

Video

Meeting Opener



Brian Cornell

Chair and Chief Executive Officer



financial community meeting



Continue to Grow

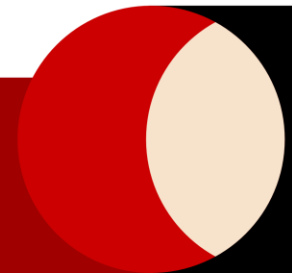
Rebuild Profitability

Strengthen Our Business

Total Revenue

\$106B
in 2021

\$109B
in 2022



2.1%

increase in traffic in 2022

Unit Share Gains



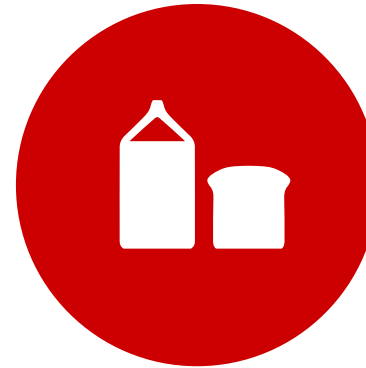
Apparel +
Accessories



Home



Beauty +
Essentials



Food +
Beverage



Hardlines

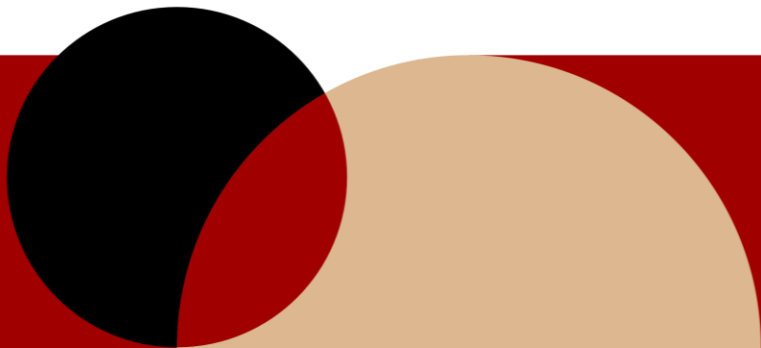




23

**straight quarters of
comp sales growth**

The path has been unpredictable.





Inflation Is Causing The Price Of Necessities To Skyrocket: Where Are Consumers Cutting Costs?



Companies Face Rising Supply-Chain Costs Amid Inventory Challenges

Business logistics costs rose 22% in 2021, as companies worked to adjust to shifting consumer demand, a new report says

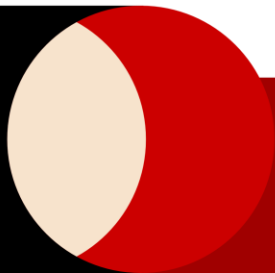


Russia-Ukraine War: Russia steps up attack on Ukraine cities

By The Associated Press March 1, 2022



**We are staying
on our **growth** path.**



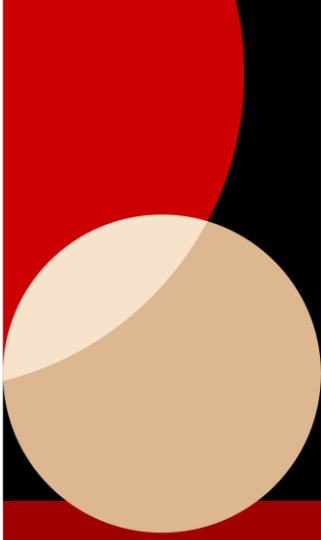
Strategy

Operations

Growth Investments

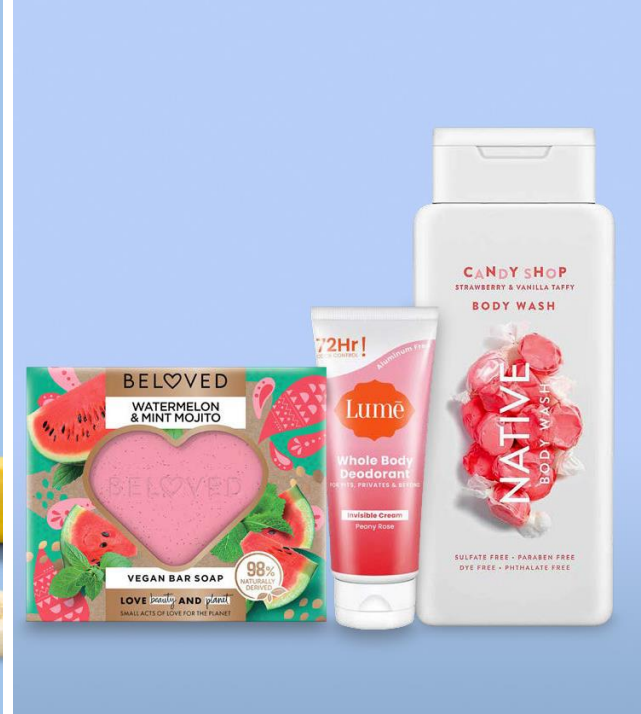
Financial Expectations

Agility + Retail Fundamentals



Near-Term Challenges

Flexible Business Model



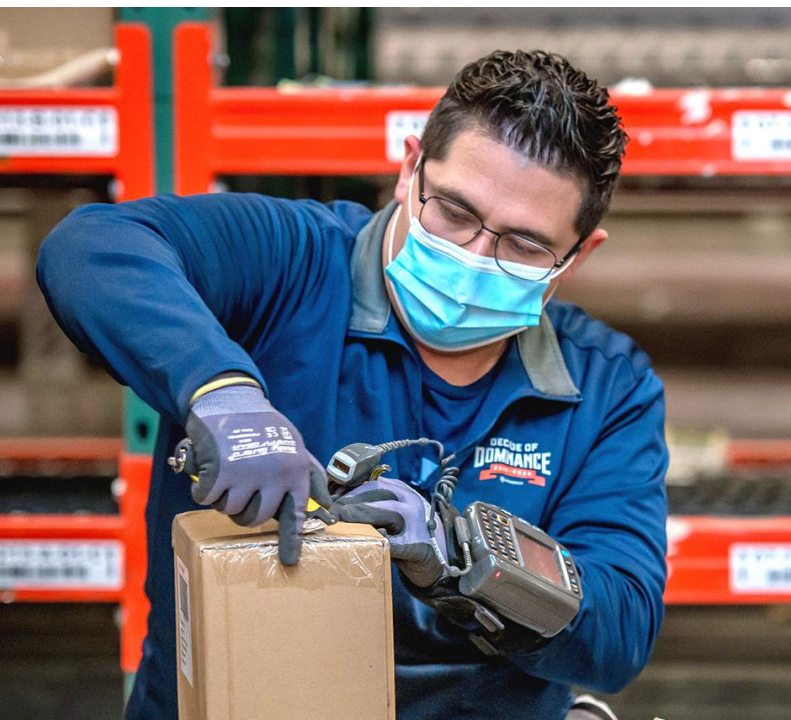
Guest Trust + Loyalty

Affordable Joy



Clear + Realistic Expectations









Proving Our Strategy

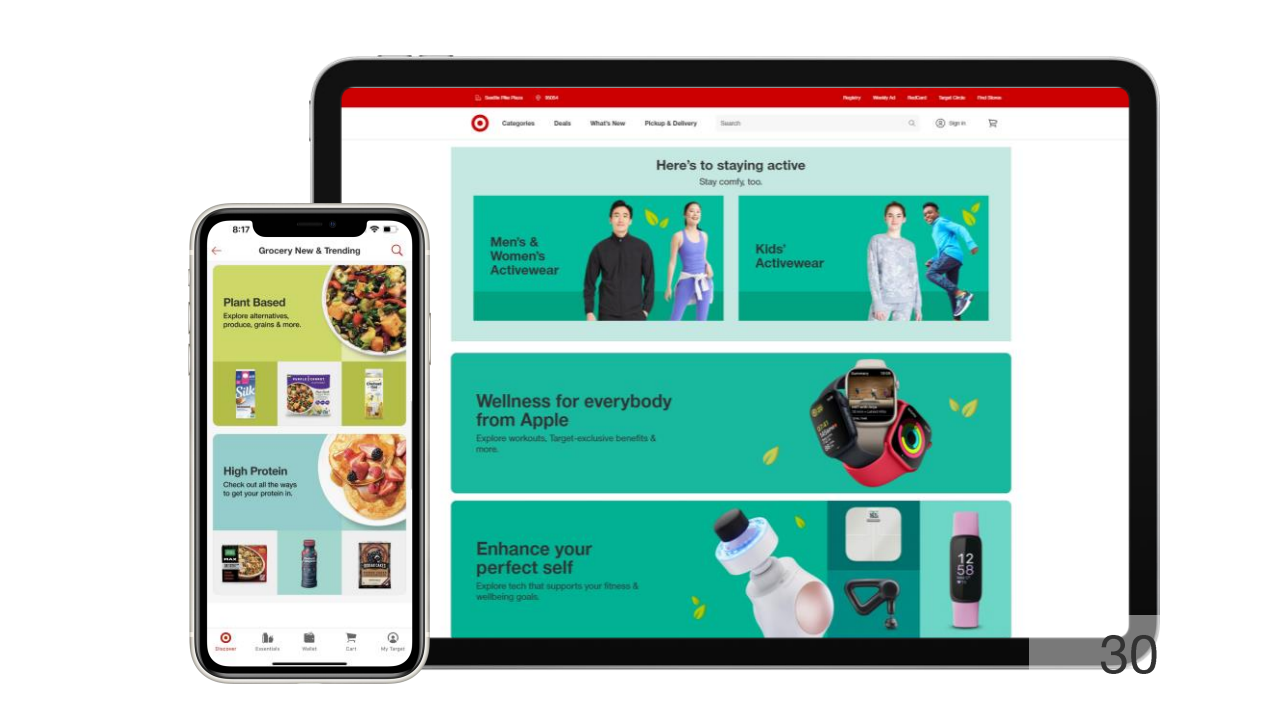












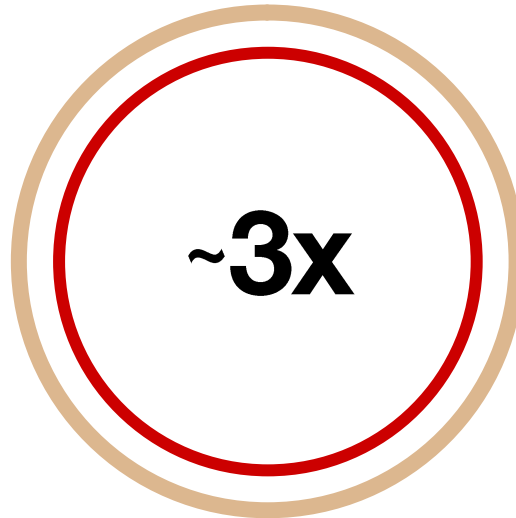
95%
of all sales are
fulfilled by stores



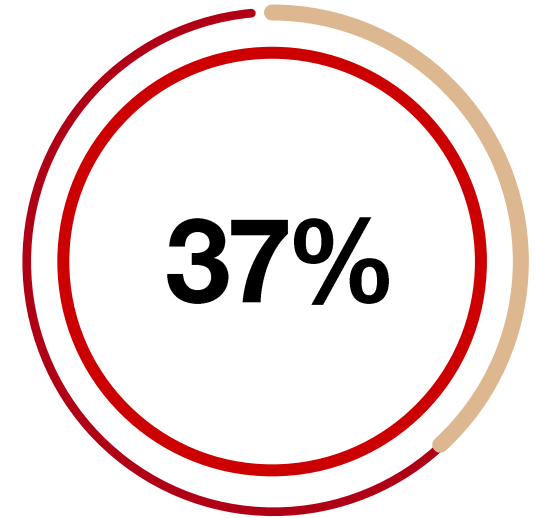
Since 2019



growth in
overall sales

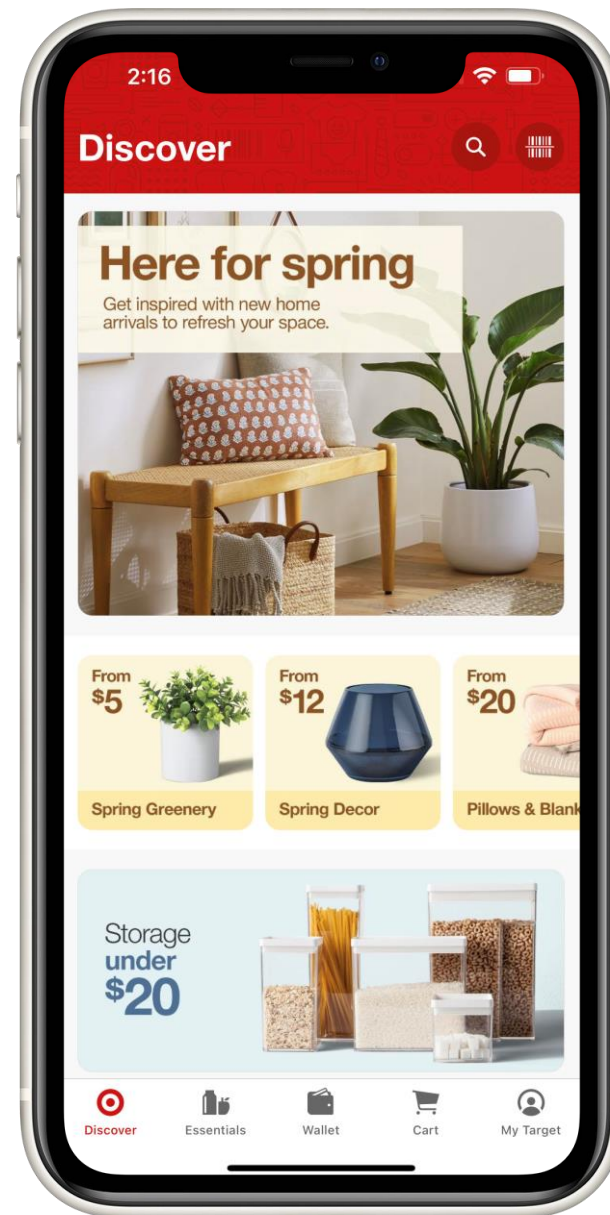


digital sales



increase in
sales-per-square foot







Universal Thread
GOODS CO.

OPEN
STORY



room
essentials™

favorite day™

CASALUNA

JOY
LAB™

SPRITZ™

bullseye's
playground

xhilaration™

brightroom™

pillowfort™

sonia kashuk



FUTURE
COLLECTIVE

auden™



ever
spring



THRESHOLD™
QUALITY & DESIGN

colsie™

art
&
class™

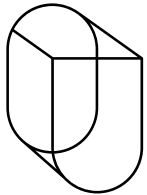
a
• n e w
d a y™



all in motion.

SHADE & SHORE

Kona Sol™



Original Use™

Cat & Jack™

wild
fable™



MONDO
LLAMA

embark.

Boots &
Barkley™

kindfull.

OPALHOUSE
INSPIRED OBJECTS™

more
than
magic™

SMITH & HAWKEN™



Hearth & Hand™
WITH MAGNOLIA

Good &
Gather™

Goodfellow™
& CO

KNOX
ROSE™



stars
above™

AVA
&
VIV™

Smartly™

heyday™







ULTA
BEAUTY

beauty that's
best in class

True Thread benefit URBAN DECAY tarte MORPHE AIO LARASTASIA IT Cosmetics bareMinerals RIMMEL

eyes face skin

Kona Sol™

favorite day™

stars
above™



ever
spring™

more
than
magic™



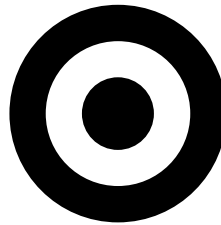
auden™

all in motion™

CASALUNA

kindfull.

colsie™



Made
By
Design™

MONDO
LLAMA

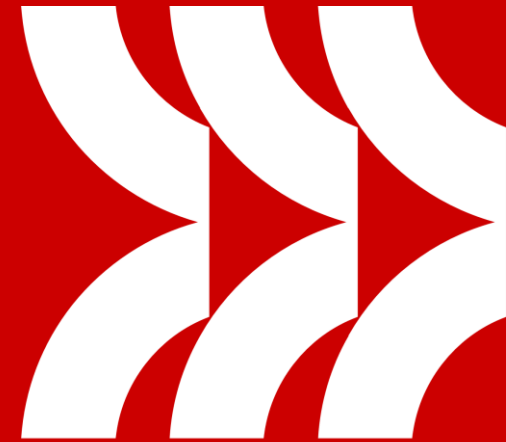


brightroom™

FUTURE
COLLECTIVE

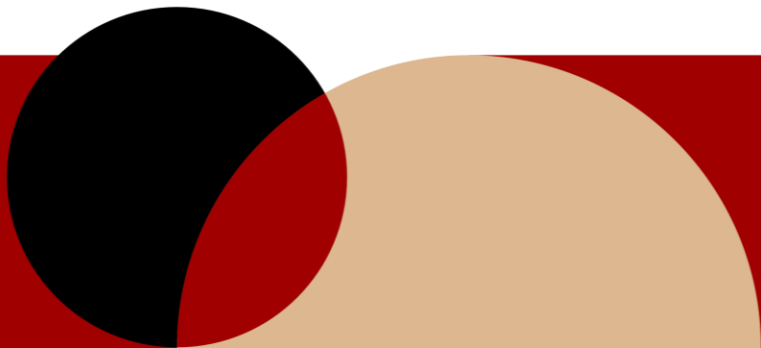


Good &
Gather™



all in motion™

Steady Cadence of Newness in Owned + National Brands



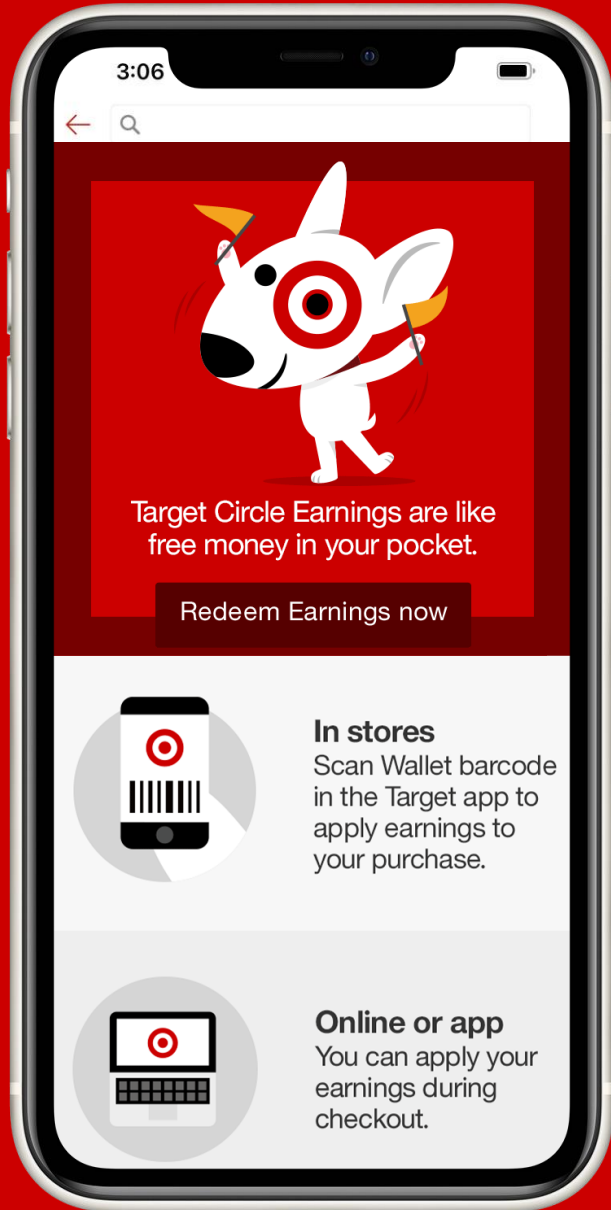
**Guest
Engagement**

Personalization

Loyalty

Sales

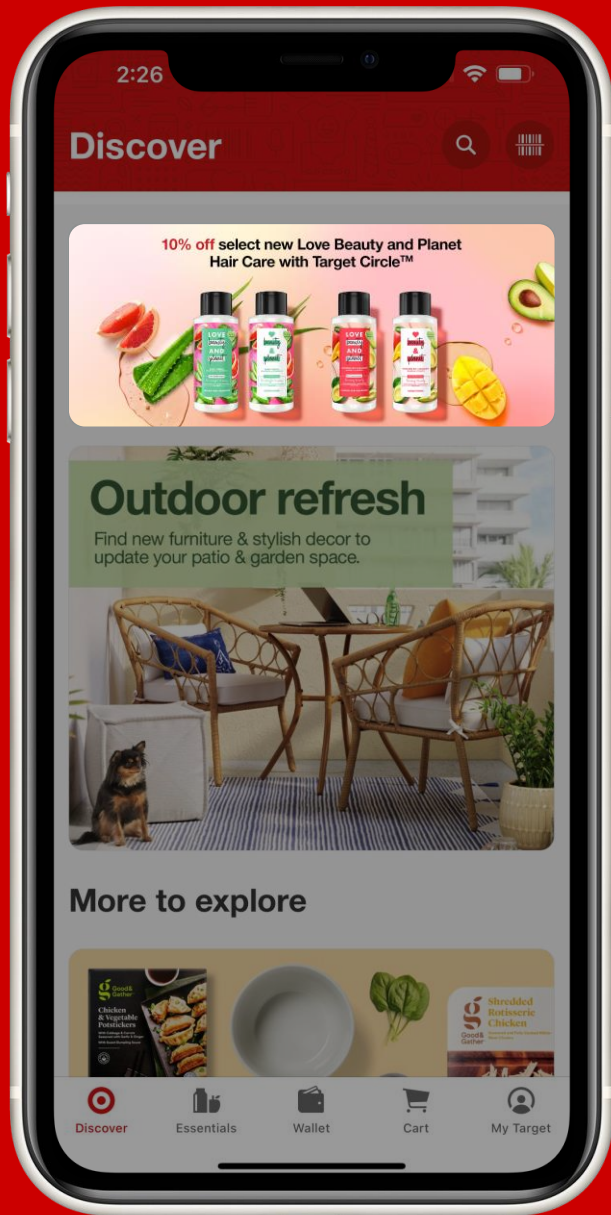




100M+
users and growing

**Relevance +
Value**

ROUNDEL™



**Better +
More Profitable
Retailer**



circleTM

ROUNDELTM

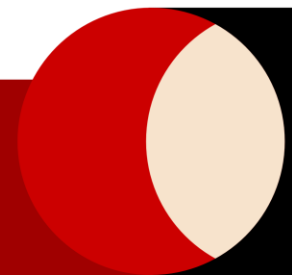


\$109B

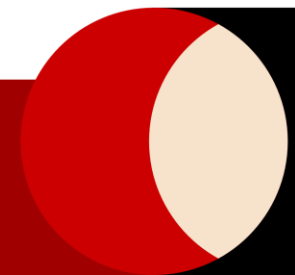
**total revenue
in 2022**

2.2%

**increase in comp
sales in 2022**



Unit Share Gains Across All **Core Merchandise Categories**

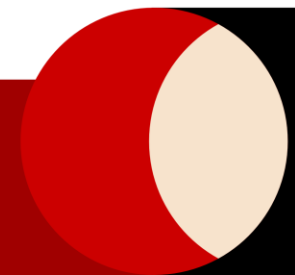


> \$30B

3-year revenue growth

~19%

digital penetration





Most Engaged Guests



spend

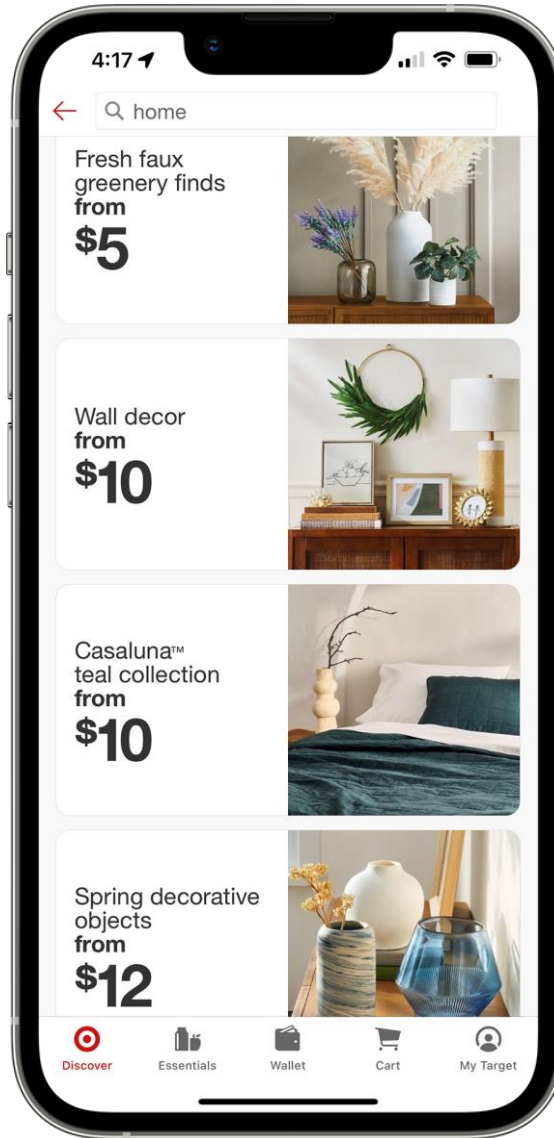


trips

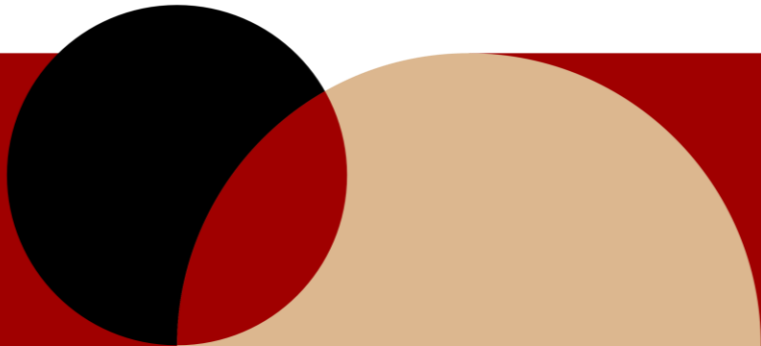


cross category
purchases

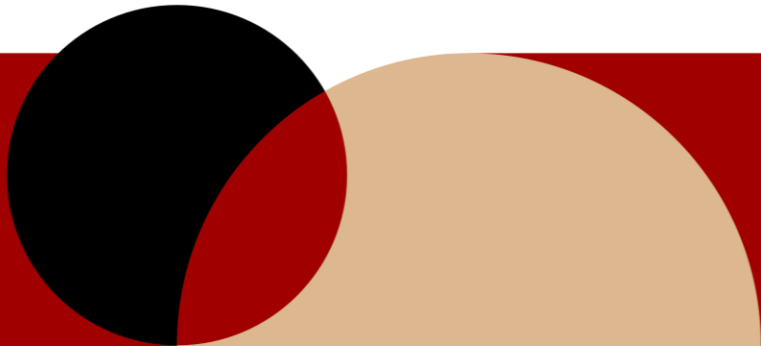
**We've seen a significant increase
in guest transactions since 2019.**



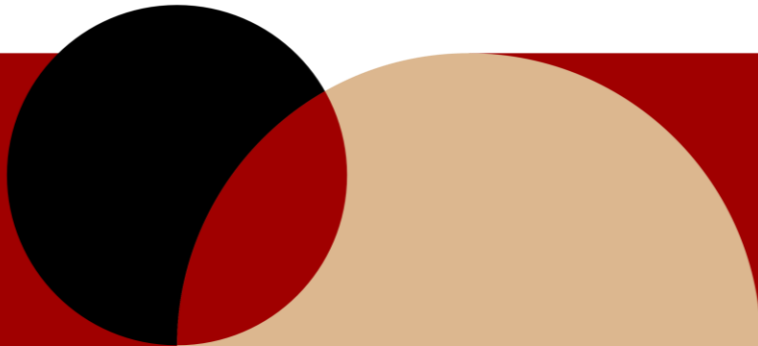
The New Normal

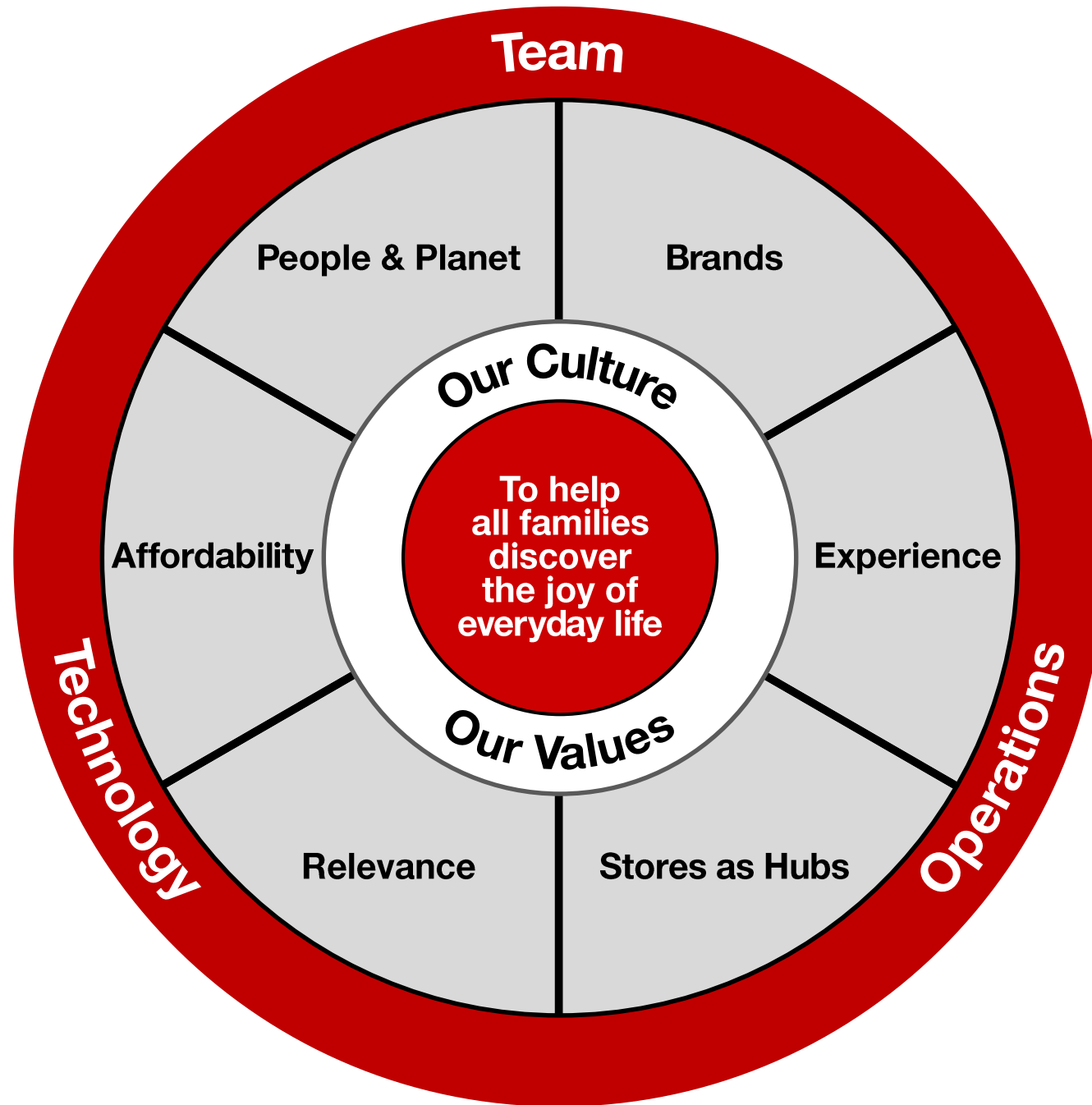


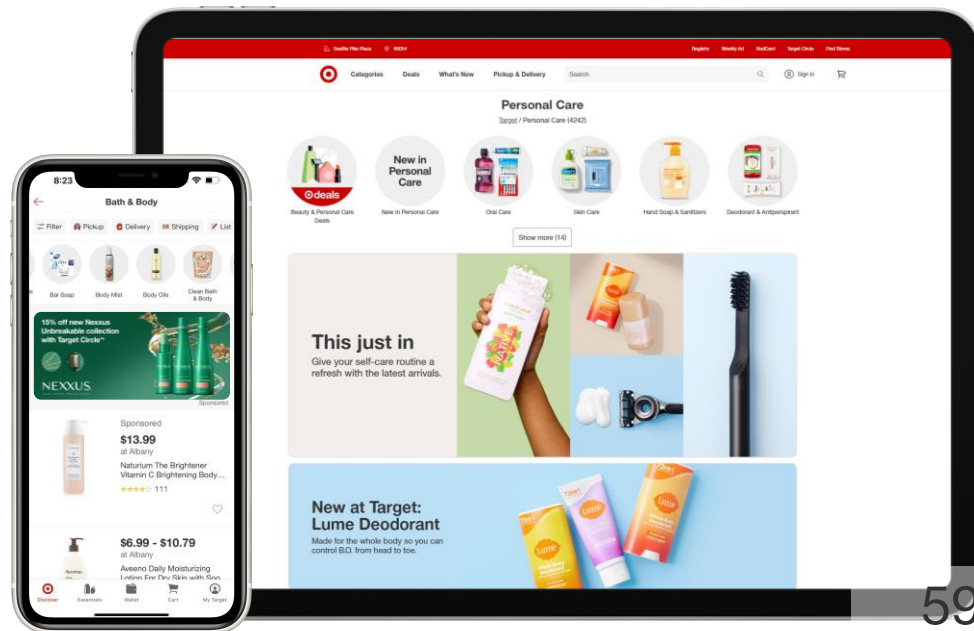
Solid + Consistent Growth



Operating Income Margin Rate:
expected to reach 6% or more
over the next few years



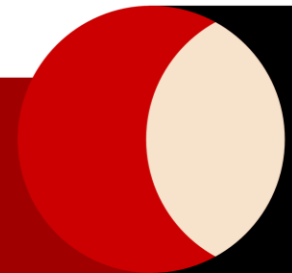




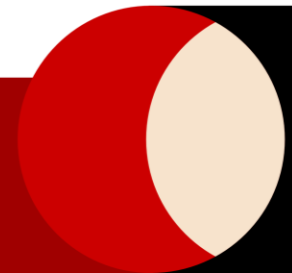
Operational **Evolution**

Cautious + Appropriate Planning

**Translating scale into more
efficient ways of working.**



Efficiency Mindset **Not a Cost-Cutting Program**





LEGO CREATOR



Efficiency + Continuous Improvement





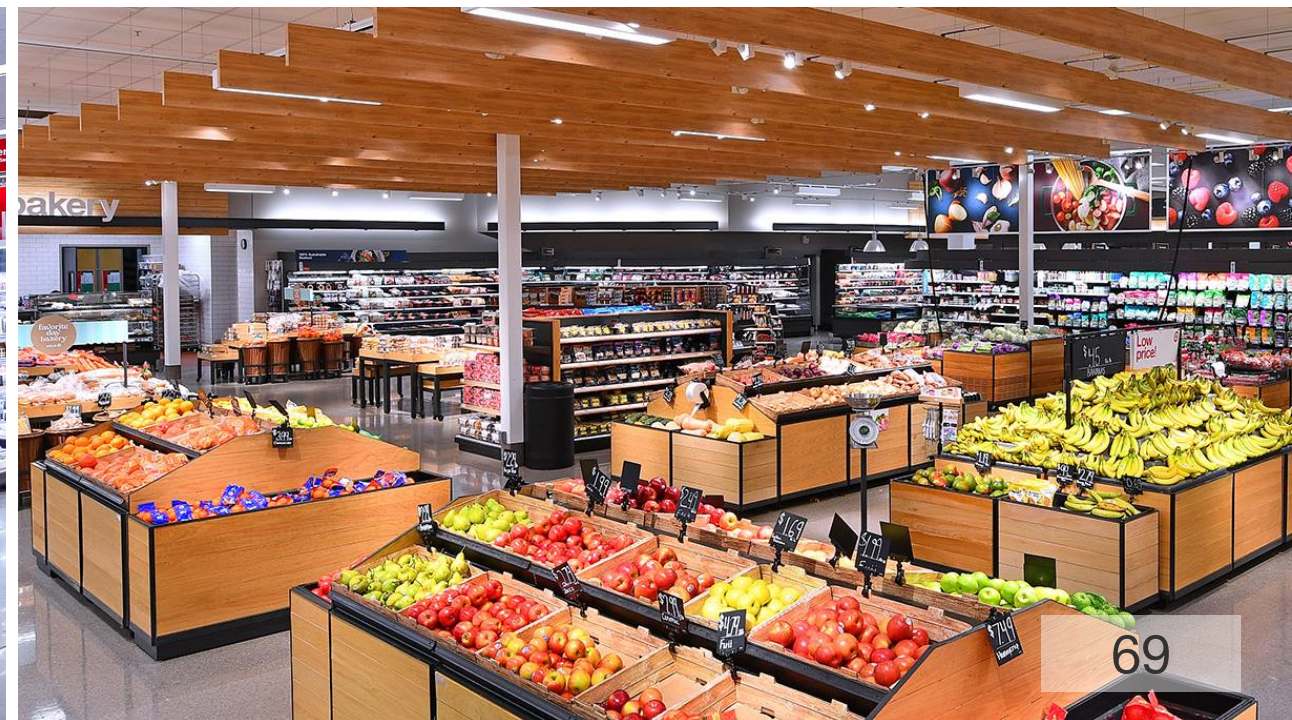

Low price!


up & up advanced dishwasher detergent packs 23-ct.

4⁷⁹

10/19





Efficiency to fuel our
longer-term growth ambitions.

