

## **GENERAL PACKAGING AND SHIPPING INSTRUCTIONS FOR SUPPLIERS TO THE MONTROSE GROUP**

### **1. Purpose of the General PACKAGING AND SHIPPING INSTRUCTIONS**

The purpose of the packaging and shipping instructions is to inform suppliers about our requirements and their responsibilities. It is designed to be a simple, easily understood, practical guide to allow a smooth flow of materials between suppliers and The Montrose Group.

Not following the specifications in these General PACKAGING AND SHIPPING INSTRUCTIONS may lead to a complaint on our part which would in turn have a negative impact on the supplier evaluation. Furthermore, any additional costs resulting from non-compliance will be passed directly on to suppliers.

Any deviations from these PACKAGING AND SHIPPING INSTRUCTIONS must be explicitly arranged for by the supplier. The Montrose Group also reserves the right to arrange article- specific packaging rules with the supplier.

### **2. Delivery address**

Please make note of the instructions in our orders regarding delivery addresses and invoice address.

### **3. Goods receiving hours**

Monday through Friday: 8:30 a.m. - 4:00 p.m.

### **4. Packaging instructions**

#### **4.1. General requirements for packaging**

- The packaging selected must be consistent with the requirements of the packaged item(s) for transit and storage. It must be able to withstand the stresses of the planned mode of transport. This means that the transport route and means of carriage as well as conditions that may affect them such as weather and handling during transshipment must be taken into consideration. Please consider:
  - The type and condition of the planned route
  - Anticipated impacts on the goods during transit
  - Climatic conditions
  - Potential contamination
  - Sufficient protection for the packaging during stowage, transshipment and other movement of the goods
- The sender is liable for all damage and expenses caused by packaging which does not comply with the above requirements. To ensure that parts are delivered in accordance with our quality standards, the following minimum specifications must be met:
  - The parts must be free from any contamination.
  - The packaging must protect the parts against mechanical damage and corrosion.
  - Tape should be used to close cardboard boxes if possible instead of metal staples due to the increased risk of injury associated with staples.
  - The shipment packaging must provide sufficient protection to the packages and transport units during transport and transshipment. In particular, the following points must be complied with:
    - Specified pallet dimensions and design (see Section 4.4)
    - Permissible maximum weight (max. gross weight of a loading unit = 900 kg)

#### 4.2. Requirements for avoiding packaging waste

Loading equipment and packaging should be designed to ensure sufficient transport protection with a minimum amount of packaging, without detriment to the consignment.

#### 4.3. Permissible packaging materials

All packaging materials used must conform to the current legal requirements in the UK and the EU; in particular, the currently valid statutory limits for heavy metal content may not be exceeded.

The following must also be observed: The packaging must be fundamentally recyclable. The labelling must not compromise the ability to recycle the packaging.

- Composite materials: Composite materials are generally not permissible.
- Plastics: The only plastics allowed are PE (polyethylene), PP (polypropylene) and PET (polyethylene terephthalate). Please use as little material as possible to facilitate recycling. The use of PVC (polyvinyl chloride) is fundamentally not permissible.
- Shrink and stretch film: Must be made of PE (polyethylene).
- Bags and sacks made of plastic film: May be made of PE (polyethylene) only.  
**(No more than 15kg per bag double bag if necessary)**
- Paper and cardboard: Paper and cardboard must be free of substances noxious to the paper production process.
- Wood: It is mandatory that all wood packaging being transported from overseas (i.e. crossing sea borders) comply with the IPPC (International Plant Protection Convention) standard. The materials used must be in an untreated state (no paint, no coating, no waterproofing). Wood packaging for shipment overseas must comply with the requirements of the country of destination.
- Plywood (particle board, fiberboard): Plywood may be used as long as it complies with the requirements in these packaging instructions.
- Styrofoam: Styrofoam is permissible for molded parts only. Styrofoam peanuts are prohibited.
- Filling materials: Only corrugated board, paper or bubble wrap may be used as fill materials.
- Straps: Only plastic straps made of PP (polypropylene) or PET (polyethylene terephthalate) may be used as straps. Metal bands as straps are prohibited.

#### 4.4. Packaging weights and dimensions

The following maximum permissible gross weights must be observed, independent of packaging type:

- Individual packages moved by hand: max. 15 kg
- Loading units/pallets: max. 900 kg

Dimensions:

- 120 x 80 (L X W) cm is a Euro pallet
- All cardboard box footprints must be compatible with the Euro pallet dimensions. The following cardboard box footprint dimensions are permissible:  
120 x 80 X 60 cm
- Cardboard box dimensions should be such that the box is completely full without exceeding the maximum box weight. Box quantities are to be agreed in advance of shipping. **Contract Review will specify specific packaging requirements.**
- **Pallet height <= 77 cm unless agreed in advance.**

#### 4.5. Requirements for shipping packaging

The following rules are designed to ensure smooth, efficient material flows between the supplier and Montrose. They involve in particular the optimum design of shipping packaging, standardized dimensions and coordinated quantities of contents in the loading units. The following requirements must be met regardless of what type of packaging is used:

- Damage-free delivery of goods
- Formation of optimum loading units
- Transport securing
- Stack ability
- Compliance with specified standard dimensions
- Structure suitable for handling
- Recyclable materials
- Labelling of packaging materials used

The purpose of these rules is to allow unproblematic unloading and transport of loading units using industrial trucks on to automatic conveyance and storage equipment.

Contour checks are also carried out in our automated material flow system, which means that all objects, pieces of paper, bands, covers, etc. that protrude beyond the outer contours of the loading units should be avoided. The contents and size of the agreed upon packaging units must always be the same for each part number.

##### 4.5.1. Specific requirements for shipping packaging

- Loading equipment and packaging must be designed to ensure sufficient transport protection with a minimum amount of packaging.
- The loading units must be able to withstand stacking without deforming or otherwise being damaged. The stability of the cardboard boxes may need to be increased by using corner inserts.
- If the goods may not be stacked, they must have a printed label to this effect.  
This information must be easily visible and permanently attached to each affected package.

##### 4.5.2. Design of shipping packaging

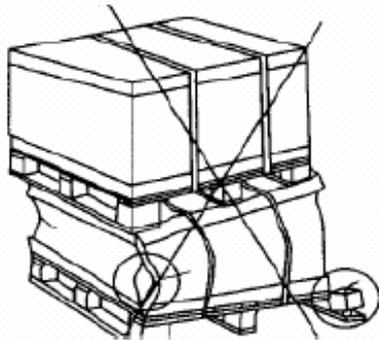
- Individual packaging of articles should generally be avoided if the transport packaging provides sufficient protection for them.
- If an article consists of several parts, they must be packaged together into a single unit (set packaging).
- Combine sufficient delivery volumes into single-product loading units.
- "Individual articles should be packaged together as a bundle, observing the rule "heavy before light". This means that heavy items should be located towards the bottom of the pallets, followed by lighter items on top.
- In case of mixed goods on a pallet:
  - Position articles consisting of only one or few packages on top
  - Place items with the same article number on top instead of next to each other
- Sample articles are to be delivered separately, and the recipient must be clearly identifiable.

##### 4.5.3. Structure of a loading unit

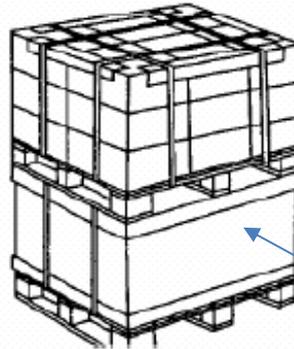
If a loading unit consists of smaller packaging units combined together, they must comply with the dimensions specified in section 4.4. The stack ability of the loading unit must be maintained.

Individual packaging units are to be secured so that they cannot shift when loading units are formed. If it is not possible to form a complete loading unit with the quantity delivered, the excess space must be filled with approved filling materials.

**Stackability of loading units:**



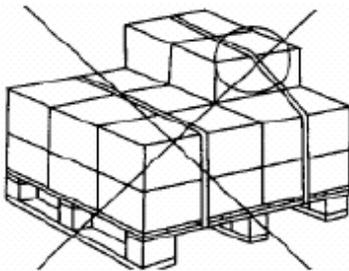
Wrong



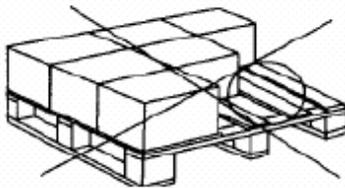
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**PALLETS MUST BE LABELLED WITH CONTENTS AND NUMBERED**

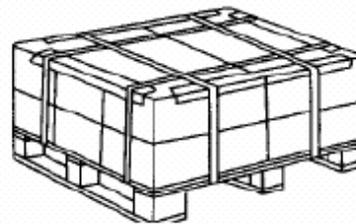
**BOXES SHOULD BE CLEARLY MARKED WITH LOT/BATCH NUMBERS**



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Wrong



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**4.5.4. Securing loads on a loading unit**

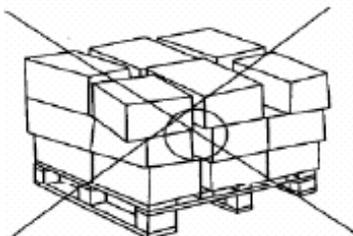
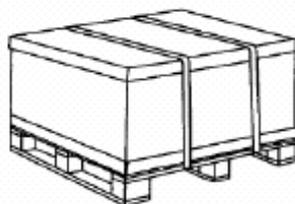
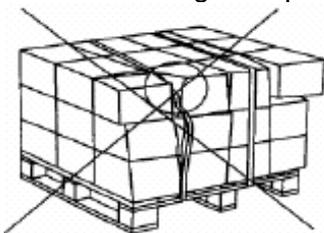
Loads on a loading unit (pallet) must be secured with at minimum:

- 4.5.4.1. A pallet sealing cover (hooded cover) or shrink film cover
- 4.5.4.2. Stretch film

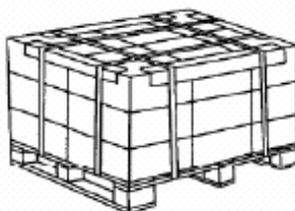
- Plastic strapping (double or quad) with edge protectors.

The footprint dimensions of the loading units (1200 x 800 mm) must not be exceeded by packages and loading units. Loading units must be secured so that they cannot shift during transport.

It is not permissible for strapping to cut into cardboard boxes; avoid this by using edge protectors. When removing sub-quantities of a loading unit, make sure the remaining quantities are stable.



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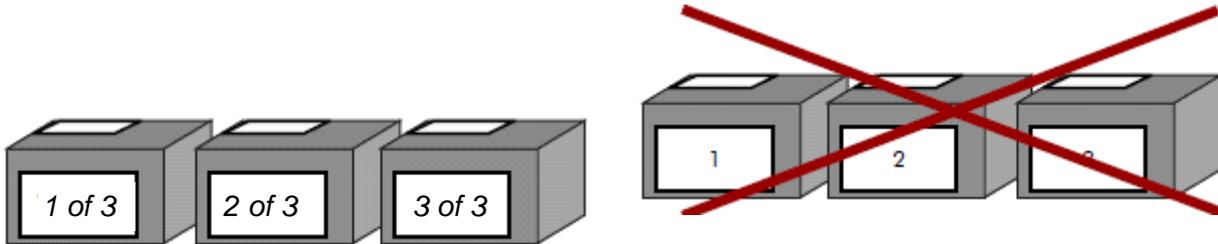
**5. Modes of shipment**

Shipments to our company are subject to policies below. You will be invoiced for any additional costs incurred due to not following these rules.

### 5.1. Delivery of packages

When individual packages are delivered, it must be clear from the outside who the sender and recipient are. If the shipment consists of several packages, this must also be externally apparent.

For example



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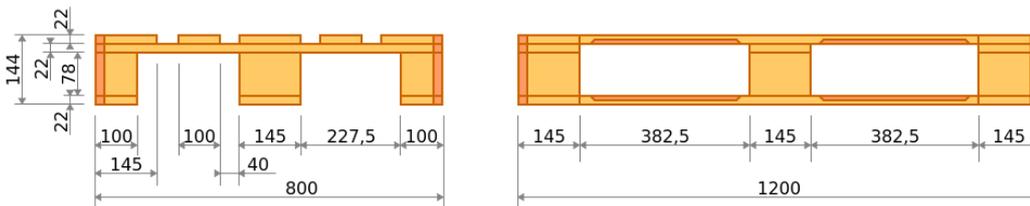
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These measures help both you and us to avoid confusion, errors, etc. and to ensure your and our workflows. If a shipment consists of multiple packages, the package containing the dispatch note must be clearly labelled.

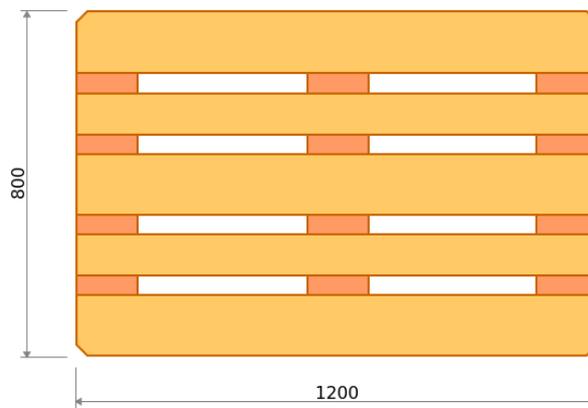
If a shipment consists of multiple packages, each package should be labelled with the overall number of packages.

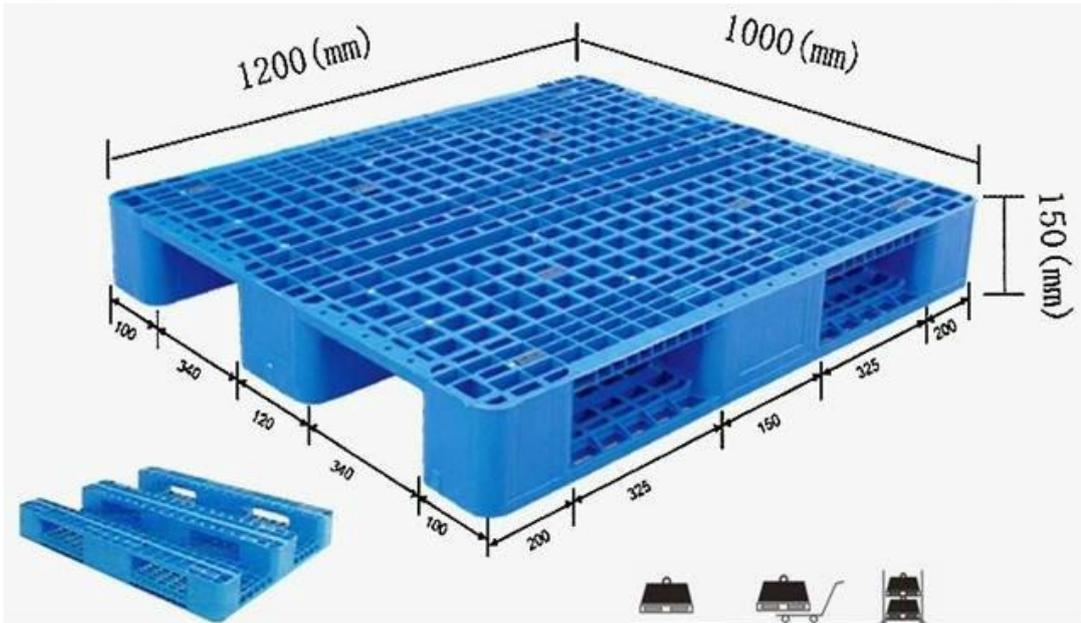
### 6.0 Criteria for Euro pallets

**Pallet must be to;**



PALETTE EUR-EPAL ©





Pallets are not acceptable if they have one or more of the following types of defect.

- A single upper or lower leading board is damaged so that more than one nail or screw shank is revealed:



- A board is missing:



- A block is missing or split to the point where more than one nail shank is visible:



- A board is broken across its width or diagonally:



- More than two upper or lower edge boards are damaged and reveal more than one nail or screw shank:



Other characteristics (poor overall condition):

- The loading capacity can no longer be guaranteed (rotten, strong splintering).
- Contamination is such that products may be soiled.
- Large splinters are coming away from a number of blocks.
- There is evidence that inadmissible construction elements have been used (e.g. blocks that are too thin or too narrow).