

# Kohl's Publishes 2021 ESG Report, Highlighting Progress in Key Areas of Environmental Sustainability, Diversity and Inclusion, Workplace, and Philanthropy

Kohl's 2021 ESG Report Available Now On Corporate. Kohls.com

**MENOMONEE FALLS, Wis., April 21, 2022** – Today, Kohl's (NYSE: KSS) announced the release of the company's 2021 Environmental, Social, and Governance (ESG) report, providing comprehensive updates on achievements and progress in key areas, including environmental sustainability, diversity and inclusion, philanthropy, workplace, supply chain, and business continuity. ESG stewardship is a key component of Kohl's strategy and vision to be the most trusted retailer of choice for the active and casual lifestyle. Kohl's cares for people and the planet by taking meaningful steps to ensure the company leaves a smaller environmental footprint, while also making a positive difference in the lives of families nationwide.

"Kohl's has a long-standing commitment to being a responsible corporate citizen, and I am proud of the progress Kohl's has made this past year. As a purpose-led organization, ESG stewardship is an integral piece of Kohl's culture and an important component of the company's vision and long-term strategy," said Michelle Gass, Kohl's chief executive officer. "I am appreciative and impressed with how our associates and our company have continued to manage our business through this ongoing pandemic to support our customers, our business and one another."

Key highlights from Kohl's 2021 ESG Report are below.

## Implementing Sustainable Solutions to Minimize Kohl's Environmental Impact

Kohl's believes that incorporating sustainable solutions in the way we do business will help build better futures for families. The company's sustainability strategy is guided by leveraging business practices and decisions that enhance the objectives of the United Nations Sustainable Development Goals (SDG).

In the last year, the company has made measureable progress against its 2025 goals, which focus on climate action, waste and recycling, and sustainable sourcing, including:

- Reduced greenhouse gas by 50% vs. 2014 baseline and reduced energy consumption by 39% since 2008
   accomplishing our 2025 goal four years ahead of schedule.
- Diverted 86.5% of waste from landfills surpassing the company's 2025 goal of 85%.
- Reduced energy consumption by 29% since 2008, just shy of our 2025 goal of 30%.
- Continued our support of a low-carbon transportation system by adding 45 EV charging locations in 2021, bringing our total to 146, and nearly tripling our charging sessions from 36,000 in 2020 to over 105,000 in 2021.

# **Diversity & Inclusion at Kohl's**

At Kohl's, we believe that understanding and embracing our differences is fundamental in creating an inclusive environment for all. In 2021, we appointed Michelle A. Banks, Kohl's Chief Diversity & Inclusion Officer, to spearhead our commitment and drive progress against our 2025 D&I goals, focused on Our People, Our Customers and Our Community.

**Our People:** We strive to be purposeful in attracting, growing and engaging more diverse talent while giving associates equitable opportunities for career growth. Our 2021 progress includes:

- Strengthened our recruitment efforts focusing on education, training and sourcing strategies to help increase our diverse talent pipeline, and invested in diverse leadership programs and tools to support our efforts to increase representation across our leadership team.
- Rolled out inclusive leadership training to the full organization with a nearly 100% participation rate.



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 Continued to grow our eight Business Resource Groups (BRGs), which help drive the business by recognizing and championing D&I, to more than 9,500 members.

**Our Customers:** We strive to celebrate our differences and help more customers see themselves reflected in our brands. Along this journey, we're working to offer culturally-relevant products, designs and storytelling that is meaningful to diverse customers. Key areas of progress against our goals include:

- Developed creative platforms rooted in insights to better engage with diverse customers.
- Expanded our adaptive assortment in kids and toys, extending our size offerings across multiple brands and categories, and introduced new D&I product categories.
- Continued to leverage our in-house Diversity Design Council to develop, purchase and curate culturally-relevant products.
- Launched 15 diverse or women-owned brands as part of our limited-time curated assortment, featuring
  women's, men's and baby apparel; beauty and grooming products; and more providing an opportunity for
  these emerging brands to reach millions of our customers across the country.

**Our Community:** We strive to drive economic empowerment in the communities we serve through conversations, programs and partnerships that improve quality of life in underserved communities. Our 2021 progress includes:

- Increased our goal from double to triple our spending among diverse suppliers by 2025.
- Established the Kohl's Supplier Diversity Mentorship Program, a formalized mentor program with the intention to expand capacity building for diverse suppliers.
- Pledged to commit more than \$20M to support diverse communities by 2025.
- Continued to engage with Kohl's partners at the national and local levels to help support diverse communities and enhance equity and economic prosperity for all.

## **Kohl's Commitment to Associates**

We foster a workplace that champions inclusion, belonging, appreciation, everyday development, and transparency. We seek out talent that shares our values and we strive to support our associates at work, at home and within our communities. Our efforts to attract and retain a diverse pool of talented associates include:

- Investing in a wide-range of leadership and development tools and resources for all associates to build and enhance their career at Kohl's.
- Focusing on making more meaningful connections with Black and Hispanic professionals, including broadening our reach to include diverse colleges and universities.
- Continuing to offer our associates at corporate locations, credit and customer service centers, distribution
  centers and e-commerce fulfillment centers access to Kohl's Wellness Centers, which offer preventive
  exams, lab services, physical therapy, health coaching and treatment for routine illnesses. More than 34,000
  visits were made to our Wellness Centers in 2021.
- Launching Be Well at Kohl's to help foster our associates' total well-being and support mental health. Be Well at Kohl's provides resources, benefits, offerings and more for associates and their families that focus on mental well-being and health.
- Offering associates on-site COVID-19 testing and vaccinations where available.

## **Healthy Communities Help Support Healthy Families**

Kohl's believes healthy communities help support healthy families, so we give back to our communities with grants, resources, talent and time. In 2021, we worked to strengthen our long-standing philanthropic commitment to family health and wellness in the communities we serve.

- **Kohl's Cares:** In 2021, we raised nearly \$16 million for local communities across the U.S. and, since the inception of the program, have raised more than \$400 million through Kohl's Cares® merchandise.
- National Partners: We continued our national partnership with Boys & Girls Clubs of America, focused on
  providing comprehensive social and emotional development training to staff, and we renewed our
  partnership with Alliance for a Healthier Generation, donating \$5 million over three years to expand and
  scale its innovative family health and wellness initiative, Kohl's Healthy at Home. We also added a new



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national partner in 2021: National Alliance on Mental Illness (NAMI), in which we provided them with a gift of \$2 million to address the growing mental health crisis, specifically in BIPOC communities.

- Our Hometown: Our Milwaukee-area roots are a source of pride and we continued our philanthropic efforts
  in our hometown through our long-standing partnerships with 17 nonprofits in Milwaukee to support access
  to art and culture, health and social services and other opportunities including economic empowerment and
  neighborhood development.
- Giving Programs: We believe it's important to make a direct impact in the communities we serve and to the
  organizations that mean the most to our associates. This year, we gave more than \$8 million in grants to
  more than 150 nonprofits across the country that were selected by our associates to give back to their own
  communities.

#### **Ethics and Governance**

Responsible corporate citizenship is an important part of our company's values and we are committed to incorporating socially-responsible principles into our daily business activities. Our governance practices form the foundation for how we manage risk, ensure accountability and provide transparency to our stakeholders.

- We are committed to the highest integrity standards and maintain a Code of Ethics to guide ethical decision-making for Associates.
- For the past three years, we have been recognized as one of the World's Most Ethical Companies by the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices.
- Board oversight of our ESG strategy is essential to sustain the long-term interests of all stakeholders. In 2021, we expanded the scope of responsibility of the Nominating and Governance Committee to include oversight of ESG matters, and the Committee was renamed the Nominating and ESG Committee.

# **Awards and Recognitions**

Kohl's is proud to have received several awards and acknowledgements in 2021 for our ESG initiatives, including the following:

- Dow Jones Sustainability Index (DJSI) North America listing
- Leadership level A- on the CDP's 2020 Climate Change disclosure
- Solar Energy Industries Association (SEIA) Top 25 Ranking
- EPA WasteWise Regional Award for Excellence in Waste Management.
- EPA SmartWay® 2021 High Performer List
- S&P Global's Sustainability Yearbook
- Human Rights Campaign Foundation's 2022 Best Places to Work for LGBTQ+ Equality: 100% Corporate Equality Index
- DiversityInc 2021 Top 50 Companies for Diversity list
- Anita B.Org 2021 recognition for Top Companies for Women Technologists
- 2021 Diversity Impact Award winner
- 2021 Ethisphere World's Most Ethical Companies

## **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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