

<u>Important Information about Volvo Emballage and the switch to another Returnables Container Management RCM supplier</u>

Dear Supplier,

Volvo has informed Autocar that they are discontinuing their pooling services to anybody outside their own network. We are working with Volvo on the exact timeline for this transition and will keep you closely informed about cut off dates for ordering totes.

During this preparation time, we need you to give us the following information through the portal. As soon as we have signed up with a new supplier, we will inform you about the sizes and boxes available. We encourage you also, if you do not already use the returnables system to start using this. Autocar plans to transition away from cardboard to returnable solutions, suppliers not willing to support that transition could be charged in the future for repackaging.

See attached the form for your feedback. We especially need the following information from you that all is to be entered in the attached spreadsheet:

- By part number which boxes you are using
- If you use Volvo Emballage nomenclature, see attached here in this document.
- If not, please give us the dimensions of the pallet/cardboard that you are using
- Number of parts per box

Autocar material packaging guide

Material packing guidelines

- 1. The gross weight of forklift handled package is not to exceed 5,000 lbs
- 2. The gross weight of a manually handled bin/box should not exceed 35 pounds.
- 3. The quantity per standard container/carrier is to be limited to a day's supply as a maximum.
- 4. Bulk containers are to be collapsible and returnable
- 5. The ergonomics of accessing the part are to be considered.
- 6. The minimum amount of internal separators/protection that will still protect the parts is to be used.
- 7. Purpose designed packaging should as far as possible conform to the 48" x 32" (Type L) or 32" x 24" (Type K) standard footprint.

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- 8. Each container is to be identified with a label showing supplier name, AUTOCAR part number, Quantity and date. Label to be visible from all four sides of the container. On bulk emballage containers place label on the bottom frame. Letters, numbers and barcodes to follow AIAG standards.
- 9. Line side and storage space in the plant are extremely limited and therefore packaging quantities and sizes need to be kept to a minimum.
- 10. Material should be packaged in such a way that it can be used as it is received on the production line returnable containers, according to call off and Minimum Order Quantity MOQ.
- 11. No packaging methods are to be changed without approval after submitting a packaging form to AUTOCAR.
- 12. All returnable or disposable packaging costs are to be included in the component price.

Labeling

The quality of the information on labels is essential. Bar code labels are required and used to eliminate opportunity for error. Errors made because of label deficiency are serious in mature. Bar code print quality must be sufficient to be scanned.

Suppliers shall not include information relating to quality on shipping label. The supplier shall not apply adhesive-backed color tags to any of the required label described herein.

A AIAG Compliance:

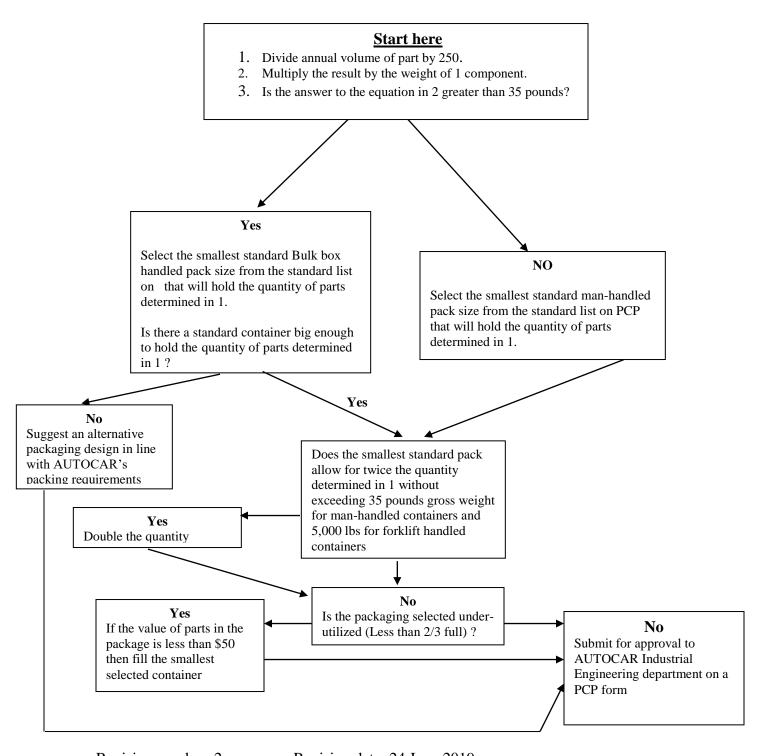
Labels are to adhere to the specifications as detailed and illustrated in the Automotive Industrial Action Group's publication Shipping/Parts identification Label Standard (AIAG-B-10)

For a copy or additional information contact the Automotive Industrial Action Group at 248-358-3003, 26200 Lahser Road, Suite 200, Southfield Michigan 48034-7100, or their web site: http://www.aiag.org/

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Process flow for selection and submission of packaging



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