<br>Other SVCs remain normal delivery service.   |
| Guangdong |  | Huizhou   | Delivery can ONLY be provided after 7 days counting from shipment PU day at Origin.   |
| Guangdong |  | Dongguan  | Delivery can ONLY be provided after 7 days counting from shipment PU day at Origin.<br>As per local Authority, HKSAR and KR originated shipments must be staging@SVC for 7days before qualified for delivery.   |
| Guangdong |  | Zhuhai    | Delivery can ONLY be provided after 7 days counting from shipment PU day at Origin.   |
| Guangdong |  | Zhongshan | Delivery can ONLY be provided after 7 days counting from shipment PU day at Origin.<br>As of 9th May, no PUD service among 528421 due to COVID-19 control requirements.<br>Global PU into ZSN remains normal.   |
| Guangdong |  | Foshan    | From 1st Apr, IB shipments destined to Foshan must be sent to government appointed warehouse for centralized sterilization before qualified for self-collection   |

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| Guangdong |  | Zhaoqing  | <p>From 1st May, no delivery service for IB shipments due to the COVID-19 control requirements. All IB shipments to Zhaoqing must be centralized sterilization SVC and only self-collection is accepted.</p> <p>From 5th May, IB shipments via GZS-SVC must follow the regulation of all IB shipments(Except KR originated) to Guangzhou must be centralized sterilization @CAN-GZS and must fulfill the requirement of staging for 7days(168hs) before qualified for delivery, please expect delay delivery service in Zhaoqing City.</p>                |
| Guangdong |  | Zhanjiang | <p>No PUD service among ZHA from 9th May to 11th May due to COVID-19 control requirements. Global PU into ZHA remains normal.</p> <p>ONLY self-collection @ government appointed warehouse is accepted for IB shipments</p> <p>From 5th May, IB shipments via GZS-SVC must follow the regulation of all IB shipments(Except KR originated) to Guangzhou must be centralized sterilization @CAN-GZS and must fulfil the requirement of staging for 7days(168hs) before qualified for delivery, please expect delay delivery service in Zhanjiang City.</p> |
| Guangdong |  | Jiangmen  | <p>ONLY self-collection @SVC is accepted for IB shipments</p> <p>No PUD service among 529728 as of 29th Apr. PU globally into Jiamen remains normal.</p>  |
| Guangdong |  | Chaozhou  | ONLY self-collection @SVC is accepted for IB shipments  |
| Guangdong |  | Shantou   | <p>1. From 6th Apr, all IB shipments to Shantou must be centralized sterilization @SVC and be staging for 48hs before qualified for delivery, please expect delay delivery service.</p> <p>2. As per local Post Bureau, DHL is required to submit consignee information from 3rd Mar onwards, including name and address in Chinese character, as well as cellphone number.</p>   |
| Guangdong |  | Maoming   | <p>1. Global PU to Maoming has been suspended since 6th April shpts in the network can be staged @ZHA and self-collection is accepted.</p> <p>2. OB service remains normal.</p>   |
| Guangdong |  | Shaoguan  | PUD service has been suspended since 22nd Mar.  |
| Fujian    |  | Xiamen    | From 7th April shipments must be staging for <u>0.5h@SVC</u> before qualified for delivery, which may suffer 0.5 day extra transit time   |
| Fujian    |  | Zhangzhou | From 7th April shipments must be staging for <u>0.5h@SVC</u> before qualified for delivery, which may   |

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|         |  |           | suffer 0.5 day extra transit time   |
| Fujian  |  | Quanzhou  | From 7th April shipments must be staging for at least 2 days @SVC before qualified for delivery.  |
| Fujian  |  | Putian    | From 7th April shipments must be staging for 3 days @SVC before qualified for delivery.   |
| Fujian  |  | Fuzhou    | From 7th April shipments must be staging for 1 day @SVC before qualified for delivery.  |
| Jilin   |  | Changchun | Door-to-door service still being restricted, customer is able to self-drop and self-collection @SVC as of 25th Apr.   |
| Sichuan | Per local Post Bureau, the shortest time period from pickup to delivery for IB shipments has been classified, and a pre-delivery rest period has been set. Based on the material of the outer packaging of the shipments, the resting time is 7 days, 5 days and 4 days respectively. Among them, shipments with stainless steel and plastic outer packaging are allowed to stand for 7 days, cloth outer packaging's are allowed to stand for 5 days, paper and wood outer packaging's are allowed to stand for 4 days. | Chengdu   | From 17th Mar onwards., delivery Service has been limited to morning cycle only   |
| Hubei   |  | Wuhan     | IB shipments must be staging for 24h @WUC before qualified for delivery.  |
| Hunan   |  | Changsha  | IB shipments must be staging for 24h @CSX before qualified for delivery.  |
| Hunan   |  | Zhuzhou   | IB shipments must be staging for 24h @CSX before qualified for next step.   |
| Jiangxi |  | Nanchang  | IB shipments must be staging for 24h @SVC before qualified for delivery.  |
| Henan   |  | Zhengzhou | No PUD service among CGO during 5th May to 10th May. Global PU to CGO remains normal.<br>IB shipments must be staging for 12h @CGO before qualified for delivery, which may suffer 1 day extra transit impact.  |
| Henan   |  | Xuchang   | No PUD service among XCH during 5th May to 10th May. Global PU to CGO remains normal.<br>IB shipments must be staging for 12h @CGO before qualified for next step, which may suffer 1 day extra transit impact. |



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| Henan     |  | Luoyang      | IB shipments must be staging for 12h @CGO before qualified for next step, which may suffer 1 day extra transit impact.  |
| Hebei     |  | Shijiazhuang | IB shipments must be staging for 4~7 days @SVC before qualified for delivery.   |
| Hebei     |  | Tangshan     | IB shipments must be staging @SVC for 4-7 days, paper content is 4 days.  |
| Hebei     |  | Qinhuangdao  | PUD service among QHD has been back to normal as of 29th Apr.   |
| Hebei     |  | Baoding      | PUD service among Baoding resumed effective 5th May. From 21st Mar, BQD requires nucleic acid detection for all IB shipments, and the shipments shall be left to be staging for 4 ~ 7 days according to the material of the items |
| Liaoning  |  | Dalian       | No 3rd party PUD service among Yingkou from 6th May. Global PU into Yingkou remains normal.   |
| Liaoning  |  | Dandong      | As of 25th Apr., no PUD service among Dandong due to local authority COVID-19 control requirements. Global PU into Dandong remains normal.  |
| Neimenggu |  | Huhehaote    | IB DOX must be staging for 1 day @SVC before qualified for delivery.<br>IB WPX must be staging for 7 days @SVC before qualified for delivery.   |
| Neimenggu |  | Baotou       | From 18th Apr, BAV requires nucleic acid detection for all IB shipments, and DOX must be staging for 4 day, WPX for 7 days before qualified for delivery.   |
| Xizang    |  | Lhasa        | Global PU to LXA has been suspended since 25th Jan. LXA to global remains normal.   |
| Shannxi   |  | Xi'an        | From 28th Feb, IB shipments to XIY must be centralized sterilization @SVC before qualified for delivery, please expect 1 day delay delivery in XIY.   |
| Shanxi    |  | Taiyuan      | PUD service has been back to normal as of 28th Apr, while booking cutoff time shall prior to noel schedule. All IB shipments must be staging for 4~7 days @SVC before qualified for delivery.                                     |
| Gansu     |  | Lanzhou      | IB transit has been re-routed by road, please expect delay delivery to LHW and YCO;<br>Due to domestic air capacity limit, please expect OB transit delay.  |

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| Shenzhen Gateway  | <p>OB: AP and EU WPX shipments. 1-3 days TT impact should be expected and all efforts are being made to mitigate the situation.</p> <p>IB: Please expect 1-2 days transit impact for global pickup shipment destined to SWA/SZX/DGM</p>  |
| Guangzhou Gateway | <p>Based on the current epidemic prevention and control policy, Guangzhou Bayan International Airport is temporarily in a period of static management. The airport cargo terminal, customs and other relevant departments are still ensuring the normal operation of international flights, and most domestic flights are canceled. During this period, All DHL staff and facilities remain safe. CANGTW arranges some staff to live and commute to get off work together, while the rest of staff work at home to provide protect services, Import and export service at CANGTW remain normal. There may be delays in related email inquiries and telephone answering, please keep traces at minimum and avoid escalations.</p> |
| Beijing Gateway   | <p>All IB shipments transit through PEKGTW must be sterilized and be staging for at least 10days before next step, please expect delay transit service at PEKGTW for shipments destined to all PEK/TSN/BJS/XIY SVCs.</p>   |
| Dalian Gateway    | <p>As of 9th May, all IB shipments transit through DLCGTW must be sterilized and be staging for at least 10days before next step, please expect delay transit service at DLCGTW for shipments destined to all DLC facilities.</p>  |