

Australia Business Unit Packing and Marking Procedure ABUE-000-LO-N05-O-00011

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Revision Detail

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1. Purpose

This procedure details shipment packing and marking requirements for goods and materials intended for delivery to and from the site or premises of Company or Company's Affiliates. This procedure shall not relieve the Contractor of any contractual obligations to adequately protect goods and materials packed for shipment in accordance with the Contract, Purchase Order, or any other agreed terms and conditions. Requirements for packaging may be included in technical specifications that form part of the Contract or Purchase Order.

2. Scope

This procedure is not intended to cover packing requirements for long-term storage and preservation of goods and material. If Company requires packaging and preservation suitable for long-term storage of goods and materials that will form a specific part of the Contract or Purchase Order.

Requirements for shipping documentation do not form part of this procedure and reference should be made to the Contract or Purchase Order and the Australia Business Unit Shipping Documentation Requirements ABUE-000-LO-N05-O-00012.

This procedure applies for international and domestic shipments.

3. Related Company Specifications

Australia Business Unit Shipping Documentation Requirements ABUE-000-LO-N05-O-00012.

4. National/International Codes and Standards

The following are provided as guidance only and may not apply in all instances for export packing and marking requirements.

- IMDG
- DGR
- ADG
- ISPM 15
- Australian Standards.

5. Terms and Definitions

In this procedure defined terms have the same meaning as the Contract or Purchase Order.

Table 5.1. List of Abbreviations

Term	Definition	
ADG	The Australian Code for the Transport of Dangerous Goods by Road and agreed by the Australian Transport Council and implemented under Requirements.	
Australian Standards	Any applicable standard prepared, approved and published by Standards Australia Limited ABN 85 087 326 690.	
Company	Company is as defined in the relevant agreement document, or if this procedure is being read in conjunction with a purchase order, the Buyer.	
Contractor	ctor Contractor is as defined in the relevant agreement document, or if this proces is being read in conjunction with a purchase order, the Seller.	
DGR	The Dangerous Goods Regulations published by the International Air Transport Association.	
DN	Nominal diameter, a metric set of standard sizes for pipes which conforms to ISO.	
IATA	The International Air Transport Association.	
IMDG	The International Maritime Dangerous Goods Code published by the International Maritime Organisation.	
ISPM 15	The International Standard for Phytosanitary Measures 15 "Regulation of Wood Packaging Material in International Trade" adopted by the Commission on Phytosanitary Measures of the International Plant Protection Convention.	
ISO	An international standard published by the International Organization for Standardization.	
SDS	Safety Data Sheets.	

6. Critical Safety Requirement for Packaging

Company is committed to safety as a core principle and philosophy and recognises the ongoing risk to personal safety and assets from dropped objects, pinch points, uncontrolled pressure release and leakage to the environment due to transport and handling of goods and materials. Poor package design and marking, incorrect construction and assembly, may contribute to the risk of damage during transport. To mitigate these risks the Contractor must select and use appropriate packaging.

6.1. Identification of Package Mass

Weight must be accurately identified by clear legible marking. Gross and net weights marked on packages shall be in kilograms.

6.2. Stability (Centre of Gravity) of Packaging

Containers, boxes, and pallets must be designed and packed to maintain the centre of gravity as uniform and low as possible.

Large items (>15 kg) with unusual centre of gravity (e.g., pipe spools, valves, and other mechanical equipment) shall be supported on purpose built cradles or bolsters that maintain the item in a stable position even after restraint devices are removed.

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The package shall indicate the centre of gravity point. If the item(s) can move suddenly when strapping or other restraints are removed during unpacking, then markings shall be clearly shown on a minimum of two sides of the package warning of this danger.

Items within packaging and combinations of packages in larger containers or pallets must be effectively secured to avoid movement of items that may cause changes in the centre of gravity.

6.3. Secure Packages / Containers

Adequate and proven systems of securing items within packages and on pallets shall be used.

6.4. Lifting / Handling of Packaging

Recommended or required lifting points and method shall be clearly shown by markings on all equipment. Use of international symbols/icons is recommended.

Special lifting devices such as spreader bars, shackles, lifting eyes, slings, and all special shipping containers and cradles supplied by a Contractor shall be described in the packaging proposal made to the Company. The Contractor must provide certification of design and testing of any such devices or lifting equipment.

Lifting devices required to remain attached to the equipment until installed must be secured for transportation until such time that the lifting devices are used. Items such as spreader bars are to be secured for transport and should not be attached to the equipment.

Lifting points, lifting equipment for moving packaged equipment or removing equipment from its packaging shall be designed as per the Company's requirements.

6.5. Dangerous Goods

Packages or containers containing chemicals, flammable liquids, chemicals and other dangerous goods must be packaged and segregated in accordance with the applicable international standard and/or Australian Standard for transport (i.e. IMDG, IATA DGR, ADG).

6.6. Pressurised (or Potentially Pressurised) Goods

Packages or containers containing pressurised goods (excluding normally pressurised gases covered by dangerous goods requirements) must be identified by marking. Attached documentation shall provide a summary of the type of pressurised items and any hazards associated with it during normal handling or in the event of accidental damage to the packing.

Sufficient air space shall be provided in liquid filled containers to provide space for expansion, minimise head pressure, and withstand exposure to heat.

6.7. Position Critical Goods

Packages containing goods required to rest in an upright position shall be marked with arrows applied on the shipping container pointing to the top of the package. If it is critical for the load to remain upright, the box shall be equipped with lift handles, skids, cables, or similar device to ensure the box will be stowed and handled in an upright position.

7. General Requirements

7.1. Submission of Contractor's Procedures for Review

Contractor shall submit their packing procedures for the Company to review. The submitted procedures should comply with:

- This procedure
- Any applicable International Standard
- Any applicable Australian Standard
- Any other requirements for packaging or preservation stated in other specifications included with the requisition.

The Contractor shall indicate if packaging complies with an international standard or Australian standard or is a non-standard packaging method. Proposed non-standard packaging and crating shall be reviewed by the Company prior to assembly of packaging. Any information on verification testing on non-standard packaging performed by the Contractor should be provided to assist in determining the fitness for intended use. Similarly, any information on limitations of packaging and preservation should be provided (e.g., "not suitable for long term exposure to Ultra Violet and outdoor conditions", "limited life of packaging if stored continuously at high temperatures and/or high humidity", "moisture control materials within packaging need to be replaced after 12 months"). The expected climatic conditions where the packaged goods/equipment will be delivered and stored may be provided to the Contractor in documentation such as equipment engineering data sheets or specifications (such as "site conditions, climate and utility data for topside equipment"). Where information on expected climatic conditions is not provided the Contractor may request further information before proposing a packaging method.

Material used for packaging including packing, wrapping, sealers, moisture resistant barriers and corrosion preventatives shall be recognised brands and grades conforming to the applicable statutory requirements, and international and national standards. There shall be no defects, imperfections, or omissions which may impair the protection afforded by the package. All metals subject to corrosion shall be treated with a rust preventative suitable for the purpose intended (subject to the Company's review). Any materials used for packaging and/or preservation that represent a health hazard or require special care during waste disposal are to be highlighted in the packaging proposal submission.

7.2. Consignment Requirements

All goods and materials in connection with a Contract or Purchase Order should be shipped complete in one shipment, unless stipulated otherwise in the Contract or Purchase Order, or approved by the Company.

Only goods covered by one Contract or Purchase Order shall be packed in a box. Several cartons of the same good or different goods on the same Contract or Purchase Order can be packed together providing it is clearly shown on the box or crate stencil and packing list.

Dry cargo shipping containers shall be used whenever possible to reduce volume and speed cargo unloading at all points.

7.3. Markings

The following shall apply as a minimum but may be extended in the Contract or Purchase Order instructions to the Contractor.

- All required markings must be in English.
- Gross and net weights marked on packages shall be expressed in kilograms.

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- All crates/boxes/drums/packages containing dangerous goods must be marked clearly on the outside with
 the relevant code and legislated details (e.g., IMDG class, packaging group) and the relevant Safety Data
 Sheet must accompany the goods. The markings shall comply with international standards, Australian
 Standards, requirements for air, sea, or regional road transport, and the further Contract or Purchase
 Order instructions and specifications. The Contractor should seek further advice from their freight
 forwarder, the ground and/or air carrier and/or the local regulator for transport of dangerous goods if
 unsure about compliance of packaging or markings.
- Equipment tag numbers or Purchase Order numbers should be marked on the outside of packaging. Also, where applicable, the Contractor's part/identification number shall be marked.

The Contractor shall mark on or securely attach:

- Any special handling and/or storage instructions.
- List of oils, greases, corrosion preventatives (used to protect the equipment), or any other chemical with details of type, manufacturer, application and method of removal, and any disposal requirements. Copies of associated Safety Data Sheets must be provided for all such items.
- Markings shall be waterproof in clear legible characters and where necessary be coated with protective material to prevent shipping information from being damaged and rendered illegible.
- Bundles shall be marked by embossing steel (or similar tough material) tags with the details and securely fastening to the bundle in an accessible position.
- Where labels or tags are used, they shall be visible and be of a quality to remain visible and attached during transit, handling and storage.
- Drum head stencils and body stencils shall be coated with durable varnish or other suitable coating to prevent shipping information from being obliterated due to rough handling or the elements.
- The case number shall identify the individual package and indicate the total number of packages in the shipment (e.g., Box No. 1 of 4, Box No. 2 of 4). Items within a multiple pack of the same commodity, with identical count, gross, tare and net weights and cube (such as shipment of twenty drums of lubricant) need not be numbered.
- Multiple parts which comprise a single line item on one Contract or Purchase Order shall be identified by
 applying the full article description to one unit while the remaining units retain the Contractor's standard
 identifying marks on individual packages. Packing lists shall list each individual unit. The piece or package
 indicating the full article identification marking must be packed in a location within the shipping container
 for first removal.

7.4. Packing Lists and Shipping Documents Accompanying Consignments

Packing lists and associated shipping documentation (including inspection release certificates where applicable) shall be prepared in accordance with the specific instructions in the Contract or Purchase Order and comply with any applicable Australian standards and international standards. They must accompany the shipment in a weatherproof enclosure.

7.5. Quarantine Requirements – Department of Agriculture

Australia has strict quarantine requirements, and the Contractor will need to determine any specific requirements by referring to the Australian Department of Agriculture web site.

In particular:

- Timber material, including packaging, must be treated and compliant for import to Australia.
- Second hand machinery and tooling must be cleaned prior to export from origin to 'as new condition' in order to meet Australian quarantine requirements. An import permit may be required. Goods are not to be shipped without a valid permit, if required.

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- Greasy machinery may attract insects or seeds and will need to be cleaned to 'as new' condition prior to arrival in Australia.
- Tyres are not to be used for packaging or dunnage.

7.6. Sustainability

Packaging should be kept to the minimum amount so not to generate excess waste packaging. This is in keeping with the Waste Management Plan (ABUE-450-EN-N05-C-00007) waste management hierarchy (refer to Figure 7.6.1).

Where necessary packaging is required, it should be reusable or recyclable if possible.

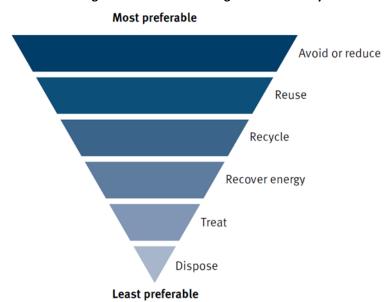


Figure 7.6.1. Waste Management Hierarchy

8. Specific Requirements

8.1. Boxes, Crates and Pallets

8.1.1. Boxes/Crates (Cardboard/Timber/Plastic/Metal)

- All boxes/crates provided shipping shall be designed and constructed in accordance with applicable International Standards and Australian Standards (unless otherwise approved by the Company). Note that the Australian Department of Agriculture requires all relevant timber products to be treated.
- Interior supports (where fitted) shall be strong enough to withstand stevedore handling.
- Tops of crates shall be one piece whenever possible to avoid seepage through cracks, otherwise a top coating is required.
- Weatherproof lining shall be used for sides, ends and top of crates; proper venting of crates containing
 machinery is required, as well as sufficient use of desiccants. The Contractor is to calculate the quantity
 of desiccant in accordance with the Contractor's recommendations. Desiccants shall be packed to avoid
 dispersing in boxes or crates. Boxes and crates shall be marked to reflect that desiccant is being used.
- Crates shall be diagonally braced on all faces and suitable for proposed lifting methods.
- Heavy items (>15 kg) shall be secured with braces. Fragile items shall be cushioned. Material packed in large crates shall be layered between plywood sheets to maintain load integrity during transit.
- Appropriate banding (steel or plastic) shall be used on all boxes/crates to prevent distortion/deformation of the box/crate.

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8.1.2. Pallets

- All pallets provided for shipping shall be provided in accordance with applicable international standards and Australian Standards (unless otherwise approved by the Company). The Australian Department of Agriculture requires all relevant timber products to be treated.
- Pallets must be packed in such a way to maintain the centre of gravity as low as possible.
- Pallets shall be clearly labelled to show the part number and pallet quantity. Additionally, each carton/package within the pallet shall identify individual labels detailing the part number and order/contract number etc.
- Pallets must be in good repair and of a construction suitable for moving with a standard counter-balance or reach fork-lift truck.
- All goods on a pallet must be secured to the pallet, so that no movement or damage can occur to the goods during normal transportation and goods must not overhang the edge of the pallet.
- If pallet banding is applied, adequate edge protection must be used to the top edges of the load to prevent the banding from damaging the load.
- Standard pallets should be 1200 mm x 1200 mm unless material to be palletised requires a specific design.
- Plastic wrap/heat shrink wrap should be used for all palletised materials.

8.1.3. Mailing Boxes and Tape

Mailing boxes for literature and printed matter shall be crushproof and properly sealed to prevent damage to contents.

9. Specific Requirements for Commodity / Equipment Types

9.1. Flanges

- All flanges in an assembly, as a minimum, shall be supplied with adequately protected faces. Protection shall be of the entire flange face and stop any potential ingress into the bore.
- All flanges shall be suitably protected with a thin coating of preservative.
- Flanges, when stacked together in one case/crate, must be separated between each flange to prevent damage in transit.

9.2. Gaskets

Gaskets are considered fragile and shall be treated as such. Individual gasket sizes shall be boxed and labelled separately. If gaskets are natural rubber, neoprene or buna are specified, the crate shall specify the Contract or Purchase Order and the item number, quantity, and state "Warning – Package Contents Require Long Term Cold Storage and may be Damaged by Exposure to Heat – Do not leave package in hot locations including direct sunlight outdoors for extended periods during transport".

9.3. Valves

- Body and identification plates should be legibly marked in accordance with relevant Code, Standard, Specification or Manufacturers Standardization Society MSS SP 25:2013 Standard Marking System for Valves, Fittings, Flanges, And Unions as appropriate.
- All valves shall be individually tagged.
- All valve ends/openings shall be plugged with caps or flange protectors.
- Valves shall be packed in the Contractor's approved crates, pallets, or other suitable approved packing.
 Several cartons of the same item or different items on the same Contract or Purchase Order can be crated or boxed together if this is clearly shown on the box or crate stencil and on packing lists.

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Manual operators and/or hand wheels, levers, or reach rods may be removed from valves by Contractor
after testing and inspection, similarly protected and boxed, and similarly tagged as valves. Electric,
hydraulic and air operators shall have all holes sealed to prevent entry of moisture and dirt.

9.4. Rotating Mechanical Equipment

Pumps, compressors, turbines, motors, and other rotating mechanical equipment etc. will require specific packing and preservation. These details will be issued separately as a supplement to this procedure in the Contract or Purchase Order and must be read in conjunction with and not replace this document.

9.5. Rotating Electrical Equipment

- Openings in electrical motors, generators and other electrical equipment shall be sealed with fit for purpose bungs, seals, stoppers, or weatherproof tape.
- All motors/equipment fitted with shaft locks, or other restraining devices, shall have adequate warning notices displayed prominently on the motor/equipment frame.
- The shaft(s) of rotating equipment shall be locked in position.

9.6. Control Panels, Instruments, Circuit Boards and Similar Electrical Devices

- Instrument panels, delicate instruments, parts, etc., shall be packed in vapour proof material, foam packed, desiccant added, and will therefore generally be shipped via airfreight.
- This equipment shall be packed in an interior moisture/vapour-proof barrier with a silica gel or comparable desiccant. Desiccants shall be packed to avoid dispersing in containers. The quantity of desiccant shall be calculated in accordance with the Contractor's recommendations.
- Equipment must be secured to the case with bolts, blocks, straps, or other appropriate restraints.

9.7. Electrical Equipment for use in Hazardous Areas

All electrical equipment for use in Hazardous Areas shall be supplied with a copy of the relevant certification documentation for that item.

9.8. Pipe Fittings, Bolting, Instrument Fittings

- Small fittings (i.e. unions, tees, elbows, sockets, reducers, etc. up to DN80) shall be preserved and boxed similar to valves.
- Large fittings (over DN80) shall be preserved and palletised like flanges. Fittings may be boxed if appropriate.
- Stud bolts, cap screws, nuts, and bolts should be preserved and boxed in the Contractor's export packed cartons. Each stud bolt and nut shall be packed/protected to prevent damage to threads whilst in transit.
- Pneumatic and hydraulic fittings shall be preserved and boxed like valves.

9.9. Skidded Equipment

For skidded equipment, the Purchase Order or Contract normally requires the Contractor to submit a detailed packing procedure for the Company to review and approve. As a minimum the packing procedure should ensure that flange faces, threaded connections, shafts, wires, valve stems, instruments, and other component parts subject to mechanical damage or corrosion shall be adequately protected.

Each skid shall have one weather resistant box affixed containing a complete set of drawings together with a manual covering installation and operating instructions and other pertinent instructions required for reassemble of components that were disassembled for shipment.

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9.10. Pipe and Instrument Tubing

Each length of pipe, including plastic, of DN50 or larger diameter shall be shipped boxed/crated and marked accordingly. All pipes shall be supported along their lengths to prevent bending or flexing during transport.

Pipe and rigid conduit smaller than DN50 diameter shall be bundled in units not to exceed 1000 kg. Threaded and coupled pipe shall be equipped with plastic thread protectors.

All material shall be segregated and shipped by generic material type to prevent cross contamination.

10. Non-Conforming Packaging

Where a Contractor is found to supply packaging that does not conform to the abovementioned packaging requirements Company reserves the right to reject the entire delivery.

In such cases an investigation process may be triggered, and findings of the investigation will determine further actions to prevent reoccurrence.

The Contractor is expected to be able to produce records demonstrating that due diligence has been followed in the selection/provision of their packaging material.