



N56 W17000 Ridgewood Drive
Menomonee Falls, WI 53051

July 2018

TO: Kohl's Merchandise Vendors
RE: Merchandise with Legally Regulated Components
GOAL Procurement of Safety Data Sheets (SDS) and Product Profiling

Overview

Kohl's is partnering with UL/WERCS (WERCSmart) to provide product profiling and safety data sheet management services for all Kohl's merchandise which contain legally regulated components. Kohl's requires product information (in the form of the SDS) from vendors on all merchandise with regulated components to determine whether they may trigger compliance obligations (transportation, handling, and disposal). We require this information on the majority of non-apparel items.

Kohl's Authorization

Kohl's has authorized UL/WERCS to act as its designated representative to acquire merchandise information and SDS documents on behalf of Kohl's. In partnership with UL/WERCS and to support our compliance with safety and environmental regulations, Kohl's has established a centralized SDS repository located at UL/WERCS.

UL WERCSmart Solution

With WERCSmart, our valued vendors can streamline product submissions with the highest standards of confidentiality and service. Kohl's is requiring all merchandise vendors* to create an account or, for existing users, to log into your WERCSmart account to register your Kohl's merchandise included in the categories listed below. This includes new and existing merchandise sold to Kohl's. The centralized SDS management program will significantly reduce the workload of distributing duplicate copies of SDS throughout Kohl's organization.

WERCSmart Registration Deadline: September 1, 2018

Failure to register by the deadline above will result in a compliance charge of \$1,000 per month until registered.

Business Rule: All merchandise with regulated components sold to Kohl's must be registered on WERCSmart within 30 days of Kohl's Purchase Order receipt or be subject to a penalty

Product categories requiring registration:

Chemical-containing products

- Any product advertised or labeled to kill, repel, or prevent the growth of any living organism (e.g., anti-microbial products, pesticides and other products regulated under the Federal Insecticide, Fungicide, and Rodenticide Act)
- Products containing a powder, gel, paste, liquid, or gas not intended for human consumption
- Products intended for human inhalation, consumption, or absorption: lozenges, pills or capsules (e.g., pain reliever, vitamins, water pills)
- Medicated swabs, wipes, bandages and patches (heated and/or medicated)
- Energy bars, diet supplements, vitamin drinks, over-the-counter medications/supplements
- Liquids (e.g., soap, shampoo, cough medicine, eye drops, ear drops, nasal spray and inhalers)
- Medicated shampoos, gums, ointments and creams, including suntan lotion
- Lip balm, lip creams and petroleum jelly
- Equipment sold with chemicals (e.g., vaporizer sold with medication, air fresheners, and gel shoe inserts)

Aerosols (e.g., any product that contains a compressed gas or propellant)

Batteries (e.g., all batteries, any product that contains a battery)

Electronics (e.g., any product that contains a circuit board, blinking lights or making sounds)

Fluorescent Lamps (e.g., Halogen lamps, High-Intensity Discharge (HID) lamps)

*"All merchandise vendors" is defined as any vendor who supplies merchandise with regulated components as listed above.

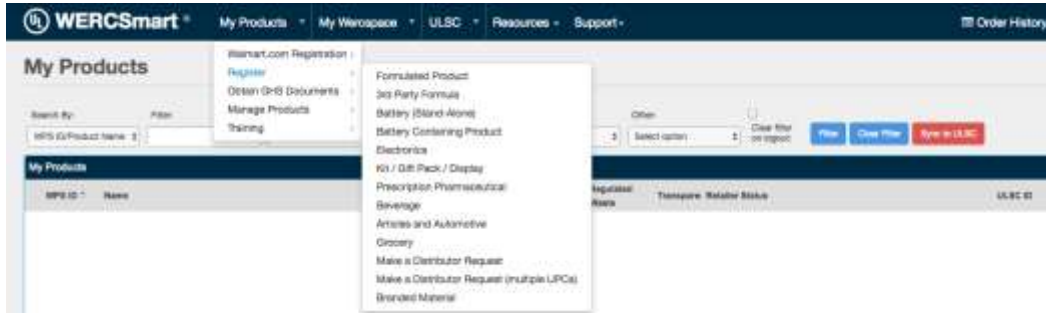
New to WERCSmart?

In order to get started, you will first need to create a WERCSmart account and choose a subscription plan that best fits your product portfolio and data management needs.

Please visit <http://www.ulwercsmart.com/subscription-options.php> to get detailed instructions on how to create an account and choose a plan. If you would like further assistance on how to get started, please call the WERCSmart Customer Support team at (877) 642-6753.

How to Register Products in WERCSmart

Click on arrow to the right of “My Products” in the top navigation bar on the My Products page and select “Register.” Then, select “Formulated



Already Registered with WERCSmart?

How to Forward Existing Products to [INSERT COMPANY] (for existing WERCSmart users)

If you already have a WERCSmart subscription and previously registered products that you would like to forward to Kohl's, please log in to your WERCSmart account, click on arrow to the right of “My Products” in the top navigation bar on the My Products page, select “Manage Products” and click on “Forward Product Registration.” Then, select Kohl's, as the receiving retailer.



Attend a training Webinar hosted by WERCSmart!

Interested participants should submit a ticket to Freshdesk (wercsmart.freshdesk.com) system with a title of “Kohl's WERCSmart Training Webinar” and list the date of the desired training in the body of their ticket.

- Wednesday, August 8 - 2PM EST
- Wednesday, August 15 - 2PM EST
- Wednesday, August 22 - 2PM EST
- Wednesday, August 29 - 2PM EST

Program Questions

If you have any questions, please visit the UL/WERCS support page at: <https://wercsmart.freshdesk.com/en/support/home/>. You may also call the UL/WERCS Customer Support Team at 877-642-6753. For Kohl's related questions, email the Environmental Compliance team at environmentalcompliance@kohls.com.

SDS Regulatory Information

For more information about SDS requirements, please visit the following website: <http://www.osha.gov>. A guide to classification and labeling can also be found at <http://www.osha.gov/dsg/hazcom/ghsguideoct05.pdf>. Page 50, Section 4.8 refers to SDS and Appendix B-1 and B-2 provide sample SDS formats.

Kohl's appreciates your assistance in our efforts toward increasing our level of compliance, protecting the environment, and maintaining the safety of our Associates and global communities.

Best Regards,

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Supply Chain Hazardous Materials Policy for Merchandise Vendors

Policy Overview

Kohl's requires compliance with transportation and environmental hazardous materials regulations throughout the supply chain. Compliance is a team effort and Kohl's Business Partners play a key role.

Transportation of hazardous materials is regulated by various governing bodies including the US Department of Transportation (US DOT), International Maritime Dangerous Goods (IMDG), International Air Transport Association (IATA), and International Civil Aviation Organization (ICAO).

When do Hazmat transportation regulations apply?

- Forward logistics- includes product moving through supply chain to stores
- E-commerce fulfillment via shipping customer orders
- Reverse logistics- includes product moving back through supply chain from store to distribution center, recycling, or disposal

The US Environmental Protection Agency (US EPA) and individual State regulations include disposal restrictions related to hazardous materials. The regulations apply to merchandise that is recycled or disposed.

Kohl's Vendor Requirements:

- Help achieve compliance with transportation and environmental hazardous materials regulations
- Identify product that is deemed hazardous material and properly notify Kohl's
- Prior to PO issuance, complete product profiling using UL WERC Smart portal <http://www.ulwercsmart.com/subscription-options.php>
- Identify the material and provide information on the required transportation information via safety data sheets (SDS) to the Transportation Management System (TMS) Helpline after submitting routing request in TMS.
- Identify hazmat freight by selecting the "Hazmat" indicator when submitting routing request in TMS

Typical Products with Compliance Requirements:

- Lithium batteries, products containing lithium batteries, cosmetics, fragrances, nail polishes, aerosols, electronics, watches, paints, products requiring fuel or pressurized gas, and cleaning products
- Disposal costs are typically related to beauty items, batteries, product containing batteries, flammable items, and electronic waste (products with a cord or circuit board)

Kohl's Product Profiling Process:

UL WERC Smart handles all product profiling and safety data sheet management services for all Kohl's product which contain regulated components.

- On Kohl's Vendor Portal, vendors determine if their product is hazardous or regulated
- If a product is not hazardous or regulated, vendors must acknowledge in writing
- If a product is hazardous or regulated, vendors must access the UL WERC Smart portal and provide product information and product Safety Data Sheets (SDS).

Subscription Options: <http://www.ulwercsmart.com/subscription-options.php>

- On the WERC Smart Portal, vendors provide key information that includes, but is not limited to:
 - SDS in Globally Harmonized System format (GHS)
 - Product Information
 - Lithium battery type, weight, power capacity, quantity
 - Fragrance volumes, container type, ethyl alcohol %
 - Product dimensions
 - Disposal/recycling information
- UL WERC Smart will evaluate the SDS and other product information to provide guidance to Kohl's on shipping and disposal of vendor products as it relates to Hazardous Materials laws and regulations by assigning a HAZ MAT code to be used in Kohl's supply chain

- Instructions to get started on the WERCSmart Portal are at the end of this document, along with the recent letter to our vendor community.

Contact Information

- WERCS support page at: <https://wercsmart.freshdesk.com/en/support/home/>
- WERCS Customer Support Team at: (877) 642-6753
- Hazardous Materials questions to Kohl's at: environmentalcompliance@kohls.com.