



Sarah Godlewski

Office of the State Treasurer | State of Wisconsin

May 10, 2022

Kohl's Board of Directors
N56 W17000 Ridgewood Drive
Menomonee Falls, WI 53051

Dear Members of the Board and Shareholders:

Ahead of this month's shareholders meeting, I am writing to you today in my capacity as Wisconsin State Treasurer to express my concerns over the recent unsolicited proposals for buyouts that Kohl's Corporations has received.

These offers need to be thoroughly vetted and considered. Any proposal that would lead to a declaration of bankruptcy and put Kohl's 110,000 employees at risk should be rejected. Recognizing recent reports about the pressure to reorganize the company, Kohl's nevertheless has an obligation to proceed with a plan that best suits the workers and communities that depend on the company for employment and economic security.

We have been through this before in our state. I have met with the former employees and community leaders who have been impacted when private equity firms come in, put debt into our economy, our communities, and on the backs of our working people—it's reckless and we can't afford to have it be repeated.

As State Treasurer, I have an economic interest in ensuring these offers protect working Wisconsinites. I am eager to know whether the relevant parties have gathered all important considerations, including:

- An estimation of the potential impact on the 110,000 Kohl's employees and their communities from the possible forced bankruptcy of the company by hostile, outside owners, as has happened to too many Wisconsin businesses such as Hufcor, Toys 'R' Us, ShopKo, and too many others who were bought out by hostile, out-of-state private equity companies who shutdown successful Wisconsin companies after extracting fees and resources, leaving nothing behind.
- A careful look at the track records of some of the entities that have expressed interest in Kohl's, which includes businesses with a track record of mismanaging and bankrupting otherwise successful retailers.
- An assessment of whether the entities expressing interest in Kohl's have a commitment to long-term value creation, as opposed to short-term resource attraction, fee-harvesting and financial engineering that could pose risks for long-term value.
- An analysis about whether those seeking to lead Kohl's in the future have a track record of successfully running businesses such as Kohl's.



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Kohl's represents the proud legacy of immigrant and founder Maxwell Kohl who built this company from the ground up, which grew into one of the largest department store chains in the U.S. Kohl's should do everything in its power to uphold this legacy and stand by its employees and Wisconsin communities. Not only is this the right thing to do, it is the fiscally sound decision.

Sincerely,

A handwritten signature in black ink that reads "Sarah Godlewski". The script is fluid and cursive, with the first letters of each word being capitalized and prominent.

Sarah Godlewski
Wisconsin State Treasurer