

Kohl's Comments on ISS Recommendation

4/29/2022

ISS recognizes that change of board control is unwarranted

ISS acknowledges Macellum's true short-term motivations in declining to recommend for Jonathan Duskin

Company notes that neither recommended dissident nominee possesses M&A or public board experience

Kohl's urges shareholders to vote "FOR ALL" highly qualified director nominees on the BLUE Proxy Card Today

MENOMONEE FALLS, Wis.--(BUSINESS WIRE)-- Kohl's Corporation (NYSE: KSS) ("Kohl's" or the "Company") today issued the following statement in response to a report published by proxy advisory firm Institutional Shareholder Services ("ISS") about the election of Directors to Kohl's Board of Directors (the "Board") at the Annual Shareholder Meeting on May 11, 2022.

Kohl's is pleased that ISS agreed that a change in Board control is unwarranted. ISS noted:

"Within the context of a rapidly changing retail environment, which forced bankruptcies and liquidations of many of KSS' competitors before and during the pandemic, KSS has been able to maintain steady margins and a strong balance sheet and has generated healthy cash flow, allowing it to pay dividends and execute share repurchases. These operating results do not paint a picture of a broken company that requires sweeping changes at the top to execute a turnaround."

Further, in declining to recommend Macellum Advisors GP, LLC ("Macellum") CEO Jonathan Duskin, we are pleased that ISS recognized Macellum's true short-term motivations:

"...we note that Macellum appears to have launched this control fight at a company where a full overhaul is unnecessary primarily with a view to completing a real estate transaction."

We strongly disagree with ISS' recommendation that Kohl's shareholders support two nominees from Macellum's slate. Pamela Edwards and Jeffrey Kantor lack the experience necessary to oversee either the continued execution of Kohl's strategy or a robust process to evaluate expressions of interest to acquire the Company. Neither dissident nominee possesses M&A or public board experience. Kohl's believes that adding such directors at this time would be disruptive and negatively impact shareholder value.

The Kohl's Board is conducting a robust and thorough process and keeping this Board in place will ensure the process is not disrupted or hindered. We are pleased that ISS recognized Kohl's directors' and Finance Committee members' strong M&A experience, equipping them to run a comprehensive process that maximizes value for shareholders. Ten of our 13 directors have experience in M&A, and our entire board has retail or consumer-facing industry experience.

At this pivotal time for Kohl's, we have the right Board to oversee this process as well as the Company's strategy. Kohl's Board remains focused on maximizing value for all shareholders and will continue to act in the best interests of all shareholders.

KOHL'S SHAREHOLDERS: WE STRONGLY URGE YOU TO VOTE FOR ALL 13 OF OUR BOARD NOMINEES TO PROTECT THE VALUE OF YOUR INVESTMENT

VOTE USING THE BLUE CARD TODAY

Cautionary Statement Regarding Forward-Looking Information

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The Company intends forward-looking terminology such as "believes," "expects," "may," "will," "should," "anticipates," "plans," or similar expressions to identify forward-looking statements. Such statements, including statements regarding the outcome and timing of the strategic review process, are subject to certain risks and uncertainties, which could cause the Company's actual results to differ materially from those anticipated by the forward-looking statements, and there can be no guarantee that the process will result in an agreement to sell the Company or that any such agreement will ultimately be consummated. These risks and uncertainties include, but are not limited to, risks described more fully in Item 1A in the Company's Annual Report on Form 10-K, which are expressly incorporated herein by reference, and other factors as may periodically be described in the Company's filings with the SEC. Forward-looking statements relate to the date initially made, and Kohl's undertakes no obligation to update them.

About Kohl's

Kohl's (NYSE: KSS) is a leading omnichannel retailer. With more than 1,100 stores in 49 states and the online convenience of **Kohls.com** and the Kohl's App, Kohl's offers amazing national and exclusive brands at incredible savings for families nationwide. Kohl's is uniquely positioned to deliver against its strategy and its vision to be the most trusted retailer of choice for the active and casual lifestyle. Kohl's is committed to progress in its diversity and inclusion pledges, and the company's environmental, social and corporate governance (ESG) stewardship. For a list of store locations or to shop online, visit **Kohls.com**. For more information about Kohl's impact in the community or how to join our winning team, visit **Corporate.Kohls.com** or follow @KohlsNews on Twitter.

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Investor Relations:

Mark Rupe, (262) 703-1266, mark.rupe@kohls.com

Media:

Jen Johnson, (262) 703-5241, jen.johnson@kohls.com

Lex Suvanto, (646) 775-8337, lex.suvanto@edelman.com

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