

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-K

(Mark One)

☒ Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
For the fiscal year ended February 1, 2025  
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                   |

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐  
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒  
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 Regulations 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 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 ☒ Accelerated Filer ☐  
Non-Accelerated Filer ☐ Smaller Reporting Company ☐  
Emerging Growth Company ☐

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 provided pursuant to Section 13(a) of the Exchange Act. ☐  
Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒  
If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐  
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐  
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒  
At August 2, 2024, the aggregate market value of the voting stock of the Registrant held by shareholders who were not affiliates of the Registrant was approximately \$2.2 billion (based upon the closing price of Registrant's Common Stock on the New York Stock Exchange on such date).  
At March 12, 2025, the Registrant had outstanding an aggregate of 111,323,544 shares of its Common Stock.

Documents Incorporated by Reference:

Portions of the Definitive Proxy Statement for the Registrant's 2025 Annual Meeting of Shareholders are incorporated into Part III.

## KOHL'S CORPORATION INDEX

|                          |                                                                                                                                      |    |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------|----|
| <b><u>PART I</u></b>     |                                                                                                                                      |    |
| Item 1.                  | <a href="#"><u>Business</u></a>                                                                                                      | 3  |
| Item 1A.                 | <a href="#"><u>Risk Factors</u></a>                                                                                                  | 7  |
| Item 1B.                 | <a href="#"><u>Unresolved Staff Comments</u></a>                                                                                     | 15 |
| Item 1C.                 | <a href="#"><u>Cybersecurity</u></a>                                                                                                 | 15 |
| Item 2.                  | <a href="#"><u>Properties</u></a>                                                                                                    | 17 |
| Item 3.                  | <a href="#"><u>Legal Proceedings</u></a>                                                                                             | 18 |
| Item 4.                  | <a href="#"><u>Mine Safety Disclosures</u></a>                                                                                       | 18 |
|                          | <a href="#"><u>Information about Our Executive Officers</u></a>                                                                      | 18 |
| <b><u>PART II</u></b>    |                                                                                                                                      |    |
| Item 5.                  | <a href="#"><u>Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities</u></a> | 20 |
| Item 6.                  | <a href="#"><u>Reserved</u></a>                                                                                                      | 21 |
| Item 7.                  | <a href="#"><u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u></a>                         | 22 |
| Item 7A.                 | <a href="#"><u>Quantitative and Qualitative Disclosures about Market Risk</u></a>                                                    | 35 |
| Item 8.                  | <a href="#"><u>Financial Statements and Supplementary Data</u></a>                                                                   | 36 |
| Item 9.                  | <a href="#"><u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosures</u></a>                         | 60 |
| Item 9A.                 | <a href="#"><u>Controls and Procedures</u></a>                                                                                       | 60 |
| Item 9B.                 | <a href="#"><u>Other Information</u></a>                                                                                             | 62 |
| Item 9C.                 | <a href="#"><u>Disclosure Regarding Foreign Jurisdictions That Prevent Inspections</u></a>                                           | 62 |
| <b><u>PART III</u></b>   |                                                                                                                                      |    |
| Item 10.                 | <a href="#"><u>Directors, Executive Officers, and Corporate Governance</u></a>                                                       | 63 |
| Item 11.                 | <a href="#"><u>Executive Compensation</u></a>                                                                                        | 63 |
| Item 12.                 | <a href="#"><u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u></a>                | 63 |
| Item 13.                 | <a href="#"><u>Certain Relationships and Related Transactions, and Director Independence</u></a>                                     | 64 |
| Item 14.                 | <a href="#"><u>Principal Accounting Fees and Services</u></a>                                                                        | 64 |
| <b><u>PART IV</u></b>    |                                                                                                                                      |    |
| Item 15.                 | <a href="#"><u>Exhibits and Financial Statement Schedules</u></a>                                                                    | 65 |
| Item 16.                 | <a href="#"><u>Form 10-K Summary</u></a>                                                                                             | 68 |
| <b><u>SIGNATURES</u></b> |                                                                                                                                      | 69 |

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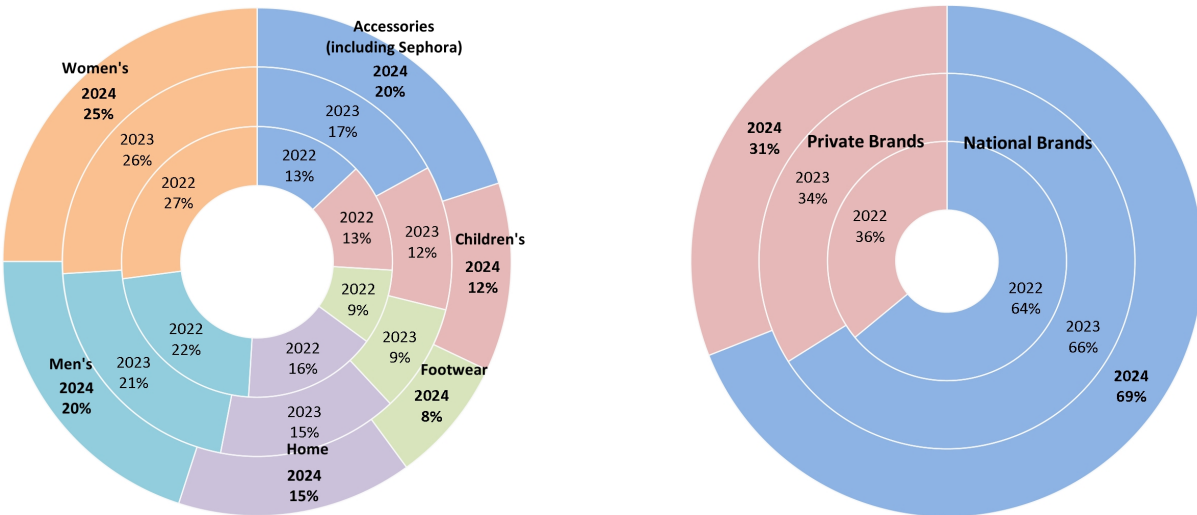
PART I

Item 1. Business

Kohl's Corporation (the "Company," "Kohl's," "we," "our," or "us") was organized in 1988 and is a Wisconsin corporation. As of February 1, 2025, we operated 1,175 Kohl's stores and a website (www.Kohls.com). 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.

Our merchandise mix includes both national brands and private brands that are available only at Kohl's. Our private portfolio includes well-known established brands such as Apt. 9, Croft & Barrow, Jumping Beans, SO, Sonoma Goods for Life, and Tek Gear, and exclusive brands that are developed and marketed through agreements with nationally-recognized brands such as LC Lauren Conrad, Nine West, and Simply Vera Vera Wang. Compared to national brands, private brands generally have lower selling prices, but higher gross margins.

The following tables summarize our net sales penetration by line of business and brand type over the last three years:



Our fiscal year ends on the Saturday closest to January 31<sup>st</sup> each year. Unless otherwise stated, references to years in this report relate to fiscal years rather than to calendar years. The following fiscal periods are presented in this report:

| Fiscal Year | Ended            | Number of Weeks |
|-------------|------------------|-----------------|
| 2024        | February 1, 2025 | 52              |
| 2023        | February 3, 2024 | 53              |
| 2022        | January 28, 2023 | 52              |

For discussion of our financial results, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

## [Table of Contents](#)

### **Distribution**

We receive substantially all of our merchandise at our nine retail distribution centers, five operational e-fulfillment centers, and the San Bernardino e-fulfillment center that ceased operations during January 2025. A small amount of our merchandise is delivered directly to the stores by vendors or their distributors. The retail distribution centers, which are strategically located throughout the United States, ship merchandise to each store by contract carrier. Digital sales may be picked up in our stores or are shipped to the customer from a Kohl's e-fulfillment center, store, or directly by a third-party vendor.

See Item 2, "Properties," for additional information about our distribution and e-fulfillment centers.

### **Human Capital**

At Kohl's, we strive to create a welcoming and inclusive culture of care. We believe our associates are our most valuable asset and a differentiator for our business. Our teams of associates take care of each other, our customers and the communities we serve. We support our associates by fostering a safe and healthy work environment, offering competitive total compensation and benefits, including many health and wellness offerings, providing ongoing training and development opportunities, and cultivating a culture where all associates feel a sense of belonging and appreciation.

#### Employee Count

During 2024, we employed an average of approximately 87,000 associates, which included approximately 33,000 full-time and 54,000 part-time associates. The number of associates varies during the year, peaking during the back-to-school and holiday seasons. None of our associates are represented by a collective bargaining unit. We believe we maintain positive relationships with our associates.

#### Health, Safety, and Wellness

We lead initiatives that ensure the way we communicate, work, and develop our product enables our customers and associates to shop, work, and engage in a safe environment. We have a team dedicated to defining plans and preparing for business crisis events, including natural disasters and other unplanned disruptions like those brought on by the COVID-19 pandemic. To keep a healthy workforce, we maintain an advocacy program that provides associates with 24/7 access to medical professionals following a work accident. We continue to pursue innovative ways to educate our teams on safety. Associates at our stores, distribution, and e-fulfillment centers receive specialized training to enhance our safety culture and reduce associate accidents.

#### Inclusion and Belonging

At Kohl's, our priority as a company is to reflect our values of being a welcoming, respectful, and inclusive company for all of our associates and all of the customers we serve, which ultimately helps drive our business forward. We are committed to fostering inclusion and belonging through a strategy that centers on Our People, Our Customers, and Our Community.

We are focused on cultivating a workforce comprised of different backgrounds, perspectives, and lived experiences which leads to greater innovation and collaboration and helps us achieve our business objectives. We also remain purposeful in attracting, growing, and engaging a workforce that values and respects our customer base's range of diverse backgrounds and experiences. Our eight Business Resource Groups (BRGs) encompass more than 10,000 unique members and are a key component in recognizing and fostering our culture of inclusion and belonging. Our BRGs are inherently inclusive because they are open to all associates by welcoming all allies, not just the community they represent.

## [Table of Contents](#)

We believe our leaders are responsible for strengthening, modeling, and supporting our company Values and Behaviors by promoting a culture where all associates feel seen, heard, and valued. We provide tools and resources for our leaders to help drive a welcoming, respectful and inclusive culture while also engaging associates on how this creates a competitive advantage for Kohl's.

### Compensation and Benefits

We are committed to providing competitive and fair compensation and benefits programs to our associates and offer a range of benefits that are meaningful to our associates' everyday lives, with a commitment to supporting all aspects of associates' well-being. All eligible associates receive a 100% match (up to 5% of pay) in Kohl's 401(k) Savings Plan after one year of employment. Full-time associates are offered medical, dental, vision, prescription drug, disability and life insurance coverage, paid time off, and a merchandise discount. Part-time associates are offered a primary care health and pharmacy plan, dental, vision, supplementary life insurance, and a merchandise discount. Kohl's also offers paid parental and adoption leave, and doula and surrogacy reimbursement options. Kohl's has Wellness Centers available to associates at corporate and credit locations, distribution centers, and e-commerce fulfillment centers, as well as for near-site store and remote associates within the vicinity.

Kohl's fosters associates' total well-being, which includes a number of benefits that focus on mental well-being and health, including the Employee Assistance Program, counseling sessions, proactive coaching, mental well-being activities, webinars, business resource groups, support groups, and leader resources. We empower our associates' work-life balance by giving them access to a full range of professional resources. Kohl's offers an education benefit which provides options for associates pursuing high school completion, select certificates, and undergraduate degrees.

### Training and Development

Behind our success are great teams of talented individuals who embody our values. We are committed to attracting, growing, and engaging talent, while giving associates equitable opportunities for career growth. Our talent management team brings together performance management, talent assessment, succession planning, and career planning. This team provides tools, resources, and best practices to ensure we have the right talent in the right roles at the right time. We invest in executive coaching, assessments, internal programs, external courses, peer networks, and more.

From initial onboarding to high potential leadership development, we believe in training and career growth for our associates. We encourage our associates to keep their skills fresh through different mediums ranging from live workshops to on-demand skills training available through our online library of courses. We also offer training to teams that provide skills and mindsets to help them perform at their highest level. Additionally, our development teams throughout the company provide job-specific training to ensure associates have the tools they need to excel in their jobs and serve our customers.

We are committed to the highest integrity standards and maintain a Code of Ethics to guide ethical decision-making for associates. As a company of integrity, we expect our associates to be honest and accountable. Our ethics training, which we require all associates to take annually, is refreshed yearly to ensure topics covered are relevant and impactful. The training helps connect ethics to an associate's day-to-day job responsibilities and promotes honesty, integrity, and fairness.

## [Table of Contents](#)

### **Competition**

The retail industry is highly competitive. Management considers product and value to be the most significant competitive factors in the industry. Merchandise mix, brands, service, loyalty programs, credit availability, and customer experience are also key competitive factors. Our primary competitors are online retailers, off-price retailers, warehouse clubs, mass merchandisers, specialty stores, traditional department stores, and other forms of retail commerce. Our specific competitors vary from market to market.

### **Merchandise Vendors**

We purchase merchandise from numerous domestic and foreign suppliers. All suppliers must meet certain requirements to do business with us. Our Terms of Engagement are part of our purchase order terms and conditions and include provisions regarding laws and regulations, employment practices, ethical standards, environmental requirements, communication, monitoring and compliance, record keeping, subcontracting, and corrective action. We expect that all suppliers will comply with our purchase terms and quickly remediate any deficiencies, if noted, to maintain our business relationship.

A third-party purchasing agent sources approximately 10% of the merchandise we sell. No vendor individually accounted for more than 10% of our net purchases in 2024. We have no significant long-term purchase commitments with any of our suppliers and believe that we are not dependent on any one supplier or one geographical location. We believe we have good working relationships with our suppliers.

### **Seasonality**

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.

### **Trademarks and Service Marks**

KOHL'S® is a registered trademark owned by one of our wholly-owned subsidiaries. This subsidiary has over 200 additional registered trademarks, most of which are used in connection with our private brand products.

We consider the KOHL'S® mark, all other trademarks, and the accompanying goodwill to be valuable to our business.

### **Available Information**

Our corporate website is <https://corporate.kohls.com>. Through the "Investors" portion of this website, we make available, free of charge, our proxy statements, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Securities and Exchange Commission ("SEC") Forms 3, 4, and 5, and any amendments to those reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after such material has been filed with, or furnished to, the SEC.

The following have also been posted on our website, under the caption "Investors" and sub-captions "Corporate Governance" or "ESG":

- Committee charters of our Board of Directors' Audit Committee, Compensation Committee, Finance Committee, and Nominating and ESG Committee
- Corporate Governance Guidelines
- Code of Ethics
- Environmental, Social, and Governance Reports (under "ESG" sub-caption)

## [Table of Contents](#)

The information contained on our website is not part of this Annual Report on Form 10-K. Paper copies of any of the materials listed above will be provided without charge to any shareholder submitting a written request to our Investor Relations Department at N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin 53051 or via e-mail to [Investor.Relations@Kohls.com](mailto:Investor.Relations@Kohls.com).

### **Item 1A. Risk Factors**

This Form 10-K 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 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. As such, forward-looking statements are qualified by those risk factors described below. Forward-looking statements relate to the date made, and we undertake no obligation to update them.

Our sales, revenues, gross margin, expenses, and operating results could be negatively impacted by a number of factors including, but not limited to those described below. Many of these risk factors are outside of our control. If we are not successful in managing these risks, they could have a negative impact on our sales, revenues, gross margin, expenses, and/or operating results.

#### **Macroeconomic, Regulatory, Legal, and External Risks**

##### ***General economic conditions, consumer spending levels, and/or other conditions could decline.***

Consumer spending habits, including spending for the merchandise that we sell, are affected by many factors including prevailing economic conditions, inflation and measures to control inflation, consumer responses to recessionary concerns, levels of employment, salaries and wage rates, prevailing interest rates, housing costs, energy and fuel costs, income tax rates and policies, consumer confidence, consumer perception of economic conditions, and the consumer’s disposable income, credit availability, and debt levels. The moderate-income consumer, which is our core customer, is especially sensitive to these factors. A slowdown in the U.S. economy or an uncertain economic outlook could adversely affect consumer spending habits. As all of our stores are located in the United States, we are especially susceptible to deteriorations in the U.S. economy.

Consumer confidence is also affected by the domestic and international political environment. The outbreak or escalation of war, or the occurrence of terrorist acts or other hostilities in or affecting the United States, could lead to a decrease in spending by consumers.

Future pandemics could have a material adverse impact on our business, financial condition, and results of operations. The impact of, and actions taken in response to COVID-19, had a significant impact on the retail industry generally and our business. Future pandemics could have a material adverse effect on our business, financial condition, and results of operations.

##### ***Tax, trade, and climate and other ESG-related policies and regulations could change or be implemented and adversely affect our business and results of operations.***

Uncertainty with respect to tax and trade policies, tariffs, and government regulations affecting trade between the United States and other countries has recently increased. The majority of goods we source are manufactured outside of the United States, primarily in Asia. Major developments in tax policy or trade relations, such as the imposition of

tariffs on imported products, could have a material adverse effect on our business, results of operations, and liquidity. Furthermore, increased governmental focus on climate change and other ESG matters may result in complex regulatory requirements that may directly or indirectly have a significant impact on the costs of our operations, including energy, resources used to produce our products and compliance costs, which may have a material adverse effect on our business and results of operations. While increased levels of regulation, disclosure-related and otherwise, with respect to ESG matters remain in flux under the new presidential administration, increased regulation, generally or in specific jurisdictions such as California, and increased and differing governmental and stakeholder expectations will likely lead to increased costs as well as scrutiny that could heighten all of the ESG-related risks to which we are subject. Additionally, many of our suppliers may be subject to similar regulations and expectations, which may exacerbate existing risks or create new ones, including risks that may not be known to us. Any of these developments may have a material adverse effect on our business and results of operations.

***Regulatory and legal matters could adversely affect our business operations and change financial performance.***

Various aspects of our operations are subject to federal, state, or local laws, rules, and regulations, including consumer regulations, any of which may change from time to time. The costs and other effects of new or changed legal requirements cannot be determined with certainty. For example, new legislation or regulations may result in increased costs directly for our compliance or indirectly to the extent such requirements increase prices of goods and services, reduce the availability of raw materials, or further restrict our ability to extend credit to our customers.

We continually monitor the state and federal legal and regulatory environments for developments that may impact us. Failure to detect changes and comply with such laws and regulations may result in an erosion of our reputation, disruption of business, and/or loss of associate morale. Additionally, we are involved in various legal matters and regulatory proceedings that arise out of the conduct of our business. Litigation or regulatory developments could adversely affect our business operations and financial performance, given the expense, resources, and impact on our reputation that could result from involvement in these proceedings and compliance with regulatory developments and/or settlements or consent decrees resulting from these proceedings.

***Weather conditions and natural disasters could adversely affect consumer shopping patterns and disrupt our operations.***

Our business is apparel, footwear, accessories, beauty, and home products. Both our business and our supply chain are subject to weather conditions. As a result, our operating results may be adversely affected by severe or unexpected weather conditions (including those that may be caused by climate change). Frequent or unusually heavy snow, ice, or rain storms; natural disasters such as earthquakes, tornadoes, floods, fires, and hurricanes; or extended periods of unseasonable temperatures or droughts could adversely affect our supply chain or our performance by affecting consumer shopping patterns and diminishing demand for seasonal merchandise. In addition, these events could cause physical damage to our properties or impact our supply chain, making it difficult or impossible to timely deliver seasonally appropriate merchandise. Climate change may impact the frequency and/or intensity of such events, as well as contribute to various chronic changes in the physical environment. Although we maintain crisis management and disaster response plans and may take various actions to mitigate our business risks associated with such events and climate change, our mitigation strategies may be inadequate to address such a major disruption event.

Further, unseasonable weather conditions, including unusually warm weather in the fall or winter months or abnormally wet or cold weather in the spring or summer months, whether due to climate change or otherwise, could have a material adverse effect on our business, financial condition, and operating results, as consumer spending may be inconsistent with our typical inventory purchasing cycle.

## Strategic, Competitive, and Operational Risks

### ***We may be unable to successfully execute an omnichannel strategy.***

Customer expectations regarding how they purchase and receive products are continuously evolving. Customers are increasingly using technology and mobile devices to rapidly compare products, check prices, and make purchases. Once products are purchased, customers are seeking alternate options for delivery of those products. To stay competitive, we must continually anticipate and adapt to these changes in consumer behavior.

The success of our omnichannel strategy depends on delivering a seamless shopping experience - both in-store and online. This requires maintaining uninterrupted availability of our website and supporting applications, adequate and accurate inventory levels, timely fulfillment of customer orders, accurate shipping of undamaged products, and integrating these efforts across our physical locations. Our physical stores play a crucial role in attracting customers, driving traffic to digital channels, and supporting fulfillment, returns, and other omnichannel functions.

Our ability to compete with other retailers and to meet our customers' expectations may suffer if we are unable to provide relevant customer-facing technology, a compelling in-store experience, and positive omnichannel experiences. As we continue to refine our omnichannel value strategy, our efforts may negatively impact the loyalty of certain customers and our efforts to mitigate this impact may not be successful. Additionally, declining store traffic or shifting sales from physical stores to digital platforms could lead to store closures, restructuring and other costs, and adverse effects on our financial performance.

Furthermore, our ability to compete may also suffer if Kohl's, our suppliers, or our third-party shipping and delivery vendors are unable to effectively and efficiently fulfill and deliver orders, especially during the holiday season when sales volumes are especially high. Any disruptions in these areas could adversely affect our results of operations.

### ***We may be unable to offer merchandise that resonates with existing customers and attracts new customers as well as successfully manage our inventory levels.***

Our business is dependent on our ability to anticipate fluctuations in consumer demand for a wide variety of merchandise. Failure to accurately predict constantly changing consumer tastes, preferences, spending patterns, and other lifestyle decisions could create inventory imbalances and adversely affect our performance and long-term relationships with our customers. Additionally, failure to accurately predict changing consumer tastes may result in excess inventory, which could result in additional markdowns and adversely affect our operating results. Negative publicity surrounding us, our activities, or the products we offer, including consumer perception of our response to political and social issues, and campaigns by political activists promoting certain causes, could adversely impact our brand image and may decrease demand for our products, thereby adversely affecting our business, results of operations, cash flows or financial condition. As with most retailers, we also experience inventory shrinkage due to theft or damage. Higher rates of inventory shrinkage or increased security or other costs to combat inventory shrinkage could adversely affect our results of operations and financial condition, and our efforts to contain or reduce inventory shrinkage may not be successful.

### ***Our competitors could make changes to their pricing and other practices.***

The retail industry is highly competitive. We compete for customers, associates, locations, merchandise, services, and other important aspects of our business with many other local, regional, and national retailers. Those competitors include online retailers, off-price retailers, warehouse clubs, mass merchandisers, specialty stores, traditional department stores, and other forms of retail commerce.

## [Table of Contents](#)

We consider product and value to be the most significant competitive factors in our industry. The continuing migration and evolution of retailing to digital channels has increased our challenges in differentiating ourselves from other retailers especially as it relates to national brands. In particular, consumers can quickly and conveniently comparison shop with digital tools, which can lead to decisions based solely on price. Unanticipated changes in the pricing and other practices of our competitors may adversely affect our performance and lead to loss of market share in one or more categories.

### ***Our marketing may be ineffective.***

We believe that differentiating Kohl's in the marketplace is critical to our success. We design our marketing and loyalty programs to increase awareness of our brands and to build personalized connections with new and existing customers. We believe these programs will strengthen customer loyalty, increase the number and frequency of customers that shop our stores and website, and increase our sales. If our marketing and loyalty programs are not successful or efficient, our sales and operating results could be adversely affected.

### ***Our business is seasonal in nature, which could negatively affect our sales, revenues, operating results, and cash requirements.***

Our business is subject to seasonal influences, with a major portion of sales and income historically realized during the second half of the fiscal year, which includes the back-to-school and holiday seasons.

If we do not adequately stock or restock popular products, particularly during the back-to-school and holiday seasons, we may fail to meet customer demand, which could affect our revenue and our future growth. If we overstock products, we may be required to take significant inventory markdowns or write-offs, which could reduce profitability. Underestimating customer demand, or failing to timely receive merchandise to meet demand, can lead to inventory shortages and missed sales opportunities, as well as negative customer experiences.

We have and may continue to experience an increase in costs associated with shipping digital orders due to promotional shipping offers, split shipments, freight surcharges due to peak capacity constraints, and additional long-zone shipments necessary to ensure timely delivery for the holiday season. If too many customers access our website within a short period of time, particularly during peak selling periods, we may experience system interruptions that make our website unavailable or prevent us from efficiently fulfilling orders, which may reduce the volume of goods we sell and the attractiveness of our products and services. Also, third-party delivery and direct ship vendors may be unable to deliver merchandise on a timely basis.

This seasonality causes our operating results and cash needs to vary considerably from quarter to quarter. Additionally, any decrease in sales or profitability during the second half of the fiscal year could have a disproportionately adverse effect on our results of operations.

### ***The reputation and brand image of Kohl's and the brands and products we sell could be damaged.***

We believe the Kohl's brand name and many of our private brand names are powerful sales and marketing tools. We devote significant resources to develop, promote, and protect private brands that generate national recognition. In some cases, the private brands or the marketing of such brands are tied to or affiliated with well-known individuals. We also associate the Kohl's brand with third-party national brands that we sell in our store and through our partnerships with companies in pursuit of strategic initiatives. Further, we focus on ESG as a component of our strategy, and we have and may at times continue to engage in voluntary initiatives (such as voluntary disclosures, certifications, or goals, among others) to improve the ESG profile of our company and/or products. For example, we publish an annual report to share information with our stakeholders, including partners, shareholders, customers, and associates, regarding our ESG progress. These disclosures reflect our goals and other expectations and assumptions, which are necessarily uncertain and may not be realized. Such initiatives may be costly, even if realized, may not have the desired effect, and actions or statements that we may take based on expectations, assumptions,

## [Table of Contents](#)

or third-party information that we currently believe to be reasonable may subsequently be determined to be erroneous or be subject to misinterpretation. At the same time, investor and other stakeholder expectations, and voluntary and regulatory ESG disclosure standards and policies, continue to evolve and are not uniform. We may be subject to investor or regulator engagement and/or litigation on our ESG initiatives and disclosures, even if such initiatives are currently voluntary. We also note that there are divergent views regarding ESG principles in the U.S., and in particular, in U.S. state-level regulation and enforcement efforts and among certain activist stakeholders. To the extent ESG matters negatively impact our brand and reputation, they may also impede our ability to compete as effectively to attract and retain employees or customers, which may adversely impact our operations, business, financial condition, results of operations, cash flow and prospects.

Damage to the reputations (whether or not justified) of the Kohl's brand, our private brand names, or any affiliated individuals or companies with which we have partnered, could arise from product failures; concerns about human rights, working conditions, and other labor rights and conditions associated with our own operations or where merchandise is produced; perceptions of our inclusion and belonging efforts; perceptions regarding our position or lack of position on ESG, public policy, geopolitical and similar matters; perceptions of our pricing and return policies; litigation; vendor violations of our Terms of Engagement; perceptions of the national vendors and/or other third parties with which we partner; failure, or perceived failure, to realize our ESG goals on a timely basis or at all; the impact of, and perception associated with, executing and/or realizing our ESG and other social efforts, whether positive or negative; perceptions of our management of ESG risks and opportunities; our performance on various ESG ratings; failure to meet evolving investor and other stakeholder expectations with respect to ESG matters; or various other forms of adverse publicity, especially in social media outlets. The use of online media by us, our influencer network, and our consumers and other stakeholders has increased the risk that our reputation and brand could be damaged, as the dissemination of information via online media is immediate and damage could arise quickly without affording us an opportunity for redress or correction. This type of reputational damage may result in deterioration in our relationships with stakeholders and/or a reduction in sales, operating results, and shareholder value.

***We are subject to payment-related risks, including in our credit card operations, that could adversely affect our sales, revenues, and/or profitability, increase our operating costs, expose us to fraud or theft, and subject us to potential liability.***

We accept payments using a variety of methods, including our private label and co-branded Kohl's credit card, credit and debit cards, gift cards, mobile payments, cash, and checks. Acceptance of these payment options subjects us to rules, regulations, contractual obligations and compliance requirements, including payment network rules and operating guidelines and rules governing electronic funds transfers. These requirements may change over time or be reinterpreted, making compliance more difficult, costly, or uncertain.

Our credit card operations facilitate merchandise sales and generate additional revenue from fees related to extending credit. The private label and co-branded Kohl's credit card accounts are owned by an unrelated third-party, but we share in the net risk-adjusted revenue of the portfolio, which is defined as the sum of finance charges, late fees, and other revenue less write-offs of uncollectible accounts. Changes in funding costs related to interest rate fluctuations are shared similar to the revenue when interest rates exceed defined amounts. Though management currently believes that increases in funding costs will be largely offset by increases in finance charge revenue, increases in funding costs could adversely impact the profitability of our credit card operations. Additionally, on March 5, 2024, the Consumer Financial Protection Bureau ("CFPB") released a final rule reducing the safe harbor dollar amount for credit card late fees and eliminating the automatic annual inflation adjustment to such safe harbor dollar amount. The rule is subject to legal challenge, and the United States District Court for the Northern District of Texas granted a preliminary injunction, staying implementation of the rule, on May 10, 2024. As of February 1, 2025, this injunction remains in effect. The ultimate outcome of this legal challenge, along with the rule's effectiveness and implementation under the new presidential administration, remains uncertain. If implemented, this rule could adversely impact Kohl's credit card revenues, particularly if Kohl's steps to mitigate the impact of such rule are not successful.

## [Table of Contents](#)

The payment and payment process methods that we accept subject us to potential fraud and theft by threat actors, including increased credit fraud risks associated with self check out, self pick up, and digital payment methods which could negatively impact our revenue and profitability. If we fail to comply with applicable rules or requirements for the payment methods we accept, or if payment-related data is compromised due to a breach or misuse of data, we may be liable for costs incurred by third parties or our ability to accept or facilitate certain types of payments may be impaired. In addition, our customers could lose confidence in certain payment types, which may result in a shift to other payment types or potential changes to our payment systems that may result in higher costs, adversely affecting our business and operating results.

Changes in credit card use and applications, payment patterns, credit fraud, and default rates may also result from a variety of economic, legal, social, and other factors that we cannot control or predict with certainty. Changes that adversely impact our ability to extend credit and collect payments could negatively affect our results.

***We may be unable to attract, develop, and retain quality associates while controlling costs, which could adversely affect our operating results.***

Our performance is dependent on attracting and retaining a large number of quality associates, including our senior management team and other key associates, and successfully executing organizational changes, such as leadership transitions. While we have succession plans for our senior management team, they may not be adequate to replace members of our senior management, including our Chief Executive Officer, or may not be successfully executed.

Many associates are in entry-level or part-time positions with historically high rates of turnover. Many of our strategic initiatives require that we hire and/or develop associates with appropriate experience. Our staffing needs are especially high during the holiday season. Competition for these associates is intense. We cannot be sure that we will be able to attract and retain a sufficient number of qualified personnel in future periods.

Our ability to meet our labor needs while controlling costs is subject to external factors such as government benefits, unemployment levels and labor participation rates, prevailing wage rates, minimum wage legislation, actions by our competitors in compensation levels, perceptions of our employee experience, potential labor organizing efforts, and changing demographics. Competitive and regulatory pressures have already significantly increased our labor costs. Further changes that adversely impact our ability to attract and retain quality associates or manage leadership transitions could adversely affect our performance, ability to effectively execute our strategy, our customer experience, and/or profitability. In addition, changes in federal and state laws relating to employee benefits, including, but not limited to, sick time, paid time off, leave of absence, minimum wage, wage-and-hour, overtime, meal-and-break time, and joint/co-employment could cause us to incur additional costs, which could negatively impact our profitability.

## **Information Systems, Cybersecurity, Data Management, and Privacy Risks**

***We may be unable to adequately maintain and/or update our information systems.***

The efficient operation of our business is dependent on our information systems. In particular, we rely on our information systems to effectively manage sales, distribution, and merchandise planning and allocation functions. We also generate sales through the operations of our Kohls.com website. We frequently make investments that will help maintain and update our existing information systems. We also depend on third parties as it relates to our information systems. Although we and our third-party vendors seek to maintain our respective systems and address the risk of compromise of integrity, security, and consistent operation of these systems, such efforts are not always successful, and we or our third-party vendors could experience interruptions, delays, or cessation of service. The potential problems and interruptions associated with implementing technology initiatives, the failure of our information systems to perform as designed, or the failure to successfully partner with our third-party service providers, such as our cloud

## [Table of Contents](#)

platform providers, could disrupt our operations, harm our sales and profitability, impair data security, and be time-consuming, costly and/or resource intensive to remedy.

***Our efforts to protect the privacy and security of sensitive or confidential customer, associate, or company information could be unsuccessful, which could severely damage our reputation, expose us to risks of litigation and liability, disrupt our operations, and harm our business.***

As part of our normal course of business, we collect, retain, process, and transmit sensitive and confidential customer, associate, and company information. We also engage third-party vendors that provide technology, systems, and services to facilitate our collection, retention, processing, and transmission of this information. We face risk that our facilities and systems and those of our third-party vendors are vulnerable to cybersecurity threats, security breaches, system failures, acts of vandalism, fraud, misappropriation, malware, ransomware, and other malicious or harmful code, misplaced or lost data, programming and/or human errors, insider threats, or other similar events. The ever-evolving and increasingly sophisticated methods of cyber-attack may be difficult or impossible to anticipate and/or detect. Our ability to monitor our vendors and service providers' data security is limited, and, in any event, third parties may be able to circumvent those security measures, resulting in the unauthorized access to, misuse, acquisition, disclosure, loss, alteration, or destruction of our and our customers' and associates' data, including confidential, sensitive, and other information about individuals. Any data security incident involving the breach, misappropriation, loss, or other unauthorized disclosure of sensitive and/or confidential information, whether by us or our vendors, the failure or unavailability of technology systems, or ineffectiveness of business continuity or disaster recovery plans in the event of the foregoing events could disrupt our operations, damage our reputation and customers' willingness to shop in our stores or on our website, violate applicable laws, regulations, orders and agreements, and subject us to additional costs and liabilities which could be material. While we maintain insurance coverage designed to address certain aspects of cyber risks, such insurance coverage may be insufficient to cover all losses or all types of claims that may arise. In addition, the regulatory environment related to data privacy and cybersecurity is constantly changing, with new and increasingly demanding requirements applicable to our business. Maintaining our compliance with those requirements, including recently enacted state consumer privacy laws, may increase our compliance costs, require changes to our business practices, limit our ability to use and collect data, impact our customers' shopping experience, reduce our business efficiency, and subject us to additional regulatory scrutiny or data breach litigation.

***Our information technology projects may not yield their intended results.***

We regularly have internal information technology projects in process. Although the technology is intended to increase productivity and operating efficiencies, these projects may not yield their intended results or may deliver an adverse user or customer experience. We may incur significant costs in connection with the implementation, ongoing use, or discontinuation of technology projects, or fail to successfully implement these technology initiatives, or achieve the anticipated efficiencies from such projects, any of which could adversely affect our operations, liquidity, and financial condition. In addition, we may not be able to adapt or adapt quickly enough to technological change, including that brought about by the use of artificial intelligence. If our competitors are more successful in adapting to such changes or otherwise incorporating such changes into their business or operations, this could have a material adverse impact on our business and results of operations.

## **Supply Chain, Third Party, and Product-Related Risks**

***We may be unable to source merchandise in a timely and cost-effective manner.***

A third-party purchasing agent sources approximately 10% of the merchandise we sell. The remaining merchandise is sourced from a wide variety of domestic and international vendors. Our ability to find qualified vendors and access to brands or products in a timely and efficient manner is a significant challenge, which is typically even more difficult for goods sourced outside the United States, substantially all of which are shipped by ocean to ports in the United States. Political or financial instability, trade restrictions, tariffs, currency exchange rates, transport capacity and costs,

## [Table of Contents](#)

pandemic outbreaks, work stoppages, port strikes, port congestion and delays, information technology challenges, and other factors relating to foreign trade are beyond our control and have impacted or could continue to adversely impact our performance and cause us to pay more to obtain inventory or result in having the wrong inventory at the wrong time. In addition, certain laws and regulations impose import restrictions for goods, which may induce greater supply chain compliance costs and may result in delays to us or adversely impact our inventory. Where we are the importer of record, we may be subject to additional regulatory and other requirements, resulting in additional costs to us.

Increases in the price of merchandise, raw materials, fuel, and labor, or their reduced availability, increase our cost of merchandise sold. The price and availability of raw materials may fluctuate substantially, depending on a variety of factors, including demand, weather, supply conditions, transportation costs, energy prices, work stoppages, government regulation and policy, economic climates, market speculation, and other unpredictable factors. An inability to mitigate these cost increases, unless sufficiently offset with our pricing actions, might cause a decrease in our operating results. Any related pricing actions might cause a decline in our sales volume. Additionally, a reduction in the availability of raw materials could impair the ability to meet production or purchasing requirements in a timely manner. Both the increased cost and lower availability of merchandise, raw materials, fuel, and labor may also have an adverse impact on our cash and working capital needs as well as those of our suppliers.

If any of our significant vendors were to become subject to bankruptcy, receivership, or similar proceedings, we may be unable to arrange for alternate or replacement contracts, transactions, or business relationships on terms as favorable as current terms, which could adversely affect our sales and operating results.

### ***Our vendors may not adhere to our Terms of Engagement or to applicable laws.***

A substantial portion of our merchandise is received from vendors and factories outside of the United States. We require all of our suppliers to comply with all applicable local and national laws and regulations and our Terms of Engagement for Kohl's Business Partners. These Terms of Engagement include provisions regarding laws and regulations, employment practices, ethical standards, environmental and legal requirements, communication, monitoring/compliance, record keeping, subcontracting, and corrective action. From time to time, suppliers may not be in compliance with these standards or applicable laws. Significant or continuing noncompliance with such standards and laws by one or more suppliers may delay or preclude delivery of merchandise to us and could have a negative impact on our reputation and our results of operations.

### ***There may be concerns about the safety of products that we sell.***

If our merchandise offerings do not meet applicable safety standards or our customers' expectations regarding safety, we could experience lost sales, experience increased costs, and/or be exposed to legal and reputational risk. Events that give rise to actual, potential, or perceived product safety concerns could expose us to government enforcement action and/or private litigation. Reputational damage caused by real or perceived product safety concerns could have a negative impact on our sales and operating results.

## **Capital Risks**

### ***We may be unable to raise additional capital or maintain bank credit on favorable terms, which could adversely affect our business and financial condition.***

We have historically relied on the public debt markets to raise capital to partially fund our operations and growth. We have also historically maintained lines of credit with financial institutions. In January 2023, we upsized and replaced our unsecured credit facility with a \$1.5 billion senior secured, asset based revolving credit facility. Changes in the credit and capital markets, including market disruptions, limited liquidity, and interest rate fluctuations may increase the cost of financing or restrict our access to these potential sources of future liquidity. Our continued access to these

## [Table of Contents](#)

liquidity sources on favorable terms depends on multiple factors, including our operating performance and debt ratings. During 2024, S&P downgraded our senior unsecured credit rating from BB to BB- and Moody's downgraded our rating from Ba3 to B1. These downgrades have caused our cost of borrowing to increase, and further downgrades would cause our cost of borrowing to further increase. Declines in our credit ratings may also adversely affect our ability to access the debt markets and the terms and our cost of funds for new debt issuances. If our credit ratings were to be further downgraded, or general market conditions were to ascribe higher risk to our credit rating levels, our industry, or our Company, our access to capital and the cost of debt financing may be negatively impacted. Additionally, if unfavorable capital market conditions exist if and when we were to seek additional financing, we may not be able to raise sufficient capital on favorable terms and on a timely basis (if at all). The terms of current and future debt agreements could restrict our business operations or cause future financing to be unavailable due to our covenant restrictions then in effect. Also, if we are unable to comply with the covenants under our revolving credit facility, the lenders under that agreement will have the right to terminate their commitments thereunder and declare the outstanding loans thereunder to be immediately due and payable. A default under our revolving credit facility could trigger a cross-default, acceleration, or other consequences under other indebtedness or financial instruments to which we are a party. If our access to capital were to become significantly constrained or our cost of capital were to increase significantly our financial condition, results of operations, and cash flows could be adversely affected.

### ***Our capital allocation could be inefficient or ineffective.***

Our goal is to invest capital to maximize our overall long-term returns. This includes spending on inventory, capital projects and expenses, managing debt levels, and periodically returning value to our shareholders through dividends and, longer term, share repurchases. To a large degree, capital efficiency reflects how well we manage our other key risks. The actions taken to address other specific risks may affect how well we manage the more general risk of capital efficiency. If we do not properly allocate our capital to maximize returns, we may fail to produce optimal financial results, and we may experience a reduction in shareholder value.

### **Item 1B. Unresolved Staff Comments**

Not applicable.

### **Item 1C. Cybersecurity**

#### Cybersecurity Risk Management and Strategy

We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our critical systems and information. We designed and assess our program based on the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), International Organization for Standardization (ISO) 27001, and Payment Card Industry Data Security Standard (PCI DSS). This does not imply that we meet any particular technical standards, specifications, or requirements, only that we use these frameworks as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business.

Our cybersecurity risk management program is integrated into our overall enterprise risk management program and shares common methodologies, reporting channels, and governance processes that apply across the enterprise risk management program to other legal, compliance, strategic, operational, and financial risk areas. Our cybersecurity risk management program includes:

- risk assessments designed to help identify material cybersecurity risks to our critical systems and information;
- a security team principally responsible for managing (1) our cybersecurity risk assessment processes, (2) our security controls, and (3) our response to cybersecurity incidents;

## [Table of Contents](#)

- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security controls;
- cybersecurity awareness training of our employees, including our incident response personnel;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- a third-party risk management process for service providers, suppliers, and vendors who access our critical systems and data.

We have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected us, including our operations, business strategy, results of operations, or financial condition. We face risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. See "Risk Factors- Information Systems, Cybersecurity, Data Management, and Privacy Risks".

### Cybersecurity Governance

Our Board considers cybersecurity risk as part of its risk oversight function and has delegated to its Audit Committee oversight of cybersecurity and other information technology risks. Our Audit Committee oversees management's implementation of our cybersecurity risk management program.

Our Audit Committee receives regular reports from management on our cybersecurity risks, and our full Board receives periodic updates. In addition, management updates the Audit Committee, as necessary, regarding any material cybersecurity incidents, as well as significant incidents.

Our Audit Committee reports to the full Board regarding its activities, including those related to cybersecurity. Board members receive presentations on cybersecurity topics from our Chief Technology Officer (CTO), Chief Risk and Compliance Officer (CRCO), and Chief Information Security Officer (CISO) or external experts as part of the Board's continuing education on topics that impact public companies.

Our management team, including our CTO, CRCO, and CISO, has overall responsibility for assessing and managing our material risks from cybersecurity threats. The team has primary responsibility for our overall cybersecurity risk management program and supervises both our internal cybersecurity personnel and our retained external cybersecurity consultants. Our management team's experience includes over 30 years of technology and finance leadership experience across multiple industries for our CTO, over 30 years of experience in the Legal, Risk and Compliance disciplines for our CRCO, and over 20 years of cybersecurity leadership experience for our CISO.

Our management team is informed about and monitors the prevention, detection, mitigation, and remediation of key cybersecurity risks and incidents through various means, which may include briefings from internal security personnel, threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us, and alerts and reports produced by security tools deployed in the information technology environment.

## Item 2. Properties

### Stores

As of February 1, 2025, we operated 1,175 Kohl's stores with 82 million selling square feet in 49 states. During the fourth quarter of 2024, we announced the closure of 27 underperforming stores. As of February 1, 2025 three of those stores have been closed and the remaining 24 are expected to close in the first quarter of 2025. Our typical store lease has an initial term of 20-25 years and four to eight five-year renewal options. Substantially all of our leases provide for a minimum annual rent that is fixed or adjusts to set levels during the lease term, including renewals. Some of our store leases provide for additional rent based on a percentage of sales over designated levels.

The following tables summarize key information about our Kohl's stores as of February 1, 2025:

| Number of Stores by State |     |                   |     |                       |     |
|---------------------------|-----|-------------------|-----|-----------------------|-----|
| Mid-Atlantic Region:      |     | Northeast Region: |     | South Central Region: |     |
| Delaware                  | 5   | Connecticut       | 20  | Arkansas              | 8   |
| Maryland                  | 23  | Maine             | 5   | Kansas                | 12  |
| Pennsylvania              | 51  | Massachusetts     | 24  | Louisiana             | 7   |
| Virginia                  | 30  | New Hampshire     | 11  | Missouri              | 27  |
| West Virginia             | 8   | New Jersey        | 38  | Oklahoma              | 11  |
|                           |     | New York          | 50  | Texas                 | 89  |
|                           |     | Rhode Island      | 4   |                       |     |
|                           |     | Vermont           | 2   |                       |     |
| Total Mid-Atlantic        | 117 | Total Northeast   | 154 | Total South Central   | 154 |
| Midwest Region:           |     | Southeast Region: |     | West Region:          |     |
| Illinois                  | 66  | Alabama           | 14  | Alaska                | 1   |
| Indiana                   | 42  | Florida           | 52  | Arizona               | 26  |
| Iowa                      | 18  | Georgia           | 33  | California            | 116 |
| Michigan                  | 46  | Kentucky          | 18  | Colorado              | 24  |
| Minnesota                 | 29  | Mississippi       | 5   | Idaho                 | 6   |
| Nebraska                  | 9   | North Carolina    | 31  | Montana               | 4   |
| North Dakota              | 4   | South Carolina    | 17  | Nevada                | 13  |
| Ohio                      | 60  | Tennessee         | 20  | New Mexico            | 4   |
| South Dakota              | 4   |                   |     | Oregon                | 11  |
| Wisconsin                 | 42  |                   |     | Utah                  | 12  |
|                           |     |                   |     | Washington            | 21  |
|                           |     |                   |     | Wyoming               | 2   |
| Total Midwest             | 320 | Total Southeast   | 190 | Total West            | 240 |

| Location                   |     | Ownership     |     |
|----------------------------|-----|---------------|-----|
| Strip centers              | 951 | Owned         | 405 |
| Freestanding               | 162 | Leased        | 522 |
| Community & regional malls | 62  | Ground leased | 248 |

[Table of Contents](#)

## Distribution Centers

The following table summarizes key information about each of our distribution and e-fulfillment centers:

|                                        | Year Opened | Square Footage |
|----------------------------------------|-------------|----------------|
| <b>Store distribution centers:</b>     |             |                |
| Findlay, Ohio                          | 1994        | 780,000        |
| Winchester, Virginia                   | 1997        | 450,000        |
| Blue Springs, Missouri                 | 1999        | 540,000        |
| Corsicana, Texas                       | 2001        | 540,000        |
| Mamakating, New York                   | 2002        | 605,000        |
| San Bernardino, California             | 2002        | 575,000        |
| Macon, Georgia                         | 2005        | 560,000        |
| Patterson, California                  | 2006        | 365,000        |
| Ottawa, Illinois                       | 2008        | 330,000        |
| <b>E-commerce fulfillment centers:</b> |             |                |
| Monroe, Ohio                           | 2001        | 1,225,000      |
| San Bernardino, California             | 2010        | 970,000        |
| Edgewood, Maryland                     | 2011        | 1,450,000      |
| DeSoto, Texas                          | 2012        | 1,515,000      |
| Plainfield, Indiana                    | 2017        | 975,000        |
| Etna, Ohio                             | 2021        | 1,300,000      |

We own all of the distribution and e-fulfillment centers except the San Bernardino, California locations and Corsicana, Texas, which are leased. We are leasing the San Bernardino e-fulfillment center through May 2025 when our lease expires; however, all business operations ceased in January 2025.

## Corporate Facilities

We own our corporate headquarters in Menomonee Falls, Wisconsin. We also own or lease additional buildings and office space, which are used by various corporate departments, including our credit operations.

### Item 3. Legal Proceedings

We are not currently party to any material legal proceedings; however, 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.

### Item 4. Mine Safety Disclosures

Not applicable.

### Information about Our Executive Officers

Our executive officers as of February 1, 2025 were as follows:

| Name              | Age | Position                                            |
|-------------------|-----|-----------------------------------------------------|
| Ashley Buchanan   | 50  | Chief Executive Officer                             |
| Jill Timm         | 51  | Chief Financial Officer                             |
| Fred Hand         | 61  | Senior Executive Vice President, Director of Stores |
| Nick Jones        | 52  | Chief Merchandising Officer                         |
| Jennifer Kent     | 53  | Chief Legal Officer and Corporate Secretary         |
| Siobhán Mc Feeney | 53  | Chief Technology and Digital Officer                |
| Christie Raymond  | 55  | Chief Marketing Officer                             |

[Table of Contents](#)

**Ashley Buchanan**

Mr. Buchanan has served as Chief Executive Officer since January 2025. Prior to joining Kohl's, Mr. Buchanan served as Chief Executive Officer of The Michaels Companies from 2020 to 2025. Mr. Buchanan has also held various roles of increased leadership across the retail sector, including Chief Merchant at Sam's Club and Chief Merchandising and Chief Operating Officer for Walmart U.S. eCommerce.

**Jill Timm**

Ms. Timm has served as Chief Financial Officer since November 2019. Ms. Timm joined the Company in 1999 and has held a number of progressive leadership roles across several areas of finance, most recently having served as Executive Vice President of Finance. Prior to joining the Company, she served as senior auditor at Arthur Andersen LLP.

**Fred Hand**

Mr. Hand has served as Senior Executive Vice President, Director of Stores since September 2023. Prior to joining the Company, Mr. Hand served as Chief Executive Officer of Tuesday Morning from May 2021 to November 2022. Mr. Hand also held progressive leadership roles in stores at Burlington, including Chief Operating Officer, as well as held various senior leadership positions in stores and visual merchandising at May Department Stores (then Macy's), and Filene's.

**Nick Jones**

Mr. Jones has served as Chief Merchandising Officer since March 2023. Prior to joining the Company, Mr. Jones served as Chief Executive Officer at Joules Group — a premium British lifestyle clothing brand from September 2019 to August 2022. Mr. Jones has also held a variety of business and merchandise leadership positions with ASDA/Walmart UK and Marks & Spencer.

**Jennifer Kent**

Ms. Kent has served as Chief Legal Officer and Corporate Secretary since February 2023. Prior to joining the Company, Ms. Kent served in various legal leadership roles at Quad/Graphics, Inc., a publicly traded Milwaukee-based company, from 2010 to February 2023, most recently having served as its Executive Vice President and Chief People and Legal Officer and Corporate Secretary. Ms. Kent also held a variety of other legal roles throughout her career, including as an Associate General Counsel at Harley-Davidson Motor Company, an Assistant United States Attorney at the U.S. Attorney's Office, and as an associate at Foley & Lardner LLP.

**Siobhán Mc Feeney**

Ms. Mc Feeney has served as Chief Technology and Digital Officer since July 2022. She joined the Company in January 2020 as Senior Vice President, Technology. Prior to joining the Company, Ms. Mc Feeney served in a number of technology leadership roles, including leading innovation and strategy at Pivotal Software, Inc. from 2014 to January 2020. Ms. Mc Feeney has also held various leadership roles at AAA Northern California, including Chief Financial Officer, Chief Information Officer, and Interim Chief Executive Officer.

**Christie Raymond**

Ms. Raymond has served as Chief Marketing Officer since August 2022. She joined the Company in October 2017 as Senior Vice President, Media and Personalization and was promoted to Executive Vice President, Customer Engagement, Analytics & Insights in June 2020. Prior to joining the Company, she served in marketing, new business, and strategic planning leadership roles at The Walt Disney Company and Aspen Club Technologies.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

Market information

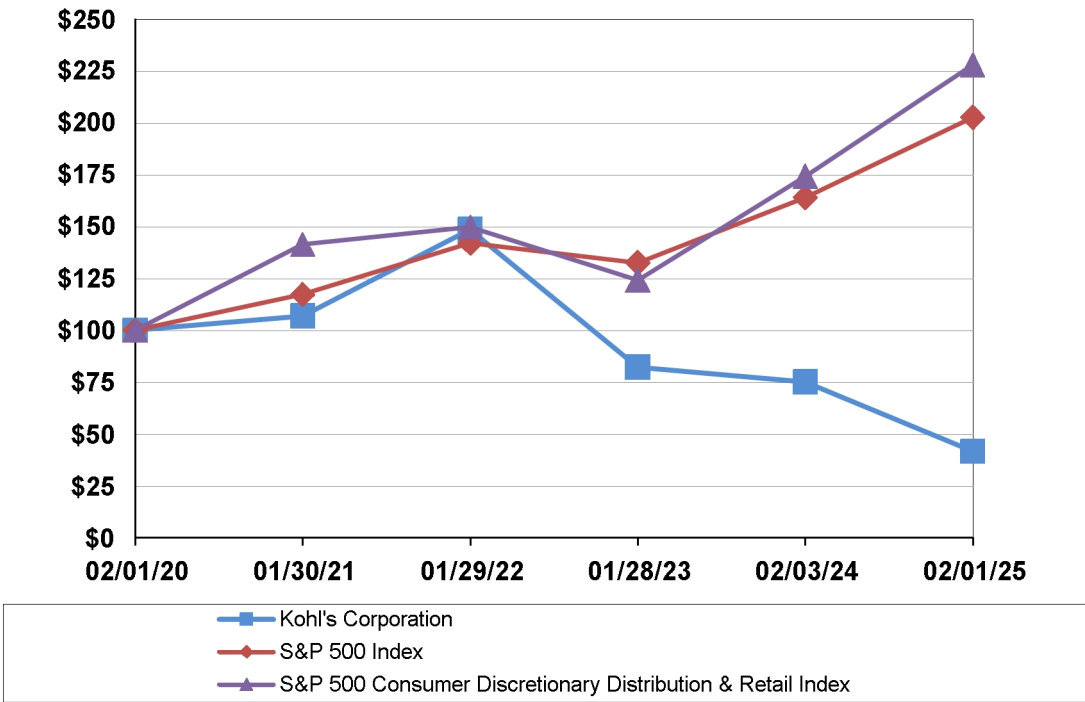
Our Common Stock has been traded on the New York Stock Exchange ("NYSE") since May 19, 1992, under the symbol "KSS."

Holders

As of March 12, 2025, there were approximately 3,100 record holders of our Common Stock.

Performance Graph

The graph below compares our cumulative five-year shareholder return to that of the Standard & Poor’s (“S&P”) 500 Index and the S&P 500 Consumer Discretionary Distribution & Retail Index. The S&P 500 Consumer Discretionary Distribution & Retail Index was calculated by S&P Global, a Standard & Poor’s business and includes the same companies within the S&P Consumer Discretionary Distribution & Retail Index. The S&P 500 Consumer Discretionary Distribution & Retail Index is weighted by the market capitalization of each component company at the beginning of each period. The graph assumes an investment of \$100 on February 1, 2020 and reinvestment of dividends. The calculations exclude trading commissions and taxes.



[Table of Contents](#)

| Company / Index                                                  | Feb 1,<br>2020 | Jan 30,<br>2021 | Jan 29,<br>2022 | Jan 28,<br>2023 | Feb 3,<br>2024 | Feb 1,<br>2025 |
|------------------------------------------------------------------|----------------|-----------------|-----------------|-----------------|----------------|----------------|
| Kohl's Corporation                                               | \$100.00       | \$106.88        | \$148.59        | \$82.19         | \$75.08        | \$41.57        |
| S&P 500 Index                                                    | 100.00         | 117.25          | 141.87          | 132.47          | 164.06         | 202.59         |
| S&P 500 Consumer<br>Discretionary Distribution &<br>Retail Index | 100.00         | 141.39          | 149.72          | 123.99          | 174.14         | 227.91         |

**Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities**

We did not sell any equity securities in fiscal year 2024 that were not registered under the Securities Act.

**Purchases of Equity Securities by the Issuer and Affiliated Purchasers**

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 repurchased and shares acquired from employees in lieu of amounts required to satisfy minimum tax withholding requirements upon the vesting of the employees' restricted stock during the three fiscal months ended February 1, 2025:

| (Dollars in Millions, Except per Share Data) | Total Number of<br>Shares Purchased | Average Price<br>Paid Per Share | Total Number of<br>Shares Purchased<br>as Part of Publicly<br>Announced Plans or<br>Programs | Approximate Dollar<br>Value of Shares That<br>May Yet Be Purchased<br>under the Plans or<br>Programs |
|----------------------------------------------|-------------------------------------|---------------------------------|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| November 3 - November 30, 2024               | 3,647                               | \$18.58                         | —                                                                                            | \$2,476                                                                                              |
| December 1, 2024 – January 4, 2025           | 10,231                              | 14.20                           | —                                                                                            | 2,476                                                                                                |
| January 5 - February 1, 2025                 | 1,313                               | 13.51                           | —                                                                                            | 2,476                                                                                                |
| Total                                        | 15,191                              | \$15.19                         | —                                                                                            |                                                                                                      |

**Item 6. Reserved**

## Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

### Executive Summary

Kohl's is a leading omnichannel retailer operating 1,175 stores and a website (www.Kohls.com) as of February 1, 2025. 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 shops. Our website includes merchandise which is available in our stores, as well as merchandise that is available only online.

Key financial results for 2024 as compared to 2023 include:

- Net sales decreased 7.2%, to \$15.4 billion. 2023 net sales included approximately \$164 million from the 53rd week.
- Comparable sales, which compares the 52-week period ending February 1, 2025 versus the 52-week period ended January 27, 2024, decreased 6.5%.
- Gross margin as a percent of net sales was 37.2%, an increase of 50 basis points.
- Selling, general & administration ("SG&A") expenses decreased 3.7%, to \$5.3 billion. As a percentage of total revenue, SG&A expenses were 32.7%, an increase of 118 basis points year-over-year.
- Operating income was \$433 million compared to \$717 million in the prior year. As a percentage of total revenue, operating income was 2.7%, a decrease of 143 basis points year-over-year.
- Net income was \$109 million, or \$0.98 per diluted share. This compares to net income of \$317 million, or \$2.85 per diluted share in the prior year.
- On an adjusted non-GAAP basis, our adjusted net income was \$167 million, or \$1.50 per adjusted diluted share.<sup>(a)</sup>
- Operating cash flow was \$648 million.
- Long-term debt was reduced by \$113 million through the voluntary redemption of the remaining 9.50% notes due May 15, 2025.

(a) Non-GAAP financial measures. Please see the "GAAP to Non-GAAP Reconciliation" for a reconciliation of net income to adjusted net income and diluted earnings per share to adjusted diluted earnings per share.

### Our Strategy

Kohl's remains committed to driving long-term shareholder value by providing our customers with great product, great value, and a great experience. To achieve this, we will offer a curated balanced assortment, reestablish Kohl's to be a leader in value and quality, and enhance our omnichannel platform to deliver a frictionless experience to customers.

### Financial and Capital Outlook

For fiscal year 2025, the Company currently expects the following:

- Net sales: A decrease of (5%) to a decrease of (7%)
- Comparable sales: A decrease of (4%) to a decrease of (6%)
- Operating margin: In the range of 2.2% to 2.6%
- Diluted EPS: In the range of \$0.10 to \$0.60

## [Table of Contents](#)

- Capital Expenditures: In the range of \$400 to \$425 million
- Dividend: On March 11, 2025, Kohl's Board of Directors declared a quarterly cash dividend on the Company's common stock of \$0.125 per share. The dividend is payable April 2, 2025 to shareholders of record at the close of business on March 21, 2025.

## Results of Operations

For our comparison and discussion of 2023 and 2022, see Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in Part II of our [2023 Form 10-K](#).

### 53<sup>rd</sup> Week

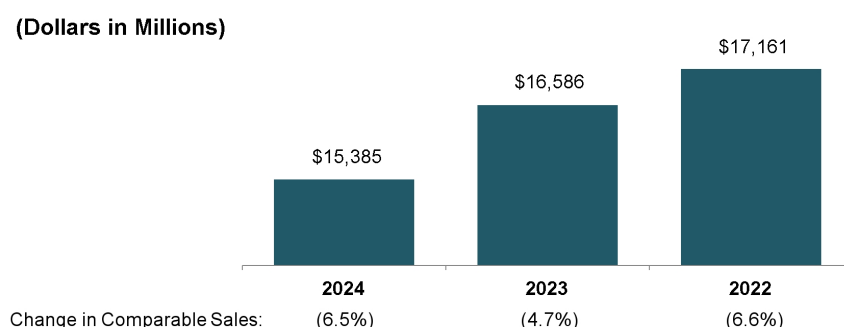
The retail calendar for fiscal January 2023 included a fifth week, resulting in a 14-week fiscal fourth quarter and a 53-week year. Our comparable sales in 2024 exclude the impact of the 53rd week in 2023 and compare the 52 weeks ended February 1, 2025 and January 27, 2024.

### Net Sales

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

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 12 months, stores that have been closed, and stores that have been relocated where square footage has changed by more than 10%.

The following graph summarizes net sales dollars and the change in comparable sales over the prior year.



Digital sales decreased 9% in 2024. Digital penetration represented 28% of net sales in 2024 and 29% of net sales in 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 or digital returns processed in stores.

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.

## 2024 compared to 2023

Net sales decreased \$1.2 billion, or (7.2%), to \$15.4 billion for 2024.

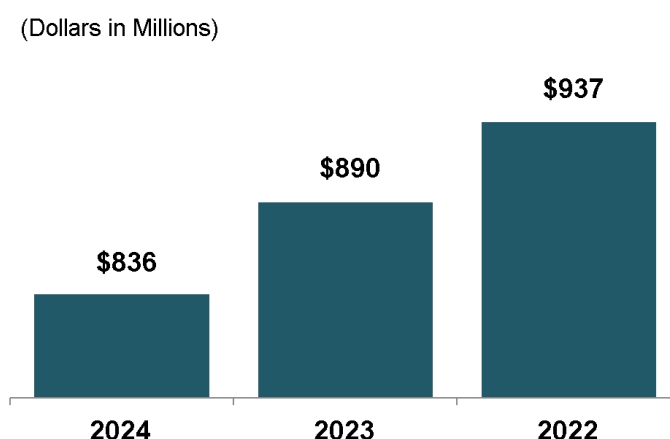
- The decrease was driven by an approximately 3% decrease in average transaction value as well as a decrease of approximately 4% in transaction volume.
- Sales decreased across all lines of business, except for Accessories. Accessories increased approximately 9% during 2024 driven by Sephora sales increasing over 25%. Sephora sales exceeded \$1.8 billion in 2024.

| (Dollars in Millions)           | 2024     | 2023     | Change  |
|---------------------------------|----------|----------|---------|
| Women's                         | \$3,817  | \$4,281  | (10.8%) |
| Men's                           | 3,079    | 3,455    | (10.9%) |
| Accessories (including Sephora) | 3,060    | 2,813    | 8.8%    |
| Home                            | 2,311    | 2,533    | (8.8%)  |
| Children's                      | 1,819    | 2,060    | (11.7%) |
| Footwear                        | 1,299    | 1,444    | (10.0%) |
| Net Sales                       | \$15,385 | \$16,586 | (7.2%)  |

## Other Revenue

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.

The following graph summarizes other revenue:



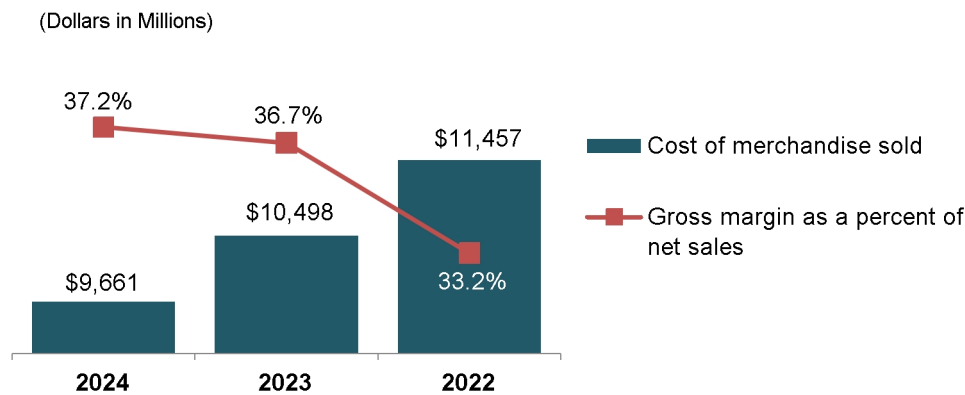
Other revenue decreased \$54 million in 2024 due to lower credit revenue, driven by a decrease in net sales, lower revolving credit balances, and an increase in loss rates.

As it relates to our credit business and recent regulatory developments, on March 5, 2024, the Consumer Financial Protection Bureau (CFPB) released a final rule reducing the safe harbor dollar amount for credit card late fees and eliminating the automatic annual inflation adjustment to such safe harbor dollar amount. The rule is subject to legal challenge, and the United States District Court for the Northern District of Texas granted a preliminary injunction, staying implementation of the rule, on May 10, 2024. As of February 1, 2025, this injunction remains in effect. The ultimate outcome of this legal challenge, along with the rule's effectiveness and implementation under the new presidential administration, remains uncertain. If implemented, this rule could adversely impact Kohl's credit card revenues; however, we are actively pursuing various mitigation strategies should the rule become effective.

**Cost of Merchandise Sold and Gross Margin**

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 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.

The following graph summarizes cost of merchandise sold and gross margin as a percent of net sales:



Gross margin is calculated as net sales less cost of merchandise sold. Gross margin in 2024 was 37.2% of net sales, an increase of 50 basis points to last year. The increase in gross margin was driven by lower freight costs and strong inventory management as our receipts were down 5% to last year as we continue to benefit from operating with greater flexibility. This was partially offset by elevated shrink levels.

**Selling, General, and Administrative Expenses**

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".

[Table of Contents](#)

The following graph summarizes the changes in SG&A by expense type between 2023 and 2024:



SG&A decreased \$204 million, or 3.7%, to \$5.3 billion in 2024. As a percentage of revenue, SG&A deleveraged by 118 basis points.

The decrease in SG&A expenses was driven by strong cost discipline across the organization. In addition, as sales declined, expenses were further reduced across stores and distribution centers. Distribution costs, which exclude payroll related to online originated orders that were shipped from our stores, were \$378 million for 2024 compared to \$406 million for 2023.

**Other Expenses**

| (Dollars in Millions)                       | 2024  | 2023  | 2022  |
|---------------------------------------------|-------|-------|-------|
| Depreciation and amortization               | \$743 | \$749 | \$808 |
| Impairments, store closing, and other costs | 76    | —     | —     |
| Interest expense, net                       | 319   | 344   | 304   |

Depreciation and amortization decreased in 2024, primarily driven by reduced capital spending in technology. This was partially offset by increased store investments, including Sephora shops and queuing lines.

We recognized \$76 million in Impairments, store closing, and other costs related to the closure of our San Bernardino E-commerce Fulfillment Center and 27 underperforming stores in 2024. Included in this amount was \$43 million of fixed asset impairments, \$11 million of lease Right of Use (“ROU”) asset impairments, \$14 million of severance, and \$26 million in other costs relating to the closure of these locations. The \$26 million in other costs includes \$32 million of costs offset by \$6 million in cash proceeds related to lease termination agreements. Offsetting these costs were \$18 million in non-cash lease gains, where upon the remeasurement, the reduction recorded to the lease liability was greater than the remaining value of the related ROU asset.

| (Dollars in Millions)                               | 2024        | 2023       | 2022       |
|-----------------------------------------------------|-------------|------------|------------|
| <b>Severance and other exit costs</b>               | <b>\$40</b> | <b>\$—</b> | <b>\$—</b> |
| <b>Lease (gains)</b>                                | <b>(18)</b> | <b>—</b>   | <b>—</b>   |
| <b>Impairments:</b>                                 |             |            |            |
| Buildings and other assets                          | 43          | —          | —          |
| Lease ROU assets                                    | 11          | —          | —          |
| <b>Impairments, store closings, and other costs</b> | <b>\$76</b> | <b>\$—</b> | <b>\$—</b> |

Net interest expense decreased in 2024 compared to 2023 due to reduced outstanding unsecured senior debt and a lower average outstanding balance on the revolving credit facility throughout the year. Decreases in interest expense were 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)                | 2024 | 2023  | 2022   |
|--------------------------------------|------|-------|--------|
| Provision (benefit) for income taxes | \$5  | \$56  | \$(39) |
| Effective tax rate                   | 3.9% | 15.1% | 68.1%  |

The effective tax rate for 2024 was lower than the effective tax rate for 2023 because of the impact of favorable results from uncertain tax positions and federal tax credits relative to consolidated book net income.

### GAAP to Non-GAAP Reconciliation

In addition to reporting our financial results in accordance with generally accepted accounting principles (GAAP) for fiscal 2024, this Annual Report on Form 10-K contains certain non-GAAP financial results, including adjusted net income and adjusted diluted earnings per share. These adjusted results exclude the gains, impairments, and other costs associated with the closing of 27 underperforming stores and our San Bernardino, California E-commerce Fulfillment Center, as we believe such costs and charges are not representative of our normal business activity. We believe these non-GAAP measures are useful, as they are more representative of our core business, enhance comparability across reporting periods and to industry peers, and align with the measures used by management to evaluate the Company's performance. The adjusted, non-GAAP results are provided and should be evaluated in addition to, and not as an alternative for, our results reported in accordance with GAAP. Shown below is a reconciliation of each non-GAAP measure referenced throughout this report to the most comparable GAAP measure. No adjustments were made to our results for fiscal years 2023 and 2022 and therefore these results are not included in the table below. Net income was \$317 million, or \$2.85 per diluted share, in 2023, and a net loss of \$19 million, or (\$0.15) per diluted share, in 2022.

| (Dollars in Millions, Except per Share Data)          | 2024          |
|-------------------------------------------------------|---------------|
| <b>Net income (GAAP)</b>                              | <b>\$109</b>  |
| Impairments, store closing, and other costs           | 76            |
| Income tax impact of items noted above                | (18)          |
| <b>Adjusted Net income (non-GAAP)</b>                 | <b>\$167</b>  |
| <b>Diluted earnings per share (GAAP)</b>              | <b>\$0.98</b> |
| Impairments, store closing, and other costs           | 0.69          |
| Income tax impact of items noted above                | (0.17)        |
| <b>Adjusted Diluted earnings per share (non-GAAP)</b> | <b>\$1.50</b> |

**Inflation**

We expect that our operations will continue to be influenced by general economic conditions, including food, fuel, and energy prices, higher unemployment, 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. 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, when appropriate, 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 \$400 to \$425 million in 2025, which includes the investments to complete the roll out of Sephora, expansion of impulse queuing lines, omnichannel enhancements, and two new store openings. On March 11, 2025, our Board of Directors declared a quarterly cash dividend of \$0.125 per share. The dividend will be paid on April 2, 2025 to all shareholders of record at the close of business on March 21, 2025. Although we remain committed to returning capital to shareholders, this reduction in the quarterly dividend allows for greater balance sheet flexibility. In June 2024, we completed a voluntary redemption of the remaining \$113 million of outstanding 9.50% notes due May 15, 2025. We did not complete any share repurchases during fiscal 2024.

Our period-end cash and cash equivalents balance decreased to \$134 million from \$183 million in 2023. Our cash and cash equivalents balance includes short-term investments of \$9 million and \$15 million as of February 1, 2025, and February 3, 2024, 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"><li>Operational needs, including salaries, rent, taxes, and other operating costs</li><li>Inventory</li><li>Capital expenditures</li><li>Dividend payments</li><li>Debt reduction</li><li>Share repurchases</li></ul> | <ul style="list-style-type: none"><li>Cash flow from operations</li><li>Line of credit under our revolving credit facility</li><li>Issuance of debt</li></ul> |

## [Table of Contents](#)

The following table includes cash balances and changes:

| (Dollars in Millions)                         | 2024         | 2023    | 2022    |
|-----------------------------------------------|--------------|---------|---------|
| <b>Cash and cash equivalents</b>              | <b>\$134</b> | \$183   | \$153   |
| <b>Net cash provided by (used in):</b>        |              |         |         |
| Operating activities                          | <b>\$648</b> | \$1,168 | \$282   |
| Investing activities                          | <b>(467)</b> | (562)   | (783)   |
| Financing activities                          | <b>(230)</b> | (576)   | (933)   |
| <b>Adjusted free cash flow <sup>(a)</sup></b> | <b>\$104</b> | \$519   | \$(639) |

(a) Non-GAAP financial measure. Please see the "Adjusted Free Cash Flow (Non-GAAP measure)" for a reconciliation of net cash provided by operating activities to adjusted free cash flow.

### **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.

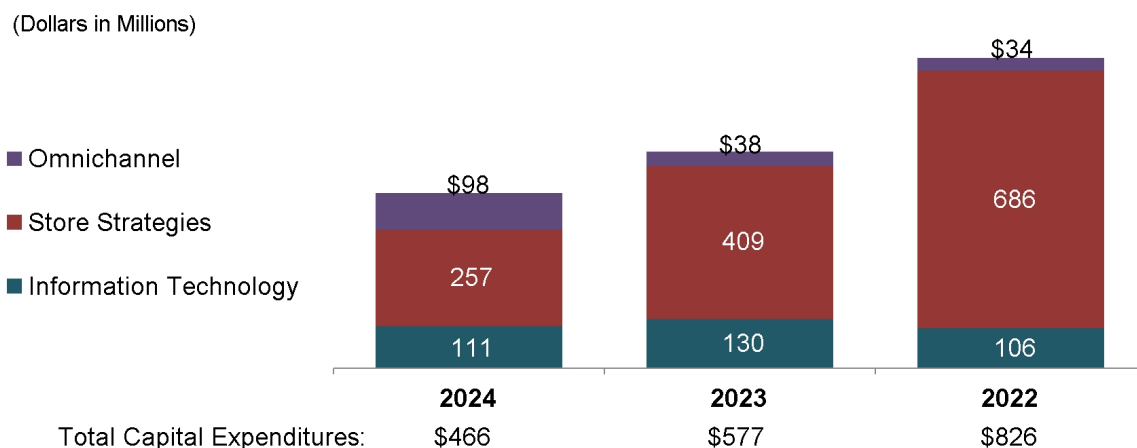
Operating activities generated cash of \$648 million in 2024 compared to \$1.2 billion in 2023. Operating cash flow decreased due to a lower net income and inventory increasing 2% to last year as we invested into private brand inventory. Receipts decreased 5% in 2024 compared to a decrease of 9% in 2023 due to the private brand investment.

### **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 and real estate.

Net cash used in investing activities decreased \$95 million to \$467 million in 2024. The decrease was primarily driven by fewer Sephora shop openings and other investments, consistent with our reduced capital expenditure plans for fiscal 2024.

The following chart summarizes capital expenditures by major category:



At the end of 2024, we had a Sephora presence in over 1,000 of our stores, including 861 full size 2,500 square foot shops and 190 small format Sephora shops. We also had 350 locations with impulse queuing lines, launched 200 Babies "R" Us shops, and had six new store openings, including one relocation. In 2025, we anticipate capital expenditures of approximately \$400 to \$425 million, which includes the investments to complete the roll out of

## [Table of Contents](#)

Sephora, expansion of impulse queuing lines, omnichannel enhancements, and two new store openings. We will continue to invest in enhancing our omnichannel capabilities.

### **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 our credit ratings.

During 2024, S&P downgraded our senior unsecured credit rating from BB to BB-, Moody's downgraded our rating from Ba3 to B1, and Fitch downgraded our rating from BBB- to BB. Fitch revised their outlook to stable while S&P and Moody's reaffirmed their outlook at negative.

As of February 1, 2025, our credit ratings and outlook were as follows:

|                | Moody's  | S&P      | Fitch  |
|----------------|----------|----------|--------|
| Long-term debt | B1       | BB-      | BB     |
| Outlook        | Negative | Negative | Stable |

As a result of the downgrades, the interest rate on our 3.375% notes due May 2031 will increase an additional 50 basis points in May 2025 due to the coupon adjustment provision within the note. Our credit rating was also downgraded in 2023 and 2022. This resulted in the interest rates on our 3.375% notes due May 2031 and 9.50% notes due May 2025 increasing 100 basis points in 2023 and 25 basis points in 2022. In total, the interest rates on the notes due May 2031 have increased 175 basis points since their issuance, of which 50 basis points becomes effective in May 2025, and the rates on the notes due May 2025 increased 125 basis points from their issuance to their redemption in June 2024. Each of the credit rating agencies reviews its rating periodically and there is no guarantee our current credit ratings will remain the same.

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 used \$230 million in 2024 compared to \$576 million in 2023.

In 2024, we had net borrowings of \$198 million on our \$1.5 billion credit facility compared to net borrowings of \$7 million in 2023. Borrowings under the revolving credit facility, recorded as short-term debt, had \$290 million outstanding as of February 1, 2025, and had \$92 million as of February 3, 2024.

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, and in December 2023, \$111 million in aggregate principal amount of our 4.75% notes matured and was repaid.

There was no cash used for treasury stock purchases in 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. While we are not currently planning for share repurchases, we expect to resume share repurchases over the long-term following improvement in overall leverage.

Cash dividend payments were \$222 million (\$2.00 per share) in 2024 and \$220 million (\$2.00 per share) in 2023.

### **Adjusted Free Cash Flow (Non-GAAP measure)**

We generated \$104 million of adjusted free cash flow for 2024 compared to \$519 million in 2023. The decrease was primarily driven by less cash provided by operating activities due to a lower net income and inventory increasing 2% to last year as we invested into private brand inventory. Receipts decreased 5% in 2024 compared to a decrease of 9% in 2023 due to the private brand investment. Partially offsetting this was a decrease in capital expenditures related to fewer Sephora shop openings and other investments.

In addition to net cash provided by operating activities, we provide Adjusted Free Cash Flow as a useful measure of our financial performance and position and our ability to generate additional cash flow from our business operations. We believe the presentation of Adjusted Free Cash Flow is relevant and useful for investors to evaluate the cash generated from operations consistent with the method used by management. Adjusted free cash flow is a non-GAAP financial measure which we define as net cash provided by operating activities and proceeds from financing obligations (which generally represent landlord reimbursements of construction costs) less capital expenditures and finance lease and financing obligation payments. Adjusted free cash flow is provided and should be evaluated in addition to, and not as an alternative to our other financial GAAP measures such as net cash provided by operating activities or net income.

The following table reconciles net cash provided by operating activities (a GAAP measure) to adjusted free cash flow (a non-GAAP measure):

| (Dollars in Millions)                           | 2024          | 2023    | 2022    |
|-------------------------------------------------|---------------|---------|---------|
| Net cash provided by operating activities       | <b>\$648</b>  | \$1,168 | \$282   |
| Acquisition of property and equipment           | <b>(466)</b>  | (577)   | (826)   |
| Free cash flow                                  | <b>\$182</b>  | \$591   | \$(544) |
| Finance lease and financing obligation payments | <b>\$(79)</b> | \$(93)  | \$(106) |
| Proceeds from financing obligations             | <b>1</b>      | 21      | 11      |
| Adjusted free cash flow                         | <b>\$104</b>  | \$519   | \$(639) |

### **Key Financial Ratios**

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

| (Dollars in Millions) | 2024         | 2023  |
|-----------------------|--------------|-------|
| Working capital       | <b>\$257</b> | \$798 |
| Current ratio         | <b>1.08</b>  | 1.31  |

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

The decrease in our working capital and current ratio are driven by increased borrowings under the revolving credit facility and additional long-term debt due within the next 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 February 1, 2025, we were in compliance with all covenants.

## [Table of Contents](#)

### **Contractual Obligations**

Material contractual obligations arising in the normal course of business primarily consist of long-term debt and related interest payments, principal and interest payments for leases, and other purchase obligations. See Notes 2 and 3 to the Consolidated Financial Statements for amounts outstanding on February 1, 2025 related to debt and leases.

Other purchase obligations primarily include royalties, legally binding minimum lease and interest payments for stores opening in 2025 or later, as well as payments associated with technology, marketing, and donation agreements. The obligations were \$599 million as of February 1, 2025.

### **Off-Balance Sheet Arrangements**

We have not provided any financial guarantees as of year-end fiscal 2024.

We have not created, and are not 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 the 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 accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect reported amounts. Management has discussed the development, selection, and disclosure of these estimates and assumptions with the Audit Committee of our Board of Directors.

#### ***Retail Inventory Method and Inventory Valuation***

The majority of our merchandise inventories are valued at the lower of cost or market using the retail inventory method ("RIM"). Under RIM, the valuation of inventory at cost and the resulting gross margins are calculated by applying a cost-to-retail ratio to the retail value of inventory. RIM is an averaging method that has been widely used in the retail industry due to its practicality. The use of RIM will result in inventory being valued at the lower of cost or market since permanent markdowns are taken as a reduction of the retail value of inventories. A reserve is recorded if the future estimated selling price is less than cost.

RIM inherently requires management judgment and estimates, such as the amount and timing of permanent markdowns to clear unproductive or slow-moving inventory, which may impact the ending inventory valuation as well as gross margin. Factors considered in the determination of permanent markdowns include current and anticipated demand, customer preferences, age of the merchandise, fashion trends, and weather conditions.

Inventory shrinkage is estimated as a percent of sales for the period between the last physical inventory count and the balance sheet date. Shrink is the difference between the recorded amount of inventory and the physical inventory. We perform an annual physical inventory count at the majority of our stores, E-Commerce fulfillment centers, and distribution centers. The shrinkage rate from the most recent physical inventory, in combination with current events and historical experience, is used as the standard for the shrinkage accrual rate for the next inventory cycle. Historically, our actual physical inventory count results have shown our estimates to be reliable.

### ***Vendor Allowances***

We frequently receive allowances from our vendors for markdowns that we have taken in order to sell the vendors' merchandise and/or to support gross margins earned on those sales. This markdown support generally relates to sold inventory or permanent markdowns and, accordingly, is reflected as a reduction to cost of merchandise sold. Markdown support related to merchandise that has not yet been sold is recorded in inventory.

We also receive support from vendors for marketing and other costs that we have incurred to sell the vendors' merchandise. To the extent the reimbursements are for specific, incremental, and identifiable costs incurred to sell the vendor's products and do not exceed the costs incurred, they are recognized as a reduction of Selling, General, and Administrative Expenses. If these criteria are not met, the support is recorded in inventory and reflected as a reduction of costs of merchandise sold when the related merchandise is sold.

### ***Insurance Reserve Estimates***

We are primarily self-insured for costs related to workers' compensation, general liability, and employee-related health care benefits. We use a third-party actuary to estimate the liabilities associated with these risks. The actuary considers historical claims experience, demographic and severity factors, health care trends, and actuarial assumptions to estimate the liabilities associated with these risks. Historically, our actuarial estimates have not been materially different from actual results.

### ***Impairment of Long-Lived Assets***

We review our long-lived assets for impairment when events or changes in circumstances, such as decisions to close a store or significant cash flow losses, indicate the carrying value of the asset may not be recoverable. All long-lived assets are reviewed for impairment at least annually.

If our evaluations, which are performed on an undiscounted cash flow basis, indicate that the carrying amount of the asset may not be recoverable, the potential impairment is measured as the excess of carrying value over the fair value of the impaired asset.

Identifying impaired assets and quantifying the related impairment loss, if any, requires significant estimates by management. The most significant of these estimates is the cash flow expected to result from the use and eventual disposition of the asset. When determining the stream of projected future cash flows associated with an individual store, management estimates future store performance including sales, gross margin, and controllable expenses, such as store payroll and occupancy expense. Projected cash flows must be estimated for future periods throughout the remaining life of the property, which may be as many as 40 years in the future. The accuracy of these estimates will be impacted by a number of factors including general economic conditions, changes in competitive landscape, and our ability to effectively manage the operations of the store.

### ***Income Taxes***

We regularly evaluate the likelihood of realizing the benefit for income tax positions we have taken in various federal and state filings by considering all relevant facts, circumstances, and information available to us. If we believe it is more likely than not that our position will be sustained, we recognize a benefit at the largest amount which we believe is cumulatively greater than 50% likely to be realized.

Unrecognized tax benefits require significant management judgment regarding applicable statutes and their related interpretation, the status of various income tax audits, and our particular facts and circumstances. Also, as audits are completed or statutes of limitations lapse, it may be necessary to record adjustments to our taxes payable, deferred tax assets, tax reserves, or income tax expense. Although we believe we have adequately reserved for our uncertain tax positions, no assurance can be given that the final tax outcome of these matters will not be different. Income taxes are further described in Note 5 of the Consolidated Financial Statements.

## **Leases**

Accounting for leased properties requires compliance with technical accounting rules and judgment by management. Application of these accounting rules and assumptions made by management will determine if the lease is accounted for as a finance lease, an operating lease, or a financing obligation.

The following are estimates used by management in accounting for real estate and other leases:

- **Accounting lease term**—Our accounting lease term includes all noncancelable periods and renewal periods that are reasonably assured of being exercised. Typically, renewal options are considered reasonably assured of being exercised if we have made significant leasehold improvements that would exceed the initial or renewal lease term and the cash flow performance of the store remains strong. The expected lease term is used in determining whether the lease is accounted for as an operating lease or a finance lease.
- **Incremental borrowing rate**—The incremental borrowing rate is the rate of interest that the lessee would have to pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments in a similar economic environment. The incremental borrowing rate is used in determining whether the lease is accounted for as an operating lease or a finance lease.
- **Fair market value of leased asset**—The fair market value of leased retail property is generally estimated based on comparable market data as provided by third-party appraisers or consideration received from the landlord. Fair market value is used in determining whether the lease is accounted for as an operating lease or a finance lease.

Leases are further described in Note 3 of the Consolidated Financial Statements.

## **Sephora Arrangement**

In 2020, we entered into an arrangement with Sephora to be the exclusive beauty offering at Kohl's and bring a transformational, elevated beauty experience to Kohl's. We sell prestige beauty products through Sephora-branded retail shops in certain Kohl's stores and through a Sephora-branded offering on Kohls.com. We have opened 861 full size 2,500 square foot Sephora shops and 190 small format Sephora shops to date.

Both parties to the arrangement are active participants and are exposed to significant risks and rewards dependent on the success of the activities of the arrangement. The arrangement involves various activities including the merchandising, marketing, and operations of the shops and Kohls.com. Kohl's is the principal on sales transactions with our customers and we recognize sales, cost of merchandise sold, and operating expenses in the respective lines on our consolidated statements of operations. Kohl's owns and manages the inventory and funds capital expenditures for the arrangement. The parties share equally in the operating profit of the arrangement which incorporates all expenses to run the arrangement including depreciation expense related to the assets. Amounts due to Sephora for their share of the operating profits are recorded in cost of merchandise sold.

## **Item 7A. Quantitative and Qualitative Disclosures about Market Risk**

Our operating results are subject to interest rate risk as the \$500 million of notes issued in March 2021 include coupon rate step ups if our long-term debt is downgraded to below a BBB- credit rating by S&P Global Ratings or Baa3 by Moody's Investors Service, Inc., both of which occurred in 2024, 2023, and 2022. All other long-term debt is at fixed interest rates and, therefore, is not affected by changes in interest rates. When our long-term debt instruments mature, we may refinance them at the existing market interest rates, which may be more or less than interest rates on the maturing debt.

We are also subject to interest rate risk from changes in the interest rates under our \$1.5 billion revolving credit facility. Outstanding borrowings under the credit facility bear interest at a variable rate based on SOFR plus the applicable margin. Outstanding borrowings under the revolving credit facility, recorded as short-term debt, were \$290 million as of February 1, 2025.

We share in the net risk-adjusted revenue of the Kohl's credit card portfolio as defined by the sum of finance charges, late fees, and other revenue less write-offs of uncollectible accounts. We also share the costs of funding the outstanding receivables as interest rates exceed defined rates. As a result, our share of profits from the credit card portfolio may be negatively impacted by increases in interest rates. The reduced profitability, if any, will be impacted by various factors, including our ability to pass higher funding costs on to the credit card holders and the outstanding receivable balance, and cannot be reasonably estimated at this time. Additionally, the CFPB finalized a rule in March 2024 which lowers the safe harbor dollar amount credit card companies can charge for late fees for a late payment. The rule is subject to legal challenge, and implementation of the rule has been delayed following a preliminary injunction. As of February 1, 2025, this injunction remains in effect. If implemented, this rule could adversely impact Kohl's credit card revenues; however, we are actively pursuing various mitigation strategies should the rule become effective.

[Table of Contents](#)

**Item 8. Financial Statements and Supplementary Data**

**Index to Consolidated Financial Statements**

|                                                                                                              | <u>Page</u> |
|--------------------------------------------------------------------------------------------------------------|-------------|
| <b>Consolidated Financial Statements</b>                                                                     |             |
| <a href="#">Report of Independent Registered Public Accounting Firm (Ernst &amp; Young LLP PCAOB ID: 42)</a> | 37          |
| <a href="#">Consolidated Balance Sheets</a>                                                                  | 40          |
| <a href="#">Consolidated Statements of Operations</a>                                                        | 41          |
| <a href="#">Consolidated Statements of Changes in Shareholders' Equity</a>                                   | 42          |
| <a href="#">Consolidated Statements of Cash Flows</a>                                                        | 43          |
| <a href="#">Notes to Consolidated Financial Statements</a>                                                   | 44          |
| <a href="#">1. Business and Summary of Accounting Policies</a>                                               | 44          |
| <a href="#">2. Debt</a>                                                                                      | 52          |
| <a href="#">3. Leases</a>                                                                                    | 53          |
| <a href="#">4. Benefit Plans</a>                                                                             | 55          |
| <a href="#">5. Income Taxes</a>                                                                              | 56          |
| <a href="#">6. Share-Based Awards</a>                                                                        | 58          |
| <a href="#">7. Contingencies</a>                                                                             | 59          |
| <a href="#">8. Subsequent Events</a>                                                                         | 59          |

Schedules have been omitted as they are not applicable.

## **Report of Independent Registered Public Accounting Firm**

To the Shareholders and the Board of Directors of Kohl's Corporation

### **Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Kohl's Corporation (the Company) as of February 1, 2025 and February 3, 2024, the related consolidated statements of operations, changes in shareholders' equity and cash flows for each of the three years in the period ended February 1, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at February 1, 2025 and February 3, 2024, and the results of its operations and its cash flows for each of the three years in the period ended February 1, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of February 1, 2025, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated March 20, 2025 expressed an unqualified opinion thereon.

### **Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### **Critical Audit Matters**

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

### **Merchandise Inventories**

*Description of the Matter*

At February 1, 2025, the Company's merchandise inventories balance was \$2.9 billion. As described in Note 1 to the consolidated financial statements, merchandise inventories are valued at the lower of cost or market using the retail inventory method ("RIM"). Under RIM, the valuation of inventory at cost and the resulting gross margins are calculated by applying a cost-to-retail ratio to the retail value of inventory. RIM is an averaging method that has been widely used in the retail industry due to its practicality. The use of RIM results in inventory valued at lower of cost or market since permanent markdowns are taken as a reduction to the retail value of inventories.

The calculation of inventory under RIM includes a number of inputs including the retail value of inventory and adjustments to inventory such as markdown allowances, shrink and permanent markdowns. As a result of the number of inputs and the involvement of multiple software applications used to capture the high volume of transactions processed by the Company, auditing inventory requires extensive audit effort including significant involvement of more experienced audit team members. In addition, the inventory process is supported by a number of automated and IT dependent controls that elevate the importance of the IT general controls that support the underlying software applications including those developed by the Company.

*How We Addressed the Matter in Our Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's inventory process, including the RIM calculation and underlying IT general controls, and controls over the data transfers between applications.

Our substantive audit procedures included, among others, evaluating the key inputs into the RIM calculation, including purchases, sales, shrink, vendor allowances and markdowns. Our testing included agreeing data back to source information including third party vendor invoices, third party inventory count information, and cash receipts. We also performed analytical procedures including margin analysis, analytics with respect to key inventory metrics such as shrink, turns and store inventory in conjunction with analysis related to markdowns and purchase price adjustments.

### **Unrecognized Tax Benefits**

*Description of the Matter*

As described in Note 5 to the consolidated financial statements, at February 1, 2025, the Company had gross unrecognized tax benefits of \$184 million. The Company's uncertain tax positions are subject to audit by federal and state taxing authorities, and the resolution of such audits may span multiple years.

Management's analysis of the extent to which its tax positions in certain jurisdictions are more-likely-than-not to be sustained was significant to our audit because the amounts are material to the financial statements and the related assessment process is complex and involves significant judgments. Such judgments included the interpretation of laws, regulations, and tax rulings related to uncertain tax positions.

## [Table of Contents](#)

### *How We Addressed the Matter in Our Audit*

We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's process to assess whether tax positions are more-likely-than-not to be sustained upon examination. For example, we tested controls over management's identification of uncertain tax positions and its application of the recognition and measurement principles, including management's review of the inputs and calculations of unrecognized tax benefits resulting from uncertain tax positions.

To test management's recognition and measurement of liabilities associated with uncertain tax positions, our audit procedures included, among others, evaluation of the status of open income tax examinations and the potential implications of those examinations on the current year income tax provision based on the application of income tax laws. We analyzed the Company's assumptions and data used to determine the amount of tax benefit to recognize and tested the accuracy of the calculations. We also tested the technical merits of existing positions, including an evaluation of whether the positions are more-likely-than-not to be sustained in an examination and the statute of limitations assumptions related to the Company's calculation of liabilities for uncertain tax positions. We involved our tax professionals to assist in the evaluation of tax law relative to the Company's open income tax examinations and changes from prior years.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1986.

Milwaukee, Wisconsin  
March 20, 2025

**KOHL'S CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**

| (Dollars in Millions)                             | February 1, 2025 | February 3, 2024 |
|---------------------------------------------------|------------------|------------------|
| <b>Assets</b>                                     |                  |                  |
| Current assets:                                   |                  |                  |
| Cash and cash equivalents                         | \$134            | \$183            |
| Merchandise inventories                           | 2,945            | 2,880            |
| Other                                             | 309              | 347              |
| Total current assets                              | 3,388            | 3,410            |
| Property and equipment, net                       | 7,297            | 7,720            |
| Operating leases                                  | 2,394            | 2,499            |
| Other assets                                      | 480              | 380              |
| Total assets                                      | \$13,559         | \$14,009         |
| <b>Liabilities and Shareholders' Equity</b>       |                  |                  |
| Current liabilities:                              |                  |                  |
| Accounts payable                                  | \$1,042          | \$1,134          |
| Accrued liabilities                               | 1,263            | 1,201            |
| Borrowings under revolving credit facility        | 290              | 92               |
| Current portion of:                               |                  |                  |
| Long-term debt                                    | 353              | —                |
| Finance leases and financing obligations          | 81               | 83               |
| Operating leases                                  | 102              | 102              |
| Total current liabilities                         | 3,131            | 2,612            |
| Long-term debt                                    | 1,174            | 1,638            |
| Finance leases and financing obligations          | 2,456            | 2,680            |
| Operating leases                                  | 2,703            | 2,781            |
| Deferred income taxes                             | 28               | 107              |
| Other long-term liabilities                       | 265              | 298              |
| Shareholders' equity:                             |                  |                  |
| Common stock - 126 and 161 million shares issued  | 1                | 2                |
| Paid-in capital                                   | 3,560            | 3,528            |
| Treasury stock, at cost, 15 and 50 million shares | (767)            | (2,571)          |
| Retained earnings                                 | 1,008            | 2,934            |
| Total shareholders' equity                        | \$3,802          | \$3,893          |
| Total liabilities and shareholders' equity        | \$13,559         | \$14,009         |

See accompanying Notes to Consolidated Financial Statements

**KOHL'S CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

| (Dollars in Millions, Except per Share Data) | 2024     | 2023     | 2022     |
|----------------------------------------------|----------|----------|----------|
| Net sales                                    | \$15,385 | \$16,586 | \$17,161 |
| Other revenue                                | 836      | 890      | 937      |
| Total revenue                                | 16,221   | 17,476   | 18,098   |
| Cost of merchandise sold                     | 9,661    | 10,498   | 11,457   |
| Operating expenses:                          |          |          |          |
| Selling, general, and administrative         | 5,308    | 5,512    | 5,587    |
| Depreciation and amortization                | 743      | 749      | 808      |
| Impairments, store closing, and other costs  | 76       | —        | —        |
| Operating income                             | 433      | 717      | 246      |
| Interest expense, net                        | 319      | 344      | 304      |
| Income (loss) before income taxes            | 114      | 373      | (58)     |
| Provision (benefit) for income taxes         | 5        | 56       | (39)     |
| Net income (loss)                            | \$109    | \$317    | \$(19)   |
| Net income (loss) per share:                 |          |          |          |
| Basic                                        | \$0.98   | \$2.88   | \$(0.15) |
| Diluted                                      | \$0.98   | \$2.85   | \$(0.15) |

See accompanying Notes to Consolidated Financial Statements

**KOHL'S CORPORATION**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

| (Dollars in Millions, Except per Share Data)     | 2024           | 2023           | 2022           |
|--------------------------------------------------|----------------|----------------|----------------|
| <b>Common stock</b>                              |                |                |                |
| Balance, beginning of period                     | \$2            | \$4            | \$4            |
| Stock-based awards                               | —              | —              | —              |
| Retirement of treasury stock                     | (1)            | (2)            | —              |
| Balance, end of period                           | \$1            | \$2            | \$4            |
| <b>Paid-in capital</b>                           |                |                |                |
| Balance, beginning of period                     | \$3,528        | \$3,479        | \$3,375        |
| Stock-based awards                               | 32             | 49             | 39             |
| Final settlement of accelerated share repurchase | —              | —              | 65             |
| Balance, end of period                           | \$3,560        | \$3,528        | \$3,479        |
| <b>Treasury stock</b>                            |                |                |                |
| Balance, beginning of period                     | \$(2,571)      | \$(13,715)     | \$(12,975)     |
| Treasury stock purchases                         | —              | —              | (723)          |
| Stock-based awards                               | (10)           | (16)           | (21)           |
| Dividends paid                                   | 2              | 3              | 4              |
| Retirement of treasury stock                     | 1,812          | 11,157         | —              |
| Balance, end of period                           | \$(767)        | \$(2,571)      | \$(13,715)     |
| <b>Retained earnings</b>                         |                |                |                |
| Balance, beginning of period                     | \$2,934        | \$13,995       | \$14,257       |
| Net income (loss)                                | 109            | 317            | (19)           |
| Dividends paid                                   | (224)          | (223)          | (243)          |
| Retirement of treasury stock                     | (1,811)        | (11,155)       | —              |
| Balance, end of period                           | \$1,008        | \$2,934        | \$13,995       |
| <b>Total shareholders' equity, end of period</b> | <b>\$3,802</b> | <b>\$3,893</b> | <b>\$3,763</b> |
| <b>Common stock</b>                              |                |                |                |
| Shares, beginning of period                      | 161            | 378            | 377            |
| Stock-based awards                               | —              | —              | 1              |
| Retirement of treasury stock                     | (35)           | (217)          | —              |
| Shares, end of period                            | 126            | 161            | 378            |
| <b>Treasury stock</b>                            |                |                |                |
| Shares, beginning of period                      | (50)           | (267)          | (246)          |
| Treasury stock purchases                         | —              | —              | (21)           |
| Retirement of treasury stock                     | 35             | 217            | —              |
| Shares, end of period                            | (15)           | (50)           | (267)          |
| <b>Total shares outstanding, end of period</b>   | <b>111</b>     | <b>111</b>     | <b>111</b>     |
| <b>Dividends paid per common share</b>           | <b>\$2.00</b>  | <b>\$2.00</b>  | <b>\$2.00</b>  |

See accompanying Notes to Consolidated Financial Statements

**KOHL'S CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

| (Dollars in Millions)                                                                    | 2024  | 2023  | 2022    |
|------------------------------------------------------------------------------------------|-------|-------|---------|
| <b>Operating activities</b>                                                              |       |       |         |
| Net income (loss)                                                                        | \$109 | \$317 | \$(19)  |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: |       |       |         |
| Depreciation and amortization                                                            | 743   | 749   | 808     |
| Share-based compensation                                                                 | 30    | 42    | 30      |
| Deferred income taxes                                                                    | (85)  | (8)   | (84)    |
| Impairments, store closing, and other costs                                              | 36    | —     | —       |
| Non-cash lease expense                                                                   | 89    | 92    | 106     |
| Other non-cash expense                                                                   | 1     | 6     | 30      |
| Changes in operating assets and liabilities:                                             |       |       |         |
| Merchandise inventories                                                                  | (60)  | 315   | (116)   |
| Other current and long-term assets                                                       | (50)  | 11    | 87      |
| Accounts payable                                                                         | (92)  | (196) | (353)   |
| Accrued and other long-term liabilities                                                  | 20    | (67)  | (99)    |
| Operating lease liabilities                                                              | (93)  | (93)  | (108)   |
| Net cash provided by operating activities                                                | 648   | 1,168 | 282     |
| <b>Investing activities</b>                                                              |       |       |         |
| Acquisition of property and equipment                                                    | (466) | (577) | (826)   |
| Proceeds from sale of real estate                                                        | 6     | 26    | 43      |
| Other                                                                                    | (7)   | (11)  | —       |
| Net cash used in investing activities                                                    | (467) | (562) | (783)   |
| <b>Financing activities</b>                                                              |       |       |         |
| Net borrowings under revolving credit facility                                           | 198   | 7     | 85      |
| Deferred financing costs                                                                 | —     | —     | (6)     |
| Treasury stock purchases                                                                 | —     | —     | (658)   |
| Shares withheld for taxes on vested restricted shares                                    | (10)  | (16)  | (21)    |
| Dividends paid                                                                           | (222) | (220) | (239)   |
| Repayment of long-term borrowings                                                        | (113) | (275) | —       |
| Premium paid on redemption of debt                                                       | (5)   | —     | —       |
| Finance lease and financing obligation payments                                          | (79)  | (93)  | (106)   |
| Proceeds from financing obligations                                                      | 1     | 21    | 11      |
| Proceeds from stock option exercises                                                     | —     | —     | 1       |
| Net cash used in financing activities                                                    | (230) | (576) | (933)   |
| Net (decrease) increase in cash and cash equivalents                                     | (49)  | 30    | (1,434) |
| Cash and cash equivalents at beginning of period                                         | 183   | 153   | 1,587   |
| Cash and cash equivalents at end of period                                               | \$134 | \$183 | \$153   |
| <b>Supplemental information</b>                                                          |       |       |         |
| Interest paid, net of capitalized interest                                               | \$312 | \$331 | \$284   |
| Income taxes paid                                                                        | 78    | 69    | 111     |

See accompanying Notes to Consolidated Financial Statements

## 1. Business and Summary of Accounting Policies

### Business

As of February 1, 2025, we operated 1,175 stores and a website (www.Kohls.com). 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 shops. Our website includes merchandise which is available in our stores, as well as merchandise which is available only online.

Our authorized capital stock consists of 800 million shares of \$0.01 par value common stock and 10 million shares of \$0.01 par value preferred stock.

### Reportable Segments

We are an omnichannel retailer that operates as a single reportable segment. Our Chief Operating Decision Maker ("CODM") is our Chief Executive Officer. The net income (loss) presented in the Consolidated Statements of Operations is the financial information reviewed by the CODM. The CODM assesses the performance of the Company and decides how to allocate resources using net income (loss) that is reported on the Consolidated Statement of Operations. Net income (loss) is used to monitor budget versus actual results. The CODM regularly reviews information consistent with the Consolidated Statements of Operations.

### Consolidation

The Consolidated Financial Statements include the accounts of Kohl's Corporation and its subsidiaries including Kohl's, Inc., its primary operating company. All intercompany accounts and transactions have been eliminated.

### Accounting Period

Our fiscal year ends on the Saturday closest to January 31<sup>st</sup> each year. Unless otherwise stated, references to years in these notes relate to fiscal years rather than to calendar years. The following fiscal periods are presented in these notes:

| Fiscal Year | Ended            | Number of Weeks |
|-------------|------------------|-----------------|
| 2024        | February 1, 2025 | 52              |
| 2023        | February 3, 2024 | 53              |
| 2022        | January 28, 2023 | 52              |

### Use of Estimates

The preparation of Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and accompanying notes. Actual results could differ from those estimates.

### Cash and Cash Equivalents

In addition to money market investments, cash equivalents include commercial paper and certificates of deposit with original maturities of three months or less. We carry these investments at cost which approximates fair value.

Also included in cash and cash equivalents are amounts due from credit card transactions with settlement terms of less than five days. Credit and debit card receivables included within cash were \$70 million at February 1, 2025 and \$74 million at February 3, 2024.

## [Table of Contents](#)

### Merchandise Inventories

The majority of our merchandise inventories are valued at the lower of cost or market using RIM. Under RIM, the valuation of inventory at cost and the resulting gross margins are calculated by applying a cost-to-retail ratio to the retail value of inventory. RIM is an averaging method that has been widely used in the retail industry due to its practicality. The use of RIM will result in inventory being valued at the lower of cost or market since permanent markdowns are taken as a reduction of the retail value of inventories. A reserve is recorded if the future estimated selling price is less than cost.

### Other Current Assets

Other current assets consist of the following:

| (Dollars in Millions)                  | February 1, 2025 | February 3, 2024 |
|----------------------------------------|------------------|------------------|
| Other receivables                      | \$155            | \$157            |
| Prepays                                | 139              | 166              |
| Income taxes receivable <sup>(a)</sup> | 4                | 10               |
| Other                                  | 11               | 14               |
| Other current assets                   | \$309            | \$347            |

(a) See Note 5 of the Consolidated Financial Statements for further discussion on income taxes.

### Property and Equipment

Property and equipment consist of the following:

| (Dollars in Millions)                          | February 1, 2025 | February 3, 2024 |
|------------------------------------------------|------------------|------------------|
| Land                                           | \$1,078          | \$1,088          |
| Buildings and improvements:                    |                  |                  |
| Owned                                          | 8,361            | 8,377            |
| Leased                                         | 2,223            | 2,369            |
| Fixtures and equipment                         | 1,681            | 1,718            |
| Information technology                         | 1,164            | 1,326            |
| Construction in progress                       | 130              | 56               |
| Total property and equipment, at cost          | 14,637           | 14,934           |
| Less accumulated depreciation and amortization | (7,340)          | (7,214)          |
| Property and equipment, net                    | \$7,297          | \$7,720          |

Construction in progress includes property and equipment which is not ready for its intended use.

Property and equipment are recorded at cost, less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Owned buildings and improvements include owned buildings on owned and leased land as well as leasehold improvements on leased properties. Leased property and improvements to leased property are amortized on a straight-line basis over the term of the lease or useful life of the asset, whichever is less. Leases are further described in Note 3 of the Consolidated Financial Statements.

The annual provisions for depreciation and amortization generally use the following ranges of useful lives:

|                            |            |
|----------------------------|------------|
| Buildings and improvements | 5-40 years |
| Fixtures and equipment     | 3-15 years |
| Information technology     | 3-5 years  |

### Long-Lived Assets

All property and equipment and other long-lived assets are reviewed for potential impairment at least annually or when events or changes in circumstances indicate that the asset's carrying value may not be recoverable. If such

## [Table of Contents](#)

indicators are present, it is determined whether the sum of the estimated undiscounted future cash flows attributable to such assets is less than the carrying value of the assets. A potential impairment has occurred if projected future undiscounted cash flows are less than the carrying value of the assets. An impairment of \$54 million was recognized in 2024 related to store and E-commerce Fulfillment Center closures, which is recorded in Impairments, store closing, and other costs in the Consolidated Statements of Operations. No impairments were recorded in 2023. An impairment of \$22 million was recorded in 2022 related to corporate facilities in Selling, General, and Administrative Expenses.

### Other Noncurrent Assets

Other noncurrent assets consist of the following:

| (Dollars in Millions)                  | February 1, 2025 | February 3, 2024 |
|----------------------------------------|------------------|------------------|
| Income taxes receivable <sup>(a)</sup> | \$283            | \$200            |
| Deferred tax assets <sup>(a)</sup>     | 38               | 32               |
| Other                                  | 159              | 148              |
| Other noncurrent assets                | \$480            | \$380            |

(a) See Note 5 of the Consolidated Financial Statements for further discussion on income taxes.

### Accrued Liabilities

Accrued liabilities consist of the following:

| (Dollars in Millions)                   | February 1, 2025 | February 3, 2024 |
|-----------------------------------------|------------------|------------------|
| Gift cards and merchandise return cards | \$308            | \$327            |
| Sales, property, and use taxes          | 177              | 162              |
| Income taxes payable <sup>(a)</sup>     | 158              | 40               |
| Payroll and related fringe benefits     | 110              | 138              |
| Other                                   | 510              | 534              |
| Accrued liabilities                     | \$1,263          | \$1,201          |

(a) See Note 5 of the Consolidated Financial Statements for further discussion on income taxes.

### Supplier Finance Programs

The Company has an agreement with a third-party financing provider to facilitate a supplier financing program. The program provides participating suppliers the option to receive outstanding payment obligations of the Company early at a discount. The Company's obligations to its suppliers, including amounts due and scheduled payment terms, are not impacted by suppliers' decisions to finance amounts under the program. All amounts payable to the financial institution relating to suppliers participating in the program are recorded in Accounts Payable in the Consolidated Balance Sheets and were \$97 million as of February 1, 2025 and \$19 million as of February 3, 2024.

The following is a rollforward of the Company's outstanding obligations under the supplier financing program, for the year ended February 1, 2025:

| (Dollars in Millions)      | 2024  |
|----------------------------|-------|
| Balance - February 4, 2024 | \$19  |
| Additions                  | 568   |
| Obligations settled        | (490) |
| Balance - February 1, 2025 | \$97  |

### Restructuring Reserve

We recognized \$76 million in Impairments, store closing, and other costs related to the closure of our San Bernardino E-commerce Fulfillment Center and 27 underperforming stores in 2024. Included in this amount was \$43 million of fixed asset impairments, \$11 million of lease Right of Use ("ROU") asset impairments, \$14 million of severance, and \$26 million in other costs relating to the closure of these locations. The \$26 million in other costs includes \$32 million of costs offset by \$6 million in cash proceeds related to lease termination agreements. Offsetting these costs were

## [Table of Contents](#)

\$18 million in non-cash lease gains, where upon the remeasurement, the reduction recorded to the lease liability was greater than the remaining value of the related ROU asset. The following table summarizes changes in the restructuring reserve during 2024:

| (Dollars in Millions)      | Severance | Other Exit Costs | Total Costs |
|----------------------------|-----------|------------------|-------------|
| Balance - February 4, 2024 | \$0       | \$0              | \$0         |
| Additions                  | 14        | 32               | 46          |
| Payments and reversals     | —         | (2)              | (2)         |
| Balance - February 1, 2025 | \$14      | \$30             | \$44        |

## Self-Insurance

We use a combination of insurance and self-insurance for a number of risks.

We retain the initial risk of \$500,000 per occurrence in workers' compensation claims and \$250,000 per occurrence in general liability claims. We record reserves for workers' compensation and general liability claims which include the total amounts that we expect to pay for a fully developed loss and related expenses, such as fees paid to attorneys, experts, and investigators.

We are fully self-insured for employee-related health care benefits, a portion of which is paid by our associates.

We use a third-party actuary to estimate the liabilities associated with workers' compensation, general liability, and employee-related health care risks. These liabilities include amounts for both reported claims and incurred, but not reported losses. The total liabilities, net of collateral held by third parties, for these risks were \$48 million as of February 1, 2025 and \$54 million as of February 3, 2024.

For property losses, we are subject to a \$5 million self-insured retention ("SIR"). Once the SIR is incurred, each loss is subject to a \$250,000 deductible, except for flooding in high hazard zones which is subject to a \$1 million deductible, and catastrophic events, such as earthquakes and windstorms, which are subject to a 2-5% deductible.

## Treasury Stock

We account for repurchases of common stock and shares withheld in lieu of taxes when restricted stock awards and units and performance-based share units vest using the cost method with common stock in treasury classified in the Consolidated Balance Sheets as a reduction of shareholders' equity.

During 2024 and 2023, we retired 35 million and 217 million shares of treasury stock. The shares were returned to the status of authorized but unissued shares. The retirement of treasury stock is recognized as a deduction from common stock for the shares' par value and any excess of cost over par as a deduction from retained earnings.

On August 18, 2022, we entered into an accelerated share repurchase agreement ("ASR") with Goldman Sachs to repurchase \$500 million of the Company's common stock. This ASR was part of the \$3.0 billion share repurchase program authorized by our Board of Directors in February 2022. On August 22, 2022, we received an initial delivery of 11.8 million shares of common stock, representing 80% of the total shares expected to be repurchased under the ASR. Final settlement occurred on November 7, 2022, with an additional 6.1 million shares of common stock being delivered, resulting in a total of 17.9 million shares with an average purchase price of approximately \$28 per share.

## Revenue Recognition

### Net Sales

Net sales includes revenue from the sale of merchandise, net of expected returns and deferrals due to future performance obligations, and shipping revenues. Net sales are recognized when merchandise is received by the customer and we have fulfilled all performance obligations. We do not have any sales that are recorded as commissions.

The following table summarizes net sales by line of business:

| (Dollars in Millions)           | 2024     | 2023     | 2022     |
|---------------------------------|----------|----------|----------|
| Women's                         | \$3,817  | \$4,281  | \$4,654  |
| Men's                           | 3,079    | 3,455    | 3,679    |
| Accessories (including Sephora) | 3,060    | 2,813    | 2,279    |
| Home                            | 2,311    | 2,533    | 2,791    |
| Children's                      | 1,819    | 2,060    | 2,176    |
| Footwear                        | 1,299    | 1,444    | 1,582    |
| Net Sales                       | \$15,385 | \$16,586 | \$17,161 |

- We maintain various rewards programs where customers earn rewards based on their spending and other promotional activities. The rewards are typically in the form of dollar-off discounts which can be used on future purchases. These programs create performance obligations which require us to defer a portion of the original sale until the rewards are redeemed.
- Sales are recorded net of returns. We record a reserve based on historical return rates and patterns which reverses sales that we expect to be returned in the following period.
- Revenue from the sale of Kohl's gift cards is recognized when the gift card is redeemed. During each of the fiscal years 2024, 2023, and 2022, net sales of \$127 million, \$149 million, and \$158 million, respectively, were recognized from gift cards redeemed during the current year and issued in prior years.
- Net sales do not include sales tax as we are considered a pass-through conduit for collecting and remitting sales taxes.

### Other Revenue

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.

Revenue from credit card operations includes our share of the finance charges, late fees, and other revenue less write-offs of uncollectible accounts of the Kohl's credit card pursuant to the Credit Card Program Agreement. Expenses related to our credit card operations are reported in Selling, General, and Administrative Expenses.

Revenue from unredeemed gift cards and merchandise return cards (breakage) is recorded in proportion to and over the time period the cards are actually redeemed.

## Cost of Merchandise Sold and Selling, General, and Administrative Expenses

The following table illustrates the primary costs classified in Cost of Merchandise Sold and Selling, General, and Administrative Expenses:

| Cost of Merchandise Sold                                                                                                                                                                                                                                                                                                                                                                                                                                         | Selling, General, and Administrative Expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Total cost of products sold including product development costs, net of vendor payments other than reimbursement of specific, incremental, and identifiable costs</li> <li>• Inventory shrink</li> <li>• Markdowns</li> <li>• Freight expenses associated with moving merchandise from our vendors to our distribution centers</li> <li>• Shipping expenses for digital sales</li> <li>• Terms cash discount</li> </ul> | <ul style="list-style-type: none"> <li>• Compensation and benefit costs including: <ul style="list-style-type: none"> <li>• Stores</li> <li>• Corporate, including buying</li> <li>• Distribution centers</li> </ul> </li> <li>• Occupancy and operating costs of our retail, distribution, and corporate facilities</li> <li>• Expenses related to our credit card operations</li> <li>• Freight expenses associated with moving merchandise from our distribution centers to our retail stores and between distribution and retail facilities other than expenses to fulfill digital sales</li> <li>• Marketing expenses, offset by vendor payments for reimbursement of specific, incremental, and identifiable costs</li> <li>• Other non-operating revenues and expenses</li> </ul> |

The classification of these expenses varies across the retail industry.

## Vendor Allowances

We receive consideration for a variety of vendor-sponsored programs, such as markdown allowances, and promotion and marketing support. The vendor consideration is recorded as earned either as a reduction of Cost of Merchandise Sold or Selling, General, and Administrative Expenses. Promotional and marketing allowances are intended to offset our marketing costs to promote vendors' merchandise. Markdown allowances are recorded as a reduction of inventory costs.

## Fair Value

Fair value measurements are required to be classified and disclosed in one of the following pricing categories:

- Level 1: Financial instruments with unadjusted, quoted prices listed on active market exchanges.
- Level 2: Financial instruments lacking unadjusted, quoted prices from active market exchanges, including over-the-counter traded financial instruments. The prices for the financial instruments are determined using prices for recently traded financial instruments with similar underlying terms as well as directly or indirectly observable inputs, such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3: Financial instruments that are not actively traded on a market exchange. This category includes situations where there is little, if any, market activity for the financial instrument. The prices are determined using significant unobservable inputs or valuation techniques.

## [Table of Contents](#)

Current assets and liabilities are reported at cost, which approximates fair value. Cash and cash equivalents are classified as Level 1 as carrying value approximates fair value because maturities are less than three months.

## Marketing

Marketing costs are expensed when the marketing is first seen. Marketing costs, net of related vendor allowances, are as follows:

| (Dollars in Millions)                             | 2024  | 2023  | 2022  |
|---------------------------------------------------|-------|-------|-------|
| Gross marketing costs                             | \$829 | \$839 | \$940 |
| Vendor allowances                                 | (42)  | (43)  | (57)  |
| Net marketing costs                               | \$787 | \$796 | \$883 |
| Net marketing costs as a percent of total revenue | 4.9%  | 4.6%  | 4.9%  |

## Income Taxes

Income taxes are accounted for under the asset and liability method. Under this method, deferred tax assets and liabilities are recorded based on differences between the amounts of assets and liabilities recognized for financial reporting purposes and such amounts recognized for income tax purposes. Deferred tax assets and liabilities are calculated using the enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse. We establish valuation allowances for deferred tax assets when we believe it is more likely than not that the asset will not be realizable for tax purposes. We recognize interest and penalty expense related to unrecognized tax benefits in our provision for income tax expense.

## Net Income (Loss) Per Share

Basic net income (loss) per share is net income (loss) divided by the average number of common shares outstanding during the period. Diluted net income (loss) 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 ("EPS") if their effect would be anti-dilutive.

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

| (Dollars and Shares in Millions, Except per Share Data) | 2024   | 2023   | 2022     |
|---------------------------------------------------------|--------|--------|----------|
| Numerator—Net income (loss)                             | \$109  | \$317  | \$(19)   |
| Denominator—Weighted-average shares:                    |        |        |          |
| Basic                                                   | 111    | 110    | 120      |
| Dilutive impact                                         | 1      | 1      | —        |
| Diluted                                                 | 112    | 111    | 120      |
| Net income (loss) per share:                            |        |        |          |
| Basic                                                   | \$0.98 | \$2.88 | \$(0.15) |
| Diluted                                                 | \$0.98 | \$2.85 | \$(0.15) |

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

| (Shares in Millions) | 2024 | 2023 | 2022 |
|----------------------|------|------|------|
| Anti-dilutive shares | 5    | 3    | 4    |

## [Table of Contents](#)

### Share-Based Awards

Share-based compensation expense is generally recognized on a straight-line basis over the vesting period based on the fair value of awards which are expected to vest. The fair value of all share-based awards is estimated on the date of grant.

### Recent Accounting Pronouncements

#### ***Accounting Standards Issued and Adopted***

In November 2023, The Financial Accounting Standards Board ("FASB") issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures", which enhances and expands the annual and interim disclosure requirements on reportable segments. We adopted this standard in the fourth quarter of 2024.

In September 2022, FASB issued ASU 2022-04, "Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations", which requires new and enhanced disclosures on the key terms of supplier financing programs, along with information on the obligations outstanding, and a rollforward of obligations during the annual period. The ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the rollforward information which is effective for fiscal years beginning after December 15, 2023.

#### ***Accounting Standards Issued but not yet Effective***

In 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740) - Improvement to Income Tax Disclosures ("ASU 2023-09"), which establishes new income tax disclosure requirements in addition to modifying and eliminating certain existing requirements. ASU 2023-09 requires entities to consistently categorize and provide greater disaggregation of information within the income tax reconciliation to enable users of financial statements to understand the nature and magnitude of factors contributing to the difference between the effective and statutory tax rates. For public entities, the provisions within ASU 2023-09 are effective for fiscal years beginning after December 15, 2024, and for interim periods of fiscal years beginning after December 15, 2025. We are currently evaluating the impact the adoption of ASU 2023-09 will have on our consolidated financial statement disclosures.

In 2024, the FASB issued ASU No. 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses ("ASU 2024-03"), which requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. For public entities, the provisions within ASU 2024-03 are effective for the first annual reporting period beginning after December 15, 2026, and for interim reporting periods within annual reporting periods beginning after December 15, 2027. The provisions within ASU 2024-03 are required to be applied prospectively; however, they may be applied retrospectively for all comparative periods following the effective date. We are currently assessing the impact the adoption of ASU 2024-03 will have on our consolidated financial statement disclosures.

## 2. Debt

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      |                  |
|---------------------------------------------------------|----------------------------|-------------|------------------|------------------|
|                                                         |                            |             | February 1, 2025 | February 3, 2024 |
| 2025                                                    | 9.50%                      | 10.75%      | —                | 113              |
| 2025                                                    | 4.25%                      | 4.25%       | 353              | 353              |
| 2029                                                    | 7.36%                      | 7.25%       | 42               | 42               |
| 2031                                                    | 3.40%                      | 4.63%       | 500              | 500              |
| 2033                                                    | 6.05%                      | 6.00%       | 112              | 112              |
| 2037                                                    | 6.89%                      | 6.88%       | 101              | 101              |
| 2045                                                    | 5.57%                      | 5.55%       | 427              | 427              |
| Outstanding unsecured senior debt                       |                            |             | 1,535            | 1,648            |
| Unamortized debt discounts and deferred financing costs |                            |             | (8)              | (10)             |
| Current portion of unsecured senior debt                |                            |             | (353)            | —                |
| Long-term unsecured senior debt                         |                            |             | \$1,174          | \$1,638          |
| Effective interest rate at issuance                     |                            |             | 4.73%            | 5.06%            |

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 February 1, 2025 and \$1.3 billion at February 3, 2024.

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 make whole premium paid to holders as a result of the redemption.

In December 2024, S&P downgraded our senior unsecured credit rating from BB to BB- and Moody's downgraded our rating from Ba3 to B1. As a result of the downgrades, the interest rate on our 3.375% notes due May 2031 will increase an additional 50 basis points in May 2025 due to the coupon adjustment provision within the note. Our credit rating was also downgraded in 2023 and 2022. This resulted in the interest rates on our 3.375% notes due May 2031 and 9.50% notes due May 2025 increasing 100 basis points in 2023 and 25 basis points in 2022. In total, the interest rates on the notes due May 2031 have increased 175 basis points since their issuance, of which 50 basis points becomes effective in May 2025, and the rates on the notes due May 2025 increased 125 basis points from their issuance to their redemption in June 2024.

Borrowings under the \$1.5 billion revolving credit facility, recorded as short-term debt, were \$290 million as of February 1, 2025, and \$92 million as of February 3, 2024. Outstanding borrowings under the credit facility bear interest at a variable rate based on SOFR plus the applicable margin. As of February 1, 2025, we had \$21 million of standby and trade letters of credit outstanding under the credit facility, which reduces the available borrowing capacity.

Our various debt agreements contain covenants including limitations on additional indebtedness and certain financial tests. As of February 1, 2025, we were in compliance with all covenants of the various debt agreements.

We also had outstanding standby and trade letters of credit outside of the credit facility totaling approximately \$7 million at February 1, 2025.

### 3. Leases

We lease certain property and equipment used in our operations. Some of our store leases include additional rental payments based on a percentage of sales over contractual levels or payments that are adjusted periodically for inflation. Our typical store lease has an initial term of 20 to 25 years and four to eight five-year renewal options.

Lease assets represent our right to use an underlying asset for the lease term. Lease assets are recognized at commencement date based on the value of the lease liability and are adjusted for any lease payments made to the lessor at or before commencement date, minus any lease incentives received and any initial direct costs incurred by the lessee.

Lease liabilities represent our contractual obligation to make lease payments. At the commencement date, the lease liabilities equal the present value of minimum lease payments over the lease term. As the implicit interest rate is not readily identifiable in our leases, we estimate our collateralized incremental borrowing rate to calculate the present value of lease payments.

Leases with a term of 12 months or less are excluded from the balance; we recognize lease expense for these leases on a straight-line basis over the lease term. We combine lease and non-lease components for new and modified leases.

The following tables summarize our operating and finance leases, which are predominately store related, and where they are presented in our Consolidated Financial Statements:

| Consolidated Balance Sheets        |                                                             | February 1,<br>2025 | February 3,<br>2024 |
|------------------------------------|-------------------------------------------------------------|---------------------|---------------------|
| (Dollars in Millions)              | Classification                                              |                     |                     |
| <b>Assets</b>                      |                                                             |                     |                     |
| Operating leases                   | Operating leases                                            | \$2,394             | \$2,499             |
| Finance leases                     | Property and equipment, net                                 | 1,666               | 1,883               |
| Total operating and finance leases |                                                             | 4,060               | 4,382               |
| <b>Liabilities</b>                 |                                                             |                     |                     |
| Current                            |                                                             |                     |                     |
| Operating leases                   | Current portion of operating leases                         | 102                 | 102                 |
| Finance leases                     | Current portion of finance leases and financing obligations | 72                  | 74                  |
| Noncurrent                         |                                                             |                     |                     |
| Operating leases                   | Operating leases                                            | 2,703               | 2,781               |
| Finance leases                     | Finance leases and financing obligations                    | 2,008               | 2,242               |
| Total operating and finance leases |                                                             | \$4,885             | \$5,199             |

| Consolidated Statement of Operations |                                      | 2024  | 2023  | 2022  |
|--------------------------------------|--------------------------------------|-------|-------|-------|
| (Dollars in Millions)                | Classification                       |       |       |       |
| <b>Operating leases</b>              | Selling, general, and administrative | \$276 | \$271 | \$264 |
| <b>Finance Leases</b>                |                                      |       |       |       |
| Amortization of leased assets        | Depreciation and amortization        | 113   | 121   | 126   |
| Interest on leased assets            | Interest expense, net                | 136   | 144   | 140   |
| Total operating and finance leases   |                                      | \$525 | \$536 | \$530 |

| Consolidated Statement of Cash Flows                                       |  | 2024  | 2023  | 2022  |
|----------------------------------------------------------------------------|--|-------|-------|-------|
| (Dollars in Millions)                                                      |  |       |       |       |
| <b>Cash paid for amounts included in measurement of leased liabilities</b> |  |       |       |       |
| Operating cash flows from operating leases                                 |  | \$265 | \$272 | \$266 |
| Operating cash flows from finance leases                                   |  | 132   | 140   | 133   |
| Financing cash flows from finance leases                                   |  | 74    | 78    | 86    |

[Table of Contents](#)

The following table summarizes future lease payments by fiscal year:

| (Dollars in millions)        | February 1, 2025 |                |         |
|------------------------------|------------------|----------------|---------|
|                              | Operating Leases | Finance Leases | Total   |
| 2025                         | \$271            | \$189          | \$460   |
| 2026                         | 260              | 186            | 446     |
| 2027                         | 257              | 186            | 443     |
| 2028                         | 254              | 182            | 436     |
| 2029                         | 254              | 178            | 432     |
| After 2029                   | 3,694            | 2,761          | 6,455   |
| Total lease payments         | \$4,990          | \$3,682        | \$8,672 |
| Amount representing interest | (2,185)          | (1,602)        | (3,787) |
| Lease liabilities            | \$2,805          | \$2,080        | \$4,885 |

Total lease payments include \$3.8 billion related to options to extend operating lease terms that are reasonably certain of being exercised and \$2.8 billion related to options to extend finance lease terms that are reasonably certain of being exercised. Additionally, total lease payments exclude \$9 million of legally binding lease payments for leases signed but not yet commenced.

The following table summarizes weighted-average remaining lease term and discount rate:

|                                                | February 1, 2025 | February 3, 2024 |
|------------------------------------------------|------------------|------------------|
| <b>Weighted-average remaining term (years)</b> |                  |                  |
| Operating leases                               | 19               | 20               |
| Finance leases                                 | 19               | 20               |
| <b>Weighted-average discount rate</b>          |                  |                  |
| Operating leases                               | 6%               | 6%               |
| Finance leases                                 | 6%               | 6%               |

Other lease information is as follows:

| (Dollars in Millions)                                                  | 2024 | 2023 | 2022 |
|------------------------------------------------------------------------|------|------|------|
| <b>Property and equipment acquired (disposed) through exchange of:</b> |      |      |      |
| Finance lease liabilities                                              | (70) | (36) | 714  |
| Operating lease liabilities                                            | 85   | 278  | 179  |

## Financing Obligations

Historical failed sale-leasebacks that did not qualify for sale-leaseback accounting upon adoption of ASC 842 continue to be accounted for as financing obligations.

The following tables summarize our financing obligations, which are all store related, and where they are presented in our Consolidated Financial Statements:

| Consolidated Balance Sheets |                                                             | February 1, 2025 | February 3, 2024 |
|-----------------------------|-------------------------------------------------------------|------------------|------------------|
| (Dollars in millions)       | Classification                                              |                  |                  |
| <b>Assets</b>               |                                                             |                  |                  |
| Financing obligations       | Property and equipment, net                                 | \$39             | \$44             |
| <b>Liabilities</b>          |                                                             |                  |                  |
| Current                     | Current portion of finance leases and financing obligations | 9                | 9                |
| Noncurrent                  | Finance leases and financing obligations                    | 448              | 438              |
| Total financing obligations |                                                             | \$457            | \$447            |

| Consolidated Statement of Operations        |                               | 2024 | 2023 | 2022 |
|---------------------------------------------|-------------------------------|------|------|------|
| (Dollars in millions)                       | Classification                |      |      |      |
| Amortization of financing obligation assets | Depreciation and amortization | \$4  | \$5  | \$7  |
| Interest on financing obligations           | Interest expense, net         | 74   | 70   | 58   |
| Total financing obligations                 |                               | \$78 | \$75 | \$65 |

| Consolidated Statement of Cash Flows                                          |  | 2024 | 2023 | 2022 |
|-------------------------------------------------------------------------------|--|------|------|------|
| (Dollars in millions)                                                         |  |      |      |      |
| <b>Cash paid for amounts included in measurement of financing obligations</b> |  |      |      |      |
| Operating cash flows from financing obligations                               |  | \$71 | \$68 | \$56 |
| Financing cash flows from financing obligations                               |  | 5    | 15   | 20   |
| Proceeds from financing obligations                                           |  | 1    | 21   | 11   |

The following table summarizes future financing obligation payments by fiscal year:

| (Dollars in millions)                    | February 1, 2025      |
|------------------------------------------|-----------------------|
|                                          | Financing Obligations |
| 2025                                     | \$80                  |
| 2026                                     | 81                    |
| 2027                                     | 81                    |
| 2028                                     | 78                    |
| 2029                                     | 77                    |
| After 2029                               | 1,103                 |
| Total lease payments                     | \$1,500               |
| Non-cash gain on future sale of property | 116                   |
| Amount representing interest             | (1,159)               |
| Financing obligation liability           | \$457                 |

Total payments exclude \$7 million of legally binding payments for contracts signed, but not yet commenced.

The following table summarizes the weighted-average remaining term and discount rate for financing obligations:

|                                         | February 1, 2025 | February 3, 2024 |
|-----------------------------------------|------------------|------------------|
| Weighted-average remaining term (years) | 16               | 16               |
| Weighted-average discount rate          | 16%              | 16%              |

The following table shows the cash rent out flows for the operating leases, finance leases, and financing obligations:

| Consolidated Statement of Cash Flows            |  | 2024  | 2023  | 2022  |
|-------------------------------------------------|--|-------|-------|-------|
| (Dollars in millions)                           |  |       |       |       |
| Operating cash flows from operating leases      |  | \$265 | \$272 | \$266 |
| Operating cash flows from finance leases        |  | 132   | 140   | 133   |
| Financing cash flows from finance leases        |  | 74    | 78    | 86    |
| Operating cash flows from financing obligations |  | 71    | 68    | 56    |
| Financing cash flows from financing obligations |  | 5     | 15    | 20    |
| Total cash rent                                 |  | \$547 | \$573 | \$561 |

#### 4. Benefit Plans

We have a defined contribution savings plan covering all full-time and certain part-time associates. Participants in this plan may invest up to 99% of their base compensation, subject to certain statutory limits. We match 100% of the first 5% of each participant's contribution, subject to certain statutory limits.

We also offer a non-qualified deferred compensation plan to a group of executives which provides for pre-tax compensation deferrals up to 75% of salary and 100% of bonus. Deferrals and earned investment returns are 100% vested.

[Table of Contents](#)

The total costs for both of these benefit plans were \$53 million for 2024, \$52 million for 2023 and \$50 million for 2022.

## 5. Income Taxes

Deferred income taxes consist of the following:

| (Dollars in Millions)                                             | February 1, 2025 | February 3, 2024 |
|-------------------------------------------------------------------|------------------|------------------|
| Deferred tax liabilities:                                         |                  |                  |
| Property and equipment                                            | \$431            | \$521            |
| Lease assets                                                      | 1,024            | 1,151            |
| Merchandise inventories                                           | 31               | 45               |
| Total deferred tax liabilities                                    | 1,486            | 1,717            |
| Deferred tax assets:                                              |                  |                  |
| Lease obligations                                                 | 1,336            | 1,468            |
| Accrued and other liabilities, including stock-based compensation | 188              | 200              |
| Federal benefit on state tax reserves                             | 16               | 21               |
| Valuation allowance                                               | (44)             | (47)             |
| Total deferred tax assets                                         | 1,496            | 1,642            |
| Net deferred tax (asset) liability                                | \$(10)           | \$75             |

Deferred tax assets included in other long-term assets totaled \$38 million as of February 1, 2025 and \$32 million as of February 3, 2024. As of February 1, 2025, the Company had state net operating loss carryforwards, net of valuation allowances, of \$16 million, and state credit carryforwards, net of valuation allowances, of \$2 million, which will expire between 2025 and 2045. As of February 3, 2024, state net operating loss carryforwards, net of valuation allowances, were \$28 million, and state credit carryforwards, net of valuation allowances, were \$4 million.

The components of the Provision (benefit) for income taxes were as follows:

| (Dollars in Millions)                | 2024 | 2023 | 2022   |
|--------------------------------------|------|------|--------|
| Current federal                      | \$87 | \$78 | \$39   |
| Current state                        | 3    | (14) | 6      |
| Deferred federal                     | (79) | (18) | (70)   |
| Deferred state                       | (6)  | 10   | (14)   |
| Provision (benefit) for income taxes | \$5  | \$56 | \$(39) |

The effective tax rate differs from the amount that would be provided by applying the statutory U.S. corporate tax rate due to the following items:

| (Dollars in Millions)                          | 2024 | 2023  | 2022   |
|------------------------------------------------|------|-------|--------|
| Taxes computed at federal statutory rate       | \$24 | \$78  | \$(12) |
| State income taxes, net of federal tax benefit | 6    | 16    | (1)    |
| Uncertain tax positions                        | (13) | (28)  | (16)   |
| Federal tax credits                            | (9)  | (9)   | (8)    |
| Other                                          | (3)  | (1)   | (2)    |
| Total                                          | \$5  | \$56  | \$(39) |
| Effective tax rate                             | 3.9% | 15.1% | 68.1%  |

Our income tax provisions or benefits were \$5 million tax provision, \$56 million tax provision, and \$39 million tax benefit in fiscal years 2024, 2023, and 2022, respectively. Fiscal years 2024 and 2023 resulted in income tax provisions compared to an income tax benefit in fiscal year 2022 due to the pre-tax book income in fiscal years 2024 and 2023 compared to the pre-tax book loss in 2022. In addition, in fiscal years 2024, 2023 and 2022, we recorded a net tax benefit for the impact of favorable results from uncertain tax positions.

## [Table of Contents](#)

We have analyzed filing positions in all of the federal and state jurisdictions where we are required to file income tax returns, as well as all open tax years in these jurisdictions. The significant federal and state returns subject to examination are the 2015 through 2024 tax years. Certain tax agencies have proposed adjustments, which we are currently appealing. If we do not prevail on our appeals, we do not anticipate that the adjustments would result in a material change in our financial position.

We assess our income tax positions and record tax liabilities for all years subject to examination based upon management's evaluation of the facts and circumstances and information available at the reporting dates. For those income tax positions where it is more-likely-than-not, based on technical merits, that a tax benefit will be sustained upon the conclusion of an examination, we have recorded the largest amount of tax benefit having a cumulatively greater than 50% likelihood of being realized upon ultimate settlement with the applicable taxing authority, assuming that it has full knowledge of all relevant information. For those tax positions which do not meet the more-likely-than-not threshold regarding the ultimate realization of the related tax benefit, no tax benefit has been recorded in the financial statements. In addition, we provide for interest and penalties, as applicable, and record such amounts as a component of the overall income tax provision. A reconciliation of the beginning and ending gross amount of unrecognized tax benefits is as follows:

| (Dollars in Millions)                                | 2024  | 2023  |
|------------------------------------------------------|-------|-------|
| Balance at beginning of year                         | \$200 | \$219 |
| Increases due to tax positions taken in prior years  | 2     | 10    |
| Increases due to tax positions taken in current year | 7     | 6     |
| Decreases due to:                                    |       |       |
| Tax positions taken in prior years                   | (17)  | (32)  |
| Settlements with taxing authorities                  | (5)   | —     |
| Lapse of applicable statute of limitations           | (3)   | (3)   |
| Balance at end of year                               | \$184 | \$200 |

The total gross amount of interest and penalties accrued was \$21 million at February 1, 2025 and \$33 million at February 3, 2024. Interest and penalties recognized during the years were a tax benefit of \$3 million in 2024, \$8 million in 2023, and \$1 million in 2022.

Our net unrecognized tax benefits that, if recognized, would affect our effective tax rate were \$173 million as of February 1, 2025 and \$186 million as of February 3, 2024. It is reasonably possible that our unrecognized tax positions may change within the next 12 months, primarily as a result of ongoing audits. While it is possible that one or more of these examinations may be resolved in the next year, it is not anticipated that a significant impact to the unrecognized tax benefit balance will occur.

We have both payables and receivables for income taxes recorded on our balance sheet. Receivables included in other current assets totaled \$4 million as of February 1, 2025 and \$10 million as of February 3, 2024. Receivables included in other long-term assets totaled \$283 million as of February 1, 2025 and \$200 million as of February 3, 2024. The majority of the receivable balance relates to the cash benefit of the 2020 net operating loss that has not yet been received. Payables included in current liabilities totaled \$158 million as of February 1, 2025 and \$40 million as of February 3, 2024.

## 6. Share-Based Awards

We currently grant share-based compensation pursuant to the Kohl's Corporation 2024 Long-Term Compensation Plan, which provides for the granting of various forms of equity-based awards, including nonvested stock and units, performance share units, and options to purchase shares of our common stock, to officers, key employees, and directors. As of February 1, 2025, there were 7.7 million shares authorized and 6.3 million shares available for grant under the 2024 Long-Term Compensation Plan. Awards that are surrendered or terminated without issuance of shares are available for future grants. Shares related to any full value award delivered or withheld by the company to pay withholding taxes are also available for future grants.

Annual grants are typically made in the first quarter of the fiscal year. Grants to newly-hired and promoted employees and other discretionary grants are made periodically throughout the remainder of the year.

### Nonvested Restricted Stock Awards and Units

We grant shares of nonvested restricted stock awards and units to eligible key employees and to our Board of Directors. Substantially all awards have restriction periods tied primarily to employment and/or service. Employee awards generally vest over five years. Director awards vest over the term to which the director was elected, generally one year. In lieu of cash dividends, holders of nonvested stock awards are granted restricted stock equivalents which vest consistently with the underlying nonvested stock awards. Holders of restricted stock units are granted shares upon vesting in lieu of cash dividends.

The fair value of nonvested stock awards and units is the closing price of our common stock on the date of grant. We may acquire shares from employees in lieu of amounts required to satisfy minimum tax withholding requirements upon the vesting of the employee's unvested stock award. Such shares are then designated as treasury shares.

The following table summarizes nonvested stock and restricted stock unit activity, including restricted stock equivalents and restricted stock unit equivalents issued in lieu of cash dividends:

| (Shares and Units in Thousands) | 2024    |                                        | 2023    |                                        | 2022    |                                        |
|---------------------------------|---------|----------------------------------------|---------|----------------------------------------|---------|----------------------------------------|
|                                 | Shares  | Weighted Average Grant Date Fair Value | Shares  | Weighted Average Grant Date Fair Value | Shares  | Weighted Average Grant Date Fair Value |
| Balance at beginning of year    | 3,099   | \$29.66                                | 2,439   | \$39.40                                | 2,769   | \$36.17                                |
| Granted                         | 3,195   | 20.40                                  | 2,229   | 22.97                                  | 1,098   | 47.67                                  |
| Vested                          | (1,204) | 30.03                                  | (1,160) | 36.65                                  | (1,060) | 38.73                                  |
| Forfeited                       | (227)   | 29.12                                  | (409)   | 31.48                                  | (368)   | 41.71                                  |
| Balance at end of year          | 4,863   | \$23.51                                | 3,099   | \$29.66                                | 2,439   | \$39.40                                |

### Performance Share Units

We grant performance-based share units ("performance share units") to certain executives. The performance measurement period for these performance share units is three fiscal years. The fair market value of the grants is determined using a Monte-Carlo valuation on the date of grant (Level 3 inputs).

The actual number of shares which will be earned at the end of the three-year vesting periods will vary based on our cumulative financial performance over the vesting periods. The number of performance share units earned will be modified up or down based on Kohl's Relative Total Shareholder Return against a defined peer group during the vesting periods. The payouts, if earned, will be settled in Kohl's common stock after the end of each multi-year performance periods.

## [Table of Contents](#)

The following table summarizes performance share unit activity by year:

| (Units in Thousands)         | 2024  |                                        | 2023  |                                        | 2022  |                                        |
|------------------------------|-------|----------------------------------------|-------|----------------------------------------|-------|----------------------------------------|
|                              | Units | Weighted Average Grant Date Fair Value | Units | Weighted Average Grant Date Fair Value | Units | Weighted Average Grant Date Fair Value |
| Balance at beginning of year | 777   | \$31.26                                | 813   | \$45.87                                | 856   | \$42.74                                |
| Granted                      | 745   | 29.19                                  | 770   | 20.23                                  | 553   | 40.92                                  |
| Vested                       | (38)  | 74.68                                  | (582) | 23.78                                  | —     | —                                      |
| Forfeited                    | (108) | 64.22                                  | (224) | 65.80                                  | (596) | 36.79                                  |
| Balance at end of year       | 1,376 | \$26.35                                | 777   | \$31.26                                | 813   | \$45.87                                |

## Stock Options

There were no stock options outstanding as of February 1, 2025, February 3, 2024, or January 28, 2023.

There were no stock options exercised, forfeited, nor expired during fiscal year 2024 and 2023. At the beginning of fiscal year 2022, 12 thousand stock options were outstanding with a weighted average exercise price of \$48.66 per option; of which all were exercised within the year.

The intrinsic value of options exercised represents the excess of our stock price at the time the option was exercised over the exercise price and was \$0 in 2024 and 2023 and less than \$1 million in 2022.

## Stock Warrants

Effective April 18, 2019, in connection with our entry into a commercial agreement with Amazon.com Services, Inc. ("Amazon"), we issued warrants to an affiliate of Amazon, to purchase up to 1,747,441 shares of our common stock at an exercise price of \$69.68, subject to customary anti-dilution provisions. The fair value was estimated to be \$17.52 per warrant using a binomial lattice method. The warrants vest in five equal annual installments, and the first installment vested on January 15, 2020. The last installment vested on January 15, 2024 and all 1,747,441 shares were vested and unexercised as of February 1, 2025. The warrants will expire on April 18, 2026.

## Other Required Disclosures

Share-based compensation expense is included in Selling, General, and Administrative Expenses in our Consolidated Statements of Income. Share-based compensation expense, net of forfeitures, totaled \$30 million for 2024, \$42 million for 2023, and \$30 million for 2022. At February 1, 2025, we had approximately \$99 million of unrecognized share-based compensation expense, which is expected to be recognized over a weighted-average period of 1.5 years.

## 7. Contingencies

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.

## 8. Subsequent Events

On March 11, 2025, our Board of Directors of Kohl's Corporation declared a quarterly cash dividend of \$0.125 per share. The dividend will be paid on April 2, 2025 to all shareholders of record at the close of business on March 21, 2025.

## **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures**

None

### **Item 9A. 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 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.

#### **Management's Annual Report on Internal Control over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control system was designed to provide reasonable assurance to our management and Board of Directors regarding the preparation and fair presentation of our published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Our management assessed the effectiveness of our internal control over financial reporting as of February 1, 2025. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control—Integrated Framework (2013 Framework). Based on this assessment, our management has concluded that as of February 1, 2025, our internal control over financial reporting was effective based on those criteria.

Ernst & Young LLP, an independent registered public accounting firm, has audited the Consolidated Financial Statements included in this Annual Report on Form 10-K and, as part of its audit, has issued an attestation report, included herein, on the effectiveness of our internal control over financial reporting.

#### **Changes in Internal Control over Financial Reporting**

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

## **Report of Independent Registered Public Accounting Firm**

To the Shareholders and the Board of Directors of Kohl's Corporation

### **Opinion on Internal Control over Financial Reporting**

We have audited Kohl's Corporation's internal control over financial reporting as of February 1, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Kohl's Corporation (the Company) maintained, in all material respects, effective internal control over financial reporting as of February 1, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of February 1, 2025 and February 3, 2024, and the related consolidated statements of operations, changes in shareholders' equity and cash flows for each of the three years in the period ended February 1, 2025, and the related notes and our report dated March 20, 2025 expressed an unqualified opinion thereon.

### **Basis for Opinion**

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### **Definition and Limitations of Internal Control over Financial Reporting**

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

[Table of Contents](#)

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Milwaukee, Wisconsin

March 20, 2025

**Item 9B. Other Information**

Except as noted below, during the three months ended February 1, 2025, 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 November 27, 2024, Christie Raymond, Senior Executive Vice President, Chief Marketing 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 26,500 shares of the Company’s common stock. Sales under the Plan may commence on February 25, 2025. The Plan will expire on the earlier of December 1, 2025 or the execution of all trades specified thereunder.

**Item 9C. Disclosure Regarding Foreign Jurisdictions That Prevent Inspections**

Not applicable.

## **PART III**

### **Item 10. Directors, Executive Officers, and Corporate Governance**

We expect to file with the Securities and Exchange Commission, in March 2025, a definitive proxy statement in connection with our 2025 Annual Meeting of Shareholders (“our 2025 Proxy”). The following information to be included in our 2025 Proxy is incorporated herein by reference:

- For information with respect to our Directors and the committees of our Board of Directors, refer to the applicable portions of the “Proposal 1 – Election of Directors” and “Corporate Governance Matters” sections of our 2025 Proxy.
- For information related to our written Code of Ethics, refer to the “Corporate Governance Matters” section of our 2025 Proxy. Any amendment to, or waiver of, a provision of the Code of Ethics applicable to our Chief Executive Officer, Chief Financial Officer, or other key finance and accounting associates will be disclosed on the “Corporate Governance” section of <http://corporate.kohls.com>. We intend to satisfy our disclosure requirements under item 5.05 of Form 8-K regarding any amendments or waivers of our Code of Ethics by posting such information at this location on our website.

Information relating to our Executive Officers is set forth after Item 4, Information about our Executive Officers of Part I of this Annual Report on Form 10-K for the fiscal year ended February 1, 2025.

We have adopted an insider trading policy, known as our Statement on Securities Trading, governing the purchase, sale, and/or other dispositions of our securities by us, our directors, officers, and employees, that we believe is reasonably designed to promote compliance with insider trading laws, rules and regulations, and the exchange listing standards applicable to us. A copy of our Statement on Securities Trading is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

### **Item 11. Executive Compensation**

For information related to executive compensation, as required by Item 402 of Regulation S-K, refer to the information provided under the “Corporate Governance Matters” and “Executive Compensation” sections of our 2025 Proxy, including the “Proposal 2 - Advisory Vote to Approve the Compensation of Our Named Executive Officers,” “Compensation Committee Report,” “Compensation Discussion and Analysis,” “Practices and Policies Related to the Grant of Certain Equity Awards,” “Compensation Tables,” and “CEO Pay Ratio” subsections thereof, which information is incorporated herein by reference.

### **Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

See the information provided in the “Security Ownership of Certain Beneficial Owners, Directors, and Management” sections of our 2025 Proxy, which information is incorporated herein by reference.

[Table of Contents](#)

The following table provides information with respect to shares of common stock that may be issued under our existing equity compensation plans as of February 1, 2025:

| Plan Category (Shares in Thousands)                                       | (a)<br>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights | (b)<br>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights | (c)<br>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) |
|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Equity compensation plans approved by security holders <sup>(1)</sup>     | 6,020                                                                                              | —                                                                                  | 6,343                                                                                                                                              |
| Equity compensation plans not approved by security holders <sup>(2)</sup> | 1,747                                                                                              | \$69.68                                                                            | —                                                                                                                                                  |
| <b>Total</b>                                                              | <b>7,767</b>                                                                                       | <b>\$69.68</b>                                                                     | <b>6,343</b>                                                                                                                                       |

(1) This amount includes 1,376,056 shares that may be issued upon the vesting of Performance Share Units ("PSUs") and 4,644,320 shares that may be issued upon the vesting of Restricted Stock Units ("RSUs") granted under the 2024 Long-Term Compensation Plan, not including the issuance of future dividend equivalents. For PSUs, this amount represents the actual number of shares that would be issued for the 2022-2024 LTIP and number of shares that would be issued at the target level of payout for all other grants, which is not necessarily indicative of the amount of any actual future payout. PSUs and RSUs do not have an exercise price and therefore have been excluded from the weighted average exercise price calculation in column (b).

(2) Consists of warrants issued in April 2019. See Note 6 to the Consolidated Financial Statements for further discussion on warrants.

### Item 13. Certain Relationships and Related Transactions, and Director Independence

See the information provided in the "Director Independence" and "Related Person Transactions" sections of our 2025 Proxy, which information is incorporated herein by reference.

### Item 14. Principal Accounting Fees and Services

See the information provided in the "Audit Matters" section our 2025 Proxy, including the "Fees Paid to Ernst & Young" and "Pre-Approval Policies and Procedures" subsection, which information is incorporated herein by reference.

[Table of Contents](#)

**PART IV**

**Item 15. Exhibits and Financial Statement Schedules**

**Documents filed as part of this report**

1. Consolidated Financial Statements:

See Index to Consolidated Financial Statements, the Report of Independent Registered Public Accounting Firm, and the Consolidated Financial Statements, in Part II, Item 8 of this Form 10-K.

2. Financial Statement Schedule:

All schedules have been omitted as they are not applicable.

3. Exhibits:

| <u>Exhibit</u> | <u>Description</u>                                                                                                                                                                                                                                                                                    | <u>Document if Incorporated by Reference</u>                                                                                |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| 3.1            | <a href="#">Amended and Restated Articles of Incorporation of the Company</a>                                                                                                                                                                                                                         | Exhibit 3.1 of the Company's Current Report on Form 8-K filed on May 16, 2011                                               |
| 3.2            | <a href="#">Amended and Restated Bylaws (clean version)</a>                                                                                                                                                                                                                                           | Exhibit 3.1 of the Company's Current Report on Form 8-K filed on August 10, 2022                                            |
| 4.1            | Certain other long-term debt is described in Note 2 of the Notes to Consolidated Financial Statements. The Company agrees to furnish to the Commission, upon request, copies of any instruments defining the rights of holders of any such long-term debt described in Note 2 and not filed herewith. |                                                                                                                             |
| 4.2            | <a href="#">Warrant to Purchase Common Stock</a>                                                                                                                                                                                                                                                      | Exhibit 4.1 of the Company's Current Report on Form 8-K filed on April 23, 2019                                             |
| 4.3            | <a href="#">Description of Registrant's Securities</a>                                                                                                                                                                                                                                                | Exhibit 4.4 to the Company's Annual Report on Form 10-K for the year ended February 1, 2020                                 |
| 10.1           | <a href="#">Amended and Restated Executive Deferred Compensation Plan*</a>                                                                                                                                                                                                                            | Exhibit 10.1 of the Company's Annual Report on Form 10-K for the fiscal year ended February 1, 2003                         |
| 10.2           | <a href="#">Kohl's Corporation 2005 Deferred Compensation Plan, as amended and restated effective January 1, 2005*</a>                                                                                                                                                                                | Exhibit 10.4 of the Company's Annual Report on Form 10-K for the fiscal year ended January 28, 2006                         |
| 10.3           | <a href="#">Summary of Executive Medical Plan*</a>                                                                                                                                                                                                                                                    | Exhibit 10.6 of the Company's Annual Report on Form 10-K for the fiscal year ended January 29, 2005                         |
| 10.4           | <a href="#">Summary of Executive Life and Accidental Death and Dismemberment Plans*</a>                                                                                                                                                                                                               | Exhibit 10.7 of the Company's Annual Report on Form 10-K for the fiscal year ended January 29, 2005                         |
| 10.5           | <a href="#">Kohl's Corporation 2017 Long-Term Compensation Plan*</a>                                                                                                                                                                                                                                  | Annex A to the Proxy Statement on Schedule 14A filed on March 13, 2017 in connection with the company's 2017 Annual Meeting |
| 10.6           | <a href="#">Form of Executive Restricted Stock Agreement pursuant to the Kohl's Corporation 2017 Long-Term Compensation Plan*</a>                                                                                                                                                                     | Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 29, 2017                      |
| 10.7           | <a href="#">Form of Executive Performance Share Unit Agreement pursuant to the Kohl's Corporation 2017 Long-Term Compensation Plan*</a>                                                                                                                                                               | Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 29, 2017                      |

## [Table of Contents](#)

| Exhibit | Description                                                                                                                                                                                               | Document if Incorporated by Reference                                                                     |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| 10.8    | <a href="#">Non-Employee Director Compensation Policy*</a>                                                                                                                                                | Exhibit 10.10 of the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 2024      |
| 10.9    | <a href="#">Amended and Restated Executive Compensation Agreement between Kohl's Department Stores, Inc. and Jill Timm dated November 1, 2019*</a>                                                        | Exhibit 10.25 of the Company's Annual Report on Form 10-K for the fiscal year ended February 1, 2020      |
| 10.10   | <a href="#">Form of Restricted Stock Unit Agreement for persons party to an Employment Agreement</a>                                                                                                      | Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended May 1, 2021      |
| 10.11   | <a href="#">Form of Restricted Stock Unit Agreement for persons party to an Executive Compensation Agreement</a>                                                                                          | Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended May 1, 2021      |
| 10.12   | <a href="#">Form of Performance Stock Unit Agreement</a>                                                                                                                                                  | Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended May 1, 2021      |
| 10.13   | <a href="#">Amended and Restated Credit Card Program Agreement dated as of March 14, 2022, by and between Kohl's, Inc. and Capital One, National Association.</a>                                         | Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2022   |
| 10.14   | <a href="#">Amended and Restated Executive Compensation Agreement between Kohl's, Inc. and Siobhán Mc Feeney dated as of July 16, 2022.*</a>                                                              | Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 30, 2022    |
| 10.15   | <a href="#">Amended and Restated Raymond Executive Compensation Agreement between Kohl's, Inc. and Christie Raymond dated as of August 16, 2022.*</a>                                                     | Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 30, 2022    |
| 10.16   | <a href="#">Cash Award Agreement between Kohl's, Inc. and Jill Timm effective as of November 29, 2022.*</a>                                                                                               | Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended October 29, 2022 |
| 10.17   | <a href="#">Credit Agreement, dated as of January 19, 2023, by and among the Company and its subsidiaries, and Wells Fargo Bank, National Association, as agent, and the other lenders party thereto.</a> | Exhibit 10.1 of the Company's Current Report on Form 8-K filed on January 19, 2023                        |
| 10.18   | <a href="#">Restricted Stock Unit Agreement by and between Thomas Kingsbury and Kohl's Corporation dated as of January 13, 2023*</a>                                                                      |                                                                                                           |
| 10.19   | <a href="#">Cooperation Agreement, dated as of February 2, 2023, by and among Kohl's Corporation, Macellum Badger Fund, LP and certain of its affiliates.</a>                                             | Exhibit 10.1 of the Company's Current Report on Form 8-K filed on February 2, 2023                        |
| 10.20   | <a href="#">Performance Share Unit Agreement by and between Thomas Kingsbury and Kohl's Corporation dated as of March 27, 2023*</a>                                                                       |                                                                                                           |
| 10.21   | <a href="#">Restricted Stock Unit Agreement by and between Jill Timm and Kohl's Corporation dated as of April 21, 2023*</a>                                                                               | Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 25, 2023                          |
| 10.22   | <a href="#">Employment Agreement between Thomas Kingsbury and Kohl's, Inc. and Kohl's Corporation dated as of May 10, 2023*</a>                                                                           | Exhibit 10.1 to Amendment No. 2 to the Company's Current Report on Form 8-K filed on May 12, 2023         |
| 10.23   | <a href="#">Executive Compensation Agreement between Jennifer Kent and Kohl's, Inc. dated as of February 20, 2023*</a>                                                                                    | Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended April 29, 2023   |
| 10.24   | <a href="#">Executive Compensation Agreement between Nicholas Jones and Kohl's, Inc. dated as of March 20, 2023*</a>                                                                                      | Exhibit 10.5 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended April 29, 2023   |
| 10.25   | <a href="#">Restricted Stock Unit Agreement by and between Christie Raymond and Kohl's Corporation dated as of June 15, 2023*</a>                                                                         | Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 20, 2023                           |

## [Table of Contents](#)

| <b>Exhibit</b> | <b>Description</b>                                                                                                                                                | <b>Document if Incorporated by Reference</b>                                                          |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| 10.26          | <a href="#">Restricted Stock Unit Agreement by and between Siobhán Mc Feeney and Kohl's Corporation dated as of June 15, 2023*</a>                                | Exhibit 10.2 to the Company's Current Report on Form 8-K filed on June 20, 2023                       |
| 10.27          | <a href="#">Offer Letter accepted and agreed to effective November 29, 2022 by and between Nick Jones and Kohl's Inc.*</a>                                        | Exhibit 10.29 of the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 2024  |
| 10.28          | <a href="#">Offer Letter accepted and agreed to effective January 4, 2023 by and between Jennifer Kent and Kohl's Inc.*</a>                                       | Exhibit 10.30 of the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 2024  |
| 10.29          | <a href="#">Offer Letter accepted and agreed to effective September 21, 2023 by and between Fred Hand and Kohl's Inc.*</a>                                        | Exhibit 10.31 of the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 2024  |
| 10.30          | <a href="#">Executive Compensation Agreement between Fred Hand and Kohl's Inc. dated as of September 25, 2023*</a>                                                | Exhibit 10.32 of the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 2024  |
| 10.31          | <a href="#">Aircraft Time Sharing Agreement between Kohl's Inc. and Thomas Kingsbury dated as of November 3, 2023</a>                                             | Exhibit 10.33 of the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 2024  |
| 10.32          | <a href="#">Kohl's Corporation Annual Incentive Plan Amended and Restated as of March 25, 2024*</a>                                                               | Exhibit 10.1 of the Company's Current Report on Form 8-K filed on March 27, 2024                      |
| 10.33          | <a href="#">Performance Share Unit Agreement by and between Thomas Kingsbury and Kohl's Corporation dated as of March 25, 2024*</a>                               | Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended May 4, 2024  |
| 10.34          | <a href="#">Restricted Stock Unit Agreement by and between Thomas Kingsbury and Kohl's Corporation dated as of March 25, 2024*</a>                                | Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended May 4, 2024  |
| 10.35          | <a href="#">Kohl's Corporation 2024 Long-Term Compensation Plan*</a>                                                                                              | Annex A of the Proxy Statement on Schedule 14A filed on April 5, 2024                                 |
| 10.36          | <a href="#">Form of Executive Performance Share Unit Agreement pursuant to the Kohl's Corporation 2024 Long Term Compensation Plan</a>                            | Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2024 |
| 10.37          | <a href="#">Form of Executive Restricted Stock Unit Agreement pursuant to the Kohl's Corporation 2024 Long Term Compensation Plan</a>                             | Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2024 |
| 10.38          | <a href="#">Form of Non-Employee Directors Restricted Stock Agreement pursuant to the Kohl's Corporation 2024 Long Term Compensation Plan</a>                     | Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2024 |
| 10.39          | <a href="#">Form of Non-Employee Directors Deferred Restricted Stock Unit Agreement pursuant to the Kohl's Corporation 2024 Long Term Compensation Plan</a>       | Exhibit 10.5 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2024 |
| 10.40          | <a href="#">Offer Letter accepted and agreed to effective November 22, 2024 by and between J. Ashley Buchanan and Kohl's Inc.*</a>                                | Exhibit 10.1 of the Company's Current Report on Form 8-K filed on November 25, 2024                   |
| 10.41          | <a href="#">Executive Compensation Agreement between J. Ashley Buchanan and Kohl's Inc. dated as of January 15, 2025*</a>                                         |                                                                                                       |
| 10.42          | <a href="#">Restricted Stock Unit Agreement (1-Year Recruitment Grant) by and between J. Ashley Buchanan and Kohl's Corporation dated as of January 15, 2025*</a> |                                                                                                       |
| 10.43          | <a href="#">Restricted Stock Unit Agreement (3-Year Recruitment Grant) by and between J. Ashley Buchanan and Kohl's Corporation dated as of January 15, 2025*</a> |                                                                                                       |
| 19.1           | <a href="#">Kohl's Corporation Statement on Securities Trading</a>                                                                                                |                                                                                                       |
| 21.1           | <a href="#">Subsidiaries of the Registrant</a>                                                                                                                    |                                                                                                       |

## [Table of Contents](#)

|         |                                                                                                                                                                        |                                                                                                   |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 23.1    | <a href="#">Consent of Ernst &amp; Young LLP</a>                                                                                                                       |                                                                                                   |
| 31.1    | <a href="#">Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>                                                |                                                                                                   |
| 31.2    | <a href="#">Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>                                                |                                                                                                   |
| 32.1    | <a href="#">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.</a> |                                                                                                   |
| 32.2    | <a href="#">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.</a> |                                                                                                   |
| 97      | <a href="#">Executive Officer Compensation Recovery Policy*</a>                                                                                                        | Exhibit 97 of the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 2024 |
| 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)                                                                              |                                                                                                   |

\*A management contract or compensatory plan or arrangement.

## **Item 16. Form 10-K Summary**

Not applicable.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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

By: /s/ Ashley Buchanan  
Ashley Buchanan  
Chief Executive Officer and Director  
(Principal Executive Officer)

/s/ Jill Timm  
Jill Timm  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

Dated: March 20, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated above:

/s/ Michael Bender  
Michael Bender  
Chairman

/s/ Wendy Arlin  
Wendy Arlin  
Director

/s/ Ashley Buchanan  
Ashley Buchanan  
Chief Executive Officer  
Director (Principal Executive Officer)

/s/ Yael Cosset  
Yael Cosset  
Director

/s/ Christine Day  
Christine Day  
Director

/s/ H. Charles Floyd  
H. Charles Floyd  
Director

/s/ Thomas A. Kingsbury  
Thomas A. Kingsbury  
Director

/s/ Robbin Mitchell  
Robbin Mitchell  
Director

/s/ Jonas Prising  
Jonas Prising  
Director

/s/ John E. Schlifske  
John E. Schlifske  
Director

/s/ Adrienne Shapira  
Adrienne Shapira  
Director

/s/ Adolfo Villagomez  
Adolfo Villagomez  
Director