



29 April 2026

**Subject: Important Update – Revised Production and Transport Surcharge Mechanism**

Dear Valued Customer,

Following our correspondence on 20 April 2026, we are writing to clarify our new Production and Transport Surcharge structure, effective 1 May 2026.

The current geopolitical climate has led to significant volatility in fuel prices and the National Terminal Gate Price (**NTGP**) of diesel. To ensure our surcharge accurately reflects market conditions, we are moving to a fortnightly review process which aligns our surcharge more closely to the real-time market fluctuations, providing you with more timely and accurate adjustments.

The surcharge is calculated using the preceding two-week price NTGP average (find the timetable outlining the process in Appendix 1 below). Holcim (Australia) Pty Ltd (**Holcim**) has absorbed the significant diesel NTGP peak experienced between mid-March and mid-April.

Note the fortnightly review cycle aligns with the Fair Work Commission Order (refer Appendix 2).

**Key Updates Effective 1 May 2026**

- **Adjustment Frequency:** the Production and Transport Surcharge will be reviewed and updated on a fortnightly basis.
- **Initial Adjustment:** Effective 1 May 2026, the Production and Transport Surcharge will be adjusted to **\$9.92 per cubic metre** (GST exclusive) on all concrete deliveries.
- **Period Validity:** This rate will remain in effect until 14 May 2026. The subsequent rate will be communicated prior to 15 May 2026.
- **Invoicing:** The Production and Transport Surcharge will continue to be displayed as a clear, separate line item on your standard invoice.

To ensure transparency, please note that the surcharge calculation comprises two primary factors:

1. Raw material and production costs; and
2. Fuel costs for concrete deliveries, measured against the AIP Diesel NTGP

We recognise the challenges this economic climate creates for your business. Our priority remains the reliable supply of high-quality products to your sites. We are committed to maintaining open communication as conditions evolve and working in partnership with you to navigate these changes.

If you have any questions regarding this new structure, please contact your Holcim Account Manager. Thank you for your ongoing support and for the opportunity to supply your projects.

Yours sincerely,

**Greg Price**

**Executive General Manager (EGM) - Concrete**

## Appendix 1 - Production and Transport Surcharge Fortnightly Timetable

# Production and Transport Surcharge Fortnightly Timetable (Illustrative Example only)

National Terminal Gate Price Average	Average Calculation based on previous two weeks National Terminal Gate Price	Surcharge Letter Send Date	Surcharge Effective Start Date	Surcharge Effective End Date
11/4/26 to 24/4/26	2 Week Average Calculation 11/4/26 to 24/4/26	28/4/26	1/5/26	14/5/26
25/4/26 to 8/5/26	2 Week Average Calculation 25/4/26 to 8/5/26	12/5/26	15/5/26	28/5/26
9/5/26 to 22/5/26	2 Week Average Calculation 9/5/26 to 22/5/26	26/5/26	29/5/26	11/6/26
23/5/26 to 5/6/26	2 Week Average Calculation 23/5/26 to 5/6/26	9/6/26	12/6/26	25/6/26
6/6/26 to 19/6/26	2 Week Average Calculation 6/6/26 to 19/6/26	23/6/26	26/6/26	9/7/26
20/6/26 to 3/7/26	2 Week Average Calculation 20/6/26 to 3/7/26	7/7/26	10/7/26	23/7/26

## Appendix 2 - Fair Work Commission

# Fair Work Commission ROAD TRANSPORT CONTRACTUAL CHAIN ORDER – FUEL COST RECOVERY – 2026

Dear Customer

Further to our recent communication and our commitment to keep you informed of any changes in relation to our prices resulting from the impact of the Middle East crises, you may or may not be aware that the Fair Work Commission (**FWC**) has issued a time-sensitive road transport contractual chain order (<https://www.fwc.gov.au/documents/sites/ms2026-1/ms2026-1-order-rtcco-20-04-2026.pdf>) (the **Order**) that captures parties in the road transport contractual chain (including principals and contractors who use road freight) and requires regular fuel cost pass-through across transport supply chains. This decision is effective from 21 April 2026.

We suggest you seek your own advice on the application of this Order to your business.

It requires that we must now review fuel rates at least fortnightly or twice per calendar month so transport operators are able to recover the increases in diesel costs.

Holcim (Australia) Pty Ltd confirms that it has put in place this mechanism to ensure our compliance with the Order. Please accept this letter as evidence that we have taken steps to comply with the Order to assist your satisfaction where you are a Secondary Party. If you require further confirmation or alternative format please let us know;

Note according to the Order these arrangements will remain in place until the Australian Institute of Petroleum's (AIP) weekly national average terminal gate (NATG) diesel price falls below \$2.00 per litre.