Dear Amazon Vendor,

We're contacting you today to communicate some important information around our sustainable packaging programs. At Amazon, we invest in sustainability because it's a win all around – it's good for the planet, our communities, our customers, our business, and our selling partners. Our Worldwide Sustainability team works across all of our businesses to drive efficiencies, enable growth, and enhance customer trust by focusing on our key environmental impacts and opportunities for innovation.

Packaging is a critical component of providing a great customer experience and an important part of our sustainability mission at Amazon. Ten years ago, we invented Frustration-Free Packaging to reduce waste, lower cost, and delight customers with easy-to-open, 100% recyclable packaging. Since then, we've partnered with thousands of you to redesign your packaging as Frustration-Free, and we've received very positive feedback. Our Frustration-Free Packaging program includes multiple sustainable packaging initiatives, such as moving small items from boxes to flexible mailers, optimizing our selection of boxes to better address product size and weight, launching fully recyclable mailers, and working with our global Vendor partners to develop ready-to-ship packaging. Together these initiatives have eliminated more than 244,000 tons of packaging materials, and in 2017 alone, they saved the equivalent of 305 million shipping boxes.

We're encouraged by these results, so we are now requiring that by August 1, 2019 all items larger than 18" x 14" x 8" or greater than 20 lbs. and sold through Amazon be designed and certified as ready-to-ship (Tier 1 – FFP or Tier 2 – SIOC) within our Frustration-Free Packaging programs. That means they'll be right sized, protective against damage, ready-to-ship without the need for additional packaging, and ideally easy to open, and recyclable. This will reduce waste through the entire supply chain and ensure that customers have a great experience every time they receive and open a package. While this won't take effect for 10 months, we are offering an early adopter credit for all items certified from September 17 2018 until July 31, 2019 and received in our fulfillment network up until the launch date of August 1, 2019.

We know you may have questions and we're committed to helping you through this process, so our Amazon Packaging Support and Supplier Network (APASS) of third-party experts is standing by to assist you with how to design, test, and certify packaging with Amazon. We have also created a packaging website with additional tools, videos, and case studies that demonstrate how to develop sustainable packaging for all online shopping, and additional FAQs about this program can be found here.

In the coming weeks, we will be sending you your ASIN portfolio overview, which will indicate the current certification status for each of your products impacted by this program.

We're excited to work with you on our long-term goals of improving the customer experience and reducing waste, and look forward to continuing to make progress together.

Thank you!

# Amazon Frustration-Free Packaging Program Frequently Asked Questions – Vendor Packaging Incentive September 17, 2018



## Specific details regarding the Vendor Packaging Incentive initiative

- 1. Does this mean that Amazon will require certification for all of the Vendor's items? Are there any categories that are excluded? What if I don't certify my ASINs?
  - Amazon expects that beginning August 1, 2019, all ASINs that meet the following criteria must be certified through Amazon's Frustration-Free Packaging Certification programs as ready-to-ship (Tier 1 Frustration-Free Packaging (FFP) or Tier 2 Ships in Own Container (SIOC)).
    - ASIN item package dimensions > 18" x 14" x 8" or greater than 20 lbs (Amazon's Non-Sort network Any packaged item with its longest side more than 18", or its shortest side more than 8", or its median side more than 14" or greater than 20 lbs).

The categories that are excluded from this requirement include:

- ASINs that have any Hazmat classifications (e.g. ASINs that include Lithium Ion batteries); and
- ASINs in Prime Pantry or Amazon Fresh.

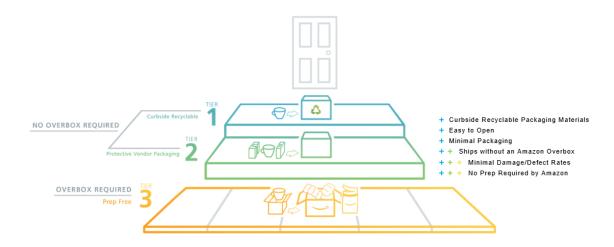
The ASINs that require certification and do not fall under any exclusions will be issued a chargeback of \$1.99/unit received beginning August 1, 2019. This rollout includes both Vendors and distributors.

- 2. How does the early savings share back one-time credit program work for Vendors?
  - To encourage early adoption, Amazon is offering a one-time early adopter credit of \$1.00/unit to Vendors that certify their items under our Frustration-Free Packaging Program guidelines (Tier 1-FFP or Tier 2-SIOC). The credit is intended to assist in the transition costs associated with this initiative and will be issued as a one-time credit in August 2019. The credit will be calculated for ASINs certified (Tier 1-FFP or Tier 2-SIOC) and received by our fulfillment network from September 17, 2018 through July 31, 2019 for ASINs with item package dimensions larger than 18" x 14" x 8" or greater than 20 lbs.
- 3. Will items certified in the program prior to 2018 be included in the savings share back program?
  - No. The savings share back one-time credit of \$1.00 for each unit is only applicable for items that are certified under our Frustration-Free Packaging Program guidelines (Tier 1 FFP or Tier 2 -SIOC) between September 17, 2018 and July 31, 2019. The credit is intended to assist in the

transition costs associated with this initiative and will be issued as a one-time credit in August 2019.

## 4. What are the details around Amazon's Packaging Certification Programs and why are they important?

Amazon's Frustration-Free Packaging Certification programs, Tier 1 - Frustration-Free Packaging (FFP), and Tier 2 - Ships in Own Container (SIOC), ship products in their own Vendor-supplied packages without additional shipping boxes to improve the sustainability of packaging across Amazon's supply chain. As Vendors optimize their packaging in line with our FFP programs, they will realize the opportunity to reduce packaging cost and improve efficiencies in their supply chains. See more here: Amazon Packaging



Note – The minimum package dimensions to participate in Tier 1 - FFP and Tier 2 – SIOC Amazon packaging certifications is 9"x6"x0.375". This communication focuses on Tier 1 - FFP and Tier 2 - SIOC for ASINs greater than 18"x14"x8".

## 5. What is the Amazon ISTA6 SIOC test, and why is it important?

Amazon is a member of the International Safe Transit Association (ISTA), an organization focused on the specific concerns of transport packaging. ISTA is a nonprofit, member-driven association that sets the standards for optimizing the resources in packages that are designed to be survivable, sustainable and successful. The Amazon ISTA6 SIOC test, which involves free-fall drop testing and vibration testing is intended to simulate the conditions that an item is likely to be subjected to during normal distribution and carrier supply chain processes. It is very important to maintain the integrity of items during transport and ensure that products arrive undamaged to customers. Amazon utilizes the ISTA6 test method to certify ASINs to ship in their original manufacturer supplied packaging.

## 6. How do Vendors know if their items are currently certified or not and what part of their catalogue will be impacted by the program?

The Customer Packaging Experience team will send Vendors a list specifying which ASINs are currently certified and which are not within the next few weeks. Before the requirement deadline on August 1, 2019, a self-service tool will be available for Vendors to find the current certification status of their ASIN catalog through Vendor Central. Vendors that have ASINs with item package dimensions greater than 18" x 14" x 8" or greater than 20 lbs (i.e. Amazon's Non-Sort Network - Any packaged item with its longest side more than 18", or its shortest side more than 8", or its median side more than 14") will be impacted by the chargeback program.

### 7. Where do Vendors go for help regarding design or testing of their items?

The Customer Packaging Experience team at Amazon has launched a comprehensive external facing website on AboutAmazon.com including resources that Vendors can utilize to help design, test and certify their items. It includes a design library detailing case studies.

Additionally, Vendors can utilize the APASS (Amazon Packaging Support and Supplier Network) which includes over 20 third party firms trained by Amazon to design and test items for Vendors. Detailed information on APASS and the Amazon Packaging Certification Guidelines are available on Vendor Central and on the <a href="https://doi.org/10.1007/nchap.1007/nchap.2007/nchap

#### 8. How and when should Vendors get their items certified?

In order to certify an ASIN, Vendors are required to complete the Amazon ISTA6 SIOC test method with an ISTA certified laboratory (ISTA certified labs can be found <a href="https://example.com/here">here)</a>. To enroll an ASIN for certification, Vendors will need to use the "Contact Us" functionality under "Support" in Vendor Central. Vendors must attach both a completed Amazon test report <a href="template">template</a> and an ASIN enrollment <a href="form">form</a> when submitting a certification request. Vendors must also indicate which vendor codes should be certified for the ASIN being enrolled. Amazon will action all enrollment requests within 2 weeks of receipt of the enrollment request via Vendor Central. More details on the enrollment process can be found <a href="here">here</a>. It is important to note that the certification testing process is intended to be a FINAL confirmation that an ASIN meets our guidelines and requirements. Once an ASIN is certified after enrollment, the ASIN is immediately set to ship SIOC. Therefore, ASINs should not be enrolled until the items are ready to begin shipping to the Amazon fulfillment network, or risk decertification of their ASINs. Vendors needing earlier design validation can perform the testing on their own or leverage a third party certified under the APASS network or an ISTA certified lab.

## 9. Can Vendors perform certification testing on their own?

Vendors who desire to perform package certification testing and enroll products for certification on their own must meet the following minimum requirements to join the Vendor Packaging Lab Certification Program:

- Vendor will have an ISTA member designated as the Amazon package certification owner and primary point of contact.
- Vendor will maintain a lab that meets Amazon ISTA6 SIOC requirements including required testing equipment per the test procedure.
- Vendor lab manager will complete on-site training at Amazon's packaging lab in Seattle
   WA.

Additional information about joining the Vendor Packaging Lab Certification Program can be found by sending an email to CPEX-lab-trainers@amazon.com.

10. How does this certification impact the Amazon.com detail page? If an item is SIOC or FFP, can a customer choose to still have that item put into an Amazon box?

Certified ASINs currently display "Packaging may reveal contents. Choose Conceal Package at checkout" on the Amazon.com detail page if the item qualifies for concealment at check-out. This provides the customer an option of putting that item into an Amazon overbox at no charge.

## 11. If an ASIN is certified, will it always remain certified?

Amazon continually monitors damage for every item that is shipped. ASINs that are newly certified will be granted a 2 month waiver from decertification to allow for certified inventory to be received by Amazon. If a certified ASIN exceeds damage rates guidelines (after the 2 month waiver period), Amazon will automatically decertify the ASIN, begin shipping in an Amazon overbox and turn on the non-compliance chargeback for every unit received.

- 12. If an ASIN gets decertified, how will I know and what do I do about getting recertified?

  Once an ASIN is enrolled and certified, the item will begin shipping in its own container. If any ASIN is decertified, a notification will be issued to you that the certification status has changed via Vendor Central, and you will be issued a chargeback for each unit received ongoing.

  Certification status and chargeback by ASIN will be available to Vendors in Vendor Central. If an ASIN is decertified the Vendor will be required to complete a certification test with a third party APASS lab and then reenroll the ASIN in Vendor Central.
- 13. Does Amazon expect Vendors to utilize separate packaging for brick and mortar retailers and Amazon?

No, it is up to each Vendor to decide and the Vendors can choose to utilize the same packaging.

14. Can a dropship only Vendor participal	te in the savings share back and chargeback program?	
	mazon's Fulfillment Network, they are not eligible for	
	savings share back and will not be levied a chargeback.	
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