

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended August 3, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition period from _____ to _____

Commission file number 1-11084

KOHL'S

KOHL'S CORPORATION

(Exact name of registrant as specified in its charter)

Wisconsin

(State or other jurisdiction of incorporation or organization)

39-1630919

(I.R.S. Employer Identification No.)

**N56 W17000 Ridgewood Drive,
Menomonee Falls, Wisconsin**

(Address of principal executive offices)

53051

(Zip Code)

Registrant's telephone number, including area code **(262) 703-7000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 par value	KSS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act.

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: August 30, 2024 Common Stock, Par Value \$0.01 per Share, 111,238,455 shares outstanding.

**KOHL'S CORPORATION
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PART I. FINANCIAL INFORMATION
Item 1. Financial Statements

**KOHL'S CORPORATION
CONSOLIDATED BALANCE SHEETS**

(Dollars in Millions)	August 3, 2024	February 3, 2024	July 29, 2023
Assets	(Unaudited)	(Audited)	(Unaudited)
Current assets:			
Cash and cash equivalents	\$231	\$183	\$204
Merchandise inventories	3,151	2,880	3,474
Other	331	347	296
Total current assets	3,713	3,410	3,974
Property and equipment, net	7,502	7,720	7,945
Operating leases	2,507	2,499	2,493
Other assets	458	380	382
Total assets	\$14,180	\$14,009	\$14,794
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable	\$1,317	\$1,134	\$1,376
Accrued liabilities	1,185	1,201	1,246
Borrowings under revolving credit facility	410	92	560
Current portion of:			
Long-term debt	353	—	111
Finance leases and financing obligations	81	83	84
Operating leases	92	102	93
Total current liabilities	3,438	2,612	3,470
Long-term debt	1,173	1,638	1,637
Finance leases and financing obligations	2,574	2,680	2,730
Operating leases	2,795	2,781	2,777
Deferred income taxes	95	107	121
Other long-term liabilities	275	298	324
Shareholders' equity:			
Common stock	2	2	2
Paid-in capital	3,546	3,528	3,502
Treasury stock, at cost	(2,579)	(2,571)	(2,569)
Retained earnings	2,861	2,934	2,800
Total shareholders' equity	\$3,830	\$3,893	\$3,735
Total liabilities and shareholders' equity	\$14,180	\$14,009	\$14,794

See accompanying Notes to Consolidated Financial Statements

KOHL'S CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(Dollars in Millions, Except per Share Data)	Three Months Ended		Six Months Ended	
	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023
Net sales	\$3,525	\$3,678	\$6,703	\$7,033
Other revenue	207	217	411	433
Total revenue	3,732	3,895	7,114	7,466
Cost of merchandise sold	2,128	2,242	4,051	4,289
Operating expenses:				
Selling, general, and administrative	1,250	1,304	2,478	2,542
Depreciation and amortization	188	186	376	374
Operating income	166	163	209	261
Interest expense, net	86	89	169	173
Income before income taxes	80	74	40	88
Provision for income taxes	14	16	1	16
Net income	\$66	\$58	\$39	\$72
Net income per share:				
Basic	\$0.59	\$0.52	\$0.35	\$0.65
Diluted	\$0.59	\$0.52	\$0.35	\$0.65

See accompanying Notes to Consolidated Financial Statements

KOHL'S CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)

(Dollars in Millions, Except per Share Data)	Three Months Ended		Six Months Ended	
	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023
Common stock				
Balance, beginning of period	\$2	\$2	\$2	\$4
Stock-based awards	—	—	—	—
Retirement of treasury stock	—	—	—	(2)
Balance, end of period	\$2	\$2	\$2	\$2
Paid-in capital				
Balance, beginning of period	\$3,539	\$3,489	\$3,528	\$3,479
Stock-based awards	7	13	18	23
Balance, end of period	\$3,546	\$3,502	\$3,546	\$3,502
Treasury stock				
Balance, beginning of period	\$(2,579)	\$(2,569)	\$(2,571)	\$(13,715)
Stock-based awards	—	(1)	(9)	(13)
Dividends paid	—	1	1	2
Retirement of treasury stock	—	—	—	11,157
Balance, end of period	\$(2,579)	\$(2,569)	\$(2,579)	\$(2,569)
Retained earnings				
Balance, beginning of period	\$2,851	\$2,798	\$2,934	\$13,995
Net income	66	58	39	72
Dividends paid	(56)	(56)	(112)	(112)
Retirement of treasury stock	—	—	—	(11,155)
Balance, end of period	\$2,861	\$2,800	\$2,861	\$2,800
Total shareholders' equity, end of period	\$3,830	\$3,735	\$3,830	\$3,735
Common stock				
Shares, beginning of period	161	161	161	378
Stock-based awards	—	—	—	—
Retirement of treasury stock	—	—	—	(217)
Shares, end of period	161	161	161	161
Treasury stock				
Shares, beginning of period	(50)	(50)	(50)	(267)
Stock-based awards	—	—	—	—
Retirement of treasury stock	—	—	—	217
Shares, end of period	(50)	(50)	(50)	(50)
Total shares outstanding, end of period	111	111	111	111
Dividends paid per common share	\$0.50	\$0.50	\$1.00	\$1.00

See accompanying Notes to Consolidated Financial Statements

KOHL'S CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Dollars in Millions)	Six Months Ended	
	August 3, 2024	July 29, 2023
Operating activities		
Net income	\$39	\$72
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	376	374
Share-based compensation	16	20
Deferred income taxes	(15)	(7)
Non-cash lease expense	44	48
Other non-cash items	11	(2)
Changes in operating assets and liabilities:		
Merchandise inventories	(269)	(283)
Other current and long-term assets	(59)	61
Accounts payable	183	46
Accrued and other long-term liabilities	(25)	(52)
Operating lease liabilities	(54)	(49)
Net cash provided by operating activities	247	228
Investing activities		
Acquisition of property and equipment	(239)	(338)
Proceeds from sale of real estate	—	4
Other	2	(1)
Net cash used in investing activities	(237)	(335)
Financing activities		
Net borrowings under revolving credit facility	318	475
Shares withheld for taxes on vested restricted shares	(9)	(13)
Dividends paid	(111)	(110)
Repayment of long-term borrowings	(113)	(164)
Premium paid on redemption of debt	(5)	—
Finance lease and financing obligation payments	(42)	(47)
Proceeds from financing obligations	—	17
Net cash provided by financing activities	38	158
Net increase in cash and cash equivalents	48	51
Cash and cash equivalents at beginning of period	183	153
Cash and cash equivalents at end of period	\$231	\$204
Supplemental information		
Interest paid, net of capitalized interest	\$163	\$169
Income taxes paid	44	6
Property and equipment acquired (disposed) through exchange of:		
Finance lease liabilities	(70)	(26)
Operating lease liabilities	60	222

See accompanying Notes to Consolidated Financial Statements

KOHL'S CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The accompanying Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for fiscal year end Consolidated Financial Statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. For further information, refer to the Consolidated Financial Statements and related footnotes included in our Annual Report on Form 10-K for the fiscal year ended February 3, 2024 (Commission File No. 1-11084) as filed with the Securities and Exchange Commission ("SEC").

Due to the seasonality of the business of Kohl's Corporation (the "Company," "Kohl's," "we," "our," or "us"), results for any quarter are not necessarily indicative of the results that may be achieved for a full fiscal year.

We operate as a single business unit.

Recent Accounting Pronouncements**Accounting Standards Issued and Adopted**

There are no recently adopted accounting pronouncements that had a material impact on our financial statements.

Accounting Standards Issued but not yet Effective

Standard	Description	Effect on our Financial Statements
Segment Reporting (ASU 2023-07) Issued November 2023 Effective for Fiscal Years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024	The amendments in this ASU improve reportable segment disclosure requirements, primarily through enhanced disclosures around significant segment expenses.	We are evaluating the impact of the new required disclosures on our financial statements but do not expect the effect of the adoption to be material.
Income Taxes (ASU 2023-09) Issued December 2023 Effective for Fiscal Years beginning after December 15, 2024	The ASU requires entities to provide additional information in the rate reconciliation table and additional disclosures around income taxes paid.	We are evaluating the impact of the new required disclosures on our financial statements but do not expect the effect of the adoption to be material.

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2. Revenue Recognition

The following table summarizes Net sales by line of business:

(Dollars in Millions)	Three Months Ended		Six Months Ended	
	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023
Women's	\$1,004	\$1,099	\$1,927	\$2,087
Men's	740	809	1,340	1,504
Accessories (including Sephora)	666	571	1,284	1,083
Home	436	462	828	895
Children's	359	387	703	790
Footwear	320	350	621	674
Net Sales	\$3,525	\$3,678	\$6,703	\$7,033

Unredeemed gift cards and merchandise return card liabilities totaled \$270 million as of August 3, 2024, \$327 million as of February 3, 2024, and \$292 million as of July 29, 2023. In the second quarter of 2024 and 2023, net sales of \$31 million and \$36 million, respectively, were recognized from gift cards redeemed in the current period and issued in prior years. Year to date 2024 and 2023, net sales of \$88 million and \$104 million, respectively, were recognized during the current period from gift cards redeemed during the current year and issued in prior years.

3. Debt

Outstanding borrowings under the revolving credit facility, recorded as short-term debt, were \$410 million as of August 3, 2024, \$92 million as of February 3, 2024, and \$560 million as of July 29, 2023.

Long-term debt, which excludes borrowings on the revolving credit facility, consists of the following unsecured debt:

Maturity (Dollars in Millions)	Effective Rate at Issuance	Coupon Rate	Outstanding		
			August 3, 2024	February 3, 2024	July 29, 2023
2023	4.78%	4.75%	\$—	\$—	\$111
2025	9.50%	10.75%	—	113	113
2025	4.25%	4.25%	353	353	353
2029	7.36%	7.25%	42	42	42
2031	3.40%	4.63%	500	500	500
2033	6.05%	6.00%	112	112	112
2037	6.89%	6.88%	101	101	101
2045	5.57%	5.55%	427	427	427
Outstanding unsecured senior debt			1,535	1,648	1,759
Unamortized debt discounts and deferred financing costs			(9)	(10)	(11)
Current portion of unsecured senior debt			(353)	—	(111)
Long-term unsecured senior debt			\$1,173	\$1,638	\$1,637
Effective interest rate at issuance			4.73%	5.06%	5.04%

Our estimated fair value of unsecured senior long-term debt is determined using Level 1 inputs, using financial instruments with unadjusted, quoted prices listed on active market exchanges. The estimated fair value of our unsecured senior debt was \$1.2 billion at August 3, 2024, \$1.3 billion at February 3, 2024, and \$1.4 billion at July 29, 2023.

In June 2024, we completed a voluntary redemption of the remaining \$113 million of outstanding 9.50% notes due May 15, 2025. We recognized a \$5 million loss on extinguishment of debt in net interest expense during the second quarter of 2024, which is primarily a bond tender premium paid to holders as a result of the redemption.

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Our various debt agreements contain covenants including limitations on additional indebtedness and certain financial tests. As of August 3, 2024, we were in compliance with all covenants of the various debt agreements.

4. Stock-Based Awards

The following table summarizes our stock-based awards activity for the six months ended August 3, 2024:

(Shares and Units in Thousands)	Nonvested Restricted Stock Awards and Units		Performance Share Units	
	Shares	Weighted Average Grant Date Fair Value	Units	Weighted Average Grant Date Fair Value
Balance - February 3, 2024	3,099	\$29.66	777	\$31.26
Granted	1,510	26.26	652	29.33
Vested	(1,024)	30.40	(38)	74.68
Forfeited	(91)	30.58	—	—
Balance - August 3, 2024	3,494	\$27.95	1,391	\$29.17

In 2019, we issued 1,747,441 stock warrants. All 1,747,441 shares were vested and unexercised as of August 3, 2024.

5. Contingencies

Note 7, Contingencies, of the Notes to our Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended February 3, 2024, contains a description of an ongoing legal proceeding, as to which there have been no material developments as of August 3, 2024.

On May 16, 2024, David Kelley, an alleged shareholder of the Company, filed a shareholder derivative lawsuit in the U.S. District Court for the Eastern District of Wisconsin purportedly on behalf of the Company and against current and former members of the Board of Directors of the Company as Defendants, and the Company as Nominal Defendant. Kelley v. Boneparth, No. 2:24-cv-00604-LA (E.D. Wis.). The plaintiff asserts claims for breach of fiduciary duty and unjust enrichment and seeks declaratory and injunctive relief, compensatory damages, restitution, fees, and costs. The complaint makes similar allegations to the shareholder class action described in Note 7, Contingencies, of the Notes to our Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended February 3, 2024. In particular, the complaint alleges that the Defendants breached their fiduciary duties to the Company and were unjustly enriched by causing or allowing the Company to disseminate allegedly false or misleading statements regarding (1) the conception, execution, and outcomes of the Company's strategic plan announced on October 20, 2020, (2) the Company's internal controls over financial reporting, disclosure controls, and corporate governance mechanisms, and (3) the Company's consideration of acquisition offers. Defendants deny the allegations in the complaint and intend to vigorously defend against them. Pursuant to the parties' stipulation, the Court has stayed the case pending, among other things, the resolution of the motion to dismiss filed by the Company in the abovementioned similar shareholder class action. Due to the early stages of this matter, the Company is unable to estimate a reasonably possible range of loss, if any, that may result from this matter.

In addition to what is noted above, we are subject to certain legal proceedings and claims arising out of the ordinary conduct of our business. In the opinion of management, the outcome of these proceedings and claims will not have a material adverse effect on our Consolidated Financial Statements.

6. Income Taxes

The effective income tax rate for the second quarter of 2024 was 17.8% compared to 21.7% for the second quarter of 2023. Year to date, the rate is 3.4% and 18.8% for 2024 and 2023, respectively. The year to date rates include the recognition of favorable discrete items in the first half of the year in both periods.

7. Net Income Per Share

Basic net income per share is net income divided by the average number of common shares outstanding during the period. Diluted net income per share includes incremental shares assumed for share-based awards and stock warrants. The potentially dilutive shares outstanding during the period include unvested restricted stock units, unvested restricted stock awards, and warrants, which utilize the treasury stock method, as well as unvested performance share units that utilize the contingently issuable share method. Potentially dilutive shares are excluded from the computations of diluted earnings per share if their effect would be anti-dilutive.

The information required to compute basic and diluted net income per share is as follows:

(Dollars and Shares in Millions, Except per Share Data)	Three Months Ended		Six Months Ended	
	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023
Numerator—Net income	\$66	\$58	\$39	\$72
Denominator—Weighted-average shares:				
Basic	111	110	111	110
Dilutive impact	1	1	1	1
Diluted	112	111	112	111
Net income per share:				
Basic	\$0.59	\$0.52	\$0.35	\$0.65
Diluted	\$0.59	\$0.52	\$0.35	\$0.65

The following potential shares of common stock were excluded from the diluted net income per share calculation because their effect would have been anti-dilutive:

(Shares in Millions)	Three Months Ended		Six Months Ended	
	August 3, 2024	July 29, 2023	August 3, 2024	July 29, 2023
Anti-dilutive shares	4	3	4	3

8. Subsequent Events

On August 13, 2024, the Board of Directors of Kohl's Corporation declared a quarterly cash dividend of \$0.50 per share. The dividend will be paid on September 25, 2024, to all shareholders of record at the close of business on September 11, 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

For purposes of the following discussion, unless noted, all references to "the quarter" and "the second quarter" are for the three fiscal months (13 weeks) ended August 3, 2024 or July 29, 2023. References to "year to date" and "first half" are for the six fiscal months (26 weeks) ended August 3, 2024 or July 29, 2023.

This Form 10-Q contains "forward-looking statements" made within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "believes," "anticipates," "plans," "may," "intends," "will," "should," "expects," and similar expressions are intended to identify forward-looking statements. Forward-looking statements include the statements under management's discussion and analysis, financial and capital allocation outlook and may include comments about our future sales or financial performance and our plans, performance and other objectives, expectations or intentions, such as statements regarding our liquidity, debt service requirements, planned capital expenditures, future store initiatives, and adequacy of capital resources and reserves. Forward-looking statements are based on management's then-current views and assumptions and, as a result, are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Any such forward-looking statements are qualified by the important risk factors, described in Part I Item 1A of our 2023 Form 10-K, or disclosed from time to time in our filings with the SEC, that could cause actual results to differ materially from those predicted by the forward-looking statements. Forward-looking statements relate to the date initially made, and we undertake no obligation to update them.

Executive Summary

Kohl's is a leading omnichannel retailer operating 1,176 stores and a website (www.Kohls.com) as of August 3, 2024. Our Kohl's stores and website sell moderately-priced private and national brand apparel, footwear, accessories, beauty, and home products. Our Kohl's stores generally carry a consistent merchandise assortment with some differences attributable to local preferences, store size, and Sephora at Kohl's shop-in-shops ("Sephora shops"). Our website includes merchandise which is available in our stores, as well as merchandise that is available only online.

Key financial results for the second quarter include:

- Net sales decreased 4.2%, to \$3.5 billion, with comparable sales down 5.1%.
- Gross margin as a percentage of net sales was 39.6%, an increase of 59 basis points.
- Selling, general, and administrative ("SG&A") expenses decreased 4.2%, to \$1.2 billion. As a percentage of total revenue, SG&A expenses were 33.5%, a decrease of one basis point year-over-year.
- Operating income was \$166 million compared to \$163 million in the prior year. As a percentage of total revenue, operating income was 4.4%, an increase of 26 basis points year-over-year.
- Net income was \$66 million, or \$0.59 per diluted share. This compares to net income of \$58 million, or \$0.52 per diluted share in the prior year.
- Inventory was \$3.2 billion, a decrease of 9% to last year.
- Operating cash flow was \$254 million as compared to \$430 million in the prior year.
- Long-term debt was reduced by \$113 million through the redemption of the remaining 9.50% notes due May 15, 2025.

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Our Strategy

Kohl's strategy is focused on delivering long-term shareholder value. To achieve this, the Company has established four overarching priorities to drive improved sales and profitability. These priorities include enhancing the customer experience, accelerating and simplifying its value strategies, managing inventory and expenses with discipline, and strengthening the balance sheet.

Updated 2024 Financial and Capital Allocation Outlook

For the full year 2024, which has 52 weeks compared to 53 weeks in full year 2023, the Company's guidance excludes the potential impact from credit card late fee regulatory changes in the second half of 2024. The Company currently expects the following:

- Net sales: A decrease of (4%) to a decrease of (6%)
- Comparable sales: A decrease of (3%) to a decrease of (5%)
- Operating margin: In the range of 3.4% to 3.8%
- Diluted earnings per share: In the range of \$1.75 to \$2.25
- Capital expenditures: Approximately \$500 million, including expansion of Sephora partnership and other store-related investments
- Dividend: On August 13, 2024, Kohl's Board of Directors declared a quarterly cash dividend on the Company's common stock of \$0.50 per share. The dividend is payable September 25, 2024 to shareholders of record at the close of business on September 11, 2024.

Results of Operations

Total Revenue

(Dollars in Millions)	Three Months Ended			Six Months Ended		
	August 3, 2024	July 29, 2023	Change	August 3, 2024	July 29, 2023	Change
Net sales	\$3,525	\$3,678	\$(153)	\$6,703	\$7,033	\$(330)
Other revenue	207	217	(10)	411	433	(22)
Total revenue	\$3,732	\$3,895	\$(163)	\$7,114	\$7,466	\$(352)

Net sales includes revenue from the sale of merchandise, net of expected returns and deferrals due to future performance obligations, and shipping revenue.

Net sales decreased 4.2% in the second quarter of 2024 and 4.7% year to date 2024.

- The decrease in the second quarter was driven by a decrease in average transaction value of approximately 6% partially offset by an increase in transaction volume of approximately 2%. Year to date the decrease was driven by a decrease in average transaction value of approximately 4% with transaction volume approximately flat to last year.
- In both the second quarter and year to date 2024, the sales decrease was seen across all lines of business, except for Accessories, as they underperformed the Company average. Accessories increased 17% in the second quarter and 19% year to date driven by Sephora sales increasing approximately 45% and 50% respectively.

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(Dollars in Millions)	Three Months Ended			Six Months Ended		
	August 3, 2024	July 29, 2023	Change	August 3, 2024	July 29, 2023	Change
Women's	\$1,004	\$1,099	(8.6%)	\$1,927	\$2,087	(7.7%)
Men's	740	809	(8.5%)	1,340	1,504	(10.9%)
Accessories (including Sephora)	666	571	16.6%	1,284	1,083	18.6%
Home	436	462	(5.6%)	828	895	(7.5%)
Children's	359	387	(7.2%)	703	790	(11.0%)
Footwear	320	350	(8.6%)	621	674	(7.9%)
Net Sales	\$3,525	\$3,678	(4.2%)	\$6,703	\$7,033	(4.7%)

Comparable sales decreased 5.1% in the second quarter of 2024 and 4.8% year to date 2024. Comparable sales is a measure that highlights the performance of our stores and digital channel by measuring the change in sales for a period over the comparable, prior-year period of equivalent length. Comparable sales includes all store and digital sales, except sales from stores open less than twelve months, stores that have been closed, and stores that have been relocated where square footage has changed by more than 10%.

Digital sales decreased 4% in the second quarter of 2024 and 5% year to date 2024. Digital penetration represented 25% of net sales in the second quarter and year to date in both 2024 and 2023. We measure the change in digital sales by including all sales initiated online or through mobile applications, including omnichannel transactions which are fulfilled through our stores. We measure digital penetration as digital sales over net sales. These amounts do not take into consideration fulfillment node, digital returns processed in stores, and coupon behaviors.

Comparable sales and digital penetration measures vary across the retail industry. As a result, our comparable sales calculation and digital penetration may not be consistent with the similarly titled measures reported by other companies.

Other revenue includes revenue from credit card operations, third-party advertising on our website, unused gift cards and merchandise return cards (breakage), and other non-merchandise revenue.

Other revenue decreased \$10 million in the second quarter of 2024 and \$22 million year to date 2024. The decrease in both periods is driven by increasing credit loss rates within our credit business.

As it relates to our credit business and recent regulatory developments, on March 5, 2024, the Consumer Financial Protection Bureau finalized a rule lowering the safe harbor dollar amount credit card companies can charge for late fees for a missed payment. Unless ultimately blocked by court order prior to becoming effective, the rule reduces the typical amount of late fees that can be charged, which could have a negative impact on Kohl's credit card revenues, particularly if Kohl's steps to mitigate the impact of such rule are not successful. We are actively pursuing various initiatives to mitigate the effects of this potential ruling including scaling our recently launched co-brand card and other various initiatives with Capital One, our credit partner. We are closely monitoring developments on the issue.

Cost of Merchandise Sold and Gross Margin

(Dollars in Millions)	Three Months Ended			Six Months Ended		
	August 3, 2024	July 29, 2023	Change	August 3, 2024	July 29, 2023	Change
Net sales	\$3,525	\$3,678	\$(153)	\$6,703	\$7,033	\$(330)
Cost of merchandise sold	2,128	2,242	(114)	4,051	4,289	(238)
Gross margin	\$1,397	\$1,436	\$(39)	\$2,652	\$2,744	\$(92)
Gross margin as a percent of net sales	39.6%	39.0%	59 bps	39.6%	39.0%	54 bps

Cost of merchandise sold includes the total cost of products sold, including product development costs, net of vendor payments other than reimbursement of specific, incremental, and identifiable costs; inventory shrink; markdowns; freight expenses associated with moving merchandise from our vendors to our distribution centers; shipping expenses

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for digital sales; and terms cash discount. Our cost of merchandise sold may not be comparable with that of other retailers because we include distribution center and buying costs in selling, general, and administrative expenses while other retailers may include these expenses in cost of merchandise sold.

Gross margin is calculated as net sales less cost of merchandise sold. For the second quarter of 2024, gross margin was 39.6% of net sales, an increase of 59 basis points to last year. Year to date 2024, gross margin was 39.6% of net sales, an increase of 54 basis points to last year. In both the second quarter and year to date 2024, the increase was driven by strong inventory management as our inventory was down 9% to last year, as we continue to benefit from operating with greater flexibility, as well as lower freight costs. Year to date, the increase was partially offset by elevated shrink levels.

Selling, General, and Administrative Expense

(Dollars in Millions)	Three Months Ended			Six Months Ended		
	August 3, 2024	July 29, 2023	Change	August 3, 2024	July 29, 2023	Change
SG&A	\$1,250	\$1,304	\$(54)	\$2,478	\$2,542	\$(64)
As a percent of total revenue	33.5%	33.5%	(1) bps	34.8%	34.1%	78 bps

SG&A includes compensation and benefit costs (including stores, corporate, buying, and distribution centers); occupancy and operating costs of our retail, distribution, and corporate facilities; freight expenses associated with moving merchandise from our distribution centers to our retail stores and among distribution and retail facilities other than expenses to fulfill digital sales; marketing expenses, offset by vendor payments for reimbursement of specific, incremental, and identifiable costs; expenses related to our credit card operations; and other administrative revenues and expenses. We do not include depreciation and amortization in SG&A. The classification of these expenses varies across the retail industry.

Many of our expenses, including store payroll and distribution costs, are variable in nature. These costs generally increase as sales increase and decrease as sales decrease. We measure our expenses as a percentage of revenue and changes in this percentage compared to the prior year. If the expense as a percent of revenue decreased from the prior year, the expense "leveraged". If the expense as a percent of revenue increased over the prior year, the expense "deleveraged".

The following table summarizes the changes in SG&A by expense type:

(Dollars in Millions)	Three Months Ended	Six Months Ended
	August 3, 2024	August 3, 2024
Store expenses	\$(59)	\$(63)
Distribution	(2)	(13)
Corporate and other	4	5
Marketing	3	7
Total decrease	\$(54)	\$(64)

SG&A expenses decreased \$54 million, or 4.2%, to \$1.2 billion in the second quarter of 2024. As a percentage of revenue, SG&A leveraged by one basis point. Year to date 2024, SG&A expenses decreased \$64 million, or 2.5%, to \$2.5 billion. As a percentage of revenue, SG&A deleveraged by 78 basis points. The decreases in SG&A expenses for both the second quarter and year to date were primarily due to a reduction in store expenses including lower costs due to fewer Sephora shop openings and fewer store refreshes. Partially offsetting this decrease were investments in marketing and technology to support new growth initiatives.

Other Expenses

(Dollars in Millions)	Three Months Ended			Six Months Ended		
	August 3, 2024	July 29, 2023	Change	August 3, 2024	July 29, 2023	Change
Depreciation and amortization	\$188	\$186	\$2	\$376	\$374	\$2
Interest expense, net	86	89	(3)	169	173	(4)

The increase in Depreciation and amortization in the first half of 2024 was driven by increased store investments, including the Sephora shops, offset by reduced capital spending in technology.

Net interest expense decreased in the first half of 2024 due to the reduced outstanding balance on the revolving credit facility and reduced outstanding unsecured senior debt, partially offset by a \$5 million loss on extinguishment of debt recognized in connection with a voluntary redemption of the remaining \$113 million of outstanding 9.50% notes due May 15, 2025 completed in June 2024.

Income Taxes

(Dollars in Millions)	Three Months Ended			Six Months Ended		
	August 3, 2024	July 29, 2023	Change	August 3, 2024	July 29, 2023	Change
Provision for income taxes	\$14	\$16	\$(2)	\$1	\$16	\$(15)
Effective tax rate	17.8%	21.7%		3.4%	18.8%	

The year to date rates include the recognition of favorable discrete items in the first half of both years. Due to lower pre-tax income, the favorable discrete items had greater impact in 2024.

Seasonality and Inflation

Our business, like that of other retailers, is subject to seasonal influences. Sales and income are typically higher during the back-to-school and holiday seasons. Because of the seasonality of our business, results for any quarter are not necessarily indicative of the results that may be achieved for a full fiscal year.

We expect that our operations will continue to be influenced by general economic conditions, including food, fuel and energy prices, employment rates, wage inflation, and costs to source our merchandise, including tariffs. There can be no assurances that such factors will not impact our business in the future.

Liquidity and Capital Resources

Capital Allocation

Our capital allocation strategy is to invest to maximize our overall long-term return and maintain a strong balance sheet, with a long-term objective of achieving an investment grade rating. We follow a disciplined approach to capital allocation based on the following priorities: first we invest in our business to drive long-term profitable growth; second we pay a quarterly dividend; third we will complete debt reduction transactions, when appropriate; and fourth we return excess cash to shareholders through our share repurchase program.

We will continue to invest in the business, as we plan to invest approximately \$500 million in 2024, which includes the investment in 350 impulse queuing lines, 140 small format Sephora shop openings, the launch of 200 Babies "R" Us shops, and six new store openings, including one relocation. We remain committed to the dividend, and on August 13, 2024, our Board of Directors declared a quarterly cash dividend of \$0.50 per share. The dividend will be paid on September 25, 2024 to all shareholders of record at the close of business on September 11, 2024. In June 2024, we completed a voluntary redemption of the remaining \$113 million of outstanding 9.50% notes due May 15, 2025. We are not planning any share repurchases during the current year.

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Our period-end Cash and cash equivalents balance increased to \$231 million from \$204 million in the second quarter of 2023. Our Cash and cash equivalents balance includes short-term investments of \$10 million and \$8 million as of August 3, 2024, and July 29, 2023, respectively. Our investment policy is designed to preserve principal and liquidity of our short-term investments. This policy allows investments in large money market funds or in highly rated direct short-term instruments. We also place dollar limits on our investments in individual funds or instruments.

The following table presents our primary uses and sources of cash:

Cash Uses	Cash Sources
<ul style="list-style-type: none"> • Operational needs, including salaries, rent, taxes, and other operating costs • Inventory • Capital expenditures • Dividend payments • Debt reduction • Share repurchases 	<ul style="list-style-type: none"> • Cash flow from operations • Line of credit under our revolving credit facility • Issuance of debt

(Dollars in Millions)	Six Months Ended		
	August 3, 2024	July 29, 2023	Change
Net cash provided by (used in):			
Operating activities	\$247	\$228	\$19
Investing activities	(237)	(335)	98
Financing activities	38	158	(120)

Operating Activities

Our operating cash outflows generally consist of payments to our employees for wages, salaries and other employee benefits, payments to our merchandise vendors for inventory (net of vendor allowances), payments to our shipping carriers, and payments to our landlords for rent. Operating cash outflows also include payments for income taxes and interest payments on our debt borrowings.

Operating activities generated \$247 million of cash in the first half of 2024 compared to \$228 in the first half of 2023. Operating cash flow increased primarily due to inventory management resulting in managing receipts down 7% versus the prior year as well as an increase in accounts payable. We placed a lower percentage of our overall receipts in the early part of the buying cycle to allow for additional flexibility to chase receipts based on trending sales, establish a better flow of goods to our stores and maintain better in-stock positions, with the goal of minimizing the impact of future markdowns and out-of-stock positions.

Investing Activities

Our investing cash outflows include payments for capital expenditures, including investments in new and existing stores, improvements to supply chain, and technology costs. Our investing cash inflows are generally from proceeds from sales of property, equipment, and real estate.

Investing activities used \$237 million of cash in the first half of 2024 and \$335 million in the first half of 2023. The decrease in cash used in investing activities was primarily driven by fewer Sephora shop openings and other investments, consistent with our reduced capital expenditure plans for fiscal 2024.

At the end of the quarter, we had a Sephora presence in over 1,000 of our stores, including 861 full size 2,500 square foot shops and 189 small format Sephora shops. In 2024, we anticipate capital expenditures of approximately \$500

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million, which includes the investment in 350 impulse queuing lines, 140 small format Sephora shop openings, the launch of 200 Babies “R” Us shops, and six new store openings, including one relocation.

Financing Activities

Our financing strategy is to ensure adequate liquidity and access to capital markets. We also strive to maintain a balanced portfolio of debt maturities, while minimizing our borrowing costs. Our ability to access the public debt market has provided us with adequate sources of liquidity. Our continued access to these markets depends on multiple factors, including the condition of debt capital markets, our operating performance, and maintaining strong credit ratings.

During the first half of 2024, Fitch downgraded our senior unsecured credit rating from BBB- to BB and revised their outlook to stable. While Moody's reaffirmed our credit rating, they also revised their outlook to stable.

As of August 3, 2024, our senior unsecured credit ratings and outlook were as follows:

	Moody's	S&P	Fitch
Long-term debt	Ba3	BB	BB
Outlook	Stable	Negative	Stable

The majority of our financing activities generally include proceeds and/or repayments of borrowings under our revolving credit facility and long-term debt, dividend payments, and repurchases of common stock. Financing cash outflows also include payments to our landlords for leases classified as financing leases and financing obligations.

Financing activities generated \$38 million of cash in the first half of 2024 and \$158 million of cash in the first half of 2023.

During the first half of 2024, we drew \$318 million on our credit facility compared to \$475 million drawn in the first half of 2023. Borrowings under the revolving credit facility, recorded as short-term debt, had \$410 million outstanding as of August 3, 2024, and had \$560 million outstanding as of July 29, 2023.

In the second quarter of 2024, we completed a voluntary redemption of the remaining \$113 million of outstanding 9.50% notes due May 15, 2025. In February 2023, \$164 million in aggregate principal amount of our 3.25% notes matured and was repaid.

There was no cash used for treasury stock purchases in the first half of 2024 or 2023. Share repurchases are discretionary in nature. The timing and amount of repurchases are based upon available cash balances, our stock price, and other factors. As previously noted, we are not planning any share repurchases during the current year.

Cash dividend payments were \$111 million (\$1.00 per share) in the first half of 2024 compared to \$110 million (\$1.00 per share) in the first half of 2023.

Key Financial Ratios

Key financial ratios that provide certain measures of our liquidity are as follows:

(Dollars in Millions)	August 3, 2024	July 29, 2023
Working capital	\$275	\$504
Current ratio	1.08	1.15

Our working capital and inventory levels typically build throughout the fall, peaking during the November and December holiday selling season.

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The decrease in our working capital and current ratio are primarily due to a decrease in inventory due to inventory management as our receipts were down 7% versus the prior year.

Debt Covenant Compliance

Our senior secured, asset based revolving credit facility contains customary events of default and financial, affirmative and negative covenants, including but not limited to, a springing financial covenant relating to our fixed charge coverage ratio and restrictions on indebtedness, liens, investments, asset dispositions, and restricted payments. As of August 3, 2024, we were in compliance with all covenants.

Contractual Obligations

Aside from the voluntary redemption of the remaining \$113 million of outstanding 9.50% notes due May 15, 2025 and the change in borrowings under our revolving credit facility, which have been disclosed in Note 3 of the Consolidated Financial Statements, there have been no significant changes in the contractual obligations disclosed in our 2023 Form 10-K.

Off-Balance Sheet Arrangements

We have not provided any financial guarantees arising from arrangements with unconsolidated entities or persons as of August 3, 2024.

We have not created, and are not a party to, any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt, or operating our business. We do not have any arrangements or relationships with entities that are not consolidated into our financial statements that are reasonably likely to materially affect our financial condition, liquidity, results of operations, or capital resources.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect reported amounts. Management has discussed the development, selection, and disclosure of its estimates and assumptions with the Audit Committee of our Board of Directors. There have been no significant changes in the critical accounting policies and estimates discussed in our 2023 Form 10-K.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We redeemed the remaining \$113 million of outstanding 9.50% notes due May 15, 2025 in June 2024, which has been disclosed in Note 3 of the Consolidated Financial Statements. There have been no other significant changes in the Quantitative and Qualitative Disclosures about Market Risk described in our 2023 Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (the "Evaluation") at a reasonable assurance level as of the last day of the period covered by this report.

Based upon the Evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective at the reasonable assurance level. Disclosure controls and procedures are defined by Rule 13a-15(e) of the Securities Exchange Act of 1934 (the "Exchange Act") as controls and other

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procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified by the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

It should be noted that the design of any system of controls is based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving our stated goals under all potential future conditions, regardless of how remote.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended August 3, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION**Item 1. Legal Proceedings**

For a description of our legal proceedings, see Note 5, Contingencies, of the notes to our Consolidated Financial Statements included elsewhere in this Quarterly Report on Form 10-Q, which is incorporated by reference in response to this item.

Item 1A. Risk Factors

There have been no significant changes in the Risk Factors described in our 2023 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

In February 2022, our Board of Directors increased the remaining share repurchase authorization under our existing share repurchase program to \$3.0 billion. Purchases under the repurchase program may be made in the open market, through block trades, and other negotiated transactions. We expect to execute the share repurchase program primarily in open market transactions, subject to market conditions. There is no fixed termination date for the repurchase program, and the program may be suspended, discontinued, or accelerated at any time.

The following table contains information for shares of common stock repurchased and shares acquired from employees in lieu of amounts required to satisfy minimum tax withholding requirements upon the vesting of the employees' stock-based compensation during the three fiscal months ended August 3, 2024:

(Dollars in Millions, Except per Share Data)	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
May 5 - June 1, 2024	3,001	\$26.39	—	\$2,476
June 2 - July 6, 2024	15,479	\$21.63	—	\$2,476
July 7 - Aug 3, 2024	2,997	\$22.76	—	\$2,476
Total	21,477	\$22.45	—	

Item 5. Other Information

Except as noted below, during the three months ended August 3, 2024, no director or Section 16 officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

On May 31, 2024, Siobhán Mc Feeney, Senior Executive Vice President, Chief Technology and Digital Officer, adopted a Rule 10b5-1 Trading Plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act (the "Plan") relating to the sale of up to 44,267 shares of the Company's common stock. Sales under the Plan may commence on October 3, 2024. The Plan will expire on December 1, 2025.

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Item 6. Exhibits

Exhibit	Description
10.1	Kohl's Corporation 2024 Long-Term Compensation Plan, incorporated by reference to Annex A to the Proxy Statement on Schedule 14A filed on April 5, 2024.
10.2	Form of Executive Performance Share Unit Agreement pursuant to the Kohl's Corporation 2024 Long Term Compensation Plan.
10.3	Form of Executive Restricted Stock Unit Agreement pursuant to the Kohl's Corporation 2024 Long Term Compensation Plan.
10.4	Form of Non-Employee Directors Restricted Stock Agreement pursuant to the Kohl's Corporation 2024 Long Term Compensation Plan.
10.5	Form of Non-Employee Directors Deferred Restricted Stock Unit Agreement pursuant to the Kohl's Corporation 2024 Long Term Compensation Plan.
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibits 101)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Kohl's Corporation
(Registrant)

Date: September 5, 2024

/s/ Jill Timm

Jill Timm

On behalf of the Registrant and as Chief Financial Officer
(Principal Financial Officer)

PERFORMANCE SHARE UNIT AGREEMENT

<u>Executive</u>	<u>Employee ID</u>	<u>Grant Date</u>	<u>Target Number of Performance Share Units</u>
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RECITALS:

The Compensation Committee of the Board of Directors (the "Committee") has determined to award to the Executive Performance Share Units, subject to the restrictions contained herein, pursuant to the Company's 2024 Long-Term Compensation Plan (the "Plan"). All terms used herein and not otherwise defined shall have the same meaning as set forth in the Plan.

NOW, THEREFORE, for good and valuable consideration, including the mutual promises set forth in this agreement and the benefits that the Company expects to derive in connection with the services to be hereafter rendered to it or its subsidiaries by the Executive, the Company and the Executive hereby agree as follows:

ARTICLE I

Defined Terms

1.1 Determination Date. The Determination Date shall mean the date on which the Committee determines and certifies, following the applicable Performance Period, whether and to what extent the Performance Goals set forth on Exhibit A have been attained; provided, however, that the Determination Date with respect to the applicable Performance Period shall be no later than April 15 of the calendar year following the end of such Performance Period.

1.2 Payment Date. The Payment Date shall mean the date the Committee determines that the shares payable upon achievement of the Performance Goals set forth in Exhibit A shall be paid, which date shall be within thirty (30) business days following the Determination Date.

1.3 Performance Share Unit. Performance Share Unit shall mean a nonvoting unit of measurement which is deemed for bookkeeping purposes to be the equivalent to one outstanding share of Common Stock (a "Share") solely for purposes of the Plan and this Agreement. The Performance Share Units shall be used solely as a device for the determination of the payment to be made to Executive if such Performance Share Units become payable pursuant to section 2.2 below. The Performance Share Units shall not be treated as property or as a trust fund of any kind. Each Performance Share Unit granted hereunder is intended to qualify as a Performance Share expressed in terms of Common Stock, as authorized under Section 12 of the Plan.

1.4 Retirement. Retirement shall mean the termination of Executive's employment for any reason other than by the Company for Cause or due to death or Disability, but only to the extent such termination occurs after the Executive is Retirement Eligible and only to the extent such termination occurs on or following the one-year anniversary of the Grant Date.

1.5 Retirement Eligible. Retirement Eligible shall mean the Executive has reached age sixty (60) and has been employed with the Company for a continuous period of at least five (5) years.

ARTICLE II

Performance Share Units

2.1 Award of Performance Share Units. The Company-hereby grants to the Executive an award of Performance Share Units listed above under the heading "Target Number of Performance Share Units" (the "Performance Share Units"), subject to the restrictions contained herein and the provisions of the Plan.

2.2 Performance-Based Right to Payment.

(a) The number of Shares that shall be issued pursuant to the Performance Share Units shall be determined based on the Company's achievement of Performance Goals as set forth on Exhibit A. On the Determination Date, the Committee in its sole discretion shall determine and certify whether and to what extent the Performance Goals as set forth on Exhibit A have been attained. The payment of Shares with respect to Executive's Performance Share Units is contingent on the attainment of the Performance Goals as set forth on Exhibit A. Accordingly, Executive will not become entitled to payment with respect to the Performance Share Units subject to this Agreement unless and until the Committee determines that the Performance Goals set forth on Exhibit A have been attained. Upon such determination by the Committee and subject to the provisions of the Plan and this Agreement, Executive shall be entitled to payment of that portion of the Performance Share Units as corresponds to the Performance Goals attained (as determined by the Committee in its sole discretion) as set forth on Exhibit A. Furthermore, except as otherwise set forth in Section 2.3, in order to be entitled to payment with respect to any Performance Share Units, Executive must be employed by the Company through the end of the Performance Period.

(b) On the Payment Date, the Company shall deliver to Executive a number of Shares (either by delivering one or more certificates for such shares or by entering such shares in book entry form, as determined by the Company in its sole discretion) equal to the number of Performance Share Units subject to this award that are payable pursuant to the achievement of the Performance Goals set forth on Exhibit A.

2.3 Forfeiture of Performance Share Units Upon Termination of Employment. Notwithstanding any provision in any employment agreement or executive compensation agreement between the Executive and the Company to the contrary, upon Executive's termination of employment prior to the end of the Performance Period, all rights with respect to any unpaid Performance Share Units awarded pursuant to this Agreement shall immediately terminate, and Executive will not be entitled to any payments or benefits with respect thereto; *provided, however*, that in the event of Executive's termination of employment by reason of Retirement or Disability prior to the end of the Performance Period, Executive or Executive's personal representative, as the case may be, shall be entitled to receive, on the Payment Date, Performance Share Units awarded pursuant to this Agreement that would have been paid had Executive remained employed until the end of the Performance Period. In the event of Executive's termination of employment by reason of Retirement or Disability prior to the end of the Performance Period, if delivery of the Shares to the Executive on the Payment Date would cause the Executive to be subject to a penalty under Section 409A of the Internal Revenue Code because Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i), the delivery of the Shares will be delayed until a date which is the first business day after the six (6) months after Executive's termination of employment. Notwithstanding the foregoing to the contrary, in the event of Executive's termination of employment by reason of death prior to the

end of the Performance Period, Executive's beneficiary shall be entitled to receive, as soon as administratively possible, the number of Performance Share Units listed at the top of this Agreement under the "Target Number of Performance Share Units."

2.4 Change of Control. In the event of a Change of Control, the Performance Share Units shall be subject to the provisions set forth in Paragraph 19 of the Plan, provided, however, any references to "cause" and "good reason" used in Paragraph 19 of the Plan shall be interpreted by applying the definitions of "cause" and "good reason" contained in an employment agreement or executive compensation agreement between the Executive and the Company in effect as of the Grant Date, if any. For the avoidance of doubt, for purposes of Paragraph 19 of the Plan only, the time-based vesting criteria to which this Award is subject to is a requirement for the Executive to continue employment until the end of the Performance Period.

2.5 Prohibition Against Transfer. The Performance Share Units may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) by the Executive, or be subject to execution, attachment or similar process. Any transfer in violation of this Section 2.5 shall be void and of no further effect.

ARTICLE III

Miscellaneous

3.1 Provisions of the Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Committee to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of such Committee with respect to the Plan shall be binding upon the Executive. A copy of the Plan will be delivered to the Executive upon reasonable request.

3.2 No Rights as Shareholder. Executive shall not have any right to exercise the rights or privileges of a shareholder with respect to any Performance Share Units or Shares distributable with respect to any Performance Share Units until such Shares are distributed.

3.3 Dividend Equivalents. On the Payment Date (or earlier date of payment in the event of the Executive's termination of employment by reason of death prior to the end of the Performance Period), in addition to the Shares deliverable under Section 2.2 above, the Company shall issue the Executive or Executive's beneficiary that number of Shares equal to the Dividend Equivalent Amount. The Dividend Equivalent Amount shall be calculated as of the Payment Date, pursuant to this Section 3.3. In calculating the Dividend Equivalent Amount, the Company shall determine the number of Shares that would have been payable to the Executive if the total number of Performance Share Units earned under Section 2.2 had been outstanding as Shares from the Grant Date until the Payment Date (or earlier date of payment in the event of the Executive's termination of employment by reason of death prior to the end of the Performance Period) and in lieu of any regular cash dividends, on the declared payment date of each regular cash dividend otherwise payable on such Shares ("Dividend Date"), the Company had issued Executive a number of additional Shares with a Dividend Date Market Value equal to: (i) the per-share dollar amount of the declared dividend multiplied by (ii) the number of Performance Share Units earned under Section 2.2 above plus the number of Shares deemed issued hereunder as dividend equivalents as of the declared record date for the dividend. For purposes of calculating the "Dividend Date Market Value" in the preceding sentence, the Company shall use

the closing price of a share of the Company's Common Stock on the New York Stock Exchange on the Dividend Date. Shares issued hereunder shall be issued in fractional shares.

3.4 Taxes. The Company may require payment of or withhold any income or employment tax which it believes is payable as a result of the grant or vesting of the Performance Share Units or the payment of Shares in connection therewith, and the Company may defer making delivery with respect to the Shares until arrangements satisfactory to the Company have been made with regard to any such withholding obligation. In accordance with the Plan, the Company may withhold shares of Common Stock to satisfy such withholding obligations.

3.5 No Employment Rights. The award of the Performance Share Units pursuant to this Agreement shall not give the Executive any right to remain employed by the Company or any affiliate thereof.

3.6 Notices. Any notice to be given to the Company under the terms of this Agreement shall be given in writing to the Company in care of its Chief Legal Officer at Kohl's, Inc., N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin, 53051. Any notice to be given to the Executive may be addressed to him/her at the address as it appears on the payroll records of the Company or any subsidiary thereof. Any such notice shall be deemed to have been duly given if and when actually received by the party to whom it is addressed, as evidenced by a written receipt to that effect.

3.7 Governing Law. This Agreement and all questions arising hereunder or in connection herewith shall be determined in accordance with the laws of the State of Wisconsin without giving effect to its conflicts of law provisions.

3.8 Suspension or Termination of Award; Clawback. Executive acknowledges that this Agreement is subject to Section 23 of the Plan, including, but not limited to, the forfeiture of the Award in the event that Executive makes an unauthorized disclosure of any Company trade secret or confidential information or breaches any non-competition agreement.

3.9 Award Acceptance. This Award shall not be effective unless the Executive electronically consents to this Agreement via an online platform, access to which will be provided by the Company, indicating the Executive's acceptance of the terms and conditions of this Agreement. By electronically consenting to this Agreement via the online platform, the Executive acknowledges and agrees to the terms and conditions of this Agreement and the Plan.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the date first written above.

KOHL's CORPORATION

By: _____
[Name] [Title]

Executive

**EXHIBIT A
TO PERFORMANCE SHARE AGREEMENT**

PERFORMANCE GOALS

Payment of Shares with respect to the Target number of Performance Share Units granted in the Performance Share Agreement is contingent on the attainment of the Performance Goals listed below for the Performance Period. The Committee shall retain the right to determine the calculation of the Performance Goals in the Committee's reasonable discretion, and subject further to the discretion of the Committee to reduce the number of Performance Share Units actually earned.

Performance Period: [Date 1] through [Date 2]

Performance Metrics:

(a) [Weighting (%)] of the Shares are earned based on [Metric 1] during the Performance Period

[Metric 1] for Performance Period	Percentage of Target Number of Performance Share Units Earned
Less than []% of Financial Plan for [Metric 1]	[]%
[]% of Financial Plan for [Metric 1]	[]%
Financial Plan for [Metric 1]	[]%
[]% of Financial Plan for [Metric 1]	[]%

(b) [Weighting (%)] of the Shares are earned based on [Metric 2] during the Performance Period

[Metric 2] for Performance Period	Percentage of Target Number of Performance Share Units Earned
Less than []% of Financial Plan for [Metric 2]	[]%
[]% of Financial Plan for [Metric 2]	[]%
Financial Plan for [Metric 2]	[]%
[]% of Financial Plan for [Metric 2]	[]%

- (c) If the Company's [Metric 1] or [Metric 2] performance results fall between any of the specified levels in subparagraphs (a) or (b) above, (e.g., between []% and Financial Plan for [Metric 1]), the actual number of Performance Share Units which shall be earned shall be determined based on a straight-line, mathematical interpolation between the applicable percentages set forth above, rounded up to the nearest whole share.
- (d) If Threshold levels of [Metric 1] or [Metric 2] are not achieved during the Performance Period, a Threshold (minimum) level payout will be made if the Company beats the Performance Index comparing the Company's performance with respect to [Metric 1] and/or [Metric 2] to that of a weighted average of the Performance Index Group during the Performance Period. Calculations with respect to the Company's performance relative to the Performance Index Group shall be made by the Company and certified by the Committee, in the Committee's sole discretion.

Performance Period Relative Total Shareholder Return Modifier

If any Performance Share Units are earned based on the above criteria, the number of Performance Share Units earned will be modified up or down as follows based on Kohl's

Relative Total Shareholder Return against a group of selected retailers (the “**TSR Modifier Group**”, as defined below) during the Performance Period.

Kohl's TSR as a Percentile of Total Shareholder Return against TSR Modifier Group	Award Modified
< 25 th Percentile	[]%
25 th Percentile to 75 th Percentile	[]%
> 75 th Percentile	[]%

For purposes of the charts above:

“**Financial Plan**” shall mean the Company’s [Date 1 Year - Date 2 Year] Financial Plan, as reviewed by the Committee in the first quarter of fiscal [Year].

[Metric 1 Definition]

[Metric 2 Definition]

“**TSR**” shall mean the “total shareholder return” to the company’s shareholders over the applicable Performance Period, calculated by a third party expert using the following formula:

$$\text{TSR} = \frac{\text{Stock Price}_{\text{end}} - \text{Stock Price}_{\text{start}} + \text{Dividends}}{\text{Stock Price}_{\text{start}}}$$

“**Stock Price_{start}**” shall mean the average closing price of a share of the respective company's common stock for the 20 trading days prior to the start of the Performance Period on which shares of such company's common stock were traded, as reported in *The Wall Street Journal* or such other source as the Committee deems reliable.

“**Stock Price_{end}**” shall mean the average closing price of a share of the respective company's common stock for the 20 trading days prior to the end of the Performance Period on which shares of such company's common stock were traded, as reported in *The Wall Street Journal* or such other source as the Committee deems reliable.

“**Dividends**” shall mean the sum of (a) all dividends paid with respect to one share of the respective company's common stock during the Performance Period, as reported in the company's public filings with the SEC, and (b) the yield on such dividends, assuming reinvestment of each dividend in the company's common stock on the applicable ex-dividend date, using the closing price of a share of the company's common stock on such ex-dividend date, as reported in *The Wall Street Journal* or such other source as the Committee deems reliable.

“**TSR Modifier Group**” shall include the following selected retail companies:

[List of companies selected by Compensation Committee]

The selected companies in the TSR Modifier Group above shall be adjusted in the following events:

- 1) In the event of a merger, acquisition or business combination transaction of a selected company with or by another selected company, the surviving entity shall remain a selected company.
- 2) In the event of a merger of a selected company with an entity that is not a selected company, or the acquisition or business combination transaction by or with a selected company, or with an entity that is not a selected company, in each case where the selected company is the surviving entity and remains publicly traded, the surviving entity shall remain a selected company.
- 3) In the event of a merger or acquisition or business combination transaction of a selected company by or with an entity that is not a selected company, a “going private” transaction involving a selected company or the liquidation of a selected company, where the selected company is not the surviving entity or is otherwise no longer publicly traded, the company shall no longer be a selected company.
- 4) In the event of a bankruptcy of a selected company, such company shall remain a selected company.
- 5) In any other circumstance that the Committee determines such modification to be appropriate, in the Committee’s reasonable discretion.

“**Relative TSR**” shall mean Kohl’s TSR compared to the total shareholder returns of the selected companies used in the TSR Modifier Group. Relative TSR will be determined by ranking the company and the selected companies from highest to lowest according to their respective TSRs. After this ranking, the percentile performance of the Company relative to the selected companies will be determined as follows:

$$P = 1 - [(R - 1) / (N - 1)]$$

Where: “P” represents the percentile performance which will be rounded up, if necessary, to the nearest whole percentile.

“N” represents the remaining number of selected companies, plus the Company.

“R” represents Company’s ranking among the selected companies.

Example: If there are 20 remaining companies, and the Company is ranked 10th, the performance would be at the 53rd percentile: $.53 = 1 - ((10 - 1)/(20 - 1))$.

“**Performance Index Group**” shall mean the following companies, each of whose performance shall be weighted in calculating the Performance Index for [Metric 1] and [Metric 2] according to the percentage below:

[List of companies and weightings (%) selected by Compensation Committee]

To the extent that either (a) any of the member companies of the Performance Index Group do not publicly report financial metrics for the Performance Period, or (b) any of the member companies of the Performance Index Group merges or combines with any other person or entity with revenues in excess of 10% of such member company’s revenues, then

such member company shall be removed from the Performance Index Group and the weighting of the performance of the remaining companies in the Performance Index Group shall be adjusted proportionately in order to calculate the Performance Index.

RESTRICTED STOCK UNIT AGREEMENT

<u>Executive</u>	<u>Grant Date</u>	<u>Number of Restricted Stock Units</u>
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RECITALS:

The Company and Executive have previously entered into an Executive Compensation Agreement (the “Executive Compensation Agreement”) setting forth some of the terms of Executive’s employment and post-employment relationships with Company.

The Compensation Committee of the Board of Directors (the “Committee”) has determined to award to the Executive Restricted Stock Units, subject to the restrictions contained herein, pursuant to the Company’s 2024 Long-Term Compensation Plan (the “Plan”). All terms used herein and not otherwise defined shall have the same meaning as set forth in the Plan.

NOW, THEREFORE, for good and valuable consideration, including the mutual promises set forth in this agreement and the benefits that the Company expects to derive in connection with the services to be hereafter rendered to it or its subsidiaries by the Executive, the Company and the Executive hereby agree as follows:

ARTICLE I

Defined Terms

1.1 Cause. Cause shall have the meaning set forth in the Executive Compensation Agreement.

1.2 Disability. Disability shall have the meaning set forth in the Executive Compensation Agreement. Notwithstanding the foregoing, in the event this Award is subject to Section 409A of the Code, no event or set of circumstances will constitute a “Disability” for purposes of this Award unless the Executive is also “disabled” as defined in Treasury Regulation Section 1.409A-3(i)(4).

1.3 Good Reason. Good Reason shall have the meaning set forth in the Executive Compensation Agreement.

1.4 Payment Date. The Payment Date with respect to Restricted Stock Units shall be the earliest of (i) the applicable Anniversary Date on which such Restricted Stock Units become vested in accordance with this Restricted Stock Unit Agreement, (ii) Executive’s death, (iii) Executive’s Disability, or (iv) the date of Executive’s termination of employment if and only if such termination accelerates vesting of the Restricted Stock Units pursuant to Section 2.2(c) below.

1.5 Restricted Stock Unit. Restricted Stock Unit shall mean a nonvoting unit of measurement which is deemed for bookkeeping purposes to be the equivalent to one outstanding share of Common Stock (a “Share”) solely for purposes of the Plan and this Agreement. The Restricted Stock Units shall be used solely as a device for the determination of the payment to be made to Executive if such Restricted Stock Units become vested and payable pursuant to Article II below. The Restricted Stock Units shall not be treated as property or as a trust fund of any kind. Each Restricted Stock Unit granted hereunder is intended to qualify as a Stock Award expressed in terms of Common Stock, as authorized under Section 10 of the Plan.

1.6 Retirement. Retirement shall mean the termination of Executive's employment for any reason other than by the Company for Cause or due to death or Disability, but only to the extent such termination occurs after the Executive is Retirement Eligible.

1.7 Retirement Eligible. Retirement Eligible shall mean the Executive has reached age sixty (60) and has been employed with the Company for a continuous period of at least five (5) years.

ARTICLE II

Restricted Stock Units

2.1 Award of Restricted Stock Unit. The Company hereby awards to the Executive the number of Restricted Stock Units listed above under the heading "Number of Restricted Stock Units," subject to the restrictions contained herein and the provisions of the Plan.

2.2 Vesting of Restricted Stock Units. Subject to the terms of this Agreement, the Restricted Stock Units shall vest in accordance with the following schedule:

Anniversary Date	Shares-Vesting
[1 st Anniversary Date]	[25%]
[2 nd Anniversary Date]	[25%]
[3 rd Anniversary Date]	[25%]
[4 th Anniversary Date]	[25%]

(a) Termination By Company for Cause or By Executive Other Than for Good Reason. If Executive's employment is terminated in accordance with the Executive Compensation Agreement by the Company for Cause at any time or by Executive other than for Good Reason prior to the date the Executive is Retirement Eligible, the vesting of the Restricted Stock Units shall, on the date of such termination, cease and any unvested Restricted Stock Units shall be forfeited by Executive and revert to the Company.

(b) Executive's Death or Disability. In the event of Executive's death or Disability while employed by the Company, the Restricted Stock Units shall, upon such death or Disability, vest immediately.

(c) Termination By Company Without Cause or By Executive for Good Reason. If Executive's employment is terminated in accordance with the Executive Compensation Agreement by the Company without Cause or by the Executive for Good Reason prior to the date the Executive is Retirement Eligible, subject to Section 2.4 below, any Restricted Stock Units that are scheduled to vest in the period following the date of Executive's termination of employment equal to the period of base salary used to calculate Executive's Severance Payment (defined in the Executive Compensation Agreement) under the Executive Compensation Agreement (such period, the "Severance Period") shall, upon such termination, vest immediately.

(d) Retirement. If Executive's employment is terminated due to Retirement, Executive shall continue to vest in the Restricted Stock Units granted pursuant to this Restricted Stock Unit Agreement following the date of Retirement as if the Executive were still employed with the Company as of each Anniversary Date set forth in the vesting schedule above; provided, however, the foregoing shall not apply to any Retirement that occurs prior to the first Anniversary Date set forth in the vesting schedule above. Notwithstanding the foregoing, if Executive's employment is terminated due to Retirement prior to the first Anniversary Date set forth in the vesting schedule above and is also a termination by the Company without Cause or by the Executive for Good Reason in accordance with the Executive Compensation Agreement, Executive shall continue to vest in the Restricted Stock Units granted pursuant to this Restricted Stock Unit Agreement for the Severance Period following the date of Retirement as if the Executive were still employed with the Company.

(e) Change of Control. In the event of a Change of Control, any outstanding Restricted Stock Units shall be subject to the provisions set forth in Paragraph 19 of the Plan, provided, however, any references to "cause" and "good reason" used in Paragraph 19 of the Plan shall be interpreted by applying the definitions of "cause" and "good reason" set forth in the Executive Compensation Agreement.

2.3 Prohibition Against Transfer. The Restricted Stock Units may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) by Executive, or be subject to execution, attachment or similar process. Any transfer in violation of this Section 2.3 shall be void and of no further effect.

2.4 Release. As a condition to the accelerated vesting of certain Restricted Stock Units in Section 2.2(c) above, in the event of Executive's termination of employment in accordance with the Executive Compensation Agreement by the Company without Cause or by Executive for Good Reason, Executive (i) shall be required to execute a written release agreement in a form satisfactory to the Company containing, among other items, a general release of claims against the Company, and (ii) must not exercise any right to revoke such release agreement during any applicable rescission period ((i) and (ii), the "Release Conditions)." If Executive fails to satisfy the Release Conditions within sixty (60) days of the Executive's termination of employment, all outstanding Restricted Stock Units shall be forfeited.

2.5 Share Delivery. On the Payment Date, or within sixty (60) days following the Payment Date for any Payment Date that is not the applicable Anniversary Date, the Company shall deliver to Executive a number of Shares (either by delivering one or more certificates for such shares or by entering such shares in book entry form, as determined by the Company in its sole discretion) equal to the number of Restricted Stock Units subject to this Award that have become vested pursuant to Section 2.2 above.

ARTICLE III

Miscellaneous

3.1 Provisions of the Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Committee to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of such Committee with respect to the Plan shall be binding upon the Executive. A copy of the Plan will be delivered to the Executive upon reasonable request.

3.2 References to Executive Compensation Agreement. All references to the Executive Compensation Agreement herein shall refer to the Executive Compensation Agreement in effect on the date of grant of Restricted Stock Units. Notwithstanding that, at the time of a termination of Executive's employment, the Executive and Company may no longer be parties to such Executive Compensation Agreement or may have amended such Executive Compensation Agreement, this Agreement shall be interpreted as if such Executive Compensation Agreement were still in place (including any requirements to give notice, etc.).

3.3 No Rights as Shareholder. Executive shall not have any right to exercise the rights or privileges of a shareholder with respect to any Restricted Stock Units or Shares distributable with respect to any Restricted Stock Units until such Shares are distributed.

3.4 Dividend Equivalents. On the Payment Date, in addition to the Shares deliverable under Section 2.5 above, the Company shall issue the Executive or Executive's beneficiary that number of Shares equal to the "Dividend Equivalent Amount." The Dividend Equivalent Amount shall be calculated as of the Payment Date, pursuant to this Section 3.4. In calculating the Dividend Equivalent Amount, the Company shall determine the number of Shares that would have been payable to the Executive if the total number of Restricted Stock Units vested under Section 2.2 had been outstanding as Shares from the Grant Date until the Payment Date and in lieu of any regular cash dividends, on the declared payment date of each regular cash dividend otherwise payable on such Shares ("Dividend Date"), the Company had issued Executive a number of additional Shares with a "Dividend Date Market Value" equal to: (i) the per-share dollar amount of the declared dividend multiplied by (ii) the number of Restricted Stock Units vested under Section 2.2 above plus the number of Shares deemed issued hereunder as dividend equivalents as of the declared record date for the dividend. For purposes of calculating the "Dividend Date Market Value" in the preceding sentence, the Company shall use the closing price of a share of the Company's Common Stock on the New York Stock Exchange on the Dividend Date. Shares issued hereunder shall be issued in fractional shares.

3.5 Taxes. The Company may require payment of or withhold any income or employment tax from any amount payable under this Restricted Stock Unit Agreement or from any other compensation payable to Executive as is required under law with respect to this Restricted Stock Unit Agreement, including, as necessary, the right to withhold from other wages payable to Executive to satisfy the Company's Federal Insurance Contributions Act ("FICA") tax withholding obligation in the taxable year that any portion of this Award is no longer subject to a substantial risk of forfeiture as such term is defined under the FICA regulations, and the Company may defer making delivery with respect to Shares until arrangements satisfactory to the Company have been made with regard to any such withholding obligation. In accordance with the Plan, the Company may withhold shares of Common Stock to satisfy such withholding obligations.

3.6 Section 409A. To the extent this Award is or becomes subject to Section 409A, this Restricted Stock Unit Agreement shall be interpreted and administered in compliance with the requirements of Section 409A of the Code and any guidance promulgated thereunder, including the final regulations.

3.7 No Employment Rights. The award of the Restricted Stock Units pursuant to this Agreement shall not give the Executive any right to remain employed by the Company or any affiliate thereof.

3.8 Notices. Any notice to be given to the Company under the terms of this Agreement shall be given in writing to the Company in care of its Chief Legal Officer at Kohl's, Inc., N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin, 53051. Any notice to be given to the Executive may be addressed to him/her at the address as it appears on the payroll records of the Company or any subsidiary thereof. Any such

notice shall be deemed to have been duly given if and when actually received by the party to whom it is addressed, as evidenced by a written receipt to that effect.

3.9 Governing Law. This Restricted Stock Unit Agreement and all questions arising hereunder or in connection herewith shall be determined in accordance with the laws of the State of Wisconsin without giving effect to its conflicts of law provisions.

3.10 Suspension or Termination of Award; Clawback. Executive acknowledges that this Restricted Stock Unit Agreement is subject to Section 23 of the Plan, including, but not limited to, the forfeiture of the Award in the event that Executive makes an unauthorized disclosure of any Company trade secret or confidential information or breaches any non-competition agreement.

3.11 Award Acceptance. This Award shall not be effective unless the Executive electronically consents to this Restricted Stock Unit Agreement via an online platform, access to which will be provided by the Company, indicating the Executive's acceptance of the terms and conditions of this Restricted Stock Unit Agreement. By electronically consenting to this Restricted Stock Unit Agreement via the online platform, the Executive acknowledges and agrees to the terms and conditions of this Restricted Stock Unit Agreement and the Plan.

**RESTRICTED STOCK AGREEMENT
(Non-Employee Directors)**

Name	Date	Number of Shares
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RECITALS:

The Board of Directors of Kohl's Corporation (the "Board") has approved granting to the director named above ("Director") shares of the common stock of the Company ("Common Stock"), subject to the restrictions contained herein, pursuant to the Company's 2024 Long-Term Compensation Plan (the "Plan"). All terms used herein and not otherwise defined shall have the same meaning as set forth in the Plan.

NOW, THEREFORE, for good and valuable consideration, including the mutual promises set forth in this agreement and the benefits that the Company expects to derive in connection with the services to be hereafter rendered to it or its subsidiaries by the Director, the Company and the Director hereby agree as follows:

ARTICLE I

Restricted Shares

1.1 Award of Restricted Shares. The Company hereby awards to the Director the number of shares of Common Stock listed above under the heading "Number of Restricted Shares" (the "Restricted Shares"), subject to the restrictions contained herein and the provisions of the Plan.

1.2 Vesting of the Restricted Shares.

(a) Subject to the terms of this Agreement, the Restricted Shares shall vest in accordance with the following schedule:

Anniversary Date	Shares Vesting
Earlier of the 1 st Anniversary Date or the Date of the Annual Meeting for the Following Year	100% of Shares Granted

(b) Termination. Except as otherwise provided in the Plan (i.e., upon death, Disability or a termination of service upon or following a Change of Control), if a Director ceases to be a member of the Board for any reason, the vesting of the Restricted Shares shall immediately cease and any unvested Restricted Shares shall be forfeited by Director and revert to the Company. "Cause" for purposes of Section 19(a) of the Plan shall have the same meaning as "Act of Misconduct" as defined under Section 23(b)(i) of the Plan.

The period during which the Restricted Shares are unvested is referred to herein as the Restricted Period.

1.3 Shareholder Status. Prior to the vesting of the Restricted Shares, Director shall have the right to vote the Restricted Shares and except as expressly provided otherwise herein, all other rights as a holder of outstanding shares of Common Stock. In lieu of any regular cash dividends, on the declared payment date of each regular cash dividend otherwise payable on the Restricted Shares (“Payment Date”), the Company shall issue Director a number of additional shares of Restricted Stock with a Payment Date market value equal to: (i) the per-share dollar amount of the declared dividend multiplied by (ii) the number of Director’s unvested Restricted Shares as of the declared record date for the dividend. For purposes of calculating the “Payment Date market value” in the preceding sentence, the Company shall use the closing price of a share of the Company’s Common Stock on the New York Stock Exchange on the Payment Date. Such additional Restricted Shares shall be issued in fractional shares, and shall vest on the same terms and conditions as the underlying Restricted Shares to which dividends would have been attributable. Any such additional Restricted Shares shall be subject to the terms of this Agreement. Further, notwithstanding the foregoing, the Director shall not have the right to vote with respect to the Restricted Shares with respect to record dates occurring after any of the Restricted Shares revert to the Company pursuant to Section 1.2 hereof. Until the Restricted Shares vest pursuant to Sections 1.2 hereof, the Company shall retain custody of the stock certificates representing the Restricted Shares or shall designate them as restricted in book entry form. As soon as practicable after the lapse of the restrictions, the Company shall release or cause to be released any restrictions noted on the certificate or book entry notation regarding the shares of Common Stock so released.

1.4 Prohibition Against Transfer. During the Restricted Period, the Restricted Shares may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) by the Director, or be subject to execution, attachment or similar process. Any transfer in violation of this Section 1.4 shall be void and of no further effect.

ARTICLE II

Miscellaneous

2.1 Provisions of the Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Board’s Compensation Committee to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of such Committee with respect to the Plan shall be binding upon the Director. A copy of the Plan will be delivered to the Director upon reasonable request.

2.2 Taxes. The Company may require payment or withhold any tax it believes it is required to withhold, if any, as a result of the grant or vesting of the Restricted Shares or any payments thereon or in connection therewith.

2.3 Notices. Any notice to be given to the Company under the terms of this Agreement shall be given in writing to the Company in care of its Chief Legal Officer at Kohl’s Department Stores, Inc., N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin, 53051. Any notice to be given to the

Director may be addressed to him/her at the address as it appears on the records of the Company or any subsidiary thereof. Any such notice shall be deemed to have been duly given if and when actually received by the party to whom it is addressed, as evidenced by a written receipt to that effect.

2.4 Governing Law. This Agreement and all questions arising hereunder or in connection herewith shall be determined in accordance with the laws of the State of Wisconsin without giving effect to its conflicts of law provisions.

**DEFERRED RESTRICTED STOCK UNIT AGREEMENT
(Non-Employee Directors)**

<u>Director</u>	<u>Grant Date</u>	<u>Number of Deferred Restricted Stock Units</u>
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RECITALS:

Pursuant to the Kohl’s Corporation Non-Employee Director Compensation Policy, the director named above (“Director”) has timely elected to receive Deferred Restricted Stock Units as his or her annual equity grant for the period following the Grant Date specified above. Accordingly, the Board of Directors of Kohl’s Corporation (the “Board”) has granted to Director Deferred Restricted Stock Units, subject to the restrictions contained herein, pursuant to the Company’s 2024 Long-Term Compensation Plan (the “Plan”). All terms used herein and not otherwise defined shall have the same meaning as set forth in the Plan.

NOW, THEREFORE, for good and valuable consideration, including the mutual promises set forth in this agreement and the benefits that the Company expects to derive in connection with the services to be hereafter rendered to it or its subsidiaries by the Director, the Company and the Director hereby agree as follows:

ARTICLE I

Defined Terms

1.1 Separation Date. The Separation Date with respect to Deferred Restricted Stock Units shall be the date of the Director’s retirement from the Board or other separation from service with the Company, as determined in accordance with Section 409A(2)(A)(i) of the Internal Revenue Code of 1986, as amended from time to time (the “Code”) and Treasury Regulation Section 1.409A-1(h).

1.2 Deferred Restricted Stock Unit. Deferred Restricted Stock Unit shall mean a nonvoting unit of measurement which is deemed for bookkeeping purposes to be the equivalent to one outstanding share of Common Stock (a “Share”) solely for purposes of the Plan and this Agreement. The Deferred Restricted Stock Units shall be used solely as a device for the determination of the payment to be made to the Director if such Deferred Restricted Stock Units become vested and payable pursuant to Article II below. The Deferred Restricted Stock Units shall not be treated as property or as a trust fund of any kind. Each Deferred Restricted Stock Unit granted hereunder is intended to qualify as a Stock Award expressed in terms of Common Stock, as authorized under Section 10 of the Plan.

ARTICLE II

Deferred Restricted Stock Units

2.1 Award of Deferred Restricted Stock Unit. The Company hereby awards to the Director the number of Deferred Restricted Stock Units listed above under the heading “Number of Deferred Restricted Stock Units,” subject to the restrictions contained herein and the provisions of the Plan.

2.2 Vesting of Deferred Restricted Stock Units.

(a) Subject to the terms of this Agreement, the Deferred Restricted Stock Units shall vest in accordance with the following schedule:

Anniversary Date	Units Vesting
Earlier of the 1 st Anniversary Date or the Date of the Annual Meeting for the Following Year	100% of Units Granted

(b) Termination Prior to Vesting. Except as otherwise provided in the Plan (i.e., upon death, Disability or a termination of service upon or following a Change of Control), if a Director ceases to be a member of the Board for any reason, the vesting of the Deferred Restricted Stock Units shall immediately cease and any unvested Deferred Restricted Stock Units shall be forfeited by Director. “Cause” for purposes of Section 19(a) of the Plan shall have the same meaning as “Act of Misconduct” as defined under Section 23(b)(i) of the Plan.

2.3 Prohibition Against Transfer. The Deferred Restricted Stock Units may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) by the Director, or be subject to execution, attachment or similar process. Any transfer in violation of this Section 2.3 shall be void and of no further effect.

2.4 Share Delivery. On the Separation Date, or within thirty (30) days following the Separation Date, the Company shall deliver to the Director a number of Shares (either by delivering one or more certificates for such shares or by entering such shares in book entry form, as determined by the Company in its sole discretion) equal to the number of Deferred Restricted Stock Units subject to this Award that have become vested pursuant to Section 2.2 above.

ARTICLE III

Miscellaneous

3.1 Provisions of the Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Board’s Compensation Committee to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of such Committee with respect to the Plan shall be binding upon the Director. A copy of the Plan will be delivered to the Director upon reasonable request.

3.2 No Rights as Shareholder. The Director shall not have any right to exercise the rights or privileges of a shareholder with respect to any Deferred Restricted Stock Units or Shares distributable with respect to any Deferred Restricted Stock Units until such Shares are distributed.

3.3 Dividend Equivalents. On the declared payment date of each regular cash dividend paid on the Company’s Shares (“Dividend Date”) between the Grant Date until the date that the Director or Director’s beneficiary is paid Shares under Section 2.4 above, the Company shall issue the Director a number of additional Deferred Restricted Stock Units with a Dividend Date market value equal to (i) the per-share dollar amount of the declared dividend multiplied by (ii) the number of Director’s outstanding Deferred Restricted Stock Units under this Agreement as of the declared record date for the dividend. For purposes of calculating the “Dividend

Date market value” in the preceding sentence, the Company shall use the closing price of a share of the Company’s Common Stock on the New York Stock Exchange on the Dividend Date. Such additional Deferred Restricted Stock Units shall be issued in fractional shares, and shall vest and be payable on the same terms and conditions as the Deferred Restricted Stock Units awarded to Director under Article 2 of this Agreement.

3.4 Taxes. The Company may require payment or withhold any tax it believes it is required to withhold, if any, as a result of the Shares earned under this Agreement, and the Company may defer making delivery with respect to Shares issuable under this Agreement until arrangements satisfactory to the Company have been made with respect to any such withholding obligations.

3.5 Section 409A. This Deferred Restricted Stock Unit Agreement shall be interpreted and administered in compliance with the requirements of Section 409A of the Code and any guidance promulgated thereunder, including the final regulations.

3.6 Notices. Any notice to be given to the Company under the terms of this Agreement shall be given in writing to the Company in care of its Chief Legal Officer at Kohl’s, Inc., N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin, 53051. Any notice to be given to the Director may be addressed to him/her at the address as it appears on the payroll records of the Company or any subsidiary thereof. Any such notice shall be deemed to have been duly given if and when actually received by the party to whom it is addressed, as evidenced by a written receipt to that effect.

3.7 Governing Law. This Deferred Restricted Stock Unit Agreement and all questions arising hereunder or in connection herewith shall be determined in accordance with the laws of the State of Wisconsin without giving effect to its conflicts of law provisions.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Thomas A. Kingsbury, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Kohl's Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 5, 2024

/s/ Thomas A. Kingsbury
Thomas A. Kingsbury
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jill Timm, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Kohl's Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 5, 2024

/s/ Jill Timm

Jill Timm

Chief Financial Officer

(Principal Financial Officer)

**CERTIFICATION OF PERIODIC REPORT
BY CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Thomas A. Kingsbury, Chief Executive Officer of Kohl's Corporation (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the undersigned's knowledge, on the date of this Certification:

1. This Quarterly Report on Form 10-Q of the Company for the quarterly period ended August 3, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. That the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: September 5, 2024

/s/ Thomas A. Kingsbury

Thomas A. Kingsbury

Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION OF PERIODIC REPORT
BY CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jill Timm, Chief Financial Officer of Kohl's Corporation (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the undersigned's knowledge, on the date of this Certification:

1. This Quarterly Report on Form 10-Q of the Company for the quarterly period ended August 3, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. That the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: September 5, 2024

/s/ Jill Timm

Jill Timm

Chief Financial Officer

(Principal Financial Officer)