

Company Name Kohl's
Industry Apparel (Supply Chain only)
UNGP Core Score (*) 3.0 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
1	2	A.1.1 Commitment to respect human rights
0.5	2	A.1.2 Commitment to respect the human rights of workers
0	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
0.5	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
1	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
0	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
3.0	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: General HRs commitment: The Company indicates: 'We are committed to respecting human rights across our activities and operations'. The report is prefaced and signed by the CEO. [2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com] • Not met: UNGC principles 1 & 2 • Not met: UDHR • Not met: International Bill of Rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: ILO Core: The Company's Code of Ethics explicitly covers non-discrimination and health and safety, but does not mention child and forced labour, freedom of association and collective bargaining. Moreover, the Company indicates: 'Our Terms of Engagement align with internationally recognized human rights principles developed by the United Nations, International Labour Organization (ILO) core labor standards'. However, 'align with' is not considered a formal statement of commitment according to CHRB wording criteria. [Code Ethics, 04/20: corporate.kohls.com & 2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com] • Not met: UNGC principles 3-6 • Not met: Explicitly list ALL four ILO for AP suppliers: The Company's Terms of Engagement for Business Partners covers all 4 core ILOs. With respect freedom of association and collective bargaining, the Company indicates: 'Partners must respect the rights of their workers to join legal organizations of their own choice. Workers must not be penalized or subject to intimidation or harassment in the peaceful exercise of their legal right to join or to refrain from joining such legal organizations or bargain collectively'. However, it is not clear whether the Company is requiring to respect those rights in all contexts, as it indicates refers to 'legal rights'. In these cases, companies are expected to require alternative mechanisms or equivalent workers bodies where the right to freedom of association and collective bargaining is restricted under law. [Terms of Engagement, N/A: corporate.kohls.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core • Met: Respect H&S of workers: The Company indicates that 'Kohl's is committed to providing a safe, healthy and environmentally compliant workplace for its associates [employees] and customers'. [Code Ethics, 04/20: corporate.kohls.com] • Met: H&S applies to AP suppliers: The Company indicates that 'Kohl's Business Partners must provide workers with a clean, safe and healthful work environment designated to prevent accidents and injuries in compliance with all applicable, legally mandated standards for workplace health and safety. Where applicable, Business Partners who provide residential facilities for their workers must provide safe, healthy and sanitary facilities, separate from production and warehouse facilities, which comply with legally mandated standards for health and safety'. [Terms of Engagement, N/A: corporate.kohls.com] • Not met: working hours for workers • Not met: Working hours for AP suppliers: See above. Specifically: 'Subject to the requirements of local law, a regularly scheduled workweek of no more than sixty (60) hours and one day off in every seven (7) day period are encouraged.' However, this is not aligned with the international standards, which dictate a regularly

Indicator Code	Indicator name	Score (out of 2)	Explanation
			scheduled workweek should not exceed 48 hours, 60 with overtime. [Terms of Engagement, N/A: corporate.kohls.com]
A.1.4	Commitment to engage with stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to stakeholder engagement: The Company states in its CSR 2017: 'We recognize the need to partner with others in order to create innovative solutions that drive our company forward in the long term and reduce our carbon footprint in the process. As a company, we look for ways to make sustainable choices easy for our customers and associates.' However, its stakeholder engagement approach is only related with the environment. No evidence found of commitment to engage with affected or potentially affected stakeholders in latest report. [2017 Corporate Social Responsibility Report, 2018: corporate.kohls.com & 2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com] • Not met: Regular stakeholder engagement: The Company describes regular engagement with communities through different programs and states: 'In 2019, we deepened our long-standing commitment to families and communities to support our expanded CSR platform evolving our philanthropic focus from children's health to family health and wellness'. However, the indicator requires a commitment to engage with the Company's potentially and actually affected stakeholders, which means engaging in a dialogue with the stakeholders who might be, or are, impacted by the company's activities and/or with their legitimate representatives. [2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to remedy <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with AP suppliers to remedy impacts

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to ILO core conventions • Met: Senior responsibility for HR: In its CSR Report, the Company indicates: 'Our Social Responsibility Committee guides the overall direction, assessment and continual improvement of our compliance program. The committee consists of senior leadership and executives responsible for business operations from many departments, including merchants, product development, legal, risk and compliance, and the global trade compliance departments, as well as executives directly responsible for the day-to-day efforts of our social compliance program'. [2016 Corporate Responsibility Report, 2017: corporate.kohls.com & 2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Day-to-day responsibility: See below. • Met: Day-to-day responsibility for AP in supply chain: The Company indicates: 'Our human rights policy commitments are approved and communicated at the Board of Directors level, and the Audit Committee has oversight of these policies. Our Chief Risk & Compliance Officer, who reports to our Chief Executive Officer, has oversight of Factory Compliance and implementation of our human rights commitments. The Social Compliance Team includes a Senior Manager of Factory Compliance, who leads a dedicated team of highly-experienced compliance associates responsible for the day-to-day administration of the social compliance program. This team is independent of the Product Development and Merchandising departments. Therefore, day-to-day decisions regarding the social compliance status of facilities used to produce our proprietary brand merchandise are made by associates not involved in purchase negotiation to prevent potential conflicts of interest'. [Terms of Engagement, 08/2016: corporate.kohls.com & 2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifying risks in own operations: The Company states: ‘We rely on three professional, independent, third-party firms to monitor vendor partner compliance with our Terms of Engagement’, which includes human rights. It indicates: ‘Using a risk-based approach, once a facility is deemed compliant with our Terms of Engagement, we assign a risk level to determine if the facility is subject to more regular audits. Risk assessment is based on the following factors: Social conditions in the geographic location of the facility; Facility management commitment toward social compliance; Historical audit results of both vendor partner and facility (social, sustainability, and CTPAT performance, as applicable); Open-source information and Potential issues reported via public media’. However, no evidence found on whether this process (or other) is followed to identify which are the risks that the company faces rather than suppliers considered to be at risk. [2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com] • Not met: Identifying risks in AP suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context): The Company describes the process of Facility Audit Process and the factors in which the risk assessment for suppliers is based. However, the Company does not mention how it assesses which are the specific human rights issues are salient. [2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com] • Not met: Public disclosure of salient risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Including in AP supply chain: The Company describes the Facility Audit Process, to identify whether facilities are in compliance with the Company’s Terms of Engagement. Moreover, it indicates: ‘Third-party follow-up audits are performed, as needed, to monitor the deficiency remediation process. Appropriate action is taken if we identify noncompliance with our Terms of Engagement. Depending on the severity, actions may include working with our vendor partner to ensure adequate steps are taken to address deficiencies, cancelling affected orders, or even terminating the business relationship’. However, this indicator looks for evidence of how the Company acts to prevent specific human rights risks and impacts in the supply chain, rather than correcting non-compliances from specific suppliers. [2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com] • Not met: Example of Actions decided <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: System to check if Actions are effective: The Company describes corrective action plans following supplier audits. However, this indicator looks for evidence of effectiveness of action plans to prevent or mitigate specific human rights risks, rather than specific non-compliances from specific suppliers. [2019 Corporate Social Responsibility Report, 2020: corporate.kohls.com] • Not met: Lessons learnt from checking effectiveness <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including AP suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Channel accessible to all workers: The Company indicates: 'Use the Kohl's Integrity Hotline (by phone at 1-800-837-7297 or online at kohlsintegrity.com). The Hotline and website allow you to report concerns openly or anonymously. If you choose to remain anonymous, please know that we may need additional information to conduct a prompt and thorough investigation. Those who remain anonymous and wish to follow up on their concern will be assigned a confidential designation'. [Code Ethics, 04/20: corporate.kohls.com] Score 2 <ul style="list-style-type: none"> Not met: Number grievances filed, addressed or resolved Not met: Channel is available in all appropriate languages Not met: Expect AP supplier to have equivalent grievance systems Not met: Opens own system to AP supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Grievance mechanism for community Score 2 <ul style="list-style-type: none"> Not met: Describes accessibility and local languages Not met: Expects AP supplier to have community grievance systems Not met: AP supplier communities use global system
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Describes how remedy has been provided Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> Not met: Changes introduced to stop repetition Not met: Approach to learning from incident to prevent future impacts Not met: Evaluation of the channel/mechanism

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> Headline: Workers complain of union busting by Korean-owned company that supplies to Kohl's Area: FoA and CB Story: Workers at a Kohl's supplier in the Philippines have complained of management interfering with their exercise of freedom of association and have called on the department store to provide remediation. The workers of Daeyoung Apparel Inc. formed a union in April 2019 in order to improve working conditions including low pay, lack of benefits, precarious work and labor standards violations. The management stepped in and threatened that the company would be shut down if the union was formed. Additionally, the workers were presented with anti-union propaganda. At the start, management personnel allegedly asked workers to sign anti-union statements at the production lines. Management personnel also openly held a town hall meeting in the factory canteen and repeated the threat of a factory closure. Later, workers were asked to go in pairs to management offices where they were subjected to anti-union propaganda. The management formally opposed the union's petition for certification elections and offered separation pay to workers. Sources: [BHRC - 10/06/2019: business-humanrights.org][Partido Manggagawa blog - 27/05/2019: partidongmanggagawa2001.blogspot.com]
E(1).1	The Company has responded publicly to the allegation	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Public response available Score 2 <ul style="list-style-type: none"> Not met: Response goes into detail
E(1).2	The Company has appropriate policies in place	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Company policies address the general issues raised Met: Policies apply to the type of business relationships involved: The Company's Terms of Engagement for Business Partners states that suppliers must adhere to

Indicator Code	Indicator name	Score (out of 2)	Explanation
			free association for employees. [Terms of Engagement, 08/2016: corporate.kohls.com] Score 2 <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The Terms indicate the following: 'Workers must be free to join organizations of their own choice. Business Partners shall recognize and respect the rights of workers to freedom of association and collective bargaining. Workers shall not be subject to intimidation or harassment in the peaceful exercise of their legal right to join or to refrain from joining an Organization.' [Terms of Engagement, 08/2016: corporate.kohls.com]
E(1).3	The Company has taken appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders • Not met: Has reviewed management systems to prevent recurrence • Not met: Denies allegations, but has engaged affected stakeholders • Not met: Denies allegations, but reviewed systems to prevent such impacts Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders • Not met: Denies allegations, but implements review recommendations • Not met: Denies allegations, and ensures systems prevent such impacts

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a

company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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