Woolworths Quality Assurance Standard

"Protecting Customer Trust"

Version 6 June 2009

Dear Trade Partner,

Woolworths makes a commitment to its customers, that the products we sell in our Fresh Food departments and under our Woolworths brands are safe and of the highest quality in each and every supermarket in Australia and New Zealand.

Together with our Trade Partners we have a **responsibility** to provide the best possible product and service to our customers. Part of that responsibility is an obligation to offer consistently safe products of the highest quality.

To this end we have continued to enhance our quality assurance requirements through continual review and amendment of this standard. The WQA Standard Version 6 represents further benchmarking of the WQA standard against global food safety standards, international retailing best practice and the inclusion of the Woolworths Ethical Sourcing policy audit requirements.

The WQA standard now encompasses Food and Consumer Products supplied by local and international Trade Partners.

Trade Partners are expected to maintain certification to this enhanced WQA Standard if they are to continue to supply Woolworths. On the successful completion of the WQA Certification Audit, you will become certified as a Woolworths Trade Partner.

The certification will be specific for:

- the products the Woolworths Business Team have nominated you to supply
- the individual premises from which these products are supplied

The WQA Certification Audit process will be ongoing, and associated audits will be carried out on a regular basis. Additional Audits shall be conducted with any major change to the product or processes that you use to supply Woolworths.

NB: Conditions of Supply

Woolworths requires that its Trade Partners comply with their legal obligations in all respects. This is a condition of supply**. This Standard is not intended to operate as a substitute for the trade partner ensuring compliance with all statutory and regulatory product safety, compositional and labelling requirements.** By providing this Standard, Woolworths does not release the trade partner from its obligation to comply, in all respects with those statutory requirements.

We look forward to your ongoing commitment to achieving WQA Certification to ensure we can grow our business together while increasing the quality and safety of the merchandise we serve to our millions of customers daily.

Greg Foran
Director of Supermarkets , Liquor & Petrol

Contents

1. WQA Standard Certification Procedure

To achieve certification to the Woolworths Quality Assurance Standard for all products supplied to Woolworths, as a Trade Partner you shall:

1. *May be requested to have an initial "Gap Check" prior to commencement of supply*
2. *Develop, document and implement a Quality Management System that meets the requirements of the Woolworths Quality Assurance Standard.*
3. *Have the Quality Management System audited and certified by a "Woolworths Approved" Certification Body for products and processes supplied to Woolworths.,*

Refer to : Guideline 3 WQA Certification Guideline

The WQA Standard Pathway

Woolworths Nominated Certification Body undertakes Gap Check against the requirements of the WQA Standard

Trade Partner completes Timetable & Registration and returns to Woolworths

Trade Partner develops and implements Quality System Requirements

Trade Partner sends Quality Manual including all WQA documentation to approved Certification Body for Desk Audit

Approved Certification Body conducts WQA Certification (Verification & Systems) Audit On Site

Trade Partner receives WQA Certification from Woolworths

1. WQA Standard Certification Procedure … cont

WQA Certification: Food Products

All Trade Partners both local and international that are suppliers of Fresh Food or Woolworths Brands products to Woolworths are required to attain certification to the Woolworths Quality Assurance (WQA) Standard, in addition to existing regulatory or voluntary audits that may be currently in place.

WQA Certification: Medicinal Products

In relation to medicinal products, Trade Partners that are sponsors of products listed or registered on the Australian Register of Therapeutic Goods and/or licensed TGA manufacturers (or contract manufacturers) are required to meet GMP requirements as per the Australian Code of Good Manufacturing Practice for Medicinal Products Version 6 August 2003. To attain certification to the Woolworths Quality Assurance (WQA) Standard, licensed TGA manufacturers will be required to undergo the WQA Certification Audit in addition to existing TGA GMP Audits.

WQA Certification: Consumer Products

In relation to other products (goods sold in Woolworths stores which are not food or medicinal products), Trade Partners are required to meet the requirements of any existing legislation or Codes of Practices relevant to the product sector. To attain certification to the Woolworths Quality Assurance (WQA) Standard, Trade Partners will be required to undergo the WQA Certification Audit in addition to any existing voluntary or regulatory audits.

WQA Certification: Service Providers

Woolworths nominated Service Providers such as Transport, Warehousing and Distribution are also required to attain certification to the Woolworths Quality Assurance (WQA) Standard in addition to any existing voluntary or regulatory audits.

WQA Certification: On going Audit Maintenance

To maintain WQA certification, all Trade Partners / Service Providers will be audited in accordance with Appendix 1 – Audit Frequency. Woolworths Approved Certification Bodies are set out in Guideline 6.

2. Definitions

ACCC	Australian Competition and Consumer Commission.
ALLERGEN	A material or product that, when introduced to sensitive populations, brings on a negative health effect to the consumer. These health effects can be potentially fatal.
APVMA	Australian Pesticides and Veterinary Medicine Authority
ARTG	Australian Register of Therapeutic Goods
AUDIT	Systematic and independent examination to determine whether specified safety and quality activities have been implemented and are being adhered to.
CAR	Corrective Action Request issued by the Certification Body identifying non-conformances to food safety, quality or regulatory issues.
CAP	Corrective Action Plan issued by the Certification Body identifying non conformances to Ethical issues
CERTIFICATION	the process of auditing compliance to the requirements of the WQA. Once full compliance is obtained by the business a certificate is issued for a term specified by the Standard.
CERTIFICATION BODY	Independent Third Party Auditing company approved by Woolworths to conduct the WQA Certification Auditing Services.
CODEX	Codex Alimentarius Commission "Hazard Analysis Critical Control Point System (HACCP) and Guidelines for its Application", Annex II CAC/RCPI – 1969, rev 3 (1997).
COMPLIANCE	The ability to meet the requirements of a standard, guideline, policy or specification.
CONTROL POINT	Any point, step or operation in a process where the process or hazard can be controlled.
CORRECTIVE ACTION	Action taken to regain control over a process or procedure that is outside the specified critical limits or action taken to identify, review and dispose of any discrepancies.
CRITICAL CONTROL POINT	Any point where loss of control leads to an unacceptable health risk
CRITICAL LIMIT	Prescribed tolerances that shall not be exceeded to ensure that the critical control point effectively controls the identified hazard. Can also apply to ensuring that the customers specified requirements are met for quality.
FLOW CHART	A document that visually portrays the process of a product from first to last process control step. All major inputs and steps are identified on this flow chart.
FOOD SAFETY AUDITOR	A person who is qualified to audit the products and processes under HACCP study. The person shall be registered with the Quality Society of Australasia as a Food Safety Auditor. Woolworths recommends the listed WQA recognised Certification Bodies to undertake food safety audits.
ETHICAL AUDITOR	An individual deemed suitable by the Certification Body to conduct ethical audit activities.
FORM	A formatted document outlining areas of monitoring for which observations, data is to be recorded.
FSANZ	Food Standards Australia & New Zealand is the organisation, which publishes the requirements to which all food businesses in Australia shall comply with.
GAP CHECK	Assessment of current quality, food safety and regulatory quality systems in place compared to the WQA specified requirements.

2. Definitions … cont

GMP	*Good Manufacturing Practice*
HACCP	*Hazard Analysis and Critical Control Point. The process of identifying and assessing product and production related hazards, and the process of controlling and monitoring hazards.*
HACCP AUDIT TABLE	*All documented critical control points and their monitoring and corrective actions formatted into a table following Codex guidelines.*
HACCP PLAN	*The documented process flow diagrams, product description and intended use, hazard analysis tables, HACCP audit tables and verification procedures for a product and process.*
HAZARD	*Any physical, chemical, microbiological or quality property that can alter, taint, damage or render useless, any critical property of a product or process, which may result in a risk to health and safety, or quality deterioration.*
HIGH RISK	*Woolworths classifies products or processes as 'High Risk' based on the food safety significance to the consumer. In addition, low risk products supplied as Woolworths Brands, may be classified as 'High Risk' to maintain brand integrity. The WQA Standard requirements for the relevant product categories specifies High Risk products that have been nominated by Woolworths.*
IMPLEMENTATION	*The act of putting into place all procedures, documents and activities by distributing documents, providing training and assessing the effectiveness of programs.*
LIKELIHOOD	*The chance that an event will occur.*
MATERIAL SAFETY DATA SHEET	*A document outlining the physical properties of a chemical or compound. It clearly identifies any risks and effects to human health and any first aid and emergency procedures with which to treat or contain the material.*
MEDICINAL PRODUCT	*therapeutic goods which are listed or registered on the Australian Register of Therapeutic Goods; complementary medicines such as those containing vitamins and minerals, herbs, etc, cod liver oil, plastic strips, sunscreen lotion, antiseptic solutions, chest rub, aspirin, paracetamol, tampons and some cleaners*
NUTRITIONAL ANALYSIS	*Results that indicate the level of nutrition, sustenance or goodness contained within a determined serving of product.*
OTHER PRODUCT	*goods sold in Woolworths stores which are not food or medicinal products*
PATHOGENS	*Bacteria, viruses and moulds capable of causing harm to human health.*
POTABLE WATER	*water which meets "The Australian Drinking Water Guidelines"*
POTENTIALLY HAZARDOUS	*means foods that shall be kept at certain temperatures to minimise the growth of any pathogens that may be present in the food, or to prevent formation of toxins in the food.*
PROCEDURE	*A document describing the structure or rules with which a process is to be followed.*
PRODUCT DESCRIPTION & INTENDED USE	*A document that identifies the unique characteristics or properties of a group of similar products*
PRODUCT RECALL	*An action taken to retrieve items purchased by customers which may pose a health or safety hazard and to remove from sale and distribution all affected product(s).*
PRODUCT SPECIFICATION	*A legal document that specifically addresses all unique properties of an individual product, including its quality, safety, legal & labelling criteria*
PRODUCT WITHDRAWAL	*A temporary or permanent removal from sale and distribution of affected product(s)*

2. Definitions … cont

QA AUDITOR	*A person who is qualified to audit non-food products. The person shall be registered with the Quality Society of Australasia as a Quality System Auditor &Woolworths recommends the listed WQA recognised Certification Bodies.*
QUALITY	*Fitness for purpose. A product or service that can consistently meet the specific requirements of the consumer.*
QUALITY CRITICAL POINT	*Any point in a process where loss of control leads to a consumer complaint or product return, and occurs when the product is not within specification.*
RECORD	*A form that has documented data or observations recorded on it.*
REVIEW	*Systematic examination of specified documents or procedures to ensure that safety and quality requirements have been met.*
SEVERITY	*Potential of a hazard to cause harm to human health or to product quality.*
SERVICE PROVIDER	*Woolworths nominated Transport, Warehousing or Distribution body*
SIGNIFICANCE	*The importance of the effect to health and to the business and is assessed via the combination of severity and likelihood of a hazard occurring.*
SPOILAGE ORGANISMS	*Bacteria, yeasts and moulds which cause organoleptic breakdown food*
SUPPORT PROGRAM	*policies and activities implemented to support the HACCP / Process Control programs, ie. Calibration, Training,Recall, Approved Supplier Program, etc.*
TGA	*Therapeutic Goods Administration*
TG AUDITOR	*A person who is experienced and competent to audit Therapeutic Goods to current TG GMP requirements. Woolworths recommends the listed WQA TG GMP auditors.*
TG GMP	*The Good Manufacturing requirements for medicinal goods, the Australian Code of Good Manufacturing Practice for Medicinal Products Version 16 August 2002*
TRADE PARTNER DIRECT	*Direct supplier to Woolworths that has been invited to participate in the WQA program*
TRADE PARTNER INDIRECT	*Indirect supplier to Woolworths that has been invited to participate in the WQA program. An indirect supplier may be a contract manufacturer / packer processing products under the Woolworths Brands on behalf of the direct Trade Partner.*
VALIDATION	*The act of providing documented evidence through research, results or theoretical values that a particular hazard can be controlled such that a defined process can be shown to yield a product consistently of the required quality.*
VERIFICATION	*A detailed examination of the HACCP plans and support programs to determine if they are documented, implemented and effective.*
WOOLWORTHS BRANDS	*Woolworths corporate brands include, but may not be limited to,- Woolworths, Woolworths Fresh Brands (Butchers, Butchers Best, Bakehouse, Bakehouse Best, Deli Express, Fresh Produce, Macro, Market Fresh, Market Value), Home Brand, Beatties, Woolworths Select, Woolworths Organic, Woolworths Naytura , Woolworths Organic, Progressive PEL NZ (Signature Range, Select SR and Fresh Zone) etc.*
WOOLWORTHS LTD	*includes Woolworths Supermarkets - Australia and Progressive Enterprises Limited – New Zealand.*

3. Process Control : Food

Process Control ensures products supplied to Woolworths are processed, manufactured or produced to ensure the integrity of the product. Trade Partner's supplying Food Products / Processes to Woolworths shall develop, document and implement a HACCP Plan or Plans which will:

- Identify potential hazards to food safety, quality criteria and regulatory criteria.
- Put in place control measures to reduce the hazards to a safe level or to eliminate the hazards.

The Trade Partner shall use the Codex principles and guidelines to identify, assess and control any hazards that can affect the quality and safety of the product or service.

The preliminary steps to the Codex HACCP principles shall be documented covering:

- **The HACCP Team** – those members nominated by the Trade Partner to document the HACCP Plan. In the event that that the Trade Partner does not have the appropriate expertise in-house , external expertise shall be sought and used to develop and review the HACCP system , but the day to day management shall remain the responsibility of the Trade Partners management teams .Where the Trade Partner does use external resources such as consultants or other experts then information relating to their credentials shall be available. At least one member of the HACCP Team who is a member of the organisation shall have attended a formal HACCP training course to ensure a thorough understanding of HACCP Principles and their application (CODEX).

- **Scope** – of the HACCP Plan shall be defined describing the boundaries of the HACCP study. The WQA Standard Requirements for each product category specifies the minimum scope.

- **Purpose –** of the HACCP Plan shall be defined describing the general classes of hazards to be addressed.

- **Product Description and Intended Use**

  A document will be developed covering like products and/or processes identifying the following issues:
  - Description – product or process groups
  - Composition – full ingredient statements or reference to specifications

3. Process Control : Food … cont

- Method of preservation e.g. heating, refrigeration, water activity, pH, brining etc
- Packaging – primary and secondary
- Storage, Handling and Distribution method
- Shelf life
- Intended use e.g. ready to eat, requires cooking etc
- Special labelling – any criteria outside Food Standards Code or industry requirements eg. refrigerate after opening, wash before use
- Sensitive consumers

The document will be developed to provide a general description of similar categories or groups of products. Each product, different category or group will require a separate document.

- **Flow Chart** - The processes will be identified in a flow chart identifying all major steps in the process and their inputs where they occur. Process inputs may include water, packaging, chemicals, preservatives, rework and other ingredients. Where a product or process requires a specific step procedure or handling method, a new flow chart will be developed. The flow diagram shall be verified by the HACCP team to ensure its accuracy.

The documentation shall cover the seven principles of HACCP which are:

- **To conduct a hazard analysis** – this assessment shall be documented and identify all potential biological, physical, chemical, quality hazards and regulatory issues associated with products and processes at each step in the flow diagram. Hazards considered shall also include allergens. These hazards shall then be assessed for significance and wherever a significant hazard is identified, one or more control measures shall be developed. Potential emerging issues such as dioxins, antibiotics, hormones, BSE, E coli 0157:H7, pesticides , and herbicides shall also be considered.

- **Determine the Critical Control Points –** for each significant hazard the Trade Partner shall determine which of the control measures developed is the critical point for control of that hazard, including significant quality hazards / regulatory issues.

3. Process Control : Food … cont

- **Establish critical limit(s) –** for each critical safety, quality and regulatory control measure the limits for each shall be established and documented. Where these limits are not available through industry Standards or published research the Trade Partner shall undertake a validation study to ensure that the limits set are controlling the significant hazard. Validation data shall be maintained.

- **Establish a system to monitor control of the CCP and QCP** – procedures for monitoring the critical limits shall be developed, documented and implemented. These shall include details of what is being measured or monitored, how this is to be carried out, the frequency at which measurements will be undertaken, where the monitoring activity is to be undertaken and who is to be responsible for monitoring. Monitoring activities shall be undertaken regularly so that any deviations can be detected on-line and corrected immediately. Records of monitoring of CCPs and QCPs for both safety and quality hazards shall be maintained and shall be signed by the persons responsible for the monitoring activity and by a responsible reviewing official of the business.

- **Establish the corrective action to be taken when monitoring indicates that a particular CCP or QCP is not under control** – where monitoring indicates a deviation from critical limits procedures shall be developed, documented and implemented; to bring the process back under control including who is responsible for the corrective action. Procedures shall also include disposition of any product affected by the deviation and who is responsible for reviewing product. Records of both the process correction and product disposition shall be maintained as part of the HACCP records.

- **Establish procedures for verification to confirm that the HACCP system is working effectively** – procedures and activities which confirm that the HACCP Plan is working effectively shall be documented and implemented. These will include:

  - A schedule of microbiological and chemical testing (where applicable) to confirm that CCP's and QCP's are still under control. The schedule shall include the type of testing and the frequency of testing which will be determined by the risk nature of the products and processes, and shall cover all potentially hazardous foods. Chemical and microbiological testing of fresh food shall be in accordance with the relevant WQA Standard Requirements for each product category as issued by Woolworths supermarkets. Records of all testing shall be maintained.

3. Process Control : Food … cont

- A schedule of shelf-life validations covering both microbiological and organoleptic testing (where applicable). The schedule shall include the type of testing and frequency of testing. Records of all testing shall be maintained.
- A schedule of physical assessments of products against specifications. Methods for assessment, responsibilities and frequencies of assessment shall be defined. Records of assessments shall be maintained.
- A schedule for reviewing monitoring and corrective action records.
- A schedule for reviewing customer complaints relating to food safety and quality.
- A schedule for internal audits to be conducted on a 6 monthly basis or equivalent. Refer to internal audits area within section 16 (Verification) of the standard for further information and clarification.

- **Establish documentation concerning all procedures and records appropriate to these principles and their application** – in accordance with information outlined above.

In addition to the requirements of the Codex Principles and guidelines the Trade Partner shall:

- **Establish procedures for reviewing HACCP Plans where any changes occur** – any changes to process or production can mean the introduction of new hazards or changes to significance of existing hazards. A procedure for full HACCP Plan review in the event of changes shall be documented.

- **Raw material specifications**

  Specifications for all raw materials, including packaging materials, which become part of the finished product shall be obtained and shall be agreed to between the Trade Partner and the supplier. These specifications shall include:
  - Product name
  - Ingredient statement in accordance with labelling laws under Australian Food Standards Code (where applicable)
  - Packaging specifications which includes tamper protection (where applicable)
  - Transport, storage and handling criteria
  - Shelf life (where applicable)
  - All quality parameters and All safety parameters (including microbiological and chemical criteria)

3. Process Control : Consumer Products

Trade Partners supplying Woolworths Branded Products Consumer Products shall document and implement process controls to ensure that products meet agreed specifications. This shall include, but is not limited to:

- **Risk assessment**

  Processes shall be evaluated to ensure that any hazard which may compromise the quality or safety of the products supplied are identified and controlled. The HACCP methodology or a similar risk assessment approach to identification of hazards shall be documented. The assessment shall determine the level of risk for each identified hazard based on appropriate assessment of the likelihood of the hazard and the severity of the occurrence.

  All products shall meet the relevant regulatory requirements and/or the current acceptable industry Standard (eg. include Dangerous Goods Acts, Trade Measurement Requirements, AS/NZ Standards).

- **Raw material specifications**

  Specifications for all raw materials, including packaging materials, which become part of the finished product shall be procured and shall be agreed to between the Trade Partner and the supplier. These specifications shall include:

  - Product name
  - Manufacturer / Supplier
  - Country of Origin
  - Ingredient statement, where applicable, in accordance with labelling laws of the relevant legislation
  - Packaging specifications which includes tamper protection (where applicable)
  - Transport, storage and handling criteria
  - Shelf life (where applicable)
  - All quality parameters
  - All safety parameters (including microbiological and chemical criteria where appropriate)

- **Process Control Documentation**

  The following information shall be maintained as part of the quality management system:

  - Flow Diagram and Documented procedures for Process Control
  - Raw Material Specifications
  - Risk Assessment
  - Verification and Validation activities
  - Monitoring Records
  - MSDS's for Finished Products (where applicable)
  - All other elements of the WQA Standard where applicable to Consumer Products Trade Partners (except for HACCP and shall be appropriately developed, documented and implemented.

3. Process Control : Medicinal Good Suppliers

Woolworths recognises the licensing system for listed and registered therapeutic goods (medicinal products). In relation to medicinal products, Trade Partners that are sponsors of products listed or registered on the Australian Register of Therapeutic Goods and/or licensed TGA manufacturers (or contract manufacturers) are required to meet GMP requirements as per the Australian Code of Good Manufacturing Practice for Medicinal Products 16 August 2002 and/or meet the Condition of Listing of the product on ARTG. To attain WQA Certification, licensed TGA manufacturers will be required to undergo the WQA Certification Audit in addition to existing TGA GMP Audits or TGA mutual recognition certification.

- **Risk assessment**

  Processes shall be evaluated to ensure that any hazard which may compromise the quality or safety of the products supplied are identified and controlled. The HACCP methodology or a –risk management approach to identification of hazards shall be documented. All products shall meet the relevant regulatory requirements for inclusion on ARTG.

- **Raw material specifications**

  Specifications for all raw materials, including packaging, which become part of the finished product shall be procured and agreed to between the Trade Partner and the supplier. These documents shall include:
  - Product name
  - Manufacturer / Supplier Details
  - Ingredient statement, where applicable, in accordance with relevant labelling legislation
  - Packaging specifications which includes tamper protection (where applicable)
  - Transport, storage and handling criteria
  - Shelf life (where applicable)
  - All quality parameters and safety parameters
  - Material Safety Data Sheets
  - Quality Control Certificate of Analysis

- **Process Control Documentation**

  The following information shall be maintained as part of the quality management system:
  - Flow Diagram, Documented procedures for Process Control
  - Raw Material Specifications
  - Risk Assessment
  - Testing Protocols
  - Verification and Validation activities including stability program
  - Monitoring Records
  - Product Registration and TGA Licence
  - Poisons Licence as per State Law (If applicable)
  - Quality Control Certificate of Analysis , Material Safety Data Sheets
  - Batch Manufacturing Records, A GMP/Supply Agreement

All other elements of the WQA Standard where applicable to Medicinal Goods Trade Partners (except for HACCP and WQA GMP) and shall be appropriately developed, documented and implemented.

3. Process Control : Distribution and Service Providers

The Distribution or Service Provider for each process provided to Woolworths, shall develop, document and implement a HACCP Plan or Plans which will:

- Identify potential hazards to Product safety, quality criteria and regulatory criteria.
- Put in place control measures to reduce the hazards to a safe level or to eliminate the hazards.

The Distribution or Service Provider shall use the **Codex principles and guidelines to identify, assess and control any hazards that can affect the quality and safety of the product or service.** (Refer to 3 (a) HACCP for Suppliers of Food for the HACCP Methodology).

All other elements of the WQA Standard are applicable to Distribution or Service Providers (except for Specifications) and shall be appropriately developed, documented and implemented.

3. Process Control : Pet Food Suppliers

Suppliers of Woolworths Branded Products to Woolworths Supermarkets shall document and implement process controls to ensure that products meet agreed specifications. This shall include, but is not limited to:

- **Risk assessment**

  Processes shall be evaluated to ensure that any hazard which may compromise the quality or safety of the products supplied are identified and controlled. The HACCP methodology or a similar risk assessment approach to identification of hazards shall be documented. The assessment shall determine the level of risk for each identified hazard based on appropriate assessment of the likelihood of the hazard and the severity of the occurrence.

  All products shall meet the relevant regulatory requirements and/or the current acceptable industry Standard where applicable. (Examples include Code of Practice for the Pet Food Industry - PFIAA, Association of American Feed Control Officials Standard – AAFCO, Trade Measurement Requirements, AS/NZ Standards).

- **Raw material specifications**

  Specifications for all raw materials, including packaging materials, which become part of the finished product shall be procured and shall be agreed to between the Trade Partner and the supplier. These specifications shall include:
  - Product name
  - Manufacturer / Supplier
  - Country of Origin
  - Ingredient statement, where applicable, in accordance with labelling laws of the relevant legislation
  - Packaging specifications which includes tamper protection (where applicable)
  - Transport, storage and handling criteria
  - Shelf life (where applicable)
  - All quality parameters
  - All safety parameters (including microbiological and chemical criteria where appropriate)
  - Material Safety Data sheet

- **Process Control Documentation**

  The following information shall be maintained as part of the quality management system:
  - Flow Diagram
  - Documented procedures for Process Control
  - Raw Material Specifications
  - Risk Assessment
  - Verification and Validation activities
  - Monitoring Records
  - MSDS's for Finished Products (where applicable)
  - All other elements of the WQA Standard where applicable to Pet Food Product Trade Partners.

4. Product Specifications

Woolworths is focused on both quality and safety of all products supplied. Specifications are the key upon which the HACCP / Process Control and support programs are based. Products shall be assessed on a regular basis to ensure they are compliant to specification.

- **Woolworths Sample Submission Specification**

  Where a Woolworths Finished Product Specification does not exist and Trade Partners are tendering for business, the Woolworths Sample Submission Specification (refer to Woolworths QA website : Standards and Compliance section (www.wowlink.com.au**)** must be completed and retained on file for all products supplied to Woolworths.

  Specification Criteria

  Where specifications are to be developed by the Trade Partner, it is pertinent that each specification contain all relevant detailed information for the product. The specifications shall include where applicable:

  - Product name
  - Manufacturer / Supplier details
  - Listing or Registration Number for medicinal products
  - Batch Number / Reference Number (If applicable)
  - Ingredient statement in accordance with labelling laws under the FSANZ Food Standards Code, TGA or other relevant legislation
  - Regulatory labelling in accordance with labelling law requirements, eg. GMO, Irradiation, Allergens, Country of Origin, Caution/First Aid/ Warning Statements, etc
  - Packaging specifications
  - Transport, storage and handling criteria
  - Shelf life (where applicable)
  - All quality parameters including sensory & physical criteria and/or directions for use
  - All safety parameters (including microbiological and chemical criteria)
  - Nutritional Information Statements for foods
  - Material Safety Data Sheets, Quality Control Certificate of Analysis, Batch Manufacturing Records (Therapeutics Only)

Specifications that do not contain the necessary information will require revision and amendment to ensure all necessary parameters are adequately defined.

4. Product Specifications … cont

- **Woolworths Product Specifications**

  For all Woolworths Branded Products (Woolworths Select, Home Brand, Woolworths Organic, Woolworths Naytura, Woolworths Free From only,) a Woolworths issued finished product specification must be included in the WQA QMS.

  These Finished Product specifications must be current issue and available on site at all times and document controlled through the master document list.

All finished product dispatched to Woolworths **shall comply with all Australian Laws and Regulations** including, but not limited to Australian and New Zealand Food Standards Code, Therapeutic Goods legislation , Trade Weights and Measurement legislation, and Dangerous Goods legislation**. Trade Partners shall completely assess products on a regular basis to ensure they are compliant to specification and any regulatory requirements.**

5. Document Control

The Trade Partner shall develop, document and implement a quality manual that includes:

- **Quality Policy**

  The quality policy shall outline the Trade Partner's objectives & commitment for supply of legal , safe and quality products, as well as meeting customer expectations. This quality policy shall be signed by the Manager with executive responsibility.

- **Description of how the Quality Management System works and is controlled**

  The description shall provide explanations and procedures covering the following:

  - The scope of the quality management system
  - Responsibility and procedures for development of all documents including HACCP / Process Control Plans, procedures, methods, recipes, work instructions, specifications and records
  - Responsibility for procedures for amending and authorising documents, date or version identification, ensuring only up to date copies are in circulation, ensuring only those personnel who need documents have access to them
  - Description of the interaction of related procedures and processes
  - Description of how and where documents and records are stored
  - Description of how all documents are protected from damage or loss.
  - Description of the period of retention for documentation and records , this shall relate to the shelf life of the product and where there is a possibility that the shelf life may be extended by the customer eg; freezing this is to be considered .
  - Records for the verification of these procedures and any corrective actions to problems identified shall be maintained by the organisation.
  - Responsibility for the communication to the management and supervisory staff of the importance of meeting statutory , legal and customer requirements .

- **Organisational Structure**

  The Trade Partner shall develop an organisational chart, which indicates the job positions within the organisation, responsibilities with respect to Product safety/quality. Job descriptions shall be documented for each position nominated within the organisational chart, outlining the responsibilities to Product safety, quality and to the quality system maintenance.

5. Document Control … cont

- **Management Review**

  Senior Management shall review the quality management system, and the records of internal audits, corrective actions, customer complaints and policy objectives at least quarterly. Records of management review shall be maintained.

- **Document Register**

  A list of all documents including the quality manual, procedures, work instructions, forms, HACCP Plans, specifications with the date and/or version number shall be maintained.

- **Amendments Register**

  Where amendments are made to any of those documents listed in the document register, then these amendments shall be recorded. Records for the verification of all of these procedures and any corrective actions to problems identified shall be maintained by the organisation.

- **Insurance**

  A Certificate of currency evidencing Product and Public liability insurance equivalent to 10 million Australian dollars or such amount as considered acceptable from time to time by Woolworths shall be available as a controlled record. Woolworths approval will be required for any variation to this requirement relating to International Trade Partners.

- **Security protocols**

  A procedure for documenting and managing personnel movement in and out of the facility shall be developed based on risk and hazards appropriate to the operation. Records are to be maintained.

  A procedure shall be implemented where applicable for the destruction of any Woolworths Brands product or packaging which has been rejected from Woolworths, any discontinued or obsolete packaging and product not fit for purpose. This procedure shall detail the notification of destruction to the Woolworths Business Team

- **Labelling**

  A procedure for preparing and reviewing labels shall be documented and implemented. This shall cover, where applicable:

5. Document Control … cont

- checking that Product labels comply with the FSANZ Food Standards Code requirements
- checking that medicinal products comply with the TGA requirements
- checking that labels comply fully with Trade Measurement requirements
- checking that the labels comply fully with the ACCC requirements relating to both the Trade Practices Act and the Green Marketing requirements.
- checking that labels comply fully with APVMA requirements
- checking labels comply with the Dangerous Goods Act
- checking that any Woolworths Branded product labels comply with specifications
- labelling shall be in accordance with the category WQA Requirements
- all Woolworths Branded product labels shall be approved by Woolworths prior to the packaging being printed. Only approved labels shall be used to package Woolworths' product. Evidence of approval of artwork will be via email communication from the Woolworths Marketing Department, acknowledging that the artwork PDF (electronic file) is approved for use. In instances where Woolworths creates and provides artwork to the Trade Partners, artwork will be issued directly from Woolworths nominated design agency.

Reviews shall be conducted where:

- a new product is being developed
- any changes to labels are made
- any changes to labelling laws occur
- where there is evidence of new or emerging hazards
- the introduction of ingredients which are allergens onto the manufacturing site
- any changes to the process which may have a characteristic change to the ingredients or nutritional composition.

Reviews of existing labels will be conducted at least annually and records of all reviews shall be maintained, including evidence of Woolworths' approval for Woolworths Brands products. Where an issue is identified with the product label, this shall be escalated to Woolworths.

The Trade Partner shall have a system in place to ensure they are kept informed of all food safety issues, food regulations, legislative, scientific and technical developments applicable in the country of production and the country where the product is to be sold.

6. Good Manufacturing Practices (GMP)

The Trade Partner shall develop, document and implement procedures and policies **commensurate with the risk** relating to personnel, premises, surrounds, equipment, services, and inputs which may impact on the safety and quality of the food, product or service being grown, harvested, slaughtered, processed, packed, stored, transported to Woolworths. All personnel shall be provided with induction training in reference to the policies and procedures relating to their job description and records shall be maintained. The procedures shall also include methods for verifying adherence to each policy or procedure and records of verification shall be maintained.

- **Staff Facilities**

  Adequate facilities (where applicable) shall be made available and be maintained in a clean condition to prevent cross contamination. Consideration shall be given to the following:

  - Toilet facilities shall be available within walking distance of all food related activities and not open directly to production facilities
  - Adequate locker/storage facilities for personal effects including footwear and clothing. Entry to high risk production areas should be via specifically designated changing facilities
  - Protective clothing, footwear and head gear should be supplied where applicable
  - Adequate eating, drinking and smoking areas should be provided

- **Personnel hygiene policy**

  The policy shall identify and develop controls for the following, where applicable:

  - Hand washing including appropriate facilities correctly stationed and rules for use of sanitisers
  - Rules for eating, drinking and smoking including designated areas for these activities
  - Wearing of jewellery, watches and cosmetics
  - The introduction of allergens to the site through means other than raw materials

- **Illness and injury policy**

  The organisation shall identify how it handles any employee who is affected by cold, flu or other communicable disease. Where an employee has cuts, abrasion or other open wound, the organisation shall document a procedure to ensure that the employee does not expose the product to any risk. For rules on diseases for food products refer to the FSANZ Food Safety Standard 3.2.2

6. Good Manufacturing Practices (GMP) … cont

- **Clothing policy**

  Protective clothing shall be supplied for staff, visitors and contractors wherever applicable. Policies shall be developed where applicable covering the following:

  - Rules for clothing, footwear, hairnets, beard nets, protective head gear
  - Frequency for changing clothing and methods for cleaning clothing
  - Where gloves are worn, a policy shall be developed to ensure the gloves are changed frequently or when contaminated, and in what areas gloves shall be used.

  Where an operation involving high risk products (chilled ready to eat / ready to heat product or food) exists, personnel shall enter via a specifically designated changing facility, and shall follow specified procedures for applying visually distinctive clean clothing, headwear and footwear.

- **Staff movement policy**

  Where staff move throughout the site as part of their duties, they may introduce the risk of product contamination from other environments on or around the site. The Trade Partner should identify any potential risks because of staff movements and implement a procedure for its control and maintain records of training in staff movement policies.

- **Use of signs**

  Signs help remind the employees of their obligations to food safety and quality by employing practices and techniques. Signage should not be displayed in a manner that creates a risk of product contamination.

- **Visitor and contractor policy**

  Where visitors, including contractors, are moving through or around the premises, they may cross-contaminate the product or the environment. The organisation shall document a procedure for control of visitor movement, of making visitors aware of the Company policies in relation to clothing, jewellery, hand washing in & out of the premises & maintain records of entry & departure dates and times as appropriate.

6. Good Manufacturing Practices (GMP) … cont

- **Premises environment**

  Policies & procedures shall include consideration in relation to risk to Product safety / quality, of the following:

  - Agricultural production, raw sewerage flow into irrigation water sources shall be controlled
  - Agricultural crops use of previous chemical application to soils should be assessed
  - Processors, manufacturers and distributors site boundaries shall be clearly defined, cleared from potential harbourage of pests, and adequate drainage shall be in place
  - All sites shall be assessed for environmental pollutants and likelihood of flooding

  Where a risk is identified then controls shall be put in place.

- **Premises construction and layout**

  Policies and procedures shall include consideration in relation to risk to Product safety and quality, of the following:

  - High & low risk areas of production should be clearly segregated including coolrooms & other storage areas
  - One way flow for manufacture of potentially hazardous foods shall be considered
  - Design and construction to minimise accumulation of dirt, debris and pests
  - Walls, floors and ceilings shall be impervious and easily cleaned
  - On site laboratories should be segregated from production areas , good laboratory practices shall be implemented in all on site laboratories;
  - Covered drainage in wet areas (including footbaths) should be in place, providing adequate outflow
  - Lights shall be covered wherever they could shatter and impact on food safety. Adequate lighting shall be provided for clear working visibility
  - Windows and doors linked to storage and production areas shall be fitting and in good condition to control dust, vermin, and airborne organisms
  - Air should be filtered where necessary and pressure differentials in place between high and low risk production areas for potentially hazardous foods
  - All areas for storage of ingredients, packaging; and cleaning, manufacturing and agricultural chemicals; and any flammable materials shall be secured, properly enclosed and adequately ventilated
  - All incoming service lines such as gas, electricity, hot and cold water shall be adequately protected and clearly marked into processing areas.

6. Good Manufacturing Practices (GMP) … cont

- The quality of water, steam, ice, air, compressed air or gas that comes into contact with food or packaging, that in itself does not constitute an ingredient , shall be regularly monitored and shall present no risk to product safety or quality .

- **Water quality**

  Water quality can affect the safety or quality of a product or service and should be tested for safety wherever it is being used in food production. Procedures shall be documented to ensure:

  - Potable water is available for post harvest wash treatments
  - Potable water is available for hand washing
  - Water used for cleaning and as an ingredient shall be tested for contamination at an appropriate frequency
  - Adequate ventilation to minimise water condensation build up
  - Ice shall be prepared from potable water

- **Equipment**

  All equipment used to prepare, process, pack and cool product shall:

  - Be designed to be easily cleaned
  - Be sited to allow ease of cleaning
  - Be frequently assessed to ensure it is in good condition
  - Steel wool cleaning utensils not permitted

- **Preventative Maintenance**

  Policies, procedures and records shall include the following:

  - Planned maintenance program for all food process equipment, premises, surrounds
  - Contractors and in-house maintenance teams shall adhere to company hygiene, clothing and staff movement policies.

- **Waste, re-work and work-in-progress identification and control**

  Work-in-progress, material out-of-spec, waste or by-product materials resulting in, or from the process, it shall be clearly identified and segregated for storage. Procedures for disposal of waste materials shall be in accordance with Government regulations and shall be documented and records maintained.

6. Good Manufacturing Practices (GMP) … cont

- **Dropped product policy**

  Control procedures shall be documented and implemented for any food product that is dropped on the floor or another non-food grade or unsanitised surface.

- **Glass policy**

  Policies for exclusion of glass into processing areas shall be developed, implemented and maintained. Where glass is the primary form of packaging, procedures for storage of packaging, handling and breakages shall be documented and implemented. Any raw material or finished product packaged in glass shall be clearly segregated or controlled in a safe manner via a glass register to prevent potential for cross contamination.

- **Wood policy**

  Policies for exclusion of wood into high risk food processing areas shall be documented, implemented & maintained in Food Areas. Use of wooden implements, wooden benches, and wooden cutting boards shall also be considered wherever they pose potential for cross contamination. Where wood cannot be excluded control measures shall be documented and implemented.

- **Stock rotation policy**

  In order to protect the quality and safety of product being offered to consumers, there should be an adequate stock rotation policy in place to ensure that the oldest products and materials are used first. Stock rotation procedures shall be documented and implemented.

- **Cross contamination**

  Procedures for prevention of cross contamination shall be developed, including:

  - Contamination from extraneous packaging
  - Separation of raw materials and finished products
  - Separation of utensils used for preparing raw materials and finished product
  - Changeover of Packaging to be verified by means of line clearance between products
  - Use and management of transport vehicles

6. Good Manufacturing Practices (GMP) … cont

- **Allergen Management (Food Products)**

  Food Allergens affect a small proportion of the population however the result of coming into contact with the food allergen can be life threatening. There are many foods which contain known allergens as part of the ingredients; however there are some food allergens that enter the product due to unintended exposure through :

  - Raw material contamination
  - Changes in the production scheduling
  - Unlabelled ingredients and rework
  - Ineffective cleaning programs

  In order to prevent these unintended exposures, the Trade Partner is required to have a developed and operational Allergen Management Program and this program needs to include the following:

  - Allergen risk matrix
  - Raw material receival and storage
  - Production scheduling
  - Rework of allergens
  - Labelling
  - Cleaning Programs
  - Employee training

  In order for Trade Partners to determine whether there is the potential cross contamination occurring from ingredients and/or process, the use of the Voluntary Incidental Trace Allergen Labelling (VITAL) procedure is to be applied for all Woolworths Branded food products. This procedure has been developed by the Allergen Bureau (refer to the Allergen Bureau website : http://www.allergenbureau.net/allergen-guide/vital

  (Recommendation: Woolworths encourages the voluntary use of this tool to be adopted for all products intended for supply, including Bulk Products, Proprietary Branded)

  Where an Allergen exists due to cross contamination purposes, Trade Partners will be expected to provide through the Audit process, substantial documented evidence to support the appropriateness for such claims. Woolworths does not support generic allergen statements to account for apparent limited processing controls. Woolworths Brands Trade Partners shall obtain prior approval from the Woolworths Private Label Quality Assurance Team in relation to declaration of allergens through cross contamination.

6. Good Manufacturing Practices (GMP) … cont

- **Transport vehicles**

  All vehicles used for Transportation of raw materials including packaging, work in progress and finished product to the customer, contract packer or further storage facilities shall be suitable for the purpose, maintained in good repair and in a clean and hygienic condition.

  Refrigeration units for transporting of chilled and frozen foods shall be maintained in good repair and regular calibration of temperature gauges shall be undertaken and records maintained.

  A procedure for securing of transport of finished product shall also be developed and dispatch records maintained of the securing protocols.

  Where product is susceptible to cross contamination, procedures shall be in place to minimise the risk of cross contamination. Where the material transported is susceptible to taint uptake from other foods or previously transported materials procedures shall be in place to minimise the risk of contamination.

  Where temperature controlled transport is used, documented procedures shall be in place to ensure product temperature requirements are met. Procedures shall be in place in the case of vehicle or refrigeration equipment breakdown. All incidence of vehicle or refrigeration equipment breakdown shall be recorded and corrective action documented.

  Where the Trade Partner employs third party contractors to transport the product all of the above requirements shall be addressed within a defined contract for the service provided. All third party contractors shall be approved within the Approved Supplier program.

- **Metal Contamination / Foreign Object Detection**

  The Trade Partner shall ensure that all necessary steps are taken to identify, avoid, eliminate or minimise the risks of metal or other foreign body contamination. The assessment of risk shall be documented in the hazard analysis and HACCP principles used to determine critical control points for foreign objects to evaluate the need for metal or other foreign object detection equipment.

6. Good Manufacturing Practices (GMP) … cont

Where it is deemed to be a requirement for metal or foreign object detection equipment to be in place, the equipment shall be situated to minimise the risk of foreign object contamination within the finished product.

Where detection systems are required, the company shall apply the best practice and establish critical limits for detection, which is based on the nature of the product, the location of the detector and any other factors influencing the sensitivity of the detector.

The metal or foreign body detector shall incorporate:

- an alarm / belt stop system or
- an automatic rejection device which shall either divert contaminated product into a locked box or a secure unit accessible to authorised personnel
- in-line detectors which identify the location of the contaminant and then a process for segregation of the affected product

Procedures shall be documented which specify corrective action in the event of a detection of metal or a foreign object. Procedures shall be established for the operation, routine monitoring, staff training, testing and calibration of the metal detector or other foreign body detectors. Procedures shall be established for the implementation of corrective action and reporting in the event that a calibration/monitoring check of the equipment identifies machine failure. These procedures are to include isolation, quarantining and re-inspection of all product produced since the last acceptance test of the metal/ foreign body detector.

- **Packaging**

Product packaging for Woolworths Branded products shall be appropriate for the intended use and stored under conditions to minimise the risk of contamination and deterioration.

Procedures shall be documented and implemented to confirm the following :

- Product packaging used for Woolworths Brands conforms to specification.
- Records shall be maintained that demonstrate that packaging complies with relevant food safety / product legislation and suitability for use.

6. Good Manufacturing Practices (GMP) … cont

- Packaging specifications and standards shall be maintained for all packaging used on Woolworths Brand products.
- Packaging materials used for Woolworths Brands shall be approved by Woolworths, these are not to be changed without written approval from Woolworths.
- Where the structure of packaging material changes Woolworths are to be notified and are required to provide approval prior to any amendments being made.
- Where Woolworths has issued packaging specifications these shall be maintained and procedures shall be established that demonstrate compliance to these specifications.

Where packaging materials pose a product safety risk, special handling procedures shall be in place to prevent product contamination or spoilage. Records shall be maintained of packaging failures and appropriate corrective actions.

Where surplus finished product is produced in Woolworths Branded packaging, the Woolworths branded packaging shall be disposed of through appropriate security protocols, excess finished product must not be given to staff or sold through factory shops etc.

Any part used packaging materials transferred from production lines shall be effectively protected prior to being returned to storage.

Product contact liners, work in progress contact liners or raw material contact liners shall be appropriately coloured to prevent accidental product contamination.

Woolworths may choose to audit packaging suppliers who supply packaging material for Woolworths branded lines.

Packaging shall be in accordance with Woolworths Packaging General Specifications which cover; cans, labels, closures, corrugated outers, folding cartons, glass, plastic trays and rigid plastics.

6. Good Manufacturing Practices (GMP) … cont

- **Weight / Volume / Count Measurement**

BULK SUPPLY & PROPRIETARY BRANDS

Processes shall be implemented to ensure that products meet the requirements of the Trades, Weights & Measures criteria or equivalent acceptance criteria in the Country of Sale (NZ Weights and Measures Act and Regulations).

Australia : Sampling plans and verification checks should be based on the 12 sample protocol where the average must be above the declared net weight / volume and no one sample is permitted to be greater than 5 % under the prescribed net weight / volume.

New Zealand : Sampling plans and verification checks for product to be sold in NZ must ensure that all packages meet the three Average Quantity System rules.

Where data is captured from electronic on-line check weighing systems in lieu of manual sampling plans and records, the data shall be retained, retrievable and verified at a suitable frequency based on volume of product produced.

Where product labels include a reference to drained weight, this criteria must also be assessed to demonstrate compliance. Reports supporting the checks in place including both process control checks and end product verification must be maintained.

Procedures shall be in place to calculate and verify packaging tares used at a suitable frequency to ensure the actual product net weight / volume is measured.

WOOLWORTHS BRANDS

For all Woolworths Branded Products, any given product must meet the minimum net weight / volume / count as declared on the package label. Sampling plans and verification checks shall be implemented to verify compliance to these criteria.

7. Cleaning Procedures

The Trade Partner shall develop, document and implement a procedure for Cleaning of all equipment, utensils, product contact surfaces, strip & air curtains, door seals, cool rooms, walls, floors, ceilings, storage areas, amenities & transport vehicles for all foods & as appropriate depending upon the nature of other products.

The procedures shall include:

- A schedule of cleaning identifying what is to be cleaned, methods for cleaning, any chemicals used and its strength, any equipment used, the frequency of cleaning and who is responsible for the cleaning activity. Between batch cleaning procedures, where applicable, shall also be documented
- A schedule for monitoring that cleaning has been effective and the frequency of checking. Monitoring effectiveness may include visual inspection and/or surface protein residue testing
- Corrective actions shall be taken where cleaning is found not effective and responsibility for corrective action
- A schedule of verifying the effectiveness of the cleaning program, where applicable. This shall include regular microbiological swabbing for manufacturers of potentially hazardous foods.
- All cleaning chemicals used in food processing premises are Approved for Food.
- Procedures for sanitiser rotation where applicable.

Equipment and cleaning chemicals used shall be clearly identified and segregated from food production areas, where applicable. Records of monitoring, corrective actions and verification activities shall be maintained. Cleaning program shall include the following:

- **Use of hot water**

  Where appropriate, the use of hot water, in conjunction with cleaning chemicals, provides an effective means of reducing microbial and chemical contaminants. Use of hot water shall be documented in the cleaning schedule.

- **Material Safety Data Sheets**

  MSDS's for all cleaning chemicals shall be obtained and maintained on site at all times

- **Drainage and drying of equipment**

  Procedures for removal of "pooled water" on floors and flat surfaces of equipment shall be documented and implemented where the potential for contamination could occur. Utensils and equipment which are "wet cleaned" shall be air dried to prevent cross contamination.

- **Training of Employees**

  All employees involved in cleaning are to be appropriately trained in the cleaning procedures; the type of chemical used in applicable cleaning procedures; required dilution for effective cleaning; application procedures and monitoring of cleaning effectiveness.

8. Pest Control

The Trade Partner shall develop, document and implement procedures for the prevention and control of insects, rodents, birds and other pest infestation in and around all production and distribution facilities for food products and for other products as appropriate depending on the nature of the other products.

The procedures shall include:

- A schedule for application of pest control chemicals and equipment, including frequency of application and responsibility for application. The schedule will include, where applicable, electric insect traps, other traps, use of strip curtains and air curtains.
- A schedule for monitoring the effectiveness of the pest control program
- Corrective action procedures where the program is found to be not effective

Records of applications, monitoring and corrective actions shall be maintained. Agricultural and veterinary chemical records shall be maintained covering date and type of chemical, application rate, with holding period and date of harvest or slaughter.

Pest control programs shall include considerations of the following:

- **Contractor credentials**

  Where contractors are used, the credentials or evidence of license to apply pest control chemicals shall be obtained. This documentation will be retained by the organisation.
- **Bait maps**

  To ensure the entire premises are controlled routinely to minimise the risk of pests, a schedule of treatments shall be developed. To aid in the application and verification of pest control, a bait map shall be provided depicting the type of control and the area it is being applied.

  Pest control baits and equipment (such as insectocuters) shall not be placed in any areas where food could become contaminated and shall be secured to prevent tampering.
- **Material Safety Data Sheets (MSDS)**

  Any pest control chemical used on site will be accompanied with a material safety data sheet and proof of suitability for use within a food production environment.

9. Training

The Trade Partner shall ensure that all activities, duties or other functions, including supervision, that have an effect on the quality or safety of the product or service, or an activity that is identified as a CCP or QCP, or responsible for the implementation of support programs are conducted by suitably trained staff.

The procedure will address the following:

- A training schedule identifying what areas of training are required linked to personnel job descriptions, the training course or on-the-job training activity, the frequency of training and who is responsible for undertaking the training.
- Regular review of training needs of the organisation shall be undertaken and records maintained of the review

Records of all training activities, verifications and corrective actions shall be maintained.

Training plans shall include the following:

- At least one person from the organisation shall have attended formal industry recognised HACCP training and / or training in the QA requirements of Therapeutic Goods (TG) as relevant.
- Training competencies shall be reviewed in accordance with FSANZ Food Safety Standards and the relevant State Food Acts eg. in Victoria each food business shall provide evidence of training relevant to the Food Safety Supervisor
- Recognised Government Approved Industry Training in agricultural and chemical applications eg: Chemcert, Growsafe (NZ) or equivalent training
- Adequate training in other legislative issues pertaining to ACCC, Measurement, TGA, Australian Food Standards code and associated legislation etc.
- Induction training as specified under Good Product Management Practices
- Personnel undertaking internal audits shall be appropriately skilled
- Where a position relevant to all of the above becomes vacant, replacement personnel training needs are reviewed and appropriate training undertaken

10. Calibration

The Trade Partner shall develop, document and implement a procedure to ensure that all equipment used to inspect, measure or test the product or process are reading accurately at the time of use.

The procedure will address the following:

- A list identifying all inspection, test and measuring equipment including thermometers, temperature gauges, scales and balances, temperature controllers/recorders, metal detectors, pH meters, chlorine measuring equipment, colour measuring equipment, pressure sensors, heat sensors, chemical application equipment and reference weights, refractometers. etc.
- How the calibration equipment is identified and where it is located
- Recognised methods and frequency for calibration and calibration checking, based on volume of product produced.
- Acceptable degree of accuracy
- Special conditions for the operations, storage or handling of calibration equipment
- Methods for identifying equipment when its found to be out of calibration
- Methods for identification and review of product produced whilst equipment has been out of calibration

The Trade Partner shall maintain records of calibrations, calibration checks and any corrective actions taken when equipment is found to be out of calibration, records shall show who is responsible for each activity.

11. Product Identification & Traceability

The Trade Partner shall document and implement procedures to ensure that all material used in, or produced by, production processes are clearly identified as to grade, inspection status and description.

Materials used in, or produced by production processes include:

- Raw materials and ingredients, including packaging
- Finished products
- Work in progress
- Rework
- Waste materials
- Non-conforming product
- Cleaning, pest control, or agricultural and veterinary chemicals

The procedure shall also include the following:

- Checking that incoming raw materials and finished product meet FSANZ Food Standards or TG standards as relevant
- Code labelling and date marking requirements, Woolworths Product WQA Requirements and any other relevant legislation
- Date marking of incoming goods with “date of receival” or similar, for stock rotation purposes. For fresh “produce market agents and distributors “packed-on” or “best before” dates in accordance with Woolworths produce specifications.
- Best Before and Use By Date Coding must be in accordance with the FSANZ Food Standards Code decision tree process - recommend the use of the AFGC Guide to Date Marking
- Methods to identify and trace back to suppliers of raw materials for all products
- Methods for identifying and controlling rework
- Methods for tracing finished product distribution to Woolworths including batch / date code identification
- Methods to ensure that all coding systems employed are legible and indelible

Records of monitoring of the effectiveness of the procedures and any corrective actions shall be maintained.

12. Corrective Action

The Trade Partner shall, in addition to corrective action identified in the HACCP / Process Control Plan or risk assessment and support program, develop, document and implement procedures to ensure that:

- Unsafe, or out-of-specification material is reviewed and a decision made on how it is to be disposed of (the disposition may include reworking, downgrading or dumping). Where this product is Woolworths Branded this should be handled in accordance with the security protocols.
- Investigates and document the cause of customer complaints and the corrective action taken, including customer rejections of product
- Investigates (including product testing) and document the cause of customer complaints and the corrective action taken, including customer rejections of product in a timely manner to provide prompt customer response and prevent further occurrence of complaints of this nature.
- Action taken to prevent recurrences of customer complaints
- Audit of the implemented corrective action to ensure that the change is effective.
- Regular review of customer complaints data.
- The root cause of major systems failures are determined and action taken to prevent recurrences. These may include continuing product rejections, downgrades or production of unsafe product. Consideration of changes in staffing and/or lack of appropriate training or appropriate staff resources should also be considered as a cause for systems failure.

The Trade Partner shall document the procedures for notifying Woolworths Quality Assurance Team:

- Of any issues in relation to product safety and quality or regulatory compliance
- Where business circumstances change such as change of address, change of ownership, use of contract packers or manufacturers.
- Where Woolworths has advised the Trade Partner of non compliance to specification, appropriate procedures must be in place to investigate the issue

The Trade Partner shall maintain records of any problems and the corrective action taken in response to identified problems.

13. Approved Supplier Program

The Trade Partner shall, where the HACCP Plan or risk assessment has identified that a purchased input could be the source of a significant safety or quality hazard, develop, document and implement an Approved Supplier Program which will provide a high level of confidence that the purchased material or service will not introduce the identified hazard.

Purchased process inputs will include, but not be limited to:

- Products such as ingredients, raw materials, processing aids, seedlings, agricultural and veterinary chemicals, cleaning chemicals, packaging materials, ice, water
- Services such as transport, storage, calibration, cleaning contractors, pest control contractors, auditing services, consultants, contact manufacturers / packers.
- Finished product in the instance of a distributor

This process shall be documented and implemented and will address the following:

- Specifying the method of selection
- Identifying the approval criteria for issuing of Approved Supplier Status (refer to WQA Product Category Requirements for minimum approval criteria)
- Where independently audited Food Safety or Quality certification programs are a method of approval records of up to date certificates and scope of certification shall be maintained. Where supplier audits are conducted, records of the audit shall be maintained. Where certificates of analysis are the means of approval, records of analyses shall be maintained
- Methods for removal from the approved program
- Methods for approval of "emergency suppliers"
- Obtaining raw material or finished product specifications for all purchased inputs

- **Method of approval of suppliers, shall be in accordance with the specific category requirements detailed in the WQA Standard Requirements for the relevant category.**

- A list of approved suppliers and their status shall be maintained.

- **Means by which the incoming goods are monitored and evaluated**

  The Trade Partner shall ensure the following information is documented and maintained:

- Raw material specs for all incoming process inputs, which are assessed and approved
-

13. Approved Supplier Program … cont

- Methods for assessment of incoming goods, where applicable, including inspections Temperatures of all potentially hazardous raw materials and finished products shall be recorded at receival
- Where incoming goods or services are not meeting specification corrective actions shall be documented and records maintained

- **Methods for verifying performance**

  The Trade Partner shall ensure that a procedure is documented and implemented that identifies how to verify its suppliers of materials and safety or quality critical services. The procedure shall include a schedule of review of approved suppliers and, where applicable, shall include microbiological and chemical testing to verify conformance to raw material specifications.

  For Importers of Woolworths Brands products, Woolworths reserves the right to request that a third party audit be undertaken of these suppliers.

14. Withdrawal and Recall Procedures

The Trade Partner shall have an appropriate product withdrawal/recall procedure for all products that are outside the control of the consumer.

The procedure shall include the following:

- Communication to Woolworths of any product quality/ safety/ regulatory issues which may potentially result in a product withdrawal or recall.

- **Written procedures for both product withdrawal and product recall**
  The procedure will identify the difference between a product withdrawal and a product recall. It shall identify the people responsible for investigation, how it is investigated and how it shall be handled.

  Medicinal Products / Manufactures and Distributors of Medicinal Products shall ensure that their Recall procedures meet the requirements of the Uniform Recall Procedure for Therapeutic Goods.

- **Written procedure for notification of the product withdrawal and product recall to Woolworths**
  The procedure will identify who and how Woolworths is to be notified within 60 minutes of such decisions. It will also identify the process for follow-up meetings with Woolworths to review required corrective action and recommencement of supply.

  In addition, the procedure shall reference the following requirements:

  Australian Trade Partners

  - Woolworths Contacts (Business Manager, Quality Manager & National Retail Support Manager) to initiate and approve Recall / Withdrawal Action
  - After Hours Contact (Central Monitoring Station CMS) 1800 638 434
  - Access details to WOWlink website www.wowlink.com.au
  - Online System (Australian WOWLINK USERS only) : Product Withdrawal Recall Management (PWRM) including Login and Password and the Woolworths External Vendor Notification Procedures – PWRM 2

    Manual System (Optional) : PWRM Manual Notification Form *(When system not operational)*

14. Withdrawal and Recall Procedures … cont

International Trade Partners

- Woolworths Contacts (Business Manager, Quality Manager & National Retail Support Manager) to initiate and approve Recall / Withdrawal Action
- After Hours Contact (Business Manager, Quality Manager & National Retail Support Manager)
- Access details to WOWlink website www.wowlink.com.au
- Manual System (NZ and International) : PWRM Manual Notification Form

- **Internal responsibility and external notification lists and 24hr contacts**

  People who are directly responsible for conducting a recall or withdrawal, notifying authorities and conducting an assessment shall be listed with contact numbers.

- **Contact details for Customers and Government Authorities**

  A current list of contacts of relevant Government authorities and customer contacts shall be maintained

- **Mock recall procedure**

  All Trade Partners shall ensure that the recall procedure is in place to effectively demonstrate Case Scenario, Diary, Trace Back & Contacts, by performing a mock recall at least annually. These are to be internal only and Woolworths should not be contacted. Records of these mock recalls shall be maintained and be available on request by Woolworths. Note mock recall procedure needs to be undertaken on a product supplied to Woolworths.

  All activities relating to a recall or withdrawal will be documented and reviewed to determine its effectiveness. Records shall document who was contacted, what the problem was, who acted upon it and how it was resolved.

15. Evidence of Commitment to Continuous Improvement

The organisation shall recognise that the systems for quality, safety and regulatory compliance are continuously changing and continuous improvement is necessary. A procedure shall be developed, documented and implemented to demonstrate how the company completes a review of the system.

The procedure shall include:

- **Management commitment**

  Trade Partners will document a procedure, which provides evidence that the person or persons responsible for site management are committed to meeting the requirements of the WQA. This shall include evidence of regular meetings or communications with Woolworths key business managers and evidence of commitment to maintenance of product safety and quality of all product supplied to Woolworths.

- **Management Quarterly Reviews**

  Quarterly management reviews should include key members of the management team from Production, Technical / Quality and Sales / Marketing to ensure that all areas of the business relating to Woolworths is captured.

  The procedure will ensure that activities are in place to verify the effectiveness of the entire WQA Quality Management System and to correct any problems that are identified. This can be done by developing checklists, compiling statistics, and conducting internal audits or other such method. Any verification activity shall be routinely conducted. This routine shall be developed and documented, preferably within the verification schedule.

  Records of the verification and any corrective actions shall be maintained. Records shall be made available to Woolworths Quality Assurance Department and Business Team as requested.

16. Verification

Procedures must be in place to demonstrate that the quality system is effectively operating and product is meeting the defined finished product specification criteria. The following activities must be reflected within the WQA quality system:

PRODUCT ASSESSMENT

Procedures must be in place to ensure that all products supplied to Woolworths are in accordance with the agreed specification criteria from a safety, regulatory and quality perspective. In particular, focus must be given to sensory criteria and documented records of all checks must be maintained.

Product assessment will also include the label of the product for compliance to mandatory regulatory requirements and product claims. Information and claims on label are to be verified and supported with documentary and testing evidence. This is for all Woolworths Brands including Food & Consumer Products.

PRODUCT TESTING

Nutritional Information (NIP) : All Woolworths Branded products must be subjected to minimum annual verification activities encompassing finished product testing to verify in particular Nutritional criteria for value added food products.

Food Safety Outcomes: For all Woolworths Branded products, microbiological and chemical criteria must be tested on a 6 monthly basis as a minimum in accordance with the Woolworths Branded Product Specification criteria based on hazards identified. Consideration should be given to Pathogens, Pesticides and Heavy Metals.

(For product testing frequency for Fresh Food Products please refer to each specific Category Requirement)

EXTERNAL ANALYSIS

On site laboratories where provided shall be managed to ensure that they do not jeopardise the safety of the product manufactured. Depending upon the significance of the results, verification of on-site laboratory activities shall be conducted to demonstrate accuracy of the results. This verification must include a minimum annual participation in an internal laboratory or proficiency testing program (with NATA or ILAC certified laboratories).

16. Verification … cont

Trade Partners supplying products on the ARTG (Australian Register of Therapeutic Goods) need to ensure external laboratories are TGA approved.

RETENTION SAMPLES

A risk assessment shall be undertaken based on product risk and volume of product supplied to determine the number of product samples to be retained over the nominated shelf life. A procedure shall be implemented to ensure that product samples are retained for an appropriate period for investigation of potential issues pertaining to safety, quality or regulatory compliance.

Product assessment is to be carried out at the end of the shelf life and documented records of all checks must be maintained. The product category WQA Standard Requirements documentation shall define retention sample requirements for specific product categories. Woolworths may request retention samples to assist with an investigation of potential food safety or quality issues for Woolworths Brands products.

INTERNAL AUDITS

The organisation shall implement a 6 monthly internal audit program *or a*n equivalent schedule that reviews all elements of the system / program to demonstrate compliance. Audits need to be scheduled and conducted at a frequency that represents the level of risk determined for the system or procedure.

Internal audit scope must focus on all 18 elements of the Standard, including supporting Product Category requirements.

The audits must be completed by competent internal auditors that are able to assess and communicate the outcomes of the audit process. Responsibilities and frequencies shall be defined.

The results of the internal audit need to be communicated to the appropriate people responsible to establish corrective action and the respective timeline for completion. These corrective actions then need to be reviewed for completion and effectiveness in resolving the identified problem. The records of internal audits and corrective actions are to be maintained and available for review.

17. Product Design and Development

Product Design and Development only applies to Woolworths Branded products.

A procedure is to be documented for the product design and development which covers the following requirements:

- Hazard analysis study shall be undertaken during product design and development to identify and assess all potential safety hazards

- Factory trials are to be conducted to verify product formulation and manufacturing processes are capable of producing a safe, legal product and meet the Woolworths specification quality requirements. Production samples must be submitted to Woolworths for approval prior to products being launched to Market.

- Specification and labelling details are in compliance with the regulatory requirements for the country where the product is to be sold

- Product shelf life / stability is to be established, taking into account product formulation, packaging, factory and subsequent storage conditions

- For Food Products Nutritional Panel verification must also be undertaken on new product development of actual production samples by an external laboratory including full fat breakdown in the NIP Panel. All associated Marketing claims relating to Nutrition must be captured within the NIP analysis and have prior approval by Woolworths.

- Shelf life protocols should include microbiological, organoleptic and chemical testing as applicable to establish the shelf life.

- Shelf life trials shall be undertaken using documented protocols. These protocols should ensure consideration of product risk, handling, spoilage organisms and potential pathogens. Trial results are to be documented and maintained.

18. Customer Focus

WOOLWORTHS / TRADE PARTNER CUSTOMER RELATIONSHIP

A documented procedure for customer focus shall be developed, this shall demonstrate:

- The Trade Partner's senior management commitment to ensure that processes are in place to establish key performance indicators relating to customer satisfaction.

CUSTOMER COMPLAINTS

A procedure shall be documented for the management of customer complaints which includes:

- Flow process for management of complaints
- Corrective action appropriate to the seriousness and frequency of the problems identified;
- Prompt and effective management of customer complaints, including the following processes
    - All complaints must be logged and managed by a key representative from your business who fully understands the Customer Complaint process
    - Trend analysis be maintained and available to Woolworths at point of request
    - Detailed records be kept of communication with both Woolworths and the Customer from point of receipt to close out
- Escalation to a product withdrawal or recall based on the investigation of the customer complaint incident and review of Trend data.
- Details of all complaints / rejections should be available for WQA Auditor

Trend analysis of customer complaint data is to be used to implement ongoing improvements to product safety, legality and quality and seek to avoid recurrence of similar incidents.

Appendix 1 : WQA Certification Audit Requirements

WQA AUDIT OUTCOME

At the conclusion of the WQA audit, the auditor will discuss the audit outcome with the Trade Partner management to ensure an appropriate understanding of any non-conformances or issues. At the conclusion of the audit a report is to be provided to the Trade Partner as a summary of the audit outcome, recommendation for certification if applicable, and / or non conformances, observations or any other issues pertaining to the audit, including agreed close out dates. Where the auditor has confidence that the HACCP Food Safety and Quality Management System complies with the requirements of the WQA, then it will recommend to Woolworths that the Woolworths Trade Partner be granted certification to the WQA Standard.

The Trade Partner may proceed to Certification when, as a result of the audit process, the auditor considers that all requirements of the WQA have been met, including payment of the Certification Body and that no Critical or Major non conformances are outstanding. A certificate will be issued by Woolworths for a period of a maximum of twelve months. Certification is maintained by the company undertaking to 2 audits per year.

Regular Audits

To ensure that the WQA Quality Management System is functioning effectively, it will be necessary to have the system audited on a 6 monthly basis for **all** Trade Partners unless approved in writing by the Woolworths QA team.

Special and / or Unannounced Audits

If at any time Woolworths has doubt that a Trade Partners WQA Quality Management System does not in some respects comply with WQA requirements, Woolworths may request a Certification Body to carry out a Special Audit. The scope of the Special Audit will be at the discretion of Woolworths, the cost will be borne by the Trade Partner. Special Audits will be **unannounced** or **announced** at the discretion of Woolworths.

The Trade Partner agrees in advance that Woolworths, acting reasonably, may implement an unannounced and /or Special Audit. This audit will be at the Trade Partner's expense and may not be conducted by a Certification Body of the Trade Partner's choosing.

Appendix 1 : WQA Certification Audit Requirements … cont

SUSPENSION OR DE-REGISTRATION

The Trade Partner may be suspended or de-registered when:

- *The results of an audit indicate non compliance with the requirements of the WQA.*
- *Where a Critical non conformance is issued by an auditor during a WQA audit.*
- *Where Major non conformances are not closed out within a 14 days of being issued.*
- *WQA Audits indicate that there is a low level of confidence in the Trade Partners' ability to produce safe food or meet regulatory requirements.*
- *The Trade Partner is not showing commitment to meeting all requirements of the WQA*
- *The Trade Partner has not proceeded to full Certification within the specified time limit*
- *Non compliance to required audit frequency as required by WQA unless agreed by Woolworths in writing.*

NEW PRODUCTS : WQA Certification

Where new products have been developed or procured for supply to Woolworths, the Process Control or HACCP Plans and product specifications shall first be submitted to the Certification Body for approval. Where products or processes differ distinctly from those already supplied , it may be necessary for the Certification Body to undertake a full on site WQA Certification Audit against these nominated products before these products are added to the WQA Certificate.

WOOLWORTHS BRANDS

At the discretion of Woolworths a technical expert as nominated by Woolworths may be requested to perform a product review onsite to confirm all quality, safety and regulatory requirements are met. The cost of these reviews shall be borne by the Trade Partner. This is specific to Woolworths Branded Product

CERTIFICATION BODIES

Woolworths has nominated an agreed range of Certification Bodies based on Woolworths ability to administer accreditation checks and maintenance. The Trade Partner selects their preferred Certification Body. The Certification Body will not unreasonably refuse certification to the qualifying Trade Partner, but qualification includes payment to the Certification Body within their agreed terms.

Appendix 1 : WQA Certification Audit Requirements … cont

The Trade Partner shall be aware in advance that any loss or withdrawal of certification means cessation of business with Woolworths.

Woolworths will take any and all such steps as may reduce the costs of both scheduled and unannounced audits without compromising outcomes.

Audit Non-Conformances – Corrective Action Requirement (CAR)

CRITICAL – Immediate suspension of business until CAR is actioned

These may be raised where the auditor finds:

- *Safety of the product is found to be at risk such that the products potentially fall within the class I (are potentially life-threatening, could cause a serious risk to health) or class II recall categories (when product defects could cause illness)*
- *Where the product or processes are found to contravene regulatory requirements*
- *Where product specifications are not being met leading to sub standard product being dispatched*

Woolworths will be advised of Critical non-conformances immediately by the auditor. This will result in the immediate suspension of trade. The auditor, in conjunction with the Trade Partner, shall ensure that all Critical Non Conformances are closed out prior to the recommencement of supply to Woolworths.

MAJOR – 14 days to address CAR's

The auditor may, as part of an audit, identify instances of Major Non-Conformances. These non-conformances may be raised where the auditor finds:

- *The Trade Partner does not meet TGA GMP requirements*
- *The HACCP Plans have not been fully documented in accordance with the Codex seven principles or that the HACCP Plans have not been effectively implemented*
- *Where a support program has not been documented or has not been implemented*
- *Where a product or process has been introduced which differs significantly from those initially verified*
- *Where product is not being assessed adequately against specification*
- *Where process control plans major non compliance issues*

Woolworths will be advised of any Major non conformances. The auditor in conjunction with the Trade Partner shall ensure that all Major Non Conformances are closed out with in 14 days of the audit date unless otherwise agreed in writing by Woolworths.

MINOR – 30 days to correct CAR's

(NB: Major building changes not currently posing a risk to quality of merchandise – by negotiation)

The auditor may identify instances of Minor non-conformances where:

- *Observed practices do not comply with procedures but are not affecting product safety or quality*
- *Where improvements or modifications addressing requirements of the WQA elements may be required*
- *Minor CAR's shall be closed out by the Trade Partner and the auditor within 30 days of issue.*

SEASONAL NON CONFORMANCE

The auditor may identify instances of non-conformances for some product lines, which cannot be closed out prior to the commencement of a new season. These will be issued as a Seasonal Non Conformances and the Trade Partner will be required to close the CAR within 14 days of the commencement of the season. The Trade Partner cannot supply the particular line to Woolworths unless the Seasonal Non Conformance has been closed out.

Appendix 2: Ethical Audit Requirements

Introduction

December 2008 saw the launch of the Woolworths Ltd Ethical Sourcing Policy. This policy sets out the standards that we expect all of our Trade partners to comply with when supplying product to Woolworths Supermarkets, irrespective of where they are located around the world.

The policy requirements have been drawn upon from the Ethical Trade Initiative (ETI) and the International Labour Organisation (ILO) Conventions. These requirements represent minimum standards based on the principles of the United Nations Universal Declaration of Human Rights.

For more information on the Woolworths Ltd Ethical Sourcing Policy visit our website at www.wowlink.com.au/TopicCentre/DoingBusiness/VendorGuide/EthicalSourcing

The launch of this policy will see a change in the way that your current WQA certification audits are conducted.

Who will be audited?

Existing as well as future WQA Trade Partners, both local and international will be required to participate in an Ethical Audit Program.

Adherence to our program requirements will be required on an on-going basis.

Who will conduct the Ethical Audit?

The audit will be conducted by an approved Ethical Auditor. Woolworths has worked with our current, approved certification bodies to ensure our Approved Certification Bodies provide technically skilled and competent auditors in line with the specific requirements of this Audit Program.

Audit Duration

The Ethical audit will take approximately 1 day. The audit duration will be dependant on the size of the facility, number of employees and ease of accessibility to required documentation.

Appendix 2: Ethical Audit Requirements … cont

Right of inspection

We require our Trade Partners to willingly cooperate with Woolworths Limited and our nominated Certification Bodies throughout the entire audit program which involves granting access to your factories / facilities, providing documentation (a minimum of 12 months worth of records, or 3 months either side of the manufacture of Woolworths Ltd product) to demonstrate your compliance to the Policy and also showing continuous improvement in your factory practices.

What does the Program cover?

The Ethical Audit will cover the following criteria;

- Environmental Standards
- Labour Rights
- Freedom of Association
- Working Conditions
- Child Labour
- Living Wages
- Working Hours
- Discrimination
- Regular Employment
- Harsh / Inhumane Treatment
- Entitlement to Work & Immigration
- Subcontracting & Home Working
- Bribery & Corruption
- Health & Safety

How does the Audit Program work?

The Preliminary Ethical Audit will take place on the next scheduled Annual Audit, in line with our staged roll out program. This Audit will be conducted as a "bolt-on" program to the WQA Certification Audit.

Ongoing audit frequency will be determined by the outcome of each Ethical Audit.

It is important to note that the Ethical Audit outcome will have no direct bearing on WQA Certification. The Ethical Audit program will determine compliance to the Woolworths Ltd Ethical Sourcing Policy.

Woolworths Ltd has created the specific audit tool – The Woolworths Ltd Ethical Audit Checklist. The checklist accommodates two functions;

Appendix 2: Ethical Audit Requirements … cont

- Provides the platform of assessment in terms of the Trade Partners compliance to the Ethical Sourcing Policy
- Once completed and reviewed by the Certification Body & Woolworths– the checklist can be used as a report supplied to the Trade Partner for ongoing review and continuous improvement.

The checklist, along with any Correction Actions Plans arising from the audit will be provided to the Trade Partner following the audit.

Depending on the audit outcome, Trade Partners will be classified as Approved, Conditionally Approved or At Risk.

Correction Action Plans

Questions in the Woolworths Ltd Ethical Checklist have been risk assessed in terms of significance, Critical, High or Low.

Woolworths Ltd deems the following key criterion as areas of Critical Non Conformance where non-compliance exists:

Critical Non-Conformances – Ethical	
14.4	Does the factory use forced, bonded or involuntary labour
14.5	Are workers forced to lodge unreasonable deposits or their identity papers with their employer?
16.8	If provided, is accommodation clearly segregated from the factory / production area and any material storage areas?
17.5	Is the minimum age of employment in line with ILO directives
22.3	Are workers subjected to physical abuse, the threat of physical abuse, verbal abuse or any other form of intimidation?
25.6	Was there any evidence of the existence of misleading / false documentation?

Appendix 2: Ethical Audit Requirements … cont

Definitions of the Ethical Audit Classification system;

Approved

- The Trade Partner has satisfied all requirements of the audit including all Critical Non Conformances
- A follow up audit will be scheduled periodically

Conditionally Approved

- The factory has satisfied the requirements of all Critical Non Conformances
- The factory has not satisfied all requirements of the audit and has not achieve full approval
- One or more Correction actions are raised, either High, Low or a combination of both. The trade partner must provide proposed corrective action and agree to the time frame for close out
- A follow up audit will be scheduled periodically

At Risk

- The factory has not satisfied the Critical Non Conformances of the audit
- A Correction Action Plan is raised. The trade partner must respond with proposed correction actions within 7 days of audit
- A site re-audit may be required
- The Ethical Audit Manager in conjunction with the Quality Assurance Manager will provide guidance on how to achieve compliance
- The Business teams will recommend suspension of trade where required
- If the trade partner is unwilling or unable to demonstrate continuous improvement towards full compliance, ongoing trade will be reviewed

Close –out Timeframes for Non-Conformances;

CAP Status	Critical	High	Low
Permitted close-out time	Stage 1 – Documented response required within 7 days of audit. Stage 2 – Case – by-case	30 days from date of audit to close out the correct Corrective Action Plan	90 days from date of audit to close out the correct Corrective Action Plan

All requests for extension to close out must be provided in writing and sent directly to the relevant Quality Assurance Manager.