



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

March 6, 2024

Elizabeth McCright  
Kohl's Corporation

Re: Kohl's Corporation (the "Company")  
Incoming letter dated December 21, 2023

Dear Elizabeth McCright:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by the Sisters of St. Francis of Philadelphia and co-filer for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal asks the board to oversee the preparation of a Living Wage Report, including the number of workers paid less than a living wage broken down into specified categories, by how much the aggregate compensation paid to workers in each category falls short of the aggregate amount they would be paid if they received a living wage, and the living wage benchmark or methodology used for such disclosures.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal seeks to micromanage the Company. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(7).

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2023-2024-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Tom McCaney  
Sisters of St. Francis of Philadelphia



Elizabeth McCright  
SVP, Deputy General Counsel  
(262) 703-1534  
lizzy.mccright@kohls.com

December 21, 2023

**VIA STAFF ONLINE FORM**

U.S. Securities and Exchange Commission  
Division of Corporation Finance  
Office of Chief Counsel  
100 F. Street, N.E.  
Washington, D.C. 20549

***Re: Kohl's Corporation – Omission of Shareholder Proposal Submitted by Sisters of St. Francis of Philadelphia and School Sisters of Notre Dame, Central Pacific Province***

Ladies and Gentlemen:

The purpose of this letter is to inform you, pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "Act"), that Kohl's Corporation ("Kohl's") intends to omit from its proxy statement and form of proxy for the 2024 annual meeting of its shareholders (the "2024 Proxy Materials") the shareholder proposal and supporting statement attached hereto as Exhibit A (the "Shareholder Proposal"), which was submitted by Sisters of St. Francis of Philadelphia and School Sisters of Notre Dame, Central Pacific Province (the "Proponents").

In accordance with guidance from staff of the Division of Corporation Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission"), we are submitting this letter and its attachments to the Staff through the Staff's online shareholder proposal form. The undersigned has included her name and telephone number at the top of this letter.

Kohl's believes that the Shareholder Proposal may be excluded from Kohl's 2024 Proxy Materials pursuant to Rule 14a-8(i)(7) of the Act on the basis that the Shareholder Proposal deals with a matter relating to Kohl's ordinary business operations. We hereby request that the Staff confirm that it will not recommend enforcement action to the Commission if, in reliance on Rule 14a-8(i)(7), Kohl's excludes the Shareholder Proposal from its 2024 Proxy Materials.

In accordance with Rule 14a-8(j), we are:

- submitting this letter not later than 80 days prior to the date on which we intend to file definitive 2024 Proxy Materials; and

- simultaneously providing a copy of this letter and its exhibits to the Proponents, thereby notifying them of our intention to exclude the Shareholder Proposal from the 2024 Proxy Materials.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (November 7, 2008) (“SLB 14D”) provide that shareholder proposal proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponents that if the Proponents elect to submit additional correspondence to the Commission or the Staff with respect to this Shareholder Proposal, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of Kohl’s pursuant to Rule 14a-8(k) and SLB 14D.

### **THE SHAREHOLDER PROPOSAL**

The Shareholder Proposal states:

RESOLVED, that shareholders of Kohl’s Corporation (“Kohl’s” or the “Company”) urge Kohl’s board to oversee the preparation of a Living Wage Report in order to give investors information they need to assess the extent to which Kohl’s is complying with international human rights standards and helping to mitigate systemic risks stemming from income inequality. The Living Wage Report should be updated semiannually and disclosed on Kohl’s website and should include:

- The number of Kohl’s workers paid less than a living wage, broken down by full time employees, part-time employees, and contingent workers;
- By how much the aggregate compensation paid to workers in each category falls short of the aggregate amount they would be paid if they received a living wage; and
- The living wage benchmark/methodology used for these disclosures

A living wage is defined as a level of compensation that is “sufficient to afford a decent standard of living for the worker and her or his family” in their location, including “food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events.”<sup>1</sup> Contingent workers are workers employed by staffing entities with which Kohl’s contracts as well as seasonal workers employed directly by Kohl’s.

A copy of the Shareholder Proposal, including the supporting statements, the Proponents’ cover letters submitting the Shareholder Proposal, and other correspondence relating to the Shareholder Proposal are attached hereto as Exhibit A.

### **BASIS FOR EXCLUSION**

**KOHL’S MAY EXCLUDE THE SHAREHOLDER PROPOSAL FROM KOHL’S 2024 PROXY MATERIALS PURSUANT TO RULE 14a-8(i)(7) BECAUSE THE SHAREHOLDER PROPOSAL DEALS WITH A MATTER RELATING TO KOHL’S**

<sup>1</sup> <https://www.globallivingwage.org/about/what-is-a-living-wage/> (footnote in original)

## **ORDINARY BUSINESS OPERATIONS.**

Rule 14a-8(i)(7) allows the omission of a shareholder proposal if the proposal “deals with a matter relating to the company’s ordinary business operations.” The Commission’s adopting release accompanying amendments to Rule 14a-8 described the policy underlying this exclusion as to “confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting.” See Securities Exchange Act Release No. 34-40018 (May 21, 1998) (“1998 Release”). The 1998 Release further describes the two “central considerations” for the ordinary business exclusion. The first consideration relates to the subject matter of the proposal with certain tasks “so fundamental to management’s ability to run a company on a day-to-day basis” that they could not be subject to direct shareholder oversight as a practicable matter. The 1998 Release provides that proposals relating to such matters but “focusing on sufficiently significant social policy issues . . . generally would not be considered to be excludable, because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” Staff Legal Bulletin No. 14L (November 3, 2021) (“SLB 14L”) provides that the Staff “will consider whether the proposal raises issues with a broad societal impact, such that they transcend the ordinary business of the company,” as opposed to “determining the nexus between a policy issue and the company.”

The second consideration of the exclusion “relates to the degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” See 1998 Release. This second consideration “may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” See 1998 Release. SLB 14L provides the Staff “will focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management.”

If a proposal relates to the preparation of a report, the analysis of whether the proposal is excludable is whether the underlying subject matter of the report involves a matter of ordinary business. See Securities Exchange Act Release No. 20091 (August 16, 1983) (“In the past, the staff has taken the position that proposals requesting issuers to prepare reports on specific aspects of their business or to form special committees to study a segment of their business would not be excludable under Rule 14a-8(c)(7). Because this interpretation raises form over substance and renders the provisions of paragraph (c)(7) largely a nullity, the Commission has determined to adopt the interpretative change set forth in the Proposing Release. Henceforth, the staff will consider whether the subject matter of the special report or the committee involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)”; see also Staff Legal Bulletin No. 14E (October 27, 2009) (footnotes omitted) (“Instead, similar to the way in which we analyze proposals asking for the preparation of a report, the formation of a committee or the inclusion of disclosure in a Commission-prescribed document — where we look to the underlying subject matter of the report, committee or disclosure to determine whether the proposal relates to ordinary business — we will consider whether the underlying subject matter of the risk evaluation involves a matter of ordinary business to the company.”)

As discussed in detail below, the Shareholder Proposal, which relates to Kohl's general employee compensation, is excludable under Rule 14a-8(i)(7) because it deals specifically with a matter relating to Kohl's ordinary business operations, and it does not focus on a significant social policy issue that transcends Kohl's ordinary business operations. Further, the Shareholder Proposal seeks to micromanage Kohl's by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.

**A. The Shareholder Proposal Relates To General Employee Compensation, Which Is A Subject Matter Directly Concerning Kohl's Ordinary Business Operations**

In Staff Legal Bulletin No. 14A (July 12, 2002) ("SLB 14A"), the Staff stated "[s]ince 1992, we have applied a bright-line analysis to proposals concerning equity or cash compensation" under which "[w]e agree with the view of companies that they may exclude proposals that relate to general employee compensation matters in reliance on rule 14a-8(i)(7)." See *Johnson Controls, Inc.* (October 16, 2012) (the Staff concurring there was some basis to exclude a shareholder proposal under Rule 14a-8(i)(7), and stating that proposals that concern general employee compensation matters are generally excludable under Rule 14a-8(i)(7)); *Xerox Corporation* (March 31, 2000) (the Staff stating that "Xerox may exclude the proposal under rule 14a-8(i)(7), as relating to Xerox's ordinary business operations (i.e., general employee compensation matters)"); see also 1998 Release ("Examples include the management of the workforce, such as the hiring, promotion, and termination of employees, decisions on production quality and quantity, and the retention of suppliers.").

The Staff has concurred in the exclusion of shareholder proposals under Rule 14a-8(i)(7) where such proposals related to reports on general employee compensation matters. For example, in *Wal-Mart Stores, Inc.* (March 15, 1999), the proposal called for a report that was to include, in part, a description of "policies to implement wage adjustments to ensure adequate purchasing power and a sustainable living wage." Even though the proposal listed additional matters to be covered that were outside the scope of ordinary business, the Staff concurred in the exclusion of the proposal, stating that a description of policies to implement wage adjustments to ensure adequate purchasing power and a sustainable living wage "relate[d] to ordinary business operations." Similarly, in *Yum! Brands, Inc.* (February 24, 2015), the Staff concurred the proposal was excludable under Rule 14a-8(i)(7) where the proposal requested a report comparing the total compensation package of top senior executives to store employees' median wage and an analysis of changes in the relative size of the gap along with an analysis and rationale justifying any trends evidenced. Likewise, in both *Amazon.com, Inc.* (April 8, 2022) and *Repligen Corporation* (April 1, 2022), the Staff concurred the respective proposals were excludable under Rule 14a-8(i)(7), where the proposals requested annual reports on the distribution of stock-based incentives throughout the companies' workforces, including a matrix, sorted by EEO-1 employee classification (or another appropriate classification scheme with four or more categories), "showing aggregate amounts of stock ownership granted and utilized by all U.S. Company employees and including associated voting power, if any."

The SEC has also concurred in the exclusion of proposals under Rule 14a-8(i)(7) related to minimum wage reform or principles. In *McDonald's Corporation* (March 18, 2015), where a proposal called for a minimum wage of \$11, the Staff stated in response to McDonald's Corporation's no-action request, "[t]here appears to be some basis for your view that McDonald's may exclude the proposal under rule 14a-8(i)(7), as relating to McDonald's ordinary

business operations” and that “[i]n this regard, we note that the proposal relates to general compensation matters.” Similarly, in *Best Buy Co., Inc.* (March 8, 2016), the Staff stated “[t]here appears to be some basis for your view that Best Buy may exclude the proposal under rule 14a-8(i)(7), as relating to Best Buy’s ordinary business operations” and that “we note that the proposal relates to general compensation matters, where the proposal called for the company to adopt principles for minimum wage reform.”

The Shareholder Proposal is calling for a “Living Wage Report,” which would provide disclosure related to the level of compensation paid to employees. More specifically, the Shareholder Proposal calls for Kohl’s to determine a “level of compensation,” which the Proponents refer to as a “living wage,” and then to disclose semiannually on its website (1) “number of Kohl’s workers paid less than a living wage, broken down by full time employees, part-time employees, and contingent workers,” (2) “By how much the aggregate compensation paid to workers in each category falls short of the aggregate amount they would be paid if they received a living wage;” and (3) “[t]he living wage benchmark/methodology used for these disclosures.” In short, the Shareholder Proposal calls for a report of the number of employees making greater than or less than a certain dollar amount or “level of compensation,” as well as the aggregate employee compensation shortfall, if any. The Shareholder Proposal is calling for a report related to Kohl’s ordinary business operations—a report disclosing information related to general employee compensation. The underlying subject matter of the report falls within ordinary business matters described by SLB 14A, where the Staff stated its “bright-line analysis” that the Staff “agree[s] with the view of companies that they may exclude proposals that relate to general employee compensation matters in reliance on rule 14a-8(i)(7).” The “Living Wage Report,” which would provide disclosure related to the “level of compensation” paid to employees, is excludable under Rule 14a-8(i)(7), similar to the report of policies related to “wage adjustments to ensure adequate purchasing power and a sustainable living wage” in *Wal-Mart*, the wage gap report in *Yum! Brands, Inc.*, the stock-based incentives reports in *Amazon.com, Inc.* and *Repligen Corporation*, and the minimum wage reform or principles proposals in *McDonald’s Corporation* and *Best Buy Co., Inc.*

#### **B. The Shareholder Proposal Does Not Focus On A Significant Social Policy Issue That Transcends Kohl’s Ordinary Business Operations**

Proposals relating to management’s ability to run a company on a day-to-day basis but “focusing on sufficiently significant social policy issues . . . generally would not be considered to be excludable, because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” See 1998 Release. Even though a proponent may assert a connection to a significant social policy issue, the question is whether a significant social policy issue is the *focus* of the proposal such that the proposal would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote. See, e.g., *Exelon Corp* (February 21, 2007) (emphasis added) (the Staff concurring there was some basis for the company to exclude the proposal under Rule 14a-8(i)(7), noting that “although the proposal mentions executive compensation, the *thrust and focus* of the proposal is on the ordinary business matter of general employee benefits”).

The focus of the Shareholder Proposal is a report regarding the number of Kohl’s employees making greater than or less than a certain dollar amount or “level of compensation,”

as well as the aggregate employee compensation shortfall, if any. General employee compensation is an ordinary business matter. The Shareholder Proposal makes passing references to “international human rights” and “income inequality,” but such topics are not the focus of the Shareholder Proposal.

Even if the focus of the Shareholder Proposal is not general employee compensation, the Staff has not denied no-action requests for the exclusion of comparable proposals on the basis of a significant social policy issue. For example, in *Johnson Controls, Inc.* (October 16, 2012), the proposal called for managing officers to voluntarily repatriate 33% of their monetary compensation to an employee bonus pool, and the proponent made certain similar arguments to those contained in the Shareholder Proposal, stating that the “increasing division between rich and poor is a problem,” and that “[w]e as stockholders have a role in rectifying this problem.” The Staff concurred in the exclusion of the proposal under Rule 14a-8(i)(7), stating “[p]roposals that concern general employee compensation matters are generally excludable under rule 14a-8(i)(7),” despite the proponent’s attempt to raise a significant social policy issue with references to income inequality and the “division between rich and poor.”

Likewise, in *Wal-Mart*, in connection with the report of policies related to “wage adjustments to ensure adequate purchasing power and a sustainable living wage,” the Staff specifically noted that portion of the report called for by the proposal related to the company’s ordinary business operations. Notably, the proposal in *Wal-Mart* makes reference to a “sustainable living wage,” similar to the “living wage” language in the Shareholder Proposal.

In *Best Buy Co., Inc.*, in connection with the minimum wage reform proposal, the Staff concurred in the exclusion of the proposal under Rule 14a-8(i)(7), where the proponent made references in its supporting statement to “poverty level wages,” “income inequality,” and further stated “minimum wage reform is one of the most significant social policy issues in the United States.”

In *McDonald’s Corporation*, in connection with the minimum wage proposal, the Staff concurred in the exclusion of the proposal under Rule 14a-8(i)(7), despite the proponent’s arguments in its supporting statement that protests by “fast-food workers and other low-paid workers . . . reflect the desperation and sense of unfairness felt by workers, who cannot earn a living wage even after years of loyal work at the same company,” and in its response to the company’s no-action request, the proponent argued “[i]n light of the overwhelming amount of public debate on this issue in recent months, the shareholder proposal to raise the minimum wage paid to McDonald’s employees is not only timely, but addresses such a significant policy issue that it transcends day-to-day business matters and should be brought to a shareholder vote.”

In *Broadridge Financial Solutions, Inc.* (September 16, 2022) (footnotes omitted), the proposal called for detailed disclosure in a report on equity compensation paid to employees with the proponent’s supporting statement arguing that “[w]ealth inequality in the United States has increased dramatically [and] is widely recognized as a *significant social policy issue*.” Broadridge Financial Solutions, Inc. responded that the focus of the proposal was disclosure of employee compensation and that “comments regarding wealth and income inequality are peripheral.” The Staff concurred in the exclusion of the proposal under Rule 14a-8(i)(7), stating that “the Proposal relates to, and does not transcend, ordinary business matters.”

In *Amazon.com, Inc.* and *Repligen Corporation*, in connection with the proposals related to reports on stock-based incentives, the proponents argued that “[d]isclosures on wealth inequality are a significant policy issue” and that “[w]idespread employee stock ownership is correlated with . . . reduced racial and gender wealth gaps.” Nevertheless in concurring with exclusion of the proposal, the Staff stated the proposals did not “transcend” ordinary business matters.

Similar to this precedent, the Shareholder Proposal focuses on general employee compensation, and similar to *Johnson Controls, Inc.*, *Wal-Mart*, *Best Buy Co., Inc.*, *McDonald’s Corporation*, *Broadridge Financial Solutions, Inc.*, *Amazon.com, Inc.*, and *Repligen Corporation*, the Shareholder Proposal is not focused on a significant social policy issue that transcends Kohl’s ordinary business operations. Accordingly, the Shareholder Proposal, is excludable under Rule 14a-8(i)(7) because it deals with a matter relating to Kohl’s ordinary business operations.

### **C. The Shareholder Proposal Seeks to Micromanage Kohl’s**

The Shareholder Proposal seeks to micromanage Kohl’s by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. In SLB 14L, the Staff stated its approach “focus[es] on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management.”

The “Living Wage Report” would be a highly complex and intricately detailed report, both in light of the calculations required (and disclosure related thereto), as well as the complex nature of Kohl’s operations. Kohl’s is a national retailer operating 1,170 stores. It has operations in every state in the United States, except for Hawaii, and in 2022, had approximately 97,000 employees. Kohl’s consequently operates in an expansive number of economic and labor markets.

Calculating “living wages” and the related disclosure necessarily would result in an intricately detailed report. While the Shareholder Proposal states that it “does not require Kohl’s to use a particular living wage calculator or methodology,” a source cited by the Shareholder Proposal demonstrates the significant “level of granularity sought” by the report. In particular, the source cited in the Shareholder Proposal to define “living wage” also references on its website that “living wages” can be estimated based on a “living wage” methodology set forth in a 379-page manual, describing considerations such as family size, food costs, housing, essential expenses, unforeseen events, statutory payroll deductions and taxes, as well as the number of workers per family (which further considers labor force participation rates, unemployment rates, and part-time employment rates). See *Living Wages Around the World Manual for Measurement by Richard Anker and Martha Anker* (2017) (“Anker Manual”). A separate organization has published a living wage calculator, which breaks living wages down by state, county and metropolitan statistical areas, and reflects living wages for 12 different family types (considering the number of adults, working adults, and children), and further considers costs for *each of those family types*, including food, child care, medical, housing, transportation, civic, other, as well as annual taxes. See *MIT Living Wage Calculator* at <https://livingwage.mit.edu/>.

Separate from the complexities of calculating and describing the “living wages” for



Kohl's in the "Living Wage Report," the *Anker Manual* acknowledges the complexities in calculating actual wages: In terms of "[d]etermining prevailing wages and whether workers are paid a living wage," the methodology provides that "[d]etermining prevailing wages is not as simple as it may seem at first glance because remuneration comes in many different forms" (i.e., basic wage, in kind, cash allowances and bonuses, and "assured production bonuses earned during normal working hours").

The Shareholder Proposal imposes a specific short timeframe and ongoing obligation of publishing such "Living Wage Report" semiannually, a timeframe likely unfeasible and impractical, and requiring substantial investment of time and resources, in light of the complexities of calculating both the "living wage" compensation and actual wages, all set in the context of a broad number of competitive and constantly evolving labor markets in which Kohl's operates. See *Merck & Co., Inc.* (March 29, 2023) (the Staff stating the proposal "seeks to micromanage the Company," where the proposal requested the company disclose corporate charitable contributions of \$5,000 or more on its website, along with the material limitations, if any, and/or the monitoring of the contributions and its uses, if any, that the Company undertakes, with the company arguing that "[r]equiring the Company to list the specific recipients who received \$5,000 or more in donations pursuant to the Company's matching funds program is burdensome and impractical").

In addition to the granularity sought and timeframes imposed by the Shareholder Proposal, it also "inappropriately limits discretion of the board or management" on employee compensation. Employee compensation is one of Kohl's most significant expenses, set in the context of a highly competitive and dynamic retail industry and labor market. Publishing so-called "living wages" would functionally impose a minimum wage on Kohl's, based on a benchmark subject to complex, constantly evolving and potentially arbitrary factors, unrecognized in anyway as an industry standard, and in doing so, limit management's discretion in negotiating wages and managing its expenses in a competitive retail industry and labor market.

While the Shareholder Proposal does not require Kohl's to use a particular "living wage" calculator or methodology, it does require the calculations to be based on a "living wage" standard, which is a specific concept of calculating a particular level of wages. This is a not a proposal requesting disclosure related to general employee compensation data based on targets or goals that management of Kohl's would have discretion to select. Rather, the Shareholder Proposal requires that Kohl's develop a level of compensation around the concept of "living wages". By functionally imposing a minimum wage, the Shareholder seeks to replace management's informed and reasoned judgments based upon a "living wage" benchmark. See *Deere & Co.* (January 3, 2022) (the company arguing that the proposal "intends for shareholders to step into the shoes of management and oversee the 'reputational, legal and financial risks to the Company'" as it related to the "disclosure of intricate details regarding the Company's employment and training practices," with the Staff concurring that "the Proposal micromanages the Company by probing too deeply into matters of a complex nature by seeking disclosure of intricate details regarding the Company's employment and training practices."); see also *AT&T Inc.* (March 15, 2023) (where the company argued that the proposal "inappropriately limits the discretion of the Board in determining executive compensation benefits" where it requested that the board adopt a "policy of obtaining shareholder approval for any future agreements and corporate policies that could oblige the Company to make payments or awards following the

death of a senior executive,” and with the Staff concurring the proposal could be excluded as micromanaging the company).

As argued by the company in *AT&T Inc.* as it related to the proposal on death benefits for senior executives, the proposal here too “goes well beyond providing ‘high level direction’ for the Board to consider.” In *AT&T Inc.*, the proposal was argued to be “without regard for the highly complex and sophisticated nature of negotiating, designing and implementing competitive executive compensation benefits at a Fortune 50 company.” Likewise, the Shareholder Proposal fails to take into account the highly complex and sophisticated nature of negotiating, designing and implementing competitive general employee compensation.

Therefore, the Shareholder Proposal may be excluded in reliance on Rule 14-8(i)(7) because it seeks to micromanage Kohl’s with regard to employee compensation.

### CONCLUSION

Based upon the foregoing analysis, Kohl’s respectfully requests that the Staff agree that Kohl’s may omit the Shareholder Proposal from Kohl’s 2024 Proxy Materials.

If you have any questions or would like any additional information, please feel free to call me. Thank you for your prompt attention to this request.

Sincerely,



Elizabeth McCright  
SVP, Deputy General Counsel

Encls.

cc (via e-mail):

Sisters of St. Francis of Philadelphia (c/o Tom McCaney by email at [tmccaney@osfphila.org](mailto:tmccaney@osfphila.org))

School Sisters of Notre Dame, Central Pacific Province (c/o Timothy P. Dewane by email at [tdewane@ssndcp.org](mailto:tdewane@ssndcp.org))

Exhibit A

*See attached.*



THE SISTERS OF ST. FRANCIS OF PHILADELPHIA

November 10, 2023

**Via certified mail**

Kohl's Corporation  
N56 W17000 Ridgewood Drive  
Menomonee Falls, WI 53051  
Attn: Corporate Secretary - Legal

Re: Shareholder proposal for 2024 Annual Shareholder Meeting

Dear Sir/Madam,

I am submitting the attached proposal (the "Proposal") on behalf of the Sisters of St. Francis of Philadelphia pursuant to the Securities and Exchange Commission's Rule 14a-8 to be included in the proxy statement of Kohl's Corporation (the "Company") for its 2024 annual meeting of shareholders. I am the lead filer for the Proposal and may be joined by other shareholders as co-filers.

The Sisters of St. Francis of Philadelphia have continuously beneficially owned, for at least three years as of the date hereof, at least \$2,000 worth of the Company's common stock. Verification of this ownership is attached. The Sisters of St. Francis of Philadelphia intend to continue to hold such shares through the date of the Company's 2024 annual meeting of shareholders.

I am available to meet with the Company in person or via teleconference on Nov. 22, 23, 28, 29, 30, Dec. 5 or 6 between 11 AM and 3 PM Eastern time. Any co-filers have authorized the Sisters of St. Francis of Philadelphia to conduct the initial engagement meeting but may participate subject to their availability.

I can be contacted at [REDACTED] or by email at [REDACTED] to schedule a meeting. Please feel free to contact me with any questions.

Sincerely,

Tom McCaney  
Director, Corporate Social Responsibility  
Sisters of St. Francis of Philadelphia

RESOLVED, that shareholders of Kohl's Corporation ("Kohl's" or the "Company") urge Kohl's board to oversee the preparation of a Living Wage Report in order to give investors information they need to assess the extent to which Kohl's is complying with international human rights standards and helping to mitigate systemic risks stemming from income inequality. The Living Wage Report should be updated semiannually and disclosed on Kohl's website and should include:

- The number of Kohl's workers paid less than a living wage, broken down by full-time employees, part-time employees, and contingent workers;
- By how much the aggregate compensation paid to workers in each category falls short of the aggregate amount they would be paid if they received a living wage; and
- The living wage benchmark/methodology used for these disclosures

A living wage is defined as a level of compensation that is "sufficient to afford a decent standard of living for the worker and her or his family" in their location, including "food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events."<sup>1</sup> Contingent workers are workers employed by staffing entities with which Kohl's contracts as well as seasonal workers employed directly by Kohl's.

#### Supporting Statement

The right to a living wage is recognized in international human rights norms. The Universal Declaration of Human Rights provides that "[e]veryone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity."<sup>2</sup> The Preamble to the International Labor Organization's Constitution cites "the provision of an adequate living wage" as key to improving conditions of labor that impose "injustice, hardship and privation."<sup>3</sup>

High levels of income inequality are a systemic risk for investors. According to The Investment Integration Project, "income inequality slows economic growth, limits upward mobility, and exacerbates political polarization—threatening investments in all asset classes."<sup>4</sup> As of 2017, aggregate household, government and business spending had been depressed by two to four percentage points of GDP annually as a result of rising inequality.<sup>5</sup> In the US, between 1979 and 2019, the top 1% of earners saw their wages grow six times faster than wages paid to the bottom

---

<sup>1</sup> <https://www.globallivingwage.org/about/what-is-a-living-wage/>

<sup>2</sup> <https://www.ohchr.org/en/human-rights/universal-declaration/translations/english>, Article 23.

<sup>3</sup>

[https://www.ilo.org/dyn/normlex/en/?p=NORMLEXPUB:55:0::NO::P55\\_TYPE,P55\\_LANG,P55\\_DOCUMENT,P55\\_NODE:KEY,en,ILOC,/Document](https://www.ilo.org/dyn/normlex/en/?p=NORMLEXPUB:55:0::NO::P55_TYPE,P55_LANG,P55_DOCUMENT,P55_NODE:KEY,en,ILOC,/Document)

<sup>4</sup> <https://tiiproject.com/wp-content/uploads/2022/01/TIIP-Stewardship-Final.pdf>, at 2.

<sup>5</sup> <https://tiiproject.com/wp-content/uploads/2022/01/TIIP-Stewardship-Final.pdf>, at 17.

90%,<sup>6</sup> and the ratio between CEO and median worker pay has grown from 20 in 1950 to 344 among the top 350 companies in 2022, using the realized pay methodology.<sup>7</sup>

Data collected through social media in 2021 indicated that 78% of Kohl's employees are paid less than \$15.00 an hour.<sup>8</sup> Kohl's itself does not disclose any information about the extent to which its workforce is paid a living wage or the gap between Company wages and a living wage, which would allow shareholders to assess the Company's contribution to the systemic risk created by income inequality as well as its compliance with international human rights norms. This Proposal does not require Kohl's to use a particular living wage calculator or methodology in making the requested disclosure.

---

<sup>6</sup> <https://tiiproject.com/wp-content/uploads/2022/01/TIIP-Stewardship-Final.pdf>, at 3.

<sup>7</sup> <https://www.epi.org/publication/ceo-pay-in-2022/>

<sup>8</sup> <https://shift.hks.harvard.edu/the-company-wage-tracker/>



From: Dewane, Tim <[REDACTED]>  
Date: Wed, Nov 22, 2023 at 1:08 PM  
Subject: Shareholder Proposal for 2024 Annual Shareholder Meeting  
To: [REDACTED] <[REDACTED]>  
CC: Tom McCaney <[REDACTED]>, SGI-CRI <[REDACTED]>

November 22, 2023

Via email

Kohl's Corporation

N56 W17000 Ridgewood Drive

Menomonee Falls, WI 53051

Attn: Corporate Secretary - Legal

Re: Shareholder proposal for 2024 Annual Shareholder Meeting

Dear Corporate Secretary,

The School Sisters of Notre Dame, Central Pacific Province is submitting the attached proposal (the "Proposal") pursuant to the Securities and Exchange Commission's Rule 14a-8 to be included in the proxy statement of Kohl's Corporation (the "Company") for its 2024 annual meeting of shareholders. The School Sisters of Notre Dame, Central Pacific Province is co-filing the Proposal with lead filer the Sisters of St. Francis of Philadelphia. In its submission letter, the proponent will provide dates and times of ability to meet. We designate the lead filer to meet initially with the Company but may join the meeting subject to my availability. As co-filers of this resolution, we authorize the lead filer to withdraw the resolution on our behalf if an agreement is reached.

The School Sisters of Notre Dame, Central Pacific Province have continuously beneficially owned, for at least three years as of the date hereof, at least \$2,000 worth of Kohl's Corporation common stock. Verification of this ownership

is attached. The School Sisters of Notre Dame, Central Pacific Province intends to continue to hold such shares through the date of the Kohl's Corporation 2024 annual meeting of shareholders.

If you have any questions or need additional information, I can be contacted at [REDACTED] or by email at [REDACTED]

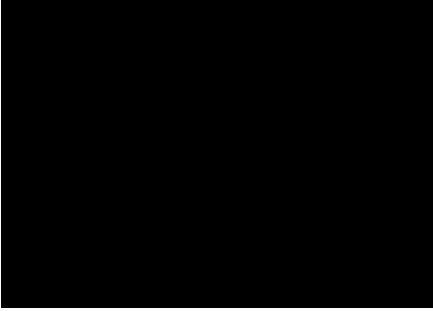
Peace,

*Tim*

Tim Dewane, Director

Shalom - Justice, Peace, & Integrity of Creation

School Sisters of Notre Dame, Central Pacific Province



Encl: Resolution and Shareholder Verification Letter







School Sisters of Notre Dame, Central Pacific Province  
Office of Shalom – Justice, Peace, and Integrity of Creation

[REDACTED]  
Phone: [REDACTED]

November 22, 2023

Via email

Kohl's Corporation  
N56 W17000 Ridgewood Drive  
Menomonee Falls, WI 53051  
Attn: Corporate Secretary - Legal

Re: Shareholder proposal for 2024 Annual Shareholder Meeting

Dear Corporate Secretary,

The School Sisters of Notre Dame, Central Pacific Province is submitting the attached proposal (the "Proposal") pursuant to the Securities and Exchange Commission's Rule 14a-8 to be included in the proxy statement of Kohl's Corporation (the "Company") for its 2024 annual meeting of shareholders. The School Sisters of Notre Dame, Central Pacific Province is co-filing the Proposal with lead filer the Sisters of St. Francis of Philadelphia. In its submission letter, the proponent will provide dates and times of ability to meet. We designate the lead filer to meet initially with the Company but may join the meeting subject to my availability. As co-filers of this resolution, we authorize the lead filer to withdraw the resolution on our behalf if an agreement is reached.

The School Sisters of Notre Dame, Central Pacific Province have continuously beneficially owned, for at least three years as of the date hereof, at least \$2,000 worth of Kohl's Corporation common stock. Verification of this ownership is attached. The School Sisters of Notre Dame, Central Pacific Province intends to continue to hold such shares through the date of the Kohl's Corporation 2024 annual meeting of shareholders.

If you have any questions or need additional information, I can be contacted at [REDACTED] or by email at [REDACTED].

Sincerely,

Timothy P. Dewane  
Shalom/JPIC Office Director  
School Sisters of Notre Dame, Central Pacific Province

Encl: Resolution and Shareholder Verification Letter

CC: Tom McCaney, Sisters of St. Francis of Philadelphia  
Christopher Cox, Seventh Generation Interfaith Inc.

RESOLVED, that shareholders of Kohl's Corporation ("Kohl's" or the "Company") urge Kohl's board to oversee the preparation of a Living Wage Report in order to give investors information they need to assess the extent to which Kohl's is complying with international human rights standards and helping to mitigate systemic risks stemming from income inequality. The Living Wage Report should be updated semiannually and disclosed on Kohl's website and should include:

- The number of Kohl's workers paid less than a living wage, broken down by full-time employees, part-time employees, and contingent workers;
- By how much the aggregate compensation paid to workers in each category falls short of the aggregate amount they would be paid if they received a living wage; and
- The living wage benchmark/methodology used for these disclosures

A living wage is defined as a level of compensation that is "sufficient to afford a decent standard of living for the worker and her or his family" in their location, including "food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events."<sup>1</sup> Contingent workers are workers employed by staffing entities with which Kohl's contracts as well as seasonal workers employed directly by Kohl's.

### Supporting Statement

The right to a living wage is recognized in international human rights norms. The Universal Declaration of Human Rights provides that "[e]veryone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity."<sup>2</sup> The Preamble to the International Labor Organization's Constitution cites "the provision of an adequate living wage" as key to improving conditions of labor that impose "injustice, hardship and privation."<sup>3</sup>

High levels of income inequality are a systemic risk for investors. According to The Investment Integration Project, "income inequality slows economic growth, limits upward mobility, and exacerbates political polarization—threatening investments in all asset classes."<sup>4</sup> As of 2017, aggregate household, government and business spending had been depressed by two to four percentage points of GDP annually as a result of rising inequality.<sup>5</sup> In the US, between 1979 and 2019, the top 1% of earners saw their wages grow six times faster than wages paid to the bottom

---

<sup>1</sup> <https://www.globallivingwage.org/about/what-is-a-living-wage/>

<sup>2</sup> <https://www.ohchr.org/en/human-rights/universal-declaration/translations/english>, Article 23.

<sup>3</sup>

[https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:55:0::NO::P55\\_TYPE,P55\\_LANG,P55\\_DOCUMENT,P55\\_NODE:KEY,en,ILOC,/Document](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:55:0::NO::P55_TYPE,P55_LANG,P55_DOCUMENT,P55_NODE:KEY,en,ILOC,/Document)

<sup>4</sup> <https://tiiproject.com/wp-content/uploads/2022/01/TIIP-Stewardship-Final.pdf>, at 2.

<sup>5</sup> <https://tiiproject.com/wp-content/uploads/2022/01/TIIP-Stewardship-Final.pdf>, at 17.

90%,<sup>6</sup> and the ratio between CEO and median worker pay has grown from 20 in 1950 to 344 among the top 350 companies in 2022, using the realized pay methodology.<sup>7</sup>

Data collected through social media in 2021 indicated that 78% of Kohl's employees are paid less than \$15.00 an hour.<sup>8</sup> Kohl's itself does not disclose any information about the extent to which its workforce is paid a living wage or the gap between Company wages and a living wage, which would allow shareholders to assess the Company's contribution to the systemic risk created by income inequality as well as its compliance with international human rights norms. This Proposal does not require Kohl's to use a particular living wage calculator or methodology in making the requested disclosure.

---

<sup>6</sup> <https://tiiproject.com/wp-content/uploads/2022/01/TIIP-Stewardship-Final.pdf>, at 3.

<sup>7</sup> <https://www.epi.org/publication/ceo-pay-in-2022/>

<sup>8</sup> <https://shift.hks.harvard.edu/the-company-wage-tracker/>