



Fortescue
The New Force in Iron Ore

Standard

Packaging, Marking and Document Standard

Procurement

21 January 2019

100-ST-CP-0005

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| Packaging, Marking and Document Standard | | | |
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1. DEFINITIONS

| Word/Term | Definition |
|-----------------------|---|
| Principal | means Chichester Metals Pty Ltd (ACN 109 264 262) or its Related Body Corporate (as defined in the Corporations Act 2001 (Cth)) specified within the Relevant Purchase Order. |
| Supplier | means any contractor, supplier or vendor that provides goods to the Principal via a supply chain. |
| Site | means the Principal's site or other location specified in the Purchase Order. |
| Goods | means any materials, supplies, plant, equipment or other type of item to be supplied and transported through the Principal's supply chain. |
| Personnel | means: <ul style="list-style-type: none"> (a) In relation to the Principal, any of its employees, agents or representatives; and (b) In relation to the Supplier, any of its employees, suppliers, subcontractors, their subcontractors, agents and representatives involved either directly or indirectly in the provision of the goods. |
| Standard | means the Principal's minimum requirements for the protection and packaging services to be applied to goods by its Suppliers and Personnel (during domestic and international transportation and storage activities). |
| Rotable Item | means any item with a Fortescue material number commencing in 6. Transport and/or lifting frames will have their own specifications outlined in the respective repair specification. If extra wrapping or storage is required, it will be outlined in Fortescue's repair specification. |
| Static Load Capacity | means the amount of weight a pallet can hold when it is 'at rest' or in a fixed position on a level surface (including when it is stacked). Static loads aren't affected by activity or motion. |
| Dynamic Load Capacity | means the maximum evenly-distributed weight a pallet can hold while being hoisted. |
| Units | means metric units and are to be referred to in all documentation and correspondence. |
| Language | means documents, commercial and technical, and all markings/labelling are written in the English language. |

2. PURPOSE

- 2.1 The purpose of this Standard is to ensure that all Goods delivered to and from the Principal's Sites are:
- a) Packaged in a manner that supports safe transport;
 - b) Fit-for purpose and in a serviceable condition;
 - c) Protected and preserved for long term storage in extreme conditions; and
 - d) Adequately identifiable with the correct documentation to facilitate receipt of Goods without delay.
- 2.2 This Standard is not intended to relieve the Supplier of their responsibility to adequately protect the Goods for transportation and storage activities.

3. SCOPE

This Standard establishes the minimum Packaging, Documentation and Transport compliance requirements for Suppliers. It includes:

- a) The preparation and preservation of Goods;
- b) The acceptable use of packaging materials; and
- c) The documentation required for compliant transport.

4. CHAIN OF RESPONSIBILITY

- 4.1 It is imperative that each Supplier understands its responsibilities and obligations within the Chain of Responsibility (**CoR**) legislation.
- 4.2 The CoR legislation recognises the responsibilities of all stakeholders, within the supply chain, in relation to the safe transport of Goods.
- 4.3 Those parties involved in the following activities may be deemed responsible in the event of a breach:



5. REFERENCES

This Standard is a broad framework only and must be read in conjunction with the Acts, Legislation, Regulations and/or Standards highlighted in Table One below.

TABLE ONE

| Act / Legislation / Regulation / Standards |
|--|
| Chain of Responsibility Legislation (COR) |
| Heavy Vehicle National Law (HVNL) |
| Restricted Access Vehicles RAV Operating Conditions – Main Roads |
| Road Traffic Act 1974; |
| Road Traffic (Vehicle Standard) Regulation 2002 |
| Road Transport Reform Compliance and Enforcement Bill 2003 |
| Road Traffic (Vehicle Standards) Regulations 2002 |
| Road Traffic (Vehicles) Act 2012 |
| Road Traffic (Vehicles) Regulation 2014 |
| Road Traffic (Administration) Act 2008 |
| Incoterms 2010 |
| National and State road transportation, labour and industrial regulations and guidelines |
| National Restraint Guide |
| National Heavy Vehicle Regulator - Mass Loading Standards |
| Australian Standard AS 4068-1993 |
| Australian Standard AS 3711-2000 |
| Australian Standard AS 4991 – 2004 |
| The Australian Dangerous Goods Code (ADG) |
| Fortescue Transport Frames and Workboxes Specification 100-ST-EG-0006 |

6. KEY ACCOUNTABILITIES

Table Two below demonstrates the key accountabilities.

TABLE TWO

| Role | Responsibility |
|--|----------------|
| Protect employees, suppliers, members of the public and the environment from risk during the transport and handling of freight. | All Personnel. |
| Ensure that all of the Principal's Personnel and Suppliers comply with this Standard. | All Personnel. |
| Ensure that all of the Principal's Personnel and Suppliers comply with all heavy vehicle laws, those relating to mass, dimension and load restraint. | All Personnel. |
| Compliance to the Chain of Responsibility Laws in Australia. | All Personnel. |

7. GENERAL PACKAGING STANDARD

7.1 Safe Transport and Handling

- a) The Principal and its Suppliers must seek to minimise hazards to employees, transport providers, and the general public.
- b) It is a requirement that all Supplier's and their associated third parties package freight in a manner that:
 - i. Maintains structural integrity over long distances and rough terrain;
 - ii. Withstands multiple handling movements;
 - iii. Can be safely lifted on and off transport vehicles;
 - iv. Minimises the risk of injury to all parties indirectly and directly involved;
 - v. Minimises the risk of damage to the Goods; and
 - vi. Minimises the risk of damage to other freight, members of the general public and the environment.

7.2 Packaging Requirements

- a) The Supplier must ensure that the method of packaging provides:

- i. Safe handling, stacking and transportation between Supplier's point of dispatch and the Fortescue site;
- ii. Ability to transport without rolling, tripping, sliding or spilling;
- iii. Effective protection against damage in handling and transport; and
- iv. Protection to prevent corrosion during handling, transport and storage.

8. PACKAGING

Packaged Goods showing damage, defects or shortages resulting from improper packaging, packaging materials or packing procedures, or having concealed damage or shortages at the time of unpacking, shall be subject to rejection and replacement at no additional cost to Fortescue. Additional costs caused by such reasons as described in section 8, shall be at the Supplier's expense.

8.1 Cartons

- a) Cartons are to be structurally sound and free from any visible damage.
- b) Carton consignments which appear to be manageable by a single person must be limited to 15kg.
- c) Carton consignments that weigh greater than 15kg must be clearly marked as 'heavy >15kg'.

Heavy > 15kg

8.2 Skids

- a) Skids are small pallets without under rails which, are single use and not weight rated.
- b) Skids have very limited application and should be avoided where possible.
- c) Light low profile materials may be suitable for skid application.



8.3 Kits

- a) Goods that form part of a kit must be clearly marked and consolidated into one packing unit. Each packing unit must contain ALL the Goods that make up the kit.
- b) Where multiple sets of the same kit are purchased, each kit must be packaged separately.

- c) If the kit size does not permit consolidation into one packing unit, each Good must be clearly marked as forming part of a kit.

8.4 Crates

- a) All timber crates and cases must be of a suitable construction for the Good being shipped, preferably hardwood and must provide adequate support to the Good.
- b) All timber crates must:
 - i. Have a Safe Working Load (SWL) that exceeds the weight of the Good;
 - ii. Be sealed with screws for ease of access; and
 - iii. Be structurally sound and constructed for lifting by a forklift.

8.5 Cages

- a) All cages must be fit-for purpose, in reasonable condition and able to support the combined weight of the Goods within the cage.
- b) The Goods placed in the cage must support good manual handling practices.
- c) The Goods must be restrained to the base of the cage to prevent movement and must be retained by;
 - i. Strapping; and/or
 - ii. Blocking; and/or
 - iii. Packing; and/or
 - iv. Other sufficient Goods to prevent movement.

8.6 Palletised Goods

- a) Goods that require mechanical lifting during handling must be palletised and comply with the Australian Standard AS 4068-1993 Flat pallets for materials handling.
- b) All pallets must be non-returnable as the Principal is unable to facilitate any successful exchange or return of said pallet.
- c) Palletised Goods must not exceed 1.2 metres high.
- d) Pallets are to be used for Goods that:
 - i. Have dimensions that allow stable loading on the pallet;

- ii. Do not exceed static or dynamic load capacity ratings;
 - iii. Do not exert excessive point loads on the pallet; and
 - iv. Have a safe working load that does not exceed the safe working load of the pallet.
- e) Pallets must be free from foreign objects: dirt, spider webs, spiders, ants, nests, and any other foreign matter including plants and seeds, moss, fungus and spores.
- f) **The pallet must be constructed of:**
- i. Hardwood pallets or pallets with the same strength and stability properties as hardwood;
 - ii. Steel pallets must be used for large and heavy Goods; and
 - iii. Pallets must be two-way, flush sided and under railed.



g) For packing and restraining Goods on a pallet:

- i. Goods must be secured on the pallet to prevent movement;
 - ii. Goods likely to roll or fall must be chocked and restrained by appropriate measures capable of bearing the unrestrained weight of the Goods to the pallet;
 - iii. The fit for purpose restraint material must be secured to the pallet bearers not the boards;
 - iv. Goods must not overhang the forklift entry points of the pallet.
- h) Shrink wrap is not a restraint mechanism and should be used for light weight Goods only. If binding of materials is required clear shrink wrap is to be utilised for ease of inspection.
- i) Metal strapping is considered a hazard and should not be applied to restrain Goods for delivery.
- j) Nylon weight rated banding or polyester strapping is to be applied to restrain Goods for delivery.

8.7 Transport Frames and Workboxes

Refer to the Principal's Transport Frames and Workboxes Specification 100-ST-EG-0006.

8.8 Freight containers

- a) Freight containers are utilised to store and transport either multiple or large singular Goods efficiently and securely.
- b) All freight containers must comply with the Australian Standard AS 3711-2000, and must:
 - i. Carry a current container safety compliance (**CSC**) plate;
 - ii. Be structurally sound and without opportunity for water ingress; and
 - iii. Carry a Container Weight Declaration (**CWD**).
- c) A CWD is a written declaration of the weight of a container and its contents. The CWD may be in hard copy, electronic or a placard attached to the freight container.
- d) Information pertaining to the specific requirements of the CWD can be sourced by referring to the Main Roads website.
- e) **For packing and restraining Goods in a container:**
 - i. The Goods must be secured to withstand long-haul travel;
 - ii. Weight in the container must be evenly distributed over the horizontal, longitudinal, and transverse planes of the container;
 - iii. The centre of gravity of the container when loaded must be lower than the mid height of the container; and
 - iv. Steps must be taken to restrain cargo from falling out when the doors are opened.

8.9 Air Freight

Consignments moving through the supply chain via air transport must be packaged in accordance with airline industry standards (IATA) in such a way as to minimise total weight and promote ease of handling.

9. INTERNATIONAL FREIGHT

- a) Freight movements that include international transport are subject to all the requirements already identified in this Standard as well as any additional requirements to ensure safe and secure sea or air freight.
- b) These requirements include but are not limited to;
 - i. Ensuring that the Goods or packaging is not damaged as a result of exposure to sun, wind or sea spray during sea transport.
 - ii. Goods Handling at sea or air ports is considered with additional lifting points applied if required.
 - iii. Safety considerations relevant to sea or air transport eg. Dangerous or hazardous goods restrictions by air.
 - iv. Ensuring that all requirements for transit through local or international customs are considered.
 - v. Packaging materials are in accordance with Australian Standards and Legislation.

10. OVERSIZE INDIVISIBLE LOADS (SINGLE LIFTS)

- 10.1 When Goods are combined into larger containers, the Supplier must ensure that when packing, no individual dimension of the outside package shall be greater than the following:
 - a) Length – 11.8 m;
 - b) Width – 2.3 m;
 - c) Height – 2.3 m; and
 - d) Weight - 20 metric tonne.
- 10.2 If it is necessary to exceed these dimensions, the appropriate Principal representative must be consulted prior to packing.
- 10.3 Transport drawings of all individual lifts in excess of any one of the above factors must be submitted to Fortescue’s relevant representative for planning and movement permit approval.
- 10.4 Where individual lifts are more than 20 tonnes, they shall be considered as heavy lifts and the Principal representative is to be notified prior to movement requirement. Further information in relation to a Restricted Access Vehicle can be sourced by referring to Main Roads.

11. PACKAGING AND PRESERVATION

Goods requiring specific packaging and preservation requirements for transport purposes must adhere to manufacturer specifications, Australian Standards, Legislation and specific requirements as communicated by the Principal.

TABLE THREE

Examples include, but are not limited to the following:

1. Bearings must be protected to ensure indentation of any hard surface does not occur.
2. Doors on equipment must be locked, the keys labelled and securely taped to the door handles. Keys must not be left in locks during transport.
3. Painted Goods must be protected to minimise damage to the surface.
4. Openings in electrical equipment must be waterproof sealed.
5. Pipes and tubes must be packed in securely tied bundles with ends protected.
6. Cable drums shall have the battens strapped to the outer edges of the drum and secured with steel bands. The internal end of the cable shall be properly secured to the inside of the drum. The external end shall be protected against damage and water ingress.
7. Electronic Goods packaged with anti-static packaging.
8. Goods sensitive to shock loads must be adequately secured within shock absorbent packaging to minimise shock loads. Eg. Electrical Transformers, rectifiers and other electrical Goods.
9. Any Good which undergoes a hydrostatic pressure test must be thoroughly dried and cleaned, to ensure no moisture or dirt remains inside and all openings completely sealed by use of covers designed to prevent ingress of moisture or other infestation. Covers must be suitable to protect machined surfaces.
10. Any Good with rust inhibitors or other type or preservation on its surface, such as a machine part is to be sealed within a foil bag or wrapper.
11. All machined surfaces, bearings and electrical components must be adequately protected against corrosive and harmful substances.
12. Components with non-drainable crevices or chambers shall sealed with caps, plugs or waterproof tape to prevent the ingress of dust and moisture.

Examples include, but are not limited to the following:

13. Goods that are susceptible to climatic conditions must be packed in moisture-vapour proof sealed enclosures with adequate amounts of desiccant in accordance with Australian Standard AS 2400. The Supplier must indicate in the special instructions the location of all desiccant and indicators. Clear notices and detail must be attached to all Goods in relation to applicable removal procedures. Desiccant must not be used to protect rubber products.

 14. Unless otherwise requested by Fortescue, all Goods must be shipped fully assembled whenever possible. When it is not possible to ship Goods fully assembled, it shall be the Supplier's responsibility to disassemble the Good so that it can be properly packed and protected, and to include instructions with the shipment for assembly of the equipment after delivery to the nominated Fortescue site.

 15. Component parts of lifting apparatus equipment, special tools for use in assembly, and spare parts shall be separately boxed, identified, and be included in the shipment of the equipment.

 16. Goods with breakable lining material shall be clearly marked with specific and informative cautions to prevent damage due to rough or incorrect handling.

 17. Goods with exposed rubber parts or linings shall be cleaned and wrapped with an opaque, airtight plastic cover sheet secured with tape.

 18. Stainless Steel bolts shall be used for all stainless-steel nozzle flange openings.

 19. Tapped openings shall be plugged with full depth threaded engagement pipe plugs of material equal to parent metal. Cast iron plugs are not acceptable. Plugs shall be round shank type ("bull plugs") with a shank at least 40mm in length to permit use of a pipe wrench. External threads shall be closed with caps of the same material as the pipe or nipple.

 20. Unconnected pipe threads used in a normal operation shall be covered with threaded metal plugs or caps. These shall be identified with metal tags explaining purpose and/or providing connection number as used on Fortescue's and the Supplier's drawings.

 21. All closures that are part of the original equipment shall be tight fitting.

 22. Plastic closures and thread protectors are specifically prohibited unless prior approval is obtained from Fortescue.
-

Examples include, but are not limited to the following:

-
23. All flexible connections subject to possible damage during shipment shall be disconnected. The loose ends are to be adequately supported and protected to prevent damage.
-
24. Couplings shall be adequately supported and protected to prevent damage.
-
25. All valves, including control valves with actuators shall be shipped in waterproof lined cases or protected by individual plastic transparent bags and secured inside the cases.
-
26. Expansion joints shall have joints secured in a fixed position to prevent deflection of the joint during handling, transport and storage.
-
27. All openings that have been bevelled for welding shall be provided with metal or plastic closures designed to prevent entrance of foreign materials and damage to the bevel.
-
28. If special Goods are sealed inside of equipment and must be removed prior to installation (e.g.: shipment bracing pieces), a prominent WARNING tag shall be attached to the closure.
-
29. Weld bevels shall be free of dirt, oil, grease, scale, rust and other foreign materials. All weld bevels (for field welds) of carbon steel and ferritic alloy steel materials shall be coated after cleaning on the inside and outside for a distance of approximately 75mm from the end of the weld bevel with a suitable preventive
-

12. TRANSPORT OPTIMISATION

The Principal transports freight to Site on general line haul wherever possible, and therefore packaged Goods must be:

- a) Suitable for stacking with top load weight identified;
- b) Optimised in terms of size, weight, and complexity; and
- c) Packaged in a manner that minimises the cost of transport, handling, storage and field removal of packaging waste.

13. SUITABLE PACKAGING FOR FORTESCUE SITES

13.1 It should be assumed that all Goods, and their packaging will need to withstand outdoor storage for a period of not less than 12-months at any of the Principal's Sites.

- 13.2 All packaging materials used must maintain structural integrity, and be able to withstand remote site conditions, including, but not limited to significant UV exposure, moisture and extreme temperatures.
- 13.3 Any specific preservation storage requirements must be clearly documented and attached to the Goods supplied.
- 13.4 The Supplier must notify the Principal in writing of any additional costs that may be incurred to meet the obligation of this Clause 13. (Refer to Appendix 2 for the Principal's Packaging Hierarchy and Labelling Requirements.)
- 13.5 Certain Goods (e.g. electrical equipment, electronic or instrumentation equipment) may not be suitable for outdoor storage, in which case the Supplier must notify the Principal in writing of specific requirements and recommendations for storage and handling (e.g. air-conditioned storage).

14. ONGOING PRESERVATION

If ongoing preservation of the Goods are required, the Supplier must provide instructions which describes the care and maintenance to be carried out after delivery of Goods. These instructions and any other instructions covering unpacking and installation details must be included with the delivery.

TABLE FOUR

The instruction shall include but not be limited to protective measures and maintenance of the following:

1. Goods, after removal of the protective coatings, boxes of packaging.
2. Equipment, after removal of plugs or seals where the equipment has been previously dried, filled or coated with preservative material and depends on complete sealing for protection.
3. Goods not immediately put into operation, but installed and left standing in an open unprotected site.
4. Instruments installed in place or stored.
5. Relief valves, control valves, and all special valves installed in place or stored.
6. Equipment requiring maintenance if left undisturbed in shipping containers and stored.
7. Equipment requiring periodic operation, movement or turning to prevent damage to internal parts and such effects as permanent deflection of rotating shafts and bearing surfaces.
8. Components of equipment which require removal if long standing time is detrimental in that they cannot be adequately protected in non-operating conditions or would be subject to permanent deformation.
9. Goods requiring indoor or temperature-controlled storage.

The instruction shall include but not be limited to protective measures and maintenance of the following:

10. Equipment requiring purging or to be held at a set pressure shall have the pressure shown clearly attached to the equipment and on all documentation.

15. DOCUMENTATION REQUIREMENTS

Accurate and reliable documentation is paramount to an efficient supply chain operation, and therefore Suppliers must ensure all documentation complies with the following:

- a) Delivery dockets must be securely attached to the outside of all packaged Goods in a sealed weather-resistant envelope;
- b) Freight containers must have delivery dockets and packing lists inside weather resistant envelopes attached to the internal wall and duplicate documents with the consignment note.
- c) Oversized freight must have delivery dockets and packing lists inside weather resistant envelopes attached to the transport frame and duplicate documents with the consignment note.

15.1 Minimum Document Requirements

Shipping documents and delivery dockets must meet minimum requirements (refer Table Five). The documents must be securely attached to the outside of all packaged Goods in a weather-resistant windowed envelope or similar.

TABLE FIVE

| Document | Minimum Requirement | Note |
|---|--|---|
| Consignment Note | <ul style="list-style-type: none"> • Consignment Date • Consignment Number • Valid Fortescue Purchase Order number/s • Description and number of handling units • Dangerous Goods classification (if applicable) | <p>All Purchase Orders and Delivery Advice numbers must be referenced on the consignment note.</p> <p>Proof of Delivery will apply only to the Purchase Order numbers identified on the consignment note.</p> |
| Delivery Advice – Purchase Order Delivery | <ul style="list-style-type: none"> • Delivery Date • Valid Fortescue Purchase Order number • Delivery line quantity and back order quantity • Description of materials • Dangerous Goods classification (if applicable) | <p>Each Purchase Order must have a separate delivery advice.</p> <p>The delivery advice must be attached to the handling unit and must be referenced on the consignment note.</p> |

| Document | Minimum Requirement | Note |
|---|---|--|
| Delivery Advice – Replacement Order or Warranty Replacement | <ul style="list-style-type: none"> Fortescue Contact Person Warranty number Contact phone number Dangerous Goods classification (if applicable) | |
| Delivery Advice – Cross Dock | <ul style="list-style-type: none"> Fortescue Contact person Contact phone number Dangerous Goods classification (if applicable) | Goods delivered that do not reference a Fortescue Purchase Order or Linfox transport request must have the minimum required information. |

15.2 Labels and Markings

- a) The Supplier must ensure that all packages dispatched as part of a Purchase Order are clearly and legibly marked.
- b) To avoid confusion, markings and references from previous freight movements must be covered, made illegible or removed.
- c) Package markings and labels must be:
 - i. Clearly marked in English on at least 1 side – Cartons; and
 - ii. Clearly marked in English on at least 2 sides – Forklift freight.

| | | |
|---------------------------------------|-------------------|-------------------------------------|
| Purchase Order number | “Ship To” Address | Case/box/package number e.g. 1 of 4 |
| Hazardous & Dangerous Material Labels | | Fragile & Heavy Material Labels |

Clearly Marked with the Name of the Relevant Receiving Site e.g. Cloudbreak

Clearly Marked with any Special Handling Instructions e.g. “Handle with Care” “Right Side Up”

15.2.1 Hazardous and Dangerous Materials

- a) The Supplier must comply with all requirements as outlined in The Australian Dangerous Goods code (ADG).
- b) The Supplier must ensure that all packaging materials brought onto the Principal’s premises are free from asbestos.

- c) The Supplier must apply the proper warning labels and markings to the hazardous and dangerous goods.
- d) The relevant safety data sheet must be provided to the Principal and the Principal's nominated freight forwarder in accordance with the relevant standard and/or legislation.

15.2.2 Fragile and Heavy Materials

The Supplier must clearly mark or label 'fragile' or 'heavy' or 'handle with care' for ease of handling.

15.2.3 Marking/Label positioning and durability

- a) Goods below 1.5m in height and width, label markings should be at a height visible to operational floor operators.
- b) Goods above 1.5m in height and width, label markings should be at a height visible to forklift operators.
- c) Markings/labels must be durable, waterproof, fade resistant and able to withstand prolonged storage in bright sunlight and harsh conditions.
- d) Tags must be durable plastic or non-rusting.
- e) Dangerous goods labels must be visible, durable and accurate.

16. NON-CONFORMANCE

- 16.1 All consignments that do not meet the minimum requirements of this Standard, will be placed in quarantine and will remain until the non-conformance has been rectified.
- 16.2 This process has the potential to delay payment for all Goods within the consignment.
- 16.3 Where Goods arrive at the Distribution Centre (**DC**), or the Principal's Site, and are found to be non-conforming or unsafe, the Principal will take one of the following actions:
 - a) Reject if it can travel safely back to the Supplier (Chain of Responsibility legislation applies);
 - b) Direct the Supplier to make the load safe; or
 - c) Where possible, make the consignment safe.
- 16.4 In instances where the Principal incurs costs relating to Supplier's non-conformance to the packaging and delivery standards, and this Standard, the Principal will seek to recover these costs from the Supplier.

17. CONTINUOUS IMPROVEMENT





The Principal seeks to continuously improve its packaging and handling standards and is always open to collaborating with its Suppliers on safe packaging and handling practices.




18. APPENDIX

18.1 Appendix 1. – Packaging Practices in Images



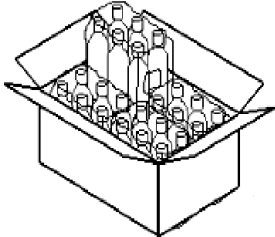


TABLE FOUR

| Packaged Correctly  | Packaged Incorrectly  |
|--|---|
| <p>Steel or Metal Sheeting</p>  | <p>Steel or Metal Sheeting</p>  |
| <p>Fabricated non-standard shaped Goods</p>  | <p>Pipes and tubes</p>  |

| Packaged Correctly  | Packaged Incorrectly  |
|--|--|
| <p>Fabricated non-standard shaped Goods</p>  | <p>Tyres</p>  |

| Packaged Correctly  |
|---|
| <p>Large pipe bends and non-standard shaped Goods</p>   |

18.2 Appendix 2. – Packaging Hierarchy and Labelling Requirements:

| Word/Term | Description | Example | Labelling |
|------------------------------------|--|---|---|
| Base Unit (Primary Package) | the lowest level of packaging for a material (product). |  | Product description Vendor part number Qty/volume in the base unit |
| Inner (Secondary Package) | the Intermediate packaging level contained inside an Outer. The base units in the Inner must all be the same product. An inner can only exist if an outer packaging is used. |  | Product description Vendor part number Qty of base units in the Inner |
| Outer (Tertiary Package) | the highest level of packaging for a product. An Outer must only contain the same product in both Inners and Base units. |  | Delivery Date Delivery Docket Number Valid Fortescue PO Number • PO Number – Barcoded – • ASN Numbered and barcoded (Optional) QTY / Part Number and Description/ What number the delivery refers to on the PO. |
| Supplier Handling Unit | a grouping of products. This level of packaging contains one (1) or more Cases and may include a pallet as its base. A Handling Unit can be: <ul style="list-style-type: none"> • A carton • A pallet • A group of Goods shrink wrapped as one unit • A tray • A container • Or any other similar type of packaging created for the purpose of handling, storing or shipping. |  | Delivery Date Delivery Docket Number All Valid Fortescue PO numbers in the handling unit |
| Supplier Shipment | a grouping of one or more handling units |  | Delivery Date Vendor Consignment Note Number Valid Fortescue Purchase Order Number/s Number of handling units |

Note: Each level of packaging should be numbered and marked separately to all other levels. The base unit must be distinct from the inner, which must be distinct from the outer.