

FedEx Additional Handling Surcharges (AHS) for non-standard packages

AHS – Packaging

Non-standard packages are not compatible with our standard processes and can place our equipment, personnel, and other packages at risk. They require manual intervention to avoid:

- Getting entangled in conveyors
- Jamming chutes or slides
- Breaking sort equipment
- Damaging other packages

AHS - Weight

Our sort systems are designed for packages up to 31kg actual weight...

Packages over this weight require manual intervention to avoid crushing other packages or injuring employees.

To avoid AHS-Packaging, do not ship these package shapes:





X Not fully encased in an outer packaging

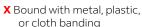






X Not made of cardboard **X** Encased in an outer shipping container covered in shrink wrap or stretch wrap







or cloth banding

Package shape and dimensions may change during transit, which can affect the package's surcharge eligibility. If the package shape and dimensions change during transit, we may make appropriate adjustments to the charges at any time. This surcharge applies per package even if multiple packages are bundled in a shipment. If a non-standard package is eligible for two or all three AHS, only the one with highest charge will apply. We reserve the right to assess additional handling charges for packages that require special handling or that require us to apply additional packaging during transit.

FedEx Additional Handling Surcharges (AHS)

for non-standard freight

AHS – Non-Stackable

- Applies to any freight handling unit in a shipment that can't be stacked safely and securely
- Examples include freight handling units that:
 - 1) Do not have a flat and stable top or base
 - 2) May be damaged if another piece is loaded on them,
 - 3) Have flat and stable loading surfaces but are too narrow to safely and securely support other freight handling units (e.g. 1-2 barrels or drums)
- · Applies to any freight handling unit identified by the shipper as non-stackable.
- Applies on a per-freight-handling-unit basis, even if multiple pieces are bundled in a shipment.



Stackable pallets

Stackable pallets allow us to fully utilise our linehaul trucks.

Non-stackable pallets are not compatible with our standard processes and can place our equipment, personnel, and other shipments at risk.

Securely stacked shipments avoid:

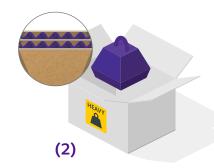
- Overhang that can damage your or others' goods
- Excessive movement during transit
- Unsafe working environment in our hubs and stations
- Drivers refusing pick-up due to improper stacking and packaging
- Inability to fully load our trucks

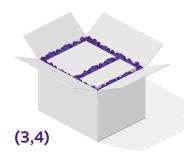
General packaging guidelines

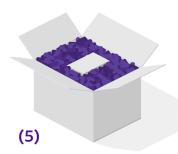
- Use approved FedEx Express packaging for FedEx Express or TNT package shipments only; any other use is prohibited. (1)
- You may use your own packaging if boxes are sturdy and undamaged with all flaps intact.
- Chipboard boxes, such as gift or shoe boxes, must be packed into a corrugated outer box.

- Use double-wall boxes for heavier items.
 (2)
- Place small packages inside a larger outer box. For Express shipments smaller than 18 cm x 10 cm x 5 cm (7" x 4" x 2"), use a FedEx Express packaging option. (3)
- Double-box fragile items with 8 cm (3") of cushioning in and around the smaller box. (4)
- Wrap items individually with cushioning material and center them in boxes away from other items and away from the sides, corners, top, and bottom of the box. (5)
- Position bottles that contain liquids upright. Use an inner seal and perforated breakaway cap. The inner packaging must be able to contain leaks. (6)
- Place items that might be damaged by normal handling, such as soiling, marking, or application of adhesive labels, in a protective outer box.











How to avoid AHS - Packaging?

Surcharge criteria	Tips to avoid AHS-Packaging
 is not fully encased in an outer shipping container or packaging; is encased in an outer shipping container or packaging not made of corrugated fibreboard (cardboard) materials, including but not limited to metal, wood, canvas, leather, hard plastic, soft plastic, or expanded polystyrene foam (e.g. Styrofoam); 	Place your parcel, item, or package in an outer shipping container or packaging made of corrugated fibreboard (cardboard) materials. If you are using your own packaging, ensure that boxes are sturdy and undamaged with all flaps intact. You can use FedEx Express packaging for FedEx Express or TNT package shipments.
 is encased in an outer shipping container or packaging covered in shrink wrap or stretch wrap; ¹ 	Properly shrink-wrap a parcel, item, or a package. Shipment must be properly sealed using the H-taping method.
	Reminder: Also, do not forget to remove old labels, and make sure the Air Waybill (AWB) label is visible, not partially or fully covered, and is on the largest surface of the package. Please note that shrink-wrapping a package can cover the label, which makes it unreadable by our scanning machines. This can also trigger a surcharge.
- is round or cylindrical, including (without limitation) mailing tubes, cans, buckets, barrels, tires, drums, or pails;	Rolled goods and cylindrical items such as carpets and pipes, as well as other irregular shaped items like drums and spools shall be packed into a suitable fibreboard (cardboard) outer shipping container or packaging.
 is bound with metal, plastic, or cloth banding¹, or has wheels (e.g. a bicycle), casters, handles, or straps, including packages where the outer surface area is loosely wrapped, or where the contents protrude outside the surface area; could become entangled in, or cause damage to other packages or our sortation system. 	As much as possible, avoid wrapping your package in plastic. Plastic wrap and straps may also entangle with our automated systems and can also cause unreadable labels.

Please avoid shipping in package shapes as shown below.

Important note: Images are for reference only and is not a comprehensive list. Other packages fully or partially meeting the abovementioned criteria will be charged with AHS-Packaging, as evaluated by our Operations Team.







Irregular shapes

Wooden exterior

Tires

Exposed metal







Suitcases and transit cases



Rolled goods (i.e., carpets, pipes)

These package shapes will not trigger AHS-Packaging:

- ✓ Cardboard box
- ✓ Polybags



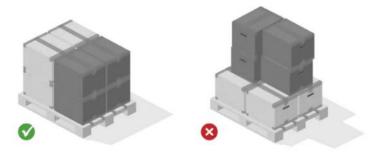
¹ Please be informed that packages that are (a) shrink-wrapped and stretch-wrapped, and/or (b) have metal, plastic, or cloth banding will not be scanned for AHS-Packaging until further notice. This is to provide you ample time to explore and implement alternative packaging solutions. Nevertheless, please note that AHS-Packaging may still be charged if the package fits another criteria of a non-standard shipment. For example, a shrink-wrapped cylinder (non-cuboidal shape) or a strapped wooden create (non-cardboard container) will still be charged for AHS-Packaging.

How to avoid AHS – Non-Stackable?

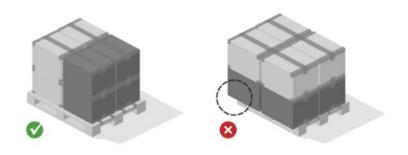
1. Choose the right pallet



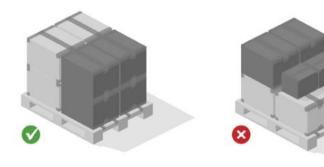
2. Stack in columns



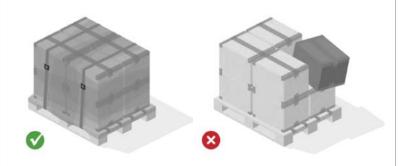
3. Do not overhang



4. Keep it flat



5. Secure the shipment on the pallet



6. Avoid imperfect packaging



IMPORTANT: **Remove old labels.** For pouches, peel off the strip and seal the flap. To make sure it sticks perfectly on your shipment, we recommend you to put the label on the boxes, not on the plastic. Indicate with a label if your pallet is non-stackable in which case your shipment will incur a surcharge. The surcharge applies on a per-freight-handling-unit basis even if multiple pieces of freight are bundled in a shipment. We reserve the right to assess additional handling charges for freight handling units that require special handling or that require us to apply additional packaging during transit.

Frequently Asked Questions

1. What if multiple Additional Handling Surcharges (AHS) apply to my FedEx shipment?

Parcel: In case a package attracts more than one Additional Handling Surcharge (Dimension, Packaging, or Weight), only the highest surcharge in terms of value after discount will be applied. Oversize Charge will not be charged together with AHS-Dimension but if applicable, will always be charged in addition to AHS-Packaging or AHS-Weight.

Freight: AHS-Freight and AHS-Non-Stackable can be charged on the same freight handling unit.

IMPORTANT: Beginning 15 April 2024, the Additional Handling Surcharges will apply per package (for parcels) and per freight handling unit (for freight) even if multiple pieces of packages or freight handling units are bundled in a shipment. For latest information, please visit fedex.com or reach out to your sales representative.

See sample computations on next pages:



Sample calculation of AHS piece-level charging for parcels

SAMPLE 1 SAMPLE 2 SAMPLE 3

Current

Surcharge hierarchy	Charge per shipment	Package 1 (Master)	Package 2
1. Oversize Charge	€55		
2. AHS - Dimension	€45	• •	
3. AHS -Packaging	€40		•
4. AHS - Weight	€20	•	•
Customer pays per shipment:	Total cost	€45	-

	urcharge ierarchy	Charge per shipment	Package 1 (Master)	Package 2
1.	. Oversize Charge	€55	• •	
2.	. AHS - Dimension	€45	•	•
3.	. AHS - Packaging	€40		
4.	. AHS - Weight	€20		•
	ustomer pays er shipment:	Total cost	€55	-

Surcharge hierarchy	Charge per shipment	Package 1 (Master)	Package 2
1. Oversize Charge	€55	• •	•
2. AHS - Dimension	€45	•	
3. AHS - Packaging	€40		•
4. AHS - Weight	€20	• •	
Customer pays per shipment:	Total cost	€75	-

New

Charge per package	Package 1 (Master)	Package 2
€55		
€35	• •	
€25		• •
€18	•	•
Total cost	€35	€25
	package €55 €35 €25 €18	package (Master) €55 €35 €25 €18

Surcharge hierarchy	Charge per package	Package 1 (Master)	Package 2
1. Oversize Charge	€55	• •	
2. AHS - Dimension	€35	•	• •
3. AHS -Packaging	€25		
4. AHS - Weight	€18		•
Customer pays per package:	Total cost	€55	€35
		Total	6 00

Total €90 Net increase €35

€55		
		• •
€35	•	
€25		• •
€18	• •	
Total cost	€73	€80
	€25 €18	€25 €18

NOTES: (1) If a package attracts AHS-Dimension, AHS-Packaging, and AHS-Weight, the higher surcharge (after discount) in hierarchy will apply. No waivers considered for AHS-Dimension. In case, you have one or more AHS waivers, the highest of the 3 AHS net surcharge amount will be charged.

(2) Oversize Charge will not be charged together with AHS-Dimension, but if applicable, will always be charged in addition to AHS-Packaging or AHS-Weight.

Total €60

Net increase €15

Parcel examples
In scope of definition
In scope of definition and surcharge(s) apply

Total €153

Net increase €78

Sample calculation of AHS piece-level charging for freight

SAMPLE 1 SAMPLE 2 SAMPLE 3

Current 🔻	7			
	Surcharges	Charge per shipment	Freight 1 (Master)	Freight 2
	AHS - Freight	€55	• •	•
	AHS – Non- Stackable	€154		
	Customer pays per shipment:	Total cost	€55	-

Surcharges	Charge per shipment	Freight 1 (Master)	Freight 2
AHS - Freight	€55	• •	
AHS – Non- Stackable	€154	• •	•
Customer pays per shipment:	Total cost	€209	-

Surcharges	Charge per shipment	Freight 1 (Master)	Freight 2
AHS - Freight	€55		•
AHS – Non- Stackable	€154	• •	
Customer pays per shipment:	Total cost	€154	-

Surcharges	Charge per freight handling unit	Freight handling unit 1 (Master)	Freight handling unit 2
AHS - Freight	€55	• •	• •
AHS – Non- Stackable	€154		
Customer pays per freight handling unit:	Total cost	€55	€55
		Total	€ 110
		Net increase € 55	

Surcharges	Charge per freight handling unit	Freight handling unit 1 (Master)	Freight handling unit 2
AHS - Freight	€55	• •	
AHS – Non- Stackable	€154	• •	• •
Customer pays per freight handling unit:	Total cost	€209	€154
		Total € 363	

Net increase €154

Surcharges	Charge per freight handling unit	Freight handling unit 1 (Master)	Freight handling unit 2
AHS - Freight	€55		• •
AHS – Non- Stackable	€154	• •	
Customer pays per freight handling unit:	Total cost	€154	€55
		Total € 209	

NOTES: (1) AHS-Freight and AHS-Non-Stackable can be charged on the same freight handling unit.

(2) Freight handling unit refer to pallets, crates, freight boxes, bagged products, or transit cases within a freight shipment.

Freight examples
In scope of definition
In scope of definition and surcharge(s) apply

Net increase €55

Frequently Asked Questions

2. How do I know if the surcharges apply?

You'll see the estimated surcharge in your rate quote* (where feasible) and on your invoice. Visibility of applicable surcharges may vary depending on the automation tools you are using. FedEx invoices will not list separate AHS charges by piece. AHS amounts will be consolidated on shipment level.

For a more reliable AHS-Weight estimate during booking, you should provide the correct weight of the parcel, item, box, or package. For a more reliable AHS-Packaging estimate, when using the latest version of FedEx Ship Manager at fedex.com, you need to select 'Non-standard packaging.'

3. What services do the new surcharges apply to?

- FedEx International Priority® Express
- FedEx International Priority®
- FedEx International Priority® Freight
- FedEx International Economy®
- FedEx International Economy® Freight
- FedEx International First®
- FedEx® International Connect Plus



*Visibility of applicable surcharges may vary depending on the automation tools you are using. For more reliable AHS-Weight estimate during booking, customer should provide correct weight. For more reliable AHS-Packaging estimate, when using the latest version of FedEx Ship Manager at fedex.com, customer needs to select 'Non-standard packaging.' AHS package level information will only be available in the new version of FedEx Billing Online, to be deployed by early 2024. We reserve the right to assess additional handling surcharges for packages or freight handling units that require special handling or that require us to apply additional packaging during transit. If a package is eligible for two or all three AHS, only the higher surcharge will apply. Package shape and dimensions may change during transit, which can affect the package's surcharge eligibility. If the package shape and dimensions change during transit, we may make appropriate adjustments to the surcharges at any time.

Questions? Please reach out to your sales representative.

Frequently Asked Questions

4. What does 'freight handling unit' charging mean?

While a 'package' is one piece of a multi-piece shipment, a 'freight handling unit' is an individual unit requiring loading. It may refer to pallets, crates, freight boxes, bagged products, or transit cases within a freight shipment.

5. When will the calculation logic change take effect?

The Surcharges calculation logic and the rates changes are implemented in phases, based on system dependencies and other implementation factors.

The surcharge rates of AHS Dimension, AHS Packaging, AHS Weight were decreased on 15 January 2024.

On 15 April 2024, the surcharges calculation logic will be changed from per shipment basis to per package basis for AHS Dimension, AHS Packaging, AHS Weight,
Oversize Charge surcharges and for AHS Freight and AHS Non-Stackable surcharges the calculation logic will be changed from per shipment basis to freight handling unit basis.

IMPORTANT: To avoid these surcharges, you can read more about our <u>packaging guidelines</u> at fedex.com. For example, Oversize Charge is applied when a package exceeds the max. dimensions and weight of a parcel. So, an Oversize Charge can be avoided if the package is shipped as freight.

^{*} There are no updates to the triggers when applying the surcharge. Surcharge applicability depends on the surcharge definition and shipment eligibility.

^{**} There will be no change to the rating hierarchy – only the highest surcharge in terms of value after discount will be applied. Package shape and dimensions may change during transit, which can affect the package's surcharge eligibility. If the package shape and dimensions change during transit, we may make appropriate adjustments to the charges at any time. This surcharge applies per package even if multiple packages are bundled in a shipment. If a non-standard package is eligible for two or all three AHS, only the one with highest charge will apply. We reserve the right to assess additional handling charges for packages that require special handling or that require us to apply additional packaging during transit.

Thank you.

