

Kohl's Releases Investor Presentation Highlighting Strong, Highly Qualified Board of Directors and Strategy to Create Value

4/21/2022

MENOMONEE FALLS, Wis.--(BUSINESS WIRE)-- Kohl's Corporation (NYSE:KSS) ("Kohl's" or the "Company") today released an additional presentation detailing progress on its strategy and initiatives to maximize shareholder value. The Company provided an overview of Kohl's high caliber Board of Directors (the "Board"), which has the right experience to oversee the go-forward strategy while evaluating the ongoing review of expressions of interest to buy the Company. By comparison, the proposed slate nominated by Macellum Advisors GP ("Macellum") is unqualified and inexperienced.

The presentation, along with other resources for shareholders, is available at [KohlsMomentum.com](https://www.kohlsmomentum.com). The website is regularly updated with relevant information for shareholders.

Highlights of the presentation include:

Kohl's is executing a compelling strategy to drive significant, sustainable value.

- Our transformative strategy set in October 2020 delivered record EPS and margin improvement in 2021 alongside significant capital return to shareholders, including over \$1.5 billion in share repurchases and dividends.
- Key building blocks to drive top-line growth include the Sephora partnership, enhanced brand portfolio, and omnichannel strategy.
- Our financial framework is driven by a sustainable formula of annual low-single-digit % top-line growth, a solid operating margin of 7% to 8% and mid-to-high single-digit percentage EPS growth leading to strong cash flow generation.
- Kohl's is implementing a disciplined capital allocation strategy that prioritizes investment in high ROI growth driving initiatives, while also returning significant capital to shareholders through dividends and share repurchases; in March 2022, the Board approved a 100% increase in the dividend and new \$3 billion share repurchase authorization.

Our strong, thoughtfully refreshed Board has positioned Kohl's to drive shareholder value.

- Kohl's Board has proactively added the right capabilities and skill sets to accelerate Kohl's transformation into the most trusted retailer of choice for the Active and Casual lifestyle.
- Our directors bring highly relevant experience from top roles at leading retail companies, such as Walmart, Burlington, lululemon, and Kroger, as well as deep experience in M&A, technology, and operations.
- The Board has recent refreshment with six new independent directors in the last three years, including three added as part of the 2021 settlement agreement with Macellum and other investors.¹

The Kohl's Board is running a robust process to explore all pathways to maximize value.

- Our engaged Board is thoroughly testing Kohl's standalone strategic plan against potential alternatives and has designated its Finance

Committee to lead the ongoing review of expressions of interest.

- The Board engaged Goldman Sachs to conduct a broad process to explore strategic alternatives.
- To date, Goldman Sachs has engaged with over 25 parties. Select bidders have been invited to a data room containing over 550,000 pages across over 55,000 documents, as well as meetings with management.
- While preliminary, non-binding proposals have been received, further diligence is ongoing with requests for proposals including committed financing and binding documentation.
- The Board has the right skills and expertise to drive our strategy forward while evaluating any value-creating opportunities for shareholders.

Macellum has presented an empty agenda and an inexperienced, unqualified slate.

- In spite of our Board's open invitation to constructively share ideas and over a year of good-faith engagement, Macellum has presented no value-additive ideas.
- Macellum's actions and inconsistent claims demonstrate a focus on short-term gains at the expense of long-term value.
- Six of ten Macellum nominees have never served on a public company board, and none have served on a retail company board of comparable size to Kohl's.
- Several Macellum nominees are directly associated with bankruptcies or have overseen significant value destruction.

PROTECT THE VALUE OF YOUR INVESTMENT. VOTE THE BLUE CARD TODAY FOR ALL 13 OF KOHL'S HIGHLY QUALIFIED DIRECTORS.

VISIT WWW.KOHLSMOMENTUM.COM FOR MORE INFORMATION

YOUR VOTE IS IMPORTANT!

Please refer to the enclosed BLUE proxy card for information on how to vote by telephone or by Internet, or simply sign and date the BLUE proxy card and return it in the postage-paid envelope provided.

If you have any questions, or need assistance in voting your shares, please call our proxy solicitor:

INNISFREE M&A INCORPORATED
TOLL-FREE, at 1-877-687-1874
BANKS AND BROKERS MAY CALL COLLECT, at 1-212-750-5833

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 sale 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](https://www.kohls.com). For more information about Kohl's impact in the community or how to join our winning team, visit [Corporate.Kohls.com](https://www.kohls.com/corporate) or follow @KohlsNews on Twitter.

12021 settlement agreement reached with Macellum Advisors GP, LLC, Ancora Holdings, Inc., Legion Partners Asset Management, LLC, and 4010 Capital, LLC.

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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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