

CTPAT

MISSION:

Kohl's Department Stores, Inc. is committed to the highest standards of quality and integrity in its products and operations. This commitment includes the security of products made in foreign countries that are imported into the U.S. for sale in our stores. Kohl's recognizes the need to protect its product from potential acts of terrorism and human or drug trafficking, throughout the international supply chain. The U.S. Customs and Border Protection's Customs Trade Partnership Against Terrorism (CTPAT) program, provides security guidelines for each segment of an international supply chain to ensure product integrity and the welfare of U.S. citizens.

CTPAT VALIDATION BENEFITS:

- Kohl's is an active participant in securing our nation's borders
- Reduced Customs examinations of Kohl's merchandise
- Increased speed of merchandise to market

TWELVE SECURITY CRITERIA:

Kohl's is a CTPAT Tier III member and expects its supply chain partners to maintain a CTPAT program and implement processes that exceed the minimum criteria. Vendors and factories should create best practices around the following twelve CTPAT minimum security criteria:

- Security Vision and Responsibility
- Risk Assessment
- Business Partner Security
- Cybersecurity
- Conveyance and Instruments of International Traffic Security
- Seal Security
- Procedural Security
- Agricultural Security
- Physical Access Controls
- Physical Security
- Personnel Security
- Education, Training and Awareness

CTPAT MUST DO REQUIREMENTS:

- All finished goods must be stored in a secure and access controlled location
- Photos of authorized employees are posted in restricted areas
- Procedures must be in place to restrict access to packing, finished goods and shipping areas
- External gates, fences, doors and windows secured with locking devices
- CCTV coverage of access points, finished goods, loading, unloading, and storage areas; tapes maintained for at least 45 days
- Password protection on all computers and related systems
- Only closed-end trucks and shipping containers are used for transporting goods
- High security container seals must be used (meet or exceed PAS ISO 17712:2013)
- Perform and document the 7-point container inspection to verify physical integrity of the container structure as well as well as verifying there is no pest contamination, plant material or mold prior to stuffing
- Factory must have a training program in place for all employees that provides awareness of security procedures
- Factory has an established Risk Assessment procedure to identify: terrorism, smuggling, human and drug trafficking, organized crime and internal conspiracy
- FCL shipment move directly to port

CTPAT BEST PRACTICES REQUIREMENTS:

- Gates and perimeter are monitored by guard during non-operating hours
- Incorporate alarm systems including motion sensors or door/window contact sensors to signal security
- Intrusion alarms are used to notify security or factory personnel of container tampering
- Container/trailer loading is monitored by more than one person including security or a supervisor/manager
- Factory provides an incentive program to reward employees who report security irregularities
- Utilize laser measuring devices to detect false walls, compartments and hidden contraband
- System access is restricted based on employee's role
- Factory creates new visitor badges once it is determined that 25% of the visitor badges have been lost or damaged