

Specification for Packaging Marking and Shipping



Scope:

This Specification establishes the minimum Packaging, Marking and Shipping requirements for Santos Suppliers of Goods. It includes:

- the preparation and preservation of Goods;
- the acceptable use of packaging materials; and
- the marking and required documentation for shipping.

Aim:

The aim of this Specification is to ensure that all Goods that are delivered to Santos Sites are;

- a) Fit for purpose and in a serviceable condition with adequate provision for:
 - transport to remote field sites, and
 - long term storage in extreme environments.
- b) In the quantity and configuration as described in the Purchase Order or Blanket Release.
- c) Adequately identified with the correct documentation to enable the receipt and storage of the delivery without delay.

References:

This document must be read in conjunction with Santos, International and Australian Standards, and Legislation including, but not limited to the:

- a) Santos Contract;
- b) Santos Standard Purchase Order Conditions;
- c) Original Equipment Manufacturer (OEM) recommendations;
- d) Australian and International Standards
 - AS2400 Packaging
 - AS2852 Packaging – Pictorial marking for the handling of packages; ISO 780:1997
 - AS4068 Flat pallets for materials handling
 - AS4762 General-purpose flat pallets - Principal dimensions and tolerances (International Pallet Sizes); ISO 6780:1988
 - AS3711 Freight containers
- e) Heavy Vehicle National Law (HVNL);
- f) Guidelines and performance standards for the safe carriage of loads on road vehicles - Load Restraint Guide, Second Edition 2004;
- g) International Air Transport Association (IATA) Dangerous Goods Regulations; and
- h) International Maritime Dangerous Goods Code (IMDG) including Australian Supplement
- i) National Code of Practice for Manual Handling [NOHSC:2005(1990)]

Santos Limited	ABN 80 007 550 923
Title	Specification for Packing Marking and Shipping
Version	8.1
Date approved	15 December 2015
Approved by	Manager Supply Chain Excellence
Authorisation	Justin Yule
Responsibility for review	Team Leader Logistics Improvement
Frequency of review	As Required

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INSTRUCTIONS

For all Goods to be supplied to Santos Sites, a purchase order or blanket release will be provided. The Supplier must comply with the specific requirements of the purchase order or blanket release, particularly the;

- Delivery Location (known as the Ship to Location or Site).
- Any special delivery instructions.
- Date Required.
- Quantity required (Santos defined Unit of Measure).
- Pack Size that Santos require the Goods to be supplied in.
- List of the Goods being ordered (including the Santos Item Number).
- INCO Terms.
- All other relevant Santos Guidelines and Policies.

All Goods received including preservation and packaging materials together with package markings and documentation may be subject to inspection by Santos. Any costs incurred by Santos due to the failure of the Supplier to comply with this Specification will be charged to the Supplier.

An example of a Santos Purchase Order can be seen below for reference:

		GLNG Operations Pty Ltd ABN 66 132 321 192	AMENDED ORDER	Standard Purchase Order 1072208 Revision 1
Supplier: (Santos Supplier Name) (Supplier Address)		Bill To: Accounts Payable GPO Box 1247 Adelaide, SA 5001 Australia Payment Enquiries Phone: 08 8116 7727 e-mail: Accounts.Payable@santos.com		Ship To: Toll Global Resources Division, 1 Wyuna Court Hemmant, QLD, 4174 OR Toll NQX, 32 Young Street Gladstone, QLD 4680 Australia All domestic freight - call 1800 550 202 or email santosfreight@toll.com.au
Order Date: 22-JUL-2015 Amended Order Date: 22-JUL-2015		Payment Terms: Due 30 days Incoterms: Ex Works		Santos Procurement Contact: Jason Poh Tel: 1300 726 867 Fax: 08 8116 5098 e-mail: jason.poh@santos.com


Terms & Conditions: This order of GLNG Operations Pty Ltd, as agent for Santos GLNG Pty Ltd (ABN 12 131 271 648), Petronas Australia Pty Ltd (ABN 25 064 998 867), TOTAL GLNG Australia (ABN 11 978 897 527) and KGLNG Liquefaction Pty Ltd (ABN 39 146 143 311) is for the following items and is subject to GLNG Operations Pty Ltd's Standard Terms & Conditions available at <http://www.santos.com/procurement-logistics.aspx>, other documents, specifications and terms referred to in this order. Changes, additions and deletions will be documented solely by an Amendment executed in the same manner as this order.

Invoicing: Please ensure all invoices submitted contain the relevant GLNG Operations Purchase Order Number.

Shipping/Routing Instructions: All packages are to be marked and consigned in accordance with the Specification For Packaging, Marking & Shipping available online at <http://procurement.santos.com>. The purchase order number must be clearly marked on the consignment note and all packages as per the routing instructions.

Furthermore the final destination must be marked on each and every package. Where multiple destinations are specified the goods must be packed and marked separately.

Notes To Supplier:
 The Terms and Conditions of this order are governed by the contract associated to Blanket Purchase Agreement 929967

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PO Line	Shipment	Item Number	Item/Description	Date Promised	Date Required	Quantity	Unit of Measure	Unit Price (excluding GST)	Line Total (excluding GST)
1	1	100100	(Santos Item Description) Manufacturer & Part Number: (Manufacturers Part Number as per Santos Catalogue) Final Destination: Curtis Island Stores Requisition: 1082407 Requisitioner: Benjamin Heinrichson	10-NOV-2015	10-NOV-2015	1	EACH	1,059.00	1,059.00
2	1	100101	(Santos Item Description) Manufacturer & Part Number: (Manufacturers Part Number as per Santos Catalogue) Final Destination: Curtis Island Stores Requisition: 1082397 Requisitioner: Benjamin Heinrichson	10-NOV-2015	10-NOV-2015	1	EACH	2,692.00	2,692.00
3	1	100102	(Santos Item Description) Manufacturer & Part Number: (Manufacturers Part Number as per Santos Catalogue) Final Destination: Curtis Island Stores Requisition: 1082397 Requisitioner: Benjamin Heinrichson	10-NOV-2015	10-NOV-2015	2	EACH	1,367.00	2,734.00
4	1	100103	(Santos Item Description) Manufacturer & Part Number: (Manufacturers Part Number as per Santos Catalogue) Final Destination: Curtis Island Stores Requisition: 1082407 Requisitioner: Benjamin Heinrichson	10-NOV-2015	10-NOV-2015	1	EACH	1,430.00	1,430.00
Order Authorised For GLNG Operations Pty Ltd By: Jin Yi Poh								Purchase Order Total AUD (excluding GST)	7,915.00

PREPARING GOODS FOR SHIPMENT

Packaging

The Supplier must ensure that the method of packaging provides effective protection against damage in handling and transport between the Supplier and the final storage of the Goods.

All packaging and packing materials used must be able to withstand remote field conditions, including, but not limited to significant UV exposure, moisture and extreme temperatures.

Goods “catalogued”(and ordered by Santos Item Numbers) shall be supplied in packages containing one Santos Item Number per package. The package shall be clearly identified with the Santos Item Number and quantity.

Goods that are not “catalogued” and ordered with no Santos Item Numbers can be consolidated with other items on the Purchase Order unless they are to be delivered to multiple locations.

Any package which appears to be manageable by a single person should be limited to 15kg. If the package weighs greater than 15kg then it must be easily identifiable.

Preservation

The Supplier must ensure that all Goods are suitably protected to prevent corrosion during handling, transport and storage.

Goods that have openings must be sealed with caps, plugs or waterproof tape to prevent the ingress of dust and moisture.

Goods with painted surfaces shall be suitably protected to prevent rubbing or scuffing during transport.

All surfaces that are subject to corrosion must be treated with an appropriate temporary corrosion preventative. The selection and application shall comply with AS2400 Part 5 Temporary corrosion protection.

Goods that are susceptible to climatic conditions must be packed in moisture-vapour proof sealed enclosures with adequate amounts of desiccant in accordance with AS2400 Part 18 Use of desiccants in packaging.

Where machined and internal surfaces of the packaged Goods are protected by desiccants, inhibitors and sealants the exterior of the package shall be clearly identified with the word(s) “DESSICANT”, “INHIBITOR” or “SEALANT” and a metal tag shall be wired to the equipment or material item clearly embossed with the following details:

- Type of desiccant, inhibitor or sealant used;
- quantity used; and the
- location

Marking

Each package shall be identified with the:

- Santos Item Number and the Original Equipment Manufacturer (OEM) part number. – (use of a barcode is preferred)
- Quantity as per Purchase Order unit of measure.
- Number of packages associated with the packing slip contents (e.g. 1/5, 2/5 etc.)
- Ship To Location & Final Destination

Marking should be appropriate for long term storage.

Shipping Documentation

Shipping documentation must accompany all deliveries and include as a minimum a packing list itemising the contents of the consignment to enable a check of ordered versus delivered products.

All documents are to be securely attached to the outside of the packaged items in a weather resistant sealed envelope.

A packing list shall contain no less than the following information:

- Purchase Order Number and Blanket Release Number (if applicable) – (use of a barcode is preferred)
- Tag/Equipment number (if applicable)
- Supplier’s name
- Final Destination
- Santos Item Numbers or PO Line Number (Barcode Preferred)
- Quantity of Items based on Santos Unit of Measure
- Description of the contents
- Supplier reference number (Barcode Preferred)

Assembly and Kits

Where practical the Goods shall be shipped fully assembled, however when the shipping of fully assembled Goods is not possible, items can be disassembled and packed but must be supplied in the one shipment.

Goods supplied as a kit must be supplied in full in the one shipment.

Hazardous and Dangerous Materials

The Supplier must apply the proper warning labels and markings to the Hazardous and Dangerous Goods. The appropriate Material Safety Data Sheets (MSDS) must accompany the shipment and transportation must be in accordance with the relevant standard and/or legislation.

Air Shipments

Goods that are to travel via air transportation must be packed according to International Air Transport Authority (IATA) regulations. Under no circumstances are any hazardous goods to be packed with non-hazardous goods when they are being prepared for air transport.

Pre-Shipment Notification

Where special manual handling equipment is required at the receiving site; the Supplier must notify Santos at the time of the order receipt or within 4 weeks of the expected arrival date of the requirements.

Delivery Locations

The Goods must, unless they have been specifically requested by the Santos Buyer, follow the Ship to Location as shown on the Purchase Order or Blanket Release. If multiple delivery locations are shown, the product shall be packaged and marked to suit.

Optimisation

The Supplier shall optimise the size, weight and complexity of the packaging and packaging materials to minimise the cost of transport, handling and storage.

Where a supplier is utilising the Santos nominated transport provider detailed in the Purchase Order, the Supplier shall consolidate items to a single consignment and endeavour to keep the number of unique shipments to a minimum.

ACCEPTABLE PACKAGING

Santos recommends the Supplier utilise the following materials and packaging structures for all Goods supplied to Santos sites.

All freight packaging and padding materials must comply with Australian Standards.

Sacks and Bags

Where sacks and bags are to be used for packaging the design and use shall be in accordance with AS 2400 Part 8 Textile bags, sacks and wrappings.

Timber Boxes, Crates and Skids

The design of timber boxes and crates shall be in accordance with AS 2400 Part 7 Timber boxes.

In addition, the Supplier shall ensure that all boxes and crates are either weatherproof lined or that the Goods are weatherproofed prior to packing.

Timber boxes, crates and skids are to be steel strapped and the straps are to be secured with crimped steel seals. Non-metallic strapping shall only be used on cartons or packages packed within the boxes or crates.

Three-way corner construction reinforced with diagonals shall be used for all crates that are not plywood sheathed.

Large crates must bear great superimposed loads. Top strength should be ensured through the use of frequent (not more than 1m apart) top joists. When sheathed, joists shall be placed under the sheathing. Joist supports are to be provided directly under the joist ends.

For the purpose of lifting by forklift all boxes, crates and skids must be fitted with bearers having a height of no less than 100 mm high and 150 mm wide. Bearers are to permit forklift tine access from two opposite sides.

Screws not nails should be used when sealing timber crates.

Open Crates

Open crates shall only be used for Goods which are virtually indestructible so that packing is required only to facilitate handling and stowage.

Pallets

The design of pallets shall be in accordance with AS 4068 Flat pallets for materials handling and AS 4762 General purpose flat pallets – Principal dimensions and tolerances (international pallet sizes).

Goods when packed onto pallets shall at no time protrude beyond the extremities of the pallet.

Pallets are to be non-returnable.

Soft wood pallets are not to be supplied as the pallet will not survive the outback road conditions.

Drums

All drums supplied containing chemicals and/or hydrocarbons are to be new non-recycled drums.

Drums are to be palletised with a shock absorbing material (e.g. rubber, cardboard) to be placed under all drums to protect the base of the drum from wear whilst in transit. The addition of this material also reduces the flex of the drum base.

Further protection (cardboard) should be put between drums to prevent rubbing whilst in transit.

Frames

Purpose built transport frames must be designed, checked and manufactured to Australian Standard AS4991 (Lifting Devices) and must incorporate load restraints and lashing points as described in the National Transport Commission publication "Load Restraint Guide" 2004 edition.

Spreader beams or transport frames incorporating lifting beams must also conform to AS1418 (Cranes Hoist and Winches).

Manufacture and structural integrity of all transport frames must conform to AS3990 (Mechanical Steelwork) including non-destructive testing of the lifting lugs.

No modifications must be made to Original Equipment Manufacturers (OEM) frames other than the OEM themselves.

Support Saddles

Where support saddles are required for the transportation of Goods such as vessels, columns and exchangers they shall be designed and incorporate the following:

- Saddles shall be designed for the purpose of transporting the Goods and transport drawings shall be submitted for review.
- Where appropriate steel wrapper plates shall be supplied to distribute the load and protect the saddles
- Saddles shall be fitted with lifting lugs and supplied with a steel rope or flat metal strapping to secure the saddle to the Goods during lifting or transport.
- Subject to the transport configuration and design requirements, saddles may be either of timber or steel construction.
- Where bolsters and chock blocks are required they shall be contoured to suit the outside curvature of the Goods to ensure adequate and uniform distribution of loadings over the surface of the Products to be supported.

Freight Containers

The use of freight containers will generally provide the best protection from breakage and theft, aid in cargo-handling and reduce packaging and transportation costs.

Freight containers are to be used in accordance with the following standards:

- AS 3711 Freight containers Part 1: Classification, dimensions and ratings
- AS 3711 Freight containers Part 9: Coding, identification and marking
- AS 3711 Freight containers Part 10: Handling and securing (ISO 3874:1998)

All container movements must be accompanied by a valid container weight declaration (CWD).

The CWD must contain the following information:

- The weight of the container (including its contents);
- The container number and other details to identify the container;
- The name and business name or details necessary to identify the container;
- The date of the declaration; and
- Any other information required by the regulations (Example: DG Class, UN number etc.)

REQUIRED DOCUMENTS

Material Certificates

Unless defined specifically in the Santos Contract or Purchase Order the Supplier shall provide the following certificates and documentation with the items in accordance with the Santos Engineering Standards detailed in Appendix 1 - Santos Engineering Standards and Documentation.

- Certificate of Conformity
- Material Traceability Records
- Material Certificates, Metallic Products
- Pressure Test Records
- Equipment FAT / FIT Records

International Shipping Documents

The Supplier shall provide Commercial Invoice, Packing List and Certificate of Origin for international shipping and customs clearance purposes.

The Commercial Invoice shall contain the following as a minimum;

- Date of invoice
- A discrete identification of "invoice" number
- Shipper name and address; consignee name and address
- Show complete SELLER and SOLD TO company names and addresses
- Typed or machine printed in English

- Full description of the Goods; not to use of "Lot" or "Miscellaneous"; include tag number if applicable
- Minimum first six digits of harmonized tariff code.
- Purchase order number
- Shipping Control Number (SCN) if assigned by the BUYER
- Unit cost; quantity shipped; total cost; currency used.
- Country of origin of the Goods

Wood Packaging Treatment Certificates

Shipments using wood export packaging materials and dunnage shall have the marking on the wood showing evidence of heat treatment or fumigation and comply with the International Standards for Phytosanitary Measures No 15 for Solid Wood Packaging Materials (ISPM 15).

Any shipment that does not have the marking on all wood pieces will be required to have an acceptable Treatment Certificate verifying the wood has been treated by an approved method in accordance with ISPM as per DAFF quarantine requirements.

APPENDIX 1 – Santos Engineering Standards and Documentation

	Santos Engineering Standard	Certificate of Conformity	Material Traceability Records	Material Certificates (Metallic Products)	Pressure Test Records	FAT FIT Records
Pumps (Centrifugal)	1515-30-S001	YES				YES
Piping and Valves	1515-50-S001		YES	YES	YES	
Plant Pressure Pipe	1515-50-S002		YES	YES	YES	
High Pressure Steel Line Pipe	1515-50-S004					
Control Valves and Ancillaries	1515-70-S002		YES	YES	YES	