



*“Going the Extra Mile.....”*

## ***Fuel Stabiliser Index: Change of Terms.***

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As a result of events in Ukraine and the reaction in commodities markets, including oil, we are today announcing some changes to our Fuel Stabiliser Index.

In an immediate change of terms, the Index will now be reviewed on a weekly basis (rather than monthly) and any necessary adjustment to the surcharge applied to charges for our services in the following week.

In common with many hauliers, we buy our fuel on a weekly basis based on the best price available across a range of suppliers. However, the increasing uncertainty around world oil supplies has led to rampant speculation in markets and price inflation since the start of the crisis. The current volatility in markets has led to spikes in retail fuel prices and we have seen prices rise by more than 9% in one week and by 47% overall in comparison with previous highs in 2021.

The impact of such substantial price increases is felt across the business, most significantly in increased operating costs, and outgoing cash flow. The change to a weekly review, therefore, is an important mechanism for us to contain the impact of further significant fluctuations, either up or down, and avoid any possible interruption in our operations or restrictions on the services we deliver to our customers.

We will be contacting every customer in the next 48 hours to advise the surcharge for this week. The surcharge will be reviewed again on Friday, 11<sup>th</sup> March and weekly thereafter until further notice.

Whilst we are unable to forecast when or at what level fuel prices may settle in the future, we will of course continue to keep you all updated with any further changes in policy.

I wish to take this opportunity to thank all our customers for their support and understanding at this difficult time.

Yours sincerely

*Charles Downie*

Managing Director