Kohl's Factory Technical Audit (FTA)

OVERVIEW:

The Factory Technical Audit (FTA) assesses a factory's quality management systems, production capabilities, risks, and capacity. It is focused solely on production and quality-related criteria, unlike Social Compliance (Factory Evaluation - FE), Security, or Environmental audits, which are managed separately by Kohl's Factory Compliance team.

FTA results contribute to Kohl's Key Performance Indicators (KPIs) and directly impact the supplier's quality KPI scorecard. An FTA score is also a qualifier for Kohl's Supplier QA Certification.

FTA REQUIREMENTS:

- All **tier 1** factories with production of Kohl's private and exclusive brand products must have a valid 3P Factory Technical Audit
    - If a factory will not be used contact factory compliance to make the factory inactive
- Version from another retailer
    - GMP (Good Manufacturing Practices), FCCA (Factory Capability & Capacity Audit), Factory Quality Audit, etc.
    - Completed by a 3P certified auditor, **NO** self assessments
    - Overall score is out of 100
        - 70+ is Kohl's minimum score requirement
        - 80+ is required for Kohl's supplier QA certification
    - Should assess the following criteria
        - Management Commitment and Continual Improvement
        - Quality Management System
        - Site and Facilities Management
        - Product Control, Conformity & Risk
        - Process Control, Conformity & Risk
        - Environmental Sustainability Management
        - Personnel Training and Competency
    - Email to: Quality.Assurance@kohls.com , Kristi.Sachs@kohls.com
- If no FTA available, urgently schedule a FTA for Kohl's with the following approved 3P auditors
    - Intertek: Kennis Cheng Kennis.Cheng@intertek.com
    - SGS: Tammy Lai Tammy.Lai@sgs.com
    - Make sure to say this is for Kohl's, so 3P auditor will send report and results to Quality.Assurance@kohls.com

PROCESS:

Pre-Audit | Questionnaire

- Factory receives document list and pre-audit questionnaire, prior to the audit date

Document review

- 3P auditor reviews procedures, work instructions, and supporting records at the factory

Audit

- 3P auditor visits all areas of the factory and observes equipment, process, process controls, procedures and general factory conditions.
- 3P auditor interviews a mix of managers and workers

Rating + CAPA

- If the score is **70 to <80**
    - **3P online CAP review** is **required** and prioritize **major** and **moderate** findings to be addressed in **3 months** within **3 submissions**
    - The **vendor** should **work with the factory** on **minor** findings and ensure they are all

addressed before the **next annual** audit
    - If improvements have been made to the major and moderate findings and are interested to gain certification a new audit will need to be conducted to get a score of =/>80 - this can be done any time after CAP is approved and do not have to wait for previous audit expiration
- If the score is **80 to <90**
    - **3P online CAP review** is **not required**
    - The vendor should work with the factory on **all** findings and ensure they are all addressed before the **next annual** audit (every 1 year)
- If the score is **=/> 90**
    - The vendor should work with the factory on **all** findings and ensure they are addressed before the **next audit in 2 years**

AUDIT DETAILS:

Facility Profile:
- Access, audit details, facility contacts, production processes, and equipment details.

Audit categories
- **Management Commitment and Continual Improvement**:
    - Management review processes, improvement actions, and resource allocation.
- **Risk Management**:
    - Awareness of legislation, product risk assessment, process risk assessment, and risk verification.
        - Failure Mode and Effects Analysis (FMEA) is a structured way to identify and address potential problems, or failures and their resulting effects on the system or process before an adverse event occurs. In comparison, root cause analysis (RCA) is a structured way to address problems after they occur.
- **Quality Management System**:
    - Policy statements, document and record control, specification management, internal audits, and supplier performance monitoring.
- **Site and Facilities Management**:
    - Location safety, factory layout, staff facilities, cleaning, waste management, and pest control.
- **Product Control**:
    - Reference sample retention, chemical control, packaging materials, handling of non-conforming materials, and product storage and distribution.
- **Product Testing**:
    - Assessment of testing needs, documentation of testing procedures, and management of test results.
- **Process Control**:
    - Control of operations, inspection of incoming components, in-process and final inspections, and foreign body detection.
- **Personnel Training and Competency**:
    - Training procedures, evaluation of training effectiveness, and competency assessments for personnel affecting product safety and quality.

CONTACT INFORMATION:

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Kohl's: Quality.Assurance@Kohls.com

Kohl's Factory Technical Audit (FTA) Process Flow