HEWLETT PACKARD ENTERPRISE COMPANY

LOGISTICS SERVICE PROVIDER

GLOBAL STANDARD OPERATING PROCEDURE (GSOP)
FOR
HPE PRODUCTS (NON-RACK)

Document Number HPE_SOP06-AB00

VERSION CONTROL

Version	Description of Change	Author	Approver	Effective Date
1.0	Initial Release	Meagan Mize	Jeneen Fisher	Nov 1 2016
1.1	Expanded from Server Boxes to encompass all HPE Products (Non-Rack) shipments	Meagan Mize	Jeneen Fisher	Mar 31 2017
1.2	Added Palletization requirements after air shipment; added requirement for desiccants on Ocean Containers; added info from outbound packaging specification 854687; added requirement for approval before using a van: added clarification on symbol on corrugated to keep a Server Box upside up; added sentence prohibiting Box overhang on pallets.	Fernando Urias	Jeneen Fisher	Mar 31 2018
1.3	Added instructions (4.4.9) to handle "hammer" ("block") pallets; added instructions (4.6.4) to deliver stacked pallets; moved tools from document list to equipment list in (3.3); touched up pictures.	Fernando Urias	Jeneen Fisher	Dec 31 2018
1.4	Added guidelines for trailer loading to ODMs (4.4.10 and 4.4.11); realigned purpose and scope to make this SOP clearer (1.1); added section for ODM loading (4.4.12); added "Additional Requirements" to the title of other sections (5, 6, 7, and 8); added Section 9 for Secured Supply Chain Shipments; added Red X's to bad practices.	Fernando Urias	Jeneen Fisher	Nov 15 2020
1.5	Added requirements for proper loading by ODMs and inspection of the load before closing trailer doors. (ODM added in 1.1 and many other sections)	Fernando Urias	Jeneen Fisher	Apr 1 2021
1.6	Added instruction to load standard pallets 48"x40" without overhang. (4.4.11.4) Added options to stack half-pallets 24"x40". (4.2.6) (4.4.11.2) (4.4.11.3) (4.4.12.2) Added guidelines for mixed orders in a single pallet for small package shipping from Mexico.(4.4.12.6)	Fernando Urias	Jeneen Fisher Horacio Gomez	Sep 30 2021
1.7	==Added instruction to maintain integrity of pallets in transit, particularly pallets with MSA (Modular Smart Array) product (4.5.4) Modified instruction to repackage after air travel (4.2.5.1)==	==Fernando Urias==	==Ellie Lundberg==	==Jul 1 2022==

Hewlett Packard Enterprise

TABLE OF CONTENTS

1   Purpose and Scope

1.1   The Logistics Service Provider ("LSP") and Original Design Manufacturer ("ODM") are responsible to properly handle, transport, and provide security for HPE Products as outlined in this GSOP in a proactive manner to prevent cargo loss and damage. The HPE Products discussed in this GSOP are expensive and difficult to replace in a timely manner.

1.2   This Global Standard Operating Procedure ("GSOP") for HPE Products (Non-Rack) ("GSOP for HPE Products") clarifies certain details for an LSP or ODM who provides services to Hewlett Packard Enterprise Company ("HPE") as part of the LSP Global Logistics Agreement ("GLA") or the ODM Outsource Manufacturing Agreement ("OMA")

1.3   For Server Rack delivery, the LSP or ODM shall comply with the Global Standard Operating Procedure (GSOP) for Server Rack Delivery, Document Number HPE_SOP01-AB00.

1.4   This GSOP does not replace or supersede any part of the GLA, its Appendixes or Statements of Work, but rather is meant to supplement those documents in order to more clearly define HPE expectations for delivery processes so as to reduce damage and loss for HPE's Products ("Product" or "Server[s]" or "Server Box [es] or "Box [es] or "Palletized Box [es]").

1.5   Since the purpose of this document is to outline procedures and best practices as they arise for a successful logistics experience, this GSOP may be updated periodically. HPE will notify the LSP and ODM at such time that a new version is available at the URL address https://h20168.www2.hpe.com/supplierextranet/lsp.do where it may be readily obtained so that the LSP and ODM has immediate access to it upon notification that an update has been made. The updates for that version of the GSOP will be effective starting at midnight of the seventh (7th) calendar day after which HPE notifies the LSP and ODM, with such effective date noted in the "Version Control" section. If the LSP or ODM has any questions or concerns regarding the latest update, the LSP or ODM shall contact its HPE Logistics Coordinator for further clarification.

1.6   In addition to the requirements of this GSOP for HPE Products, there are other particular HPE security and customer-specific requirements outlined in supplemental guidelines, regional manuals, instructions, and/or Standard Operating Procedures (collectively "SOP[s]"). Before a shipment is picked up, the LSP or ODM must contact its HPE Logistics Coordinator to obtain such requirements with which the LSP or ODM must comply. If at any time a question, issue, or deviation arises regarding the customer-specific SOP, this GSOP, or any other SOP's requirements, the LSP or ODM shall contact its HPE Logistics Coordinator for clarification and to determine next step(s) if needed.

1.7   From time to time, certain HPE customers may request the LSP or ODM to develop procedures or similar guides to accommodate their specific needs. If the LSP or ODM has or develops documentation for processes or best practices used in carrying out

services for HPE, the LSP or ODM shall provide such documentation to its HPE Logistics Coordinator for review to confirm if it is properly addressing HPE customer requirements. Such documentation and/or processes may be incorporated into this GSOP in subsequent updates if deemed necessary.

2   Accident, Loss, or Damaged Product Procedure

2.1   In the case that a shipment has been involved in an accident, is hijacked or recovered, lost, or damaged while in transit to or during delivery at an HPE customer's premises, the LSP or ODM shall follow the separately defined escalation process and contact its HPE Logistics Coordinator for the respective region/country to determine the secured area for the shipment to be placed for inspection by HPE.

2.2   If an event described in 2.1 occurs, the LSP or ODM shall take the following actions:

2.2.1   The LSP or ODM shall notify the HPE Logistics Coordinator as soon as possible, and in no event more than 24 hours after any incident, damage, loss, or shortage.

2.2.2   In case of theft, the LSP or ODM shall follow their security protocol and notify the HPE Logistics Coordinator as soon as possible, and in no event more than 24 hours after the incident, and provide a copy of the Incident report within 24 hours of the incident. HPE Logistic Coordinator will notify the claims department for a claim to be started. The claims department will involve HPE security if needed.

2.2.3   The LSP or ODM shall take pictures of the damaged Product and the accident scene (if relevant) as soon as possible.

2.2.4   If the customer rejects the HPE Product and the damage was caused by the LSP or ODM, the LSP or ODM shall ship the damaged Product to an HPE return center without causing further damage after receiving authorization from the HPE Logistics Coordinator. The LSP or ODM may take more pictures to complete the survey to respond to the freight claim.

2.2.5   The customer or LSP shall write any irregularities, including package condition, loss/shortages, or damages on the Proof of Delivery (POD). The customer shall sign the POD with the irregularities noted. The LSP shall assist the customer in writing any irregularities on the POD in cases of major damage.

2.2.6   The LSP or ODM shall acknowledge a claim in writing within five (5) business days of receipt of the claim. If the LSP or ODM elects to inspect the shipment, the LSP or ODM shall schedule an inspection within five (5) business days from the date of notification and shall use reasonable efforts to complete inspection within ten (10) business days of the date of notification. The LSP or ODM will

have five (5) business days upon completion of the inspection to provide HPE with a duplicate of the inspection report, with a copy being sent to the customer.

2.2.7 The LSP or ODM shall collect and complete all associated documentation and forward to the HPE Logistics Coordinator:

- Proof of Shipment (POS);
- Signed Proof of Delivery(POD) with the irregularities noted;
- Bill of Lading; and
- Pictures and CCTV footages.

2.2.8 The HPE Logistics Coordinator shall contact the HPE Claims Coordinator to start a freight claim through the following email address for the appropriate region:

emea.logisticsclaims@hpe.com

apj.logisticsclaims@hpe.com

ams.logisticsclaims@hpe.com

3 Safety

3.1 All LSP and ODM HPE Product handling and delivery personnel ("Personnel") must complete instruction on the contents of this GSOP. The LSP and ODM shall obtain signatures of the Personnel that coordinate the delivery using Exhibit A or a similar document. The LSP and ODM team must keep a copy of this GSOP and any other pertinent SOP's on hand.

3.2 All LSP and ODM HPE Product handling and delivery Personnel must be wearing safety shoes and protective gloves. LSP Personnel must wear LSP uniform. Drivers not unloading the HPE Products are required to wear closed toe shoes. All Personnel shall be carrying appropriate government issued identification and be at least 18 years old.

3.3 The LSP shall check in advance of delivery that the teams are prepared with personal protection equipment and proper tools, and equipment required to perform delivery service. A checklist of items includes the following:

Personal Protection Equipment Checklist:
✓ Safety Shoes (All Employees)
✓ Protective Gloves (All Employees)

Document Checklist:
✓ Copy of this GSOP and applicable customer-specific SOP(s) on hand.
✓ Exhibit A of this GSOP signed by Personnel coordinating the delivery acknowledging that the contents of the procedure is understood and will be followed by the delivery Personnel.

✓ Government identification (Personnel must be at least 18 years old).

Equipment & Materials Checklist:
✓ Chock Blocks
✓ Pallet Jack(s)
✓ LSP or ODM will check that all equipment (pallet jacks, lift gates, etc.) have been properly maintained, are of sufficient capacity to handle the weight of loads, and are in good working order.

4   HPE Product Shipping Requirements

4.1   On Time Delivery

The HPE Products must be delivered to the correct address on the scheduled date and time, and where appropriate, the LSP or ODM must notify the customer's receiving agents of delivery status before the shipment arrives. The LSP must communicate any projected early or late delivery to its HPE Logistics Coordinator and obtain HPE's approval for the deviation before attempting delivery.

4.2   Quality

4.2.1   If any damage is noticed or caused to HPE Product(s), the LSP or ODM must contact its HPE Logistics Coordinator before proceeding with the delivery.

4.2.1.1   The LSP shall use only "air ride and/or padded van" type of mover services for all HPE Product deliveries. In markets where this type of mover service is not available, the LSP shall use only vehicles with suspension system in proper working condition such that it will not cause undue vibration to HPE Products. The LSP shall use covered trailers with a clean cargo hold, and the delivery vehicle must conform to any HPE previously defined standards regarding vehicle condition, integrity, and cosmetic appearance. The vehicle shall provide protection of the HPE Products from adverse environmental conditions, including wind, rain, or snow.

4.2.1.1.1   The floor of the trailer shall be smooth (not grooved) and conducive to pallet jack operations.

4.2.1.2   The LSP shall confirm that subcontractors being used have been trained on the proper procedures for HPE Product handling and delivery prior to the movement of any HPE Products. The LSP shall follow the procedure outlined in Section 3, "Safety."

Hewlett Packard Enterprise

4.2.2   The LSP and ODM Personnel must read every label and handling symbol on the carton since the labels provide information regarding the correct safe handling of HPE Product(s).

4.2.3   All Palletized Boxes must be stretch wrapped or banded before being loaded on the truck. The LSP or ODM shall ensure shipment is properly secured during transport. The LSP or ODM shall contact the HPE Logistics Coordinator if there are any problems with the packaging.
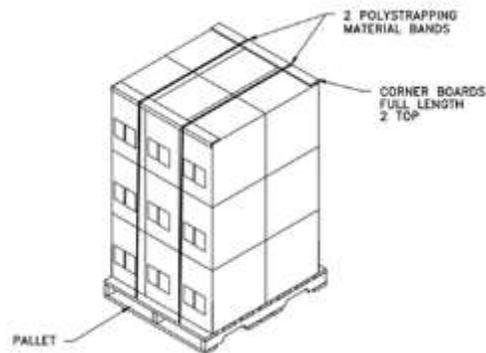
4.2.4   All Servers in boxes that exceed 100 lbs. (45 kg.) must be secured by 4-way polypropylene strapping on horizontal corner pads onto the pallet. The LSP or ODM shall contact the HPE Logistics Coordinator if there are any problems with the packaging.
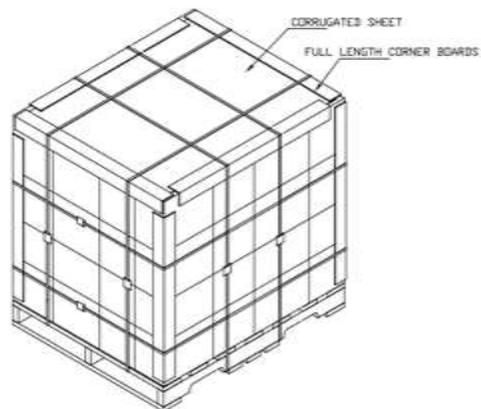
4.2.4.1 If HPE Product(s) are not packed properly, the LSP or ODM shall contact their HPE Logistics Coordinator for direction. The following pictures are examples of Products that are not properly packed:

4.2.5   The LSP or ODM shall not break down loads, cut stretch wrap or strapping, or open boxes without HPE authorization. All HPE Product(s) shall remain on HPE pallets until they reach the customer. Removal of HPE Products from the pallet for any reason is prohibited.

4.2.5.1 If the packaging is modified for air travel, the LSP shall count the boxes before air shipment and ensure the arrival of all the boxes at destination. The LSP shall ensure that the packing list is included in one of the boxes.

4.2.5.2 The LSP and ODM shall protect the shipment from rain and other inclement weather condition at all times, including when transferring the HPE Product(s) from a truck or plane to a warehouse.

4.2.5.3 Stack height of 45 inches [1143 mm] allows for double stacking within a truck or sea container. If double stacking was incurred for travel, the double stacking shall be undone in the last mile delivery if the customer does not have the capability to unload pallets from on top of each other. In no case shall a single pallet be delivered with a height greater than of 63 inches [1600 mm].

4.2.5.4 Do not stack anything on a pallet that does not have a flat surface on the top.

4.2.5.5 Boxes weighing over 35 pounds [16 kg] shall not be stacked above shoulder height.

4.2.6 The LSP and ODM shall use one or more of the following options in order to avoid tipping servers shipped on half-pallets (24"x40"):

4.2.6.1 Secure half-pallets (24"x40") that are double stacked to the sides of the truck with straps or with other product. Triple stacking is not permitted.

4.2.6.2 Use a dedicated truck without stacking half-pallets (24"x40").

4.2.6.3 For half-pallets with a tilt meter, in the LTL environment: The LSP or ODM shall place two (2) half-pallet Bulk Packs (24"x40") on top of a standard pallet (48"x40") and band all three (3) together prior to shipment. In EMEA the same protection can be obtained using the EUR 2 full-sized pallet (1.2mx1.0m, 47.2"x39.4")

4.2.6.4 For half-pallets with a tilt meter, if the shipment consists of an uneven number of pallets, the LSP or ODM shall place the single half-pallet Bulk Pack (24"x40") on top of and in the middle of the standard pallet (48"x40") and band the two (2) together.

4.2.6.5 Half-pallets with a tilt meter protected with a full pallet as mentioned here can be stacked on top of a full size pallet if the weight is evenly distributed, for example, a protected half-pallet mounted on top of a full standard pallet (48"x40") if the weight distribution is such that the protected half-pallet will not drop, tip, or damage itself or other product.

4.2.6.6 Half-pallets without a tilt meter that are not mounted in a full pallet can be double stacked if the load is secured with other products or straps in such a way that it will not drop, tip, or damage itself or other product.

4.2.7 Server Box Delivery

4.2.7.1 All critical Server shipments must be palletized and delivered on a bobtail truck with appropriate trailer unless LSP receives proper written approval from HPE in advance to use a van.

4.2.7.2 The preferred method of delivery for Server Boxes is in palletized form and the delivery is to be performed from truck to dock.

4.2.7.3 In case a lift gate is used (which is to be avoided), the lift gate must be wide enough to accommodate the size of the pallet without having to turn the pallet 90

degrees, and the lift gate must have sufficient capacity to withstand the weight of the pallet. A minimum of two (2) Personnel are to be used to support the offloading of Servers.

4.2.7.4 If the Server Box has upward arrows noted on the carton and the Product is palletized, the pallet must not be transported sideways or upside down. The maximum tilt allowed is less than 30 degrees.

4.2.7.5 It is unacceptable for any portion of the Box to be hanging over the edges of the pallet. When configuring palletization requirements, inside Box dimensions must be converted to outside Box dimensions, including corrugated tolerances. The LSP or ODM shall not accept a pallet with any box overhang and shall contact the HPE Logistics Operations coordinator to receive approval to accept the shipment.

4.2.7.6 The LSP shall preserve the packing slip, which is included in every shipment until the final delivery is made.

4.3 Tilt Meters

4.3.1   HPE has applied tilt meters or shock indicators to some Bulk Pack Server Boxes with the red arrow pointed up. A Box that is tilted more than 80 degrees from the vertical position will activate the tilt meter and will require an inspection of the shipment to determine if it is suitable for delivery.

4.3.1.1   Upon tender, the LSP must check the condition and status of all tilt meters to determine if any are activated. When the LSP signs the Bill of Lading (BOL) and accepts the shipment into its care, custody, and control, the LSP or ODM must confirm that the shipment has non-activated/tripped tilt meters.

4.3.1.2   If a tilt meter is showing tripped, or is not properly affixed to the carton, but the Server is presumed not to be damaged, the LSP or ODM shall take pictures of the tilted meter and Server Box information, and contact its HPE Logistic Coordinator. The HPE Logistics Coordinator will then determine whether the LSP or ODM shall attempt delivery or if the LSP or ODM shall follow the

process outlined in Section 2, "Accident, Loss, or Damaged Product Procedure."

4.4 Loading

4.4.1   If the LSP is not the loading agent, the LSP must ensure that the HPE Product(s) will be properly loaded and secured as outlined in the below procedures. After proceeding to the dock door assignment, the Personnel shall shut off the delivery vehicle with the vehicle securely positioned and wheels chocked. For trailer pickup, see Section 4.4.13.

4.4.2   The overall objective for properly stowing materials is that all pallets must be positioned in such a way so that they cannot move inside the truck, the Boxes on the pallets cannot fall, and the pallet cannot fall off from another pallet that is directly underneath it during transit.

4.4.3   The LSP and ODM shall ensure all pallets are secure and shrink wrapped, with no loose Boxes. Every Box must be secured to avoid any potential damages.

4.4.5   The LSP and ODM shall not stack heavy pallets on top of lighter, weaker pallets.

4.4.6   When moving pallets of HPE Product(s) with power equipment, the LSP and ODM Personnel shall operate the equipment slowly and cautiously to avoid dropping or damaging a Box or pallet. Forklift operators must follow all forklift safety procedures and best practices.

> 4.4.6.1 The forklift operator shall not use the blades of the forklift to push the pallets on the ground, risking a puncture to the Box.
>
> 4.4.6.2 The tilt meter trips at 80 degrees; therefore, a pallet with a tilt meter shall be secured before movement by resting it against the mast of the fork lift to avoid tipping.
>
> 4.4.6.3 The forklift operator shall use caution when picking up a pallet that is in front of another pallet to avoid puncturing a Box that is on the pallet behind it.

4.4.7   All loads on pallets that are stacked on top of another palletized load must be secured to the inside of the cargo trailer using straps, neighboring cargo or load bar. LSP and ODM will ensure that the pallets are stable. Pallets must be secured in a way that they cannot fall off during transit or unloading with a forklift.

> 4.4.7.1   Once the trailer is loaded, the LSP and ODM Personnel must confirm local requirements for seals with HPE Logistics Management and apply accordingly.

4.4.8   The LSP and ODM must not stack Servers higher than the number indicated on the box. If the Boxes are over stacked, then the LSP or ODM shall reject the shipment.


4.4.8.1   The stacking requirement symbolized on the Box depicts the maximum number of Boxes to be stacked regardless of the number of pallets.

4.4.8.1.1   For instance, if ten (10) Boxes are permitted to be stacked, five (5) Boxes may be placed on one pallet and five (5) Boxes on another pallet. These two (2) pallets of five (5) may then be stacked to meet the ten (10) Box maximum. No other pallets shall be stacked once the indicated stack maximum is reached.

4.4.8.1.2   As another example, If ten (10) Boxes are permitted to be stacked and the pallets have six (6) Boxes, then the pallets cannot be stacked because the addition of another pallet of six (6) Boxes would result in a total of twelve (12) Boxes, exceeding the ten (10) Box maximum allowance.

4.4.8.2   When multiple pallets are stacked, the top pallet must be shrink wrapped to the bottom pallet. If this is not possible, the LSP or ODM must secure the top pallets in a way that they cannot fall off during transit or unloading with a forklift.

4.4.8.3   If a single Box or less Boxes than the full area of the pallet are on the top layer of a pallet, then another pallet cannot be placed on top of the pallet with an incomplete layer because it would damage the Boxes on the top layer of the bottom pallet.

4.4.9 A pallet that does not have a cross member is called a "block" pallet. A block pallet is preferred by warehouses because it has a 4-way entry but it is not as good for transit as a "stringer" pallet. The stringer pallet has a cross member and can be stacked without causing damage to the product below. To prevent a "hammer" effect causing damage to the product below, a "block" pallet cannot be stacked on top of another pallet. To transport product on block pallets, the following options are available:

4.4.9.1 Block pallets shall be shipped on a single level.

4.4.9.2 Block pallets can be transported on a second level if a table is installed in the truck, or

4.4.9.3 Block pallets can be transported with appropriate protection, such as a flat corrugated sheet or wood sheet on top of the product below to prevent the bottom of the block pallet from causing damage to the product below.
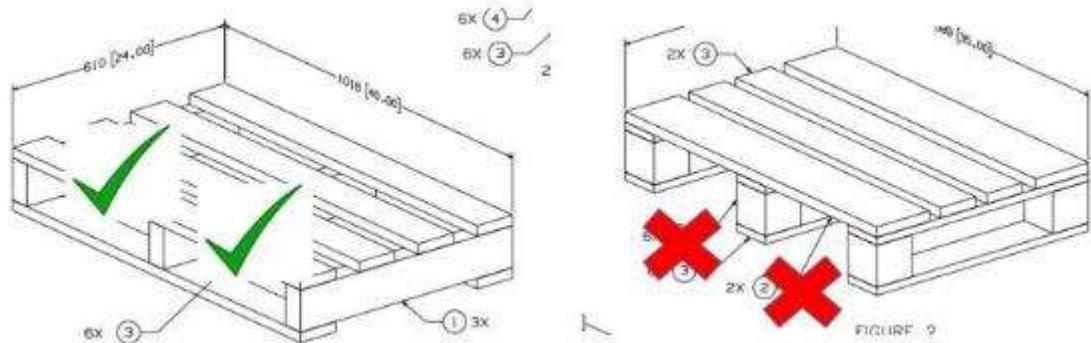
The following are some examples of damages be caused when block pallets or "hammer" pallets are stacked in transit without the proper precautions:

4.4.10 Further **Guidelines for Loading:** After safety, the biggest consideration for loading HPE products, since they are very expensive, is to ensure that the product will not be damaged during loading or transit. Efficiency in loading is a far third consideration. Loading fast with damage is very expensive. The following guidelines need to be followed to avoid damage due to not having safety and quality in mind while loading:

4.4.10.1 Do not stack anything on a pallet that does not have a flat surface on top.

4.4.10.2 Use fillers when the product significantly under-hangs the pallet. Use cardboard fillers/dunnage where there is more than 2" of pallet between the edge of the pallet and the side of the truck. If the gap is more than 10 inches, secure the cargo with straps instead of using airbags.

4.4.10.3 All loads on pallets that are stacked on top of another pallet must be secured to the inside of the cargo trailer using straps, neighboring cargo, or load bars.

4.4.10.4 Load the trailer without causing damage during the loading process and ensuring that the load will not move during transit.

4.4.10.5 Get full orders in the trailer, keeping each order together and separate from the other orders. Make it easy to count and identify the orders.

4.4.10.6 All pallets need to be individually wrapped. If they are not, they will look fine during loading but will come apart in transit. Contact the HPE Logistic Coordinator for guidance if the pallets are not properly wrapped.

4.4.10.7 Do not stack pallets that can fall in transit.

4.4.10.8 Use dunnage or air cushions if there are any areas of empty volume and pallets are not braced.

4.4.11 The following are examples of expensive damages that have been substained due to improper loading and securing.

4.4.11.1 Do not stack wider or heavier pallets on top of smaller pallets.

4.4.11.2 Do not stack pallets that are half the standard size (24"x40") or that have a tilt meter without following the requirements described in 4.2.6 above.

The following are the results with damage due to stacking of half-pallets:

4.4.11.3 Do not stack pallets that have a symbol in the corrugated forbidding stacking even if 4.2.6 above allows it.

4.4.11.4 When double stacking standard pallets 48"x40", they shall be stacked squared on each other and without overhang in order for the weight to be evenly distributed. Stacking with overhanging will cause damage to the packaging below as it is shown in the following pictures:

4.4.12 **ODM Loading:** The trailers in the ODMs in Juarez and Kutna Hora are loaded by ODM personnel. The ODM is responsible to ensure correct loading is performed and no damage will occur in transit due to improper loading.

4.4.12.1 A representative of the long-haul LSP can be present to oversee the loads or trust the ODM to do the proper loading. **The LSP, ODM, and HPE representatives shall discuss any loading requirements in advance between the 3 parties - LSP or ODM, ODM, and HPE in order for the load to travel without damage.**

4.4.12.2 Half-pallets are not to be stacked unless the requirements described in 4.2.6 above are followed.

4.4.12.3 Any best practices that the ODMs perform on loading for the short-haul will be added in this section.

4.4.12.4 All the policies in this document regarding secure loading apply to the ODMs as well as the LSPs. The ODM responsibilities have been added where applicable.

4.4.12.5 For proper loading to occur with proper straps and load bars, the ODM will coordinate the use of the LSP equipment when needed in the trailers. The LSP will provide the equipment required in each trailer. If the equipment is not available, the ODM will only load in a single level or secure product with other product.

4.4.12.6 **Palletizing of mixed orders for small packages at Inventec and Foxconn Mexico.** The parcel network might require palletization of mixed orders in the plant to transport to the parcel LSP or for Canada orders. The following are the guidelines to follow in mixed order palletization.

4.4.12.6.1 **General Guidelines:**

4.4.12.6.1.1 All pallets must be shrink wrapped and have a visible placard identifying it as a pallet with mixed shipments.

4.4.12.6.1.2 Boxes cannot overhang from the pallet.

4.4.12.6.1.3 Height cannot exceed 53 in. for equal server boxes that stack exactly but it shall not be more than 40 in. for uneven boxes.

4.4.12.6.1.4 Heavy boxes cannot be placed on top of lower weight boxes.

4.4.12.6.1.5 If an order has two or more boxes, it cannot be shipped in a mixed pallet for server shipments. If the order contains option kits, up to 5 boxes of the same order can be in a mixed order pallet.

4.4.12.6.2 **Allowance of Pallets with Mixed Shipments:**

4.4.12.6.2.1 **UPSN Ground** - Palletized only with itself. Do not mix with UPSN Air.

4.4.12.6.2.2 **UPSN Next Day Air** - Palletized only with itself. Do not mix with UPSN Ground.

4.4.12.6.2.3 **EWCF (Canada)** - Maximum 5 Deliveries per pallet (NIMs or INMs). All boxes with Canada address and EWCF SCAC code.

4.4.12.6.2.4 **UPSG Canada** (S4 Canada Standard) Maximum 5 Deliveries per pallet (NIMs or INMs). Do not mix with UPSG USA.

4.4.12.6.2.5 **UPSF Canada** (S4 Canada Express) Maximum 5 Deliveries per pallet (NIMs or INMs). Do not mix with UPSF USA.

4.4.12.6.2.6 **Shipments to OCC 1313 Don Haskins** - Maximum 5 Deliveries per pallet (NIMs or INMs). OCC label must be in all the boxes. OCC address must be in all shipments. For option kits, the maximum can be up to 10 Deliveries depending on the size of the boxes.

4.4.12.6.3 Other Comments:

4.4.12.6.3.1 Following the guidelines above means that all LTL shipments (Palletized) Orders going to the USA (except for **Shipments to OCC 1313 Don Haskins**) CANNOT be on Mixed Pallets. This means that there cannot be mixed pallets for US customers shipping via UPSG, UPSF, PGAA, CEVA, FEDEX FREIGHT.

4.4.12.6.3.2 Exceptional case for Quarter End Operation (last week of the Quarter), orders going to Grupo Galvan in Laredo, TX that are routed via CEVA can be on a Mixed pallet following the general rules. Maximum 5 Deliveries (NIMs or INMs).

4.4.12.6.3.3 All International orders (going to Puerto Rico, EMEA, APJ) cannot be on mixed pallets.

4.4.12.6.3.4 For OCC and Canada orders, use Mixed Pallet option as less as possible. Ideally, each Delivery ID should ship on their own pallet, but for multiple orders of Qty 1 box the Mixed Pallet is a good practice to improve shipping floor and trailers utilization, and reduce waste of pallets.

4.4.13 **Trailer Pick-Up:** When the trailer is ready to be moved, the ODM will verify that there is no loose cargo that can fall during movement. The ODM will notify the driver to move the trailer about 3 meters from the dock to have sufficient room to close the doors. The driver will inspect the last layer of cargo to make sure that there is no loose cargo and close the door. Seals shall then be applied according to customer requirements. The LSP Personnel must check the seals and the trailer for visible damages and if there is an issue, the LSP or ODM must report this immediately. If a trailer was already loaded and sealed upon pickup by the LSP, Personnel must check the seal and the trailer for visible damages and if there is an issue, the LSP must also report this immediately. (See Section 2, "Accident, Loss, or Damaged Product Procedure".)

4.5 Transit

4.5.1   Before departing, the LSP Personnel shall **check the condition of the cargo,** including Bulk Pack Server Boxes that may have tilt meters, to see if there is any damage or if any tilt meters are activated. (See section 4.3, "Tilt Meters.")

4.5.2   When possible, the LSP shall avoid high-risk routes that could lead to theft, vandalism, or damage to the HPE Product(s). The LSP Personnel must obey all traffic laws.

4.5.3   If trailer is parked in a drop lot or storage yard once it has departed from the origin location, it must be parked in a secured parking area and locked with "King Pins."

4.5.4   If damage is experienced in a pallet in transit, the requirement in 4.2.5 not to break down loads can be waived to move the product to a good pallet following the requirement specified in 4.2.5.1 to count the boxes to ensure that all boxes are included in the repaired pallet. This repair operation has to be done carefully particularly in MSA (Modular Smart Array) shipments where the box count can vary from the BOL depending on how the MSA and accessories were packaged.

4.6   Unloading

4.6.1   For unloading, the LSP shall apply all of the information in the section above entitled "Loading," since the same safeguards also apply to the "Unloading" of the same cargo.

4.6.2   The LSP must conduct a pre-delivery check before moving the HPE Product(s) by performing the following activities:

4.6.2.1   Where appropriate, the LSP must contact the customer's representative to confirm the correct delivery date and time, address, and loading dock to be used for delivery.

4.6.2.2   Where appropriate, the LSP shall call ahead to insure any special requirements for unloading will be met.

4.6.2.3   The LSP shall inspect the external packaging for signs of dents or tears. The HPE Product(s) must remain packaged as long as possible, including moving it off the delivery vehicle and into the customer's facility.

4.6.2.4   The LSP shall inspect the condition of the seal and the status of all tilt meters to make sure that tilt meters are not activated. (See section 4.3, "Tilt Meters.")

![Hewlett Packard Enterprise logo]

4.6.2.5   The LSP shall check that the pallet base of the HPE Product(s) has no signs of visible damage.

4.6.2.6   If the carton has visible, external damage, but the HPE Product is presumed not to be damaged, the LSP shall take pictures and contact its HPE Logistics Coordinator. The HPE Logistics Coordinator will coordinate the HPE functions necessary to decide if delivery will be attempted or if the LSP should initiate the procedure outlined in Section 2, "Accident, Loss, or Damaged Product Procedure."

4.6.3   When handling palletized Server Boxes, the LSP shall use pallet jacks and/or a forklift to unload the Server Boxes, and shall not unload the Server Boxes by hand. To minimize the possibility of tipping, the Palletized Box[es] can be secured by slightly tilting the fork lift blades, even if the load has a tilt meter, because the tilt meter trips at 80 degrees. The LSP shall not tip or roll over Server Box[es] under any circumstances.

4.6.4   In the case where two pallets are stacked for transit and the pallets are not secured to each other, the pallets should not be delivered stacked to some customers. Moving a stacked pallet with a pallet jack or a forklift when the pallets are not secured is considered unsafe for the operator, and an unsecured pallet falling due to the movement can be damaged. The following customers have been identified as having the requirement to deliver pallets on a single level only:

Citigroup

4.7   Unloading at Loading Bays (Preferred)

4.7.1   After proceeding to dock door assignment, the LSP Personnel shall shut off the delivery vehicle with the vehicle securely positioned and wheels chocked.

4.7.2   When possible, the LSP shall double check that the dock plate has a minimal overlap of three (3) inches (8 cm).

>3 inch (8 cm) overlap

4.8 Unloading using a Lift Gate (to be Avoided)

4.8.1 If lift gate delivery is unavoidable because there are no dock level delivery facilities, the LSP must verify the capacity of the lift gate because the Server Boxes on pallets can weigh more than 700 pounds (318 kg). The LSP must verify that the capacity of the lift gate meets the requirements of the pallet(s) to be offloaded, with a sufficient safety tolerance to prevent gate failure.

> Product + People < Lift Gate Capacity!

4.8.2 The lift gate must be wide enough to accommodate the size of the pallet without having to turn the pallet 90 degrees.

4.8.3 The lift gate shall have a vertical stop that would prevent a pallet jack from traveling past the edge of the lift gate.

4.8.4 The Personnel shall shut off the delivery vehicle with **the vehicle securely positioned and wheels chocked**. The Personnel shall check that the unloading site is flat and level.

4.8.5 **The Personnel must keep the HPE Product(s) packaged** while on the lift gate**.**

4.8.6 If the lift gate is not visible to the Personnel controlling the lift gate, then two (2) Personnel will be required when a lift gate is being used: one (1) to control the lift gate unloading, and one (1) to oversee the load being lowered and alert the other Personnel if the lift gate operation should be interrupted. If the lift gate controls are at the back of the truck and the lift gate is designed to be worked safely with one (1) Personnel, then the lift gate may be operated by one (1) Personnel.

4.8.7 The LSP shall protect HPE Product(s) from rain and other inclement weather conditions during a lift gate operation. If the means are not available to protect the HPE Product(s) from the weather conditions, the lift gate operation shall not be attempted until the weather permits perfect delivery.

4.8.8 The LSP shall not lower pallets in a stacked condition on a tail lift gate. Pallets must be unstacked and each pallet taken down individually.

4.9 Signed Receipt

4.9.1 The LSP shall obtain a signed Proof of Delivery (POD) noting the date and time of completed delivery.

4.9.2 If there are discrepancies, the LSP and/or the customer shall write any irregularities including packing condition, loss/shortages, or damages on the Proof of Delivery (POD). The LSP shall request that the customer sign the POD with the irregularities noted.

4.9.3   If the customer rejects the HPE Product(s), then the LSP shall follow the procedure outlined in Section 2, "Accident, Loss, or Damaged Product Procedure."

5 Ocean Shipments Additional Requirements

5.1 When shipping to a colder region, ocean shipments shall utilize desiccant or another method, such as sealing the container dry, to prevent humidity in the container from condensing.

6 Air Shipments Additional Requirements

6.1   The height restriction for lower deck 747 or Airbus is 63 inches [1600 mm].
6.2   The height restriction for cargo on a passenger plane is 43 inches [1093 mm].

7 Inbound Shipments Additional Requirements

7.1 All requirements outlined in this procedure apply to all in-bound shipments.

8 Parcel Shipments Additional Requirements

8.1 If the LSP transfers a shipment to a parcel carrier, the LSP shall not use a parcel carrier that has a conveyor system known to make labels unreadable.

9 Secured Supply Chain Shipments Additional Requirements

Secured Supply Chain shipments will have special requirements contracted between the customer and HPE. Please consult your HPE representative if the shipment is part of the secured supply chain program. The following section lists general requirements:

9.1 If any pallet, box, or tape in a box appears tampered with, call your HPE Logistics Representative.

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EXHIBIT A

Certified Trained Staffing Requirements

✓ All delivery Personnel for LSP or ODM shall read and understand the HPE Global Standard Operating Procedure for HPE Products ("GSOP for HPE Products").

✓ LSP or ODM shall obtain signatures of the Personnel coordinating the delivery, confirming the Personnel handling the HPE Products have read, understand, and shall comply with the contents of the GSOP for HPE Products, including the "Last Mile Providers." This Exhibit or similar format may be used for this purpose.

Note: No shipment shall be handled without at least one trained specialized delivery professional with experience handling this type of equipment. All Personnel interacting with HPE Product(s) are to have experience dealing with similar deliveries.

List of coordinating Personnel: Date: _____

Last Name   First Name   I have read and understand the
                                        GSOP for HPE Products.

_____Smith_____   _____Jane_____   _____Signature_____

_____   _____   _____

_____   _____   _____

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