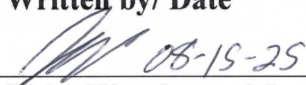
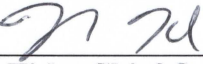

	Standard Operating Procedure Return of Materials and Destruction of Non-Hazardous Waste Materials	SOP Number E-801	Revision 11
		Effective Date 08/28/25	Page Page 1 of 9
Written by/ Date  08-15-25	Reviewed by/ Date  08-19-25	Approved by/ Date  08/27/25	
Title: Warehouse Manager	Title: Chief Operating Officer	Title: Quality Assurance Director	

1.0 Purpose

This procedure defines the steps for return and controlled destruction of rejected, short dated, obsolete, expired, or non-conforming materials and products.

2.0 Scope

This procedure applies to all raw materials, packaging components, printed packaging components, in-process materials (WIP), and finished products at Ion Nutritional Labs that require return or destruction. This procedure does not apply to the disposal of hazardous waste materials.

3.0 Responsibility

- 3.1 It is the responsibility of the Department Manager/Supervisor or designee to report any material that is non-conforming.
- 3.2 It is the responsibility of Inventory/Purchasing to confer with outside vendors for any "Return to Vendor" and/or "Destruction" disposal requirements.
- 3.3 It is the responsibility of Sales (Account Managers) to obtain the required liability information and acceptance of such liabilities from the customer (as applicable).
- 3.4 It is the responsibility of QC to ensure that non-conforming items are properly tagged.
- 3.5 It is the responsibility of all involved departments to follow this procedure.

4.0 Definitions

Standard Operating Procedure Return of Materials and Destruction of Non-Hazardous Waste Materials	SOP No E-801	Rev 11	Page 2 of 9
---	-------------------------	-------------------	--------------------

- 4.1 **QC** – Quality Control
- 4.2 **R&D** – Research and Development
- 4.3 **DC** – Document Control

5.0 References

- 5.1 D-603, SOP, Hazardous Chemical Waste Disposal
- 5.2 C-502, SOP, Document Storage, Retention, and Destruction
- 5.3 E-801-F2, Vendor Return Form

6.0 Procedure

- 6.1 Waste Material Status
 - 6.1.1 The Department Manager or designee will determine if a material requires an electronic waste approval.
 - 6.1.2 Waste materials that do not follow the electronic waste approval process are as follows:
 - 6.1.2.1 In-process – waste that is produced as part of the normal manufacturing of a batch
 - 6.1.2.2 R&D – waste that is generated during product research and development
 - 6.1.2.3 Stability samples – waste that is generated during stability testing or when stability testing is discontinued or completed

Standard Operating Procedure Return of Materials and Destruction of Non-Hazardous Waste Materials	SOP No E-801	Rev 11	Page 3 of 9
--	-------------------------------	-------------------------	--------------------

6.1.2.4 Reserve Samples – waste that is generated when reserve samples exceed one year from expiration/best by date or three years from the date of manufacture.

6.1.2.5 QC – finished product waste generated during testing

6.1.2.6 Dust Collector – waste that is produced from the internal and external vacuum system in Compression and Encapsulation.

6.1.3 Examples of waste material that follow the waste approval process include but are not limited to:

6.1.3.1 Any raw material, packaging component, in-process material, or finished product that has been:

- Rejected
- Adulterated
- Damaged
- Expired
- Found Non-Conforming

6.1.4 Under no circumstances can a material classified as hazardous be disposed of using this procedure. Classified hazardous waste materials need to be labeled with a “Hazardous” placard and placed in Quarantine for processing and disposal per SOP D-603 Hazardous Chemical Waste Disposal.

6.2 Completing the Waste Approval Process:

6.2.1 The initiator will access Microsoft Teams and select which material(s) are to be wasted and submit for approval.

<p style="text-align: center;">Standard Operating Procedure Return of Materials and Destruction of Non-Hazardous Waste Materials</p>	<p style="text-align: center;">SOP No E-801</p>	<p style="text-align: center;">Rev 11</p>	<p style="text-align: center;">Page 4 of 9</p>
---	---	---	---

File Path: Microsoft Teams > Document Requests > Expand Utilities > Workflows

- 6.2.2 Once the request has been electronically submitted it will route to the account manager who will determine if the customer has any financial liabilities associated with the material to be destroyed. If so, the account manager will liaise with the customer to communicate the financial responsibility and coordinate the repayment process externally. The account manager will attach supporting documents and approve the request. The workflow will then be sent to the Finance team.
- 6.2.3 The approval will then be submitted to the Finance department for review and cost analyses as listed in Section IV Monetary Impact Information and Destruction Approval. Finance will review the cost of the waste as well as the type of inventory transaction needed for the waste and then submit to EHS manager to then evaluate if material is hazardous or needs special handling disposal. After this total cost is then sent to COO for approval.
- 6.2.4 If approval for destruction was not approved by the COO, reasoning and an impact assessment will be done at this time.
- 6.2.5 If approved, the action will be given to QC and warehouse to pull material(s) listed and verify batch numbers/lot numbers and total quantity/weight. The materials will then be tagged with a “To Be Destroyed” tag.
 - 6.2.5.1 If any containers are damaged, they will be repackaged at this time, if applicable.
 - 6.2.5.2 QC will verify the documentation. QC will then tag the materials in question with a status tag “Hold for Disposition”.
 - 6.2.5.3 Warehouse will ensure that the material is moved into the quarantine area. If the quarantine area is full, an overflow area will be created and must be approved by Quality before the material is moved.

Standard Operating Procedure Return of Materials and Destruction of Non-Hazardous Waste Materials	SOP No E-801	Rev 11	Page 5 of 9
--	-------------------------------	-------------------------	--------------------

6.2.6 When the materials are ready to be physically destroyed, warehouse personnel will locate the materials as listed and verify that all materials are accounted for.

6.2.6.1 The “To Be Destroyed” tags will be removed from the pallets before destruction and attached to the waste material form packet.

6.2.6.2 If the material will be disposed of through the company’s disposal unit, warehouse personnel will open all the containers and empty the contents into waste bags, which are typically black garbage bags. Then items can be discarded in the company disposal.

- All printed packaging shall be destroyed by enclosed compactor or incineration. If printed packaging or any other materials designated for waste need to be taken to the incinerator a packing list for those materials needs to be generated for traceability. This does not apply to line-generated printed packaging waste. In-process waste may be destroyed of in the company’s disposal unit only after the art has been completely defaced.

6.2.6.3 Once the items are disposed of, Warehouse personnel will submit completion to Finance.

6.2.6.4 Inventory Control will reconcile the inventory of the waste material at this time.

6.2.6.5 Finance will update financial records as needed.

6.2.6.6 Once financial records have been updated by Finance a final notification of completion is sent to the initiator.

6.3 Vendor Return

6.3.1 If it is determined that the material will be returned to the vendor, the initiator

<p style="text-align: center;">Standard Operating Procedure Return of Materials and Destruction of Non-Hazardous Waste Materials</p>	<p style="text-align: center;">SOP No E-801</p>	<p style="text-align: center;">Rev 11</p>	<p style="text-align: center;">Page 6 of 9</p>
---	---	---	---

will complete Section I of Form E-801-F2 Vendor Return Form.

6.3.2 Once Section I has been completed, it will be forwarded to DC to assign a material tracking number and document the number on the Vendor Return Form. The information will also be documented in the electronic Return Material Tracking Log, located here: F:\Doc Control Only\Forms and Logs\Waste and Return to Vendor. The form will be forwarded to Shipping after number assignment.

6.3.3 Material tracking numbers will be assigned using the following format:

6.3.3.1 V (for vendor return)

6.3.3.2 Two-digit year (YY) when the return was identified as needed

6.3.3.3 A three-digit sequential number beginning with 001 and allowing 999 per year if necessary.

6.3.3.4 **Example:** V-22-001 for the first vendor return occurrence of 2022.

Note: this sequential number will be shared with the waste material tracking number assignment.

6.3.4 Shipping will review the material(s) listed on form E-801-F2 Vendor Return Form and complete Section II Material Lot Information and Section III Return Requirements. Once complete, the vendor return form will be forwarded to Warehouse.

6.3.5 Warehouse will confirm the material listed on the form, tag the material with a To Be Returned tag, and complete Section IV Material Confirmation. The form will then be returned to Shipping to await pickup.

6.3.6 When the material has been picked up, Shipping will complete Section V Shipping Information and return the form, along with all supporting

Standard Operating Procedure Return of Materials and Destruction of Non-Hazardous Waste Materials	SOP No E-801	Rev 11	Page 7 of 9
--	-------------------------------	-------------------------	--------------------

documentation, to DC for routing to Inventory Control.

- 6.3.7 Inventory Control will reconcile the inventory of the returned material in Batchmaster and complete Section VI Inventory Adjustment. Once complete, the form will be returned to DC for routing to Finance.
- 6.3.8 Finance will ensure that all financial records are adjusted and complete Section VII Financial Record Adjustment. The form will then be returned to DC for closure.
- 6.3.9 Once the Vendor Return Form has been completed by Finance, it will be returned to DC. DC will complete Section VIII Documentation Confirmation, scan the completed packet, and file electronically in the following location: F:\Doc Control Only\Forms and Logs\Waste and Return to Vendor.
- 6.3.10 All information will be logged in the electronic Vendor Return Tracking Log.

Note: Tracking numbers assigned using one log and sequential numbering system. Waste and return to vendor sequential numbers will be shared. For example, the first form of the year is a waste form and will be assigned the tracking number W-21-001. The second form of the year is a vendor return form and will be assigned the tracking number V-21-002.

7.0 Revision History

Revision	Date	Description of Changes	CCR #	By
0	05/20/10	New	-	-
1	11/29/12	Changed format and title. Revised SOP to provide additional clarity and detail.	-	-
2	06/17/13	Reorganized the SOP for clarification. Revised forms.	-	-
3	11/25/13	Realigned instructions on hazardous waste handling. Added reference to D-603. Redefined QC responsibilities. Removed use of WMF forms for hazardous waste disposal. Added hazardous waste label. Changed forms.	13-959	B. Johns
4	08/24/16	Biennial review: Updated SOP format and responsibilities. Rewrote for clarification. Removed form E-801-F3 and added electronic log reference. Changed forms.	16-0774	K. Burriss
5	11/29/17	Revised flow of SOP to reflect complete rewrite of flow and	17-1519	K. Burriss

		requirements as listed on the waste form E-801-F1. Changes implemented for ease of use and verification at each step the correct material is being identified and destroyed; added E-801-F3 and E-801-F4 forms to ensure proper status identification of materials.		
6	05/04/21	Scheduled review: updated entire procedure to reflect current process. Removed forms F3 and F4.	CC-21-0174	K. Burris
7	01/11/22	Updated SOP to reflect correct practices and form flows.	CC-22-0013	K. Burris
8	08/26/22	Added account manager responsibilities to determine liabilities for waste materials. Clarified process throughout. Updated format and logo. Removed redundant and/or unnecessary steps.	CC-22-0353	K. Burris
9	01/30/23	Add place for inventory transaction type needed on form. Add this requirement to procedure. Add material identification to vendor return form.	CC-23-0049	J. Murphy
10	08/13/24	To eliminate the waste material form and add in the new electronic waste approval process in teams	CC-24-0370	J. Murphy
11	08/04/25	Add packing list creation for outside disposable for added traceability. Updated Company Logo	CC-25-0311	J. Murphy

8.0 Attachments

- 8.1 Attachment 1 – To be Returned tag
- 8.2 Attachment 2 – To Be Destroyed tag

ATTACHMENT 1 – TO BE RETURNED

<p style="font-size: 1.2em; font-weight: bold;">TO BE RETURNED</p> <p style="font-size: 1.2em; font-weight: bold;">PALLET _____ of _____</p> <p style="font-size: 1.2em; font-weight: bold;">BY/DATE _____</p>
--

Standard Operating Procedure Return of Materials and Destruction of Non-Hazardous Waste Materials	SOP No E-801	Rev 11	Page 9 of 9
---	-------------------------	-------------------	--------------------

ATTACHMENT 2 – TO BE DESTROYED

<p>TO BE DESTROYED</p> <p>PALLET _____ of _____</p> <p>BY/DATE _____</p>
