**2016 - SCHEDULE A**

**KEY CRITERIA FOR SUITABLE WAREHOUSING FOR ALL PRODUCTS**

**Article 1 – Building, FACILITIES, EQUIPMENT Requirements**

1. The facilities and equipment are designed, constructed and located to suit the functions, products and processes for which they are intended and to prevent risk of errors such as contamination, mix-ups or adulteration.
2. Space and equipment are provided for cleaning, sanitization and storage of ancillary containers, tools, hoses and mobile equipment.
3. Break areas, Cafeteria, washrooms, hand wash stations and locker rooms are adequate for the staffing and away from the operational areas. They are adequately designed and dimensioned for the number of staff.
4. The materials used in the construction of facilities are durable, easily cleanable and do not become a source of contamination.
5. Surfaces are easily cleanable and constructed so as to minimize trapping of dirt or residual product. Joints between the floor and the wall are smooth and cleanable. Ceilings are free of objectionable clutter and accessible for cleaning.
6. Lighting and ventilation systems are designed and located to allow ease of cleaning and to prevent contamination resulting from failure of the system (e.g. shatterproof light bulbs, appropriate mesh screens or filters).
7. Points of entry into the building are designed to prevent the entry of environmental contamination and pests (dogs, cats, pigeons & rats etc.).
8. Temperature and humidity of storage conditions are monitored.
9. Location should be approved by fire brigade; fire extinguishers and fire hoses should exist in a sufficient number and be properly maintained
10. Facilities are properly maintained. This includes:   
    - Walls, roofs and ceilings are kept clean and free from leaks and chipped or peeling paint.   
    - A perimeter around the buildings is kept free of vegetation to discourage the presence of pests (excluding appropriately designed office areas).   
    - Grounds and roadways are properly maintained to prevent standing water, dust, oil, garbage, etc.
11. Special storage areas meet the required safety standards when hazardous products such as high alcohol content perfumes / aerosols are stored. Safety standards are set and applied in buildings, facilities and equipments. E.g. max. forklift speeds within the warehouse are defined, safe walking areas are defined and visible, electrical equipments validated and regularly tested and are clear of any potential electrical hazard etc.

**Article 2. – Housekeeping, Pest Control, Sanitization and Maintenance**

1. Designated personnel is identified and responsible for ensuring that housekeeping, pest control and maintenance are properly executed for each operation
2. Regular documented inspections of the conditions of the facility are done and pre-emptive measures employed.
3. All areas should have a clean and orderly appearance
4. Cleaning processes and materials are not a source of contamination. Cleaning equipment is maintained in good condition and is stored clean and dry after use.
5. Materials and equipment stored within the building are inspected and cleaned to reduce the potential of environmental contaminants.
6. All areas have designated, marked refuse receptacles which are cleaned and emptied on a regular basis into larger containers outside the building to await disposal.
7. Chemicals and cleaning materials are shown to be compatible with the equipment or surfaces to be cleaned, safe to use and not react with the product to prevent effective cleaning.
8. Incoming and outgoing trucks and incoming materials are inspected to be sure they are free of pests and contaminations. If pests are found, the truck is rejected or delivery is refused.
9. Grounds and roadways must be properly maintained to prevent dust, oil, garbage, etc.
10. Pest control systems are in place to prevent, control and monitor pest activity.
11. Smoking is not allowed in the warehouse, dedicated area should exist
12. Insectocutors (UV lamps) need to be located inside DC close to the docks (not visible from outside) to prevent insects at the warehouse, the inspection need to be done regularly.

**Article 3. – Storage & Handling of Finished Product**

1. Temperature is always kept in the ranges specified by P&G or required by local laws or industry standards (e.g. regulated business), data are recorded and retained. Instruments used to measure temperatures will be calibrated according to a defined schedule. Product is properly stored to avoid temperature peaks, e.g. never be stored under direct sunlight or in closed containers exposed to direct sun light.
2. Products sensitive to low temperature are unloaded from unheated vans and stored in a heated area of the warehouse to prevent their freezing over night during cold season.
3. Product segregation is requested for rejected (trade returned) product, damaged product, in quarantine product and/or stop selling product
4. The site has an inventory control system that provides good control over the status of products and the order in which they will be shipped (First In First Out / Phase In Phase Out)
5. A system to track the expiration date exists to avoid products near expiration date get shipped to trade
6. The warehouses have systems in place to prevent the accumulation of strong odours, noxious/reactive gases, dirt and dust, e.g.

* The ventilation systems remove/dissipate odours, including perfumes.
* Fumes from truck motors or battery-charging areas are filtered/extracted to prevent product contamination.
* Diesel or gasoline powered vehicles are not permitted inside warehouses.
* LPG or other liquid gas powered vehicles are well maintained and fitted with an appropriate catalytic converter. Three-way converters (Nitrogen Oxides, Carbon Monoxide & Hydrocarbons) are required for all sites storing paper products; two way converters (CO,HC) are acceptable for other locations.

1. In case of sites storing x-category products, the P&G Global Co-storage and co-shipment requirements, standards and the matrix must be adhered to at all times. P&G products must not be stored close to odorous / contaminating materials
2. Stack height is maintained as per P&G standard to avoid damage to the products.
3. Product stocks are stored on pallets. Pallets must be clean and dry. Shelf storage can be used for small quantities of product. Product is not stored in direct contact with the floor or walls of the warehouse.

**Article 4. – SECURITY MEASURES / PROCEDURES**

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| 1. Access to facility is controlled (e.g. fence, electronic controls, locked doors, CCTV). Such electronic controls, CCTV, access (badge) systems must be regularly checked, tested and maintained to ensure full functionality at all times. 2. Access to sensitive areas or operations like storage of high value goods, secondary packing / customization areas is further restricted (as required by regulation/policy or as needed to prevent tampering, adulteration, contamination and theft). 3. It is highly recommended that the lockers are outside of the warehouse, employees parking are outside of the fenced zone, a process and a security measure is in place to control & search employees / contractors / visitors / drivers whenever needed. 4. Access to the roof must be secured. |  |

**Article 5. – Records**

Records required:

* Temperature
* Pest Controls
* Customer Complaints
* Physical Inventory & Inventory Record accuracy
* Damage and missing
* Cleaning records
* Maintenance records including security systems
* Paper records are filled out in ink, legible and signed or initialled, as required, by the person completing the record. When used, electronic records systems provide security and integrity of records equivalent to paper.
* Records are retained for a period defined by procedure or policy in compliance with relevant regulations, laws e.g. tax invoices, regulatory licenses, drug product scrap record etc.

**Article 6. – Written Procedures**

Written and approved procedures should cover all major areas of operation; example of procedures:

* Receiving, storing and shipment of product
* Product blocking
* Damaged & missing goods
* Physical Inventory/ inventory count
* Handling of product returned from customers
* A documented system is in place to create, approve, distribute and periodically review SOPs - Standard Operating Procedures.

**Article 7. – oRGANIZATION and QA PROGRAM**

1. Distributor is required to establish a Quality program to ensure compliance vs. Schedule A.

The program could be based on any applicable industry standards for Warehousing and shipping.

1. The Quality program includes
   * a clear Organization
   * a process to create and manage Procedures,
   * develop and manage training and qualification program for all personnel in the operation.
2. An organized and fully documented self-assessment and improvement program which covers all areas of the site related to Quality and Technical Standards is implemented. The program must include action plans to close the gaps and must be reviewed regularly with Distributor Leadership.
3. Distributor is required to assign a qualified QA contact.
4. Complaints management process and quality failures are included in Quality program and events are tracked and reported to P&G as per contract requirements, action plans are developed to address complaints and quality failures.

**Article 8. – INVENTORY STATUS CONTROL, TRACEABILITY and Product disposal**

1. There is a process in place for control of the expiration dates of the products. Product life cycle is accordingly maintained in the system, No inventory is kept in warehouse shipping area beyond expiry date and expired products has an immediate disposition plan.
2. A procedure to ensure full traceability (from receiving, storage, and shipment) of the finished product to the first consignee is in place and tested regularly (this includes damages, rejections, and products for disposal) and must comply with any existing legal/regulatory requirement. Test results are documented and recorded.
3. A procedure for mock recall of the finished product is in place and tested at least once a year. Test results are documented and recorded and must comply with any existing legal/regulatory requirement
4. Defined process is in place for Returned/Rejected products as received in blocked status (until approved by QA to be released) and physically segregated from other stock, with a returned goods receiving log
5. Distributor is required to have an inventory management system capable to ensure traceability of shipments (InOut) and internal movements, capable to block products, records production batches and ensure lot traceability, able to manage returns and damages. This system has adequate security profiles for user –and must comply with any existing legal/regulatory requirement (including validation).
6. P&G products must be scrapped according to local regulations and the product must be destroyed in a way that prevents counterfeiting making packing and products unusable and irrecoverable before shipping to next level of contractor (e.g. landfill). Record with evidence of scrapping must be generated and kept on files.
7. Finished product empty containers and shippers are not used for storing other products / trash.

**Article 9. – TRANSPORTATION**

* For outgoing product shipments, trucks or other delivery vehicles must be adequate for transportation with high focus on pest avoidance, water damages protection, strong odours, oils. Truck inspections must be documented.
* Product is loaded into the vehicle in a way that prevents product movement during transport. Dunnage, straps and temporary bulkheads are used as required to prevent damage.
* The inventory control system, or equivalent system, must allow for traceability of shipments