



ENVIRONMENTAL POLICY

POLICY STATEMENT

At Kohl's, we believe that incorporating sustainable solutions in the way we do business will help to build better futures for families and aid in protecting our planet's natural resources. We believe that a healthy community starts with a healthy environment. We realize the magnitude of climate change and are committed to doing our part in the global fight against climate change, incorporating environmentally responsible practices into all of our business operations and to be an environmental leader in our industry. We are committed to protecting biodiversity throughout our value chain by supporting ethical practices to responsibly manage and reduce our impact on climate, water, materials, resources and chemicals. We are focused on reducing our carbon footprint by investing in renewable energy, increasing energy efficiency and cutting energy consumption – both within our business and across our supply chain. We are focused on reducing and phasing out hazardous chemicals, safeguarding water resources, driving sustainable packaging and sourcing raw materials in a way that respects people, animals and the environment. We address environmental and climate change impacts across our owned and operated facilities, products and packaging and supply chain as referenced below and our efforts, successes and specific targets are included in our annual Kohl's Cares Report which is available on our corporate website.

OWNED & OPERATED FACILITIES – OFFICES, DISTRIBUTION & STORES

We strive to manage our facilities in an environmentally responsible fashion, carefully considering our impacts on the land, water and air at all our locations. To achieve this goal, we:

- Prioritize waste reduction by pursuing options to reuse or recycle as much of our waste as possible
- Develop and implement initiatives to reduce our energy consumption and greenhouse gas emissions
- Explore cost effective solutions to reduce our use of water, paper and other resources
- Leverage, when feasible, materials designed to have minimal impact on the environment
- Partner with industry-leading programs to guide design and initiatives to continually improve performance

SUPPLY CHAIN

We recognize that our supply chain processes impact the environment. While we do not have direct control over our vendors, suppliers and service providers, we:

- Require our suppliers, vendors and service providers to comply with all applicable environmental laws in their countries and encourage more efficient environmental performance at their facilities and in the communities in which they operate
- Encourage our vendors, suppliers and service providers to meet our environmental requirements with respect to waste water, hazardous chemicals, air quality and waste management
- Consider environmental performance in our sourcing decisions.
- Include environmental considerations in our transportation decisions. This involves encouraging our





third-party transportation providers to participate in organizations and in programs that seek to improve transportation management with regard to air quality, energy efficiency and other environmental impacts

- Require all approved facilities producing private and exclusive-branded products to complete the Higg Facility Environmental Module (FEM) and strategic suppliers to complete the Higg Verified Facility Environmental Module (VFEM) as well as the Higg Facility Social and Labor Module (FSLM)

PRODUCT & PACKAGING

We consider the environmental impacts of the materials used in the manufacturing and packaging of our apparel and other products. Our efforts include:

- Working to remove hazardous chemicals from our supply chain, per Kohl's Chemical Management Policy, and we are a participating Friend of the Zero Discharge of Hazardous Chemicals Foundation (ZDHC)
- Reviewing packaging strategies and materials to reduce and make the best use of recycled and recyclable materials
- Reviewing raw materials to identify ways to source them more sustainably
- We are a founding and active member of the Sustainable Apparel Coalition (SAC) and a member of the Sustainable Packaging Coalition (SPC)

TRACKING PROGRESS

We measure our environmental performance with regard to the areas outlined above, and we have set targets to assist us in measuring and improving our performance. Our reporting is guided by industry-recognized standards and frameworks including the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD). Additionally, our sustainability strategy is guided by leveraging business practices and decisions that enhance the objectives of the United Nations Sustainable Development Goals (SDG).

- As part of Science Based Target initiatives (SBTi), we committed to align to its GHG reduction targets with SBTi target-setting criteria, climate science and the core commitment of the Paris Agreement
- Collect environmental data with regard to certain key metrics for all facilities and monitor and report on progress
- Set quantitative goals and review key performance indicators to continuously measure environmental performance
- Report any performance issues to local facility teams to address problems

COMMUNICATIONS & GOALS

We communicate our environmental goals, efforts and progress internally and externally, including the following initiatives:

- Publishing an annual Kohl's Cares Report, which includes sections dedicated to our environmental efforts and results, and which is available to all stakeholders
- Kohl's maintains an Environmental, Health and Safety (EHS) Information Management System (IMS) for all stores and distribution centers
- We expanded the scope of our Nominating and Governance Committee to include oversight of ESG matters
- We have signed the American Business Act Pledge on Climate Change in 2015 and committed to reducing our carbon





footprint to reach net zero by 2050

- Internal and external communications, which may include Kohl's intranet, associate newsletters, press releases, environmental disclosures and others
- Partnering with external groups that encourage environmental awareness and responsibility
- Encouraging associates to support and get involved in environmental issues through various initiatives and associate resource groups

Our Chief Risk and Compliance Officer and Senior Management team oversee this Environmental Policy.

