# TJX Ecosystem

**The TJX Companies, Inc.**
770 Cochituate Rd
Framingham, MA 01701
Phone: (508) 390-1000; www.tjx.com

## Outside Relationships

*Regulators* | *Capital* | *Suppliers* | *Customers*

**Capital**
- Public Debt Holders
- Commercial Banks

**Bond Financing**

**Working Capital Financing**

**Business Regulation**

**Subjects of Regulation**
- Labor, Works Councils & Employment Practices
- Import and Export of Materials
- Data Protection
- Consumer Protection and Product Safety
- Intellectual Property
- Trade Restrictions
- Internet

**Merchandise Providers**

**Footwear**
- Nike Inc. (Apparel/ Footwear)
- Rocky Brands, Inc. (Outdoor Footwear)
- Crocs (Footwear)

**Apparel**
- Oxford Industries, Inc. (Apparel)
- Under Armour Inc. (Sportwear/ Footwear)
- V F Corporation (Sportwear/ Footwear)
- Ralph Lauren Corporation (Apparel/ Fragrance)
- Perry Ellis International Inc. (Men's Apparel)
- Lululemon Athletica (Athletic Apparel)
- J. Crew (Apparel)

**Accessories**
- Tumi Holdings, Inc. (Luggage)
- Vera Bradley Inc. (Women's Accessories)

**Jewelry**
- Reveal Designer (Watches and Bracelets)
- Deepa Gurnani (Earrings)
- Sorrelli (Necklaces and Earrings)

**Sporting Goods**
- New Balance (Athletic Footwear)
- North Face (Apparel)
- Mountain Hardware (Outdoor Apparel)
- Marmot (Coats, Jackets and Gloves)
- Majesty Skies (Skies)

**Merchandise Supplies**

# The TJX Companies, Inc. (Delaware Corporation)

## Debt Structure

**Debt ( $2.2B @ 2.1.2020)** — **Credit Ratings: S&P (A), Moody's (A2)**
- $500M Senior Unsecured Revolving Credit Facility, due August 2021 ($0 Used)
- $500M Senior Unsecured Revolving Credit Facilities, due 2022 and 2024 ($0 Used)
- $500M Senior Unsecured Revolving Credit Facilities, due 2024 ($0 Used)

**Bond Financing**
- 2.75% 2021 Senior Unsecured Notes ($750M)
- 2.5% 2023 Senior Unsecured Notes ($500M)
- 2.25% 2026 Senior Unsecured Notes ($995M)

## Equity Structure

**Equity**
- Share Repurchase Program 2020: $1.5 Million Authority 2019: $1.5 Billion Authority 2018: $3.0 Billion Authority
- Preferred Stock *Authorized:* 5,000,000 *Issued and Outstanding:* None
- Common Stock *Authorized:* 1,800,000,000 *Issued and Outstanding:* 1,199,099,786 *Recordholders:* 2,095

## Governance

**Board of Directors**

| | | |
|---|---|---|
| Carol Meyrowitz (Chair) | David Ching (A, CG) | Amy Lane (A, E, F) |
| Zein Abdalla (F, CG) | C. Kim Goodwin (A) | Jackwyn Nemerov (CG, EC) |
| José B. Alvarez (EC, CG) | Ernie Herrman | John O'Brien (F) |
| Alan Bennett (E, EC) | Michael Hines (A, F) | Willow Shire (CG, EC) |
| Rosemary Berkery (A, EC) | Board Committees: Audit (A); Finance (F); Corporate Governance (CG); Executive (E); Executive Compensation (EC) | |

**Management Team**

| | | |
|---|---|---|
| Ernie Herrman – CEO & President | Scott Goldenberg – SEVP, CFO | Ken Canestrari – SEVP, Group President |
| Douglas Mizzi – SEVP, Group President | Richard Sherr – SEVP, Group President | Alicia C. Kelly – EVP, Secretary and General Counsel |

## Corporate Matters

**Human Resources**
- Talent Acquisition
- Employee Engagement
- Compensation
- Benefits
- Culture
- Talent Development
- Diversity & Inclusion
- HR Information Systems
- Labor Relations

**Merchandising**
- Demand Planning
- Procurement
- Pricing
- Promotional Planning

**Marketing**
- Planning
- Creative
- Strategy
- Operations / Technology
- Media

**Finance and Accounting**
- Investor Relations
- Internal Audit
- Accounting
- Information Technology
- Financial Reporting
- Tax
- Risk Management
- FP&A
- Insurance
- Treasury

**Legal**
- Intellectual Property
- Regulatory Affairs
- Corporate Governance
- Secretarial Matters
- Litigation Management
- Securities and Disclosure Law Compliance
- Labor & Employment Law

**Supply Chain**
- Order Management
- Distribution Centers
- Warehousing
- Global Compliance & Trade
- Real Estate
- Final-Mile Fulfillment
- Domestic and International Transportation
- Logistics

## Operations

### Marmaxx – Sierra (U.S.) | Net Sales: $25.7B

**Brands**

T.J.maxx®

Off-Price American Apparel and Home Fashions Department Store Chain with More Than 1,000 Stores in the United States, Making It One of the Largest Clothing Retailers in the Country. TJMaxx is the Flagship Chain of the TJX Companies.

Marshalls

Off-Price American Apparel and Home Fashions Department Store Chain and Former Rival of TJMaxx with More Than 1,000 Stores in the United States. TJX Acquired Marshalls In 1995.

SIERRA

Acquired by the TJX Companies in 2012, This Cheyenne, Wyoming-Based Company Has 46 Stores That Offer Off-Price Products in Categories Such as Outdoor Recreation, Fitness and Adventure Gear, Apparel/Clothing, Footwear, and Home Decor.

**Top Competitors**

macy's, Ross, sears, Target, JCPenney, Dick's Sporting Goods, Kohl's, Walmart, Saks Fifth Avenue OFF 5TH, overstock.com, GAP, Nordstrom Rack, bloomingdale's

### HomeGoods (U.S.) | Net Sales: $6.3B

**Brands**

HomeGoods

Off-Price American Home Furnishings Department Store Chain With 809 Stores in the United States. Founded in 1992, HomeGoods Sells Furniture, Linens, Art, Cooking Products, and Other Home Accessories. HomeGoods Does Not Sell Products Online.

HomeSense

Comparable To HomeGoods, HomeSense is a Canadian Chain of 32 Discount Home Furnishing Stores. It Originated in Canada in 2001 and Expanded to the U.S. in 2017.

**Top Competitors**

Target, Bed Bath & Beyond, Walmart, Kohl's, macy's

### TJX Canada (Canada) | Net Sales: $4.0B

**Brands**

WINNERS

Chain of Off-Price Canadian Department Stores Offering Brand-Name Clothing, Footwear, Bedding, Furniture, Fine Jewelry, Beauty Products, and Housewares. Acquired In 1990, Winners is the Leading Off-orice Apparel and Home Fashions Retailer in Canada With 279 Stores.

Marshalls

Off-Price American Apparel and Home Fashions Department Store Chain That First Expanded into Canada In March 2011 and Now Has 97 Stores in the Country.

HomeSense

HomeSense is a Canadian Chain of 137 Discount Home Furnishing Stores. It ss Comparable to HomeGoods, But With a Differentiated Mix and Expanded Departments, Such as Large Furniture, Ceiling Lighting and Rugs.

**Top Competitors**

Target, burkes OUTLET, Walmart, Hudson's Bay, Saks Fifth Avenue, Lord + Taylor

### TJX International (Australia & Europe) | Net Sales: $5.7B

**Brands**

T.K.maxx®

Off-Price European Apparel and Home Fashion Department Store Chain Currently With 594 Stores That First Launched in the U.K. and Ireland in 1994, Then Expanded to Germany in 2007, Poland in 2008, and Austria and the Netherlands in 2015. The Brand Launched In Australia in 2017 and Currently Has 54 Stores.

HomeSense

HomeSense is a Canadian Chain of Discount Home Furnishing Stores That Expanded to Europe in 2008. The Chain Has 78 Stores in Europe.

**Top Competitors**

Biedronka, Wibra, TESCO, Dimmey's, xenos, PRIMARK, ASDA, Kmart, Target

**Merchandise Supplies**

**Home Merchandise Providers**

| Food | Home Accessories | Furniture | Cook Ware | Rugs | Lighting |
|---|---|---|---|---|---|
| Duralex (Food Storage) | Safavieh (Comforters and Blankets) | Uma (Stools, Tables and Nightstands) | Whirlpool Kitchen Aid (Mixers and Kitchen Items) | Safavieh (Area Rugs and Runners) | Adesso (Table Lamps and Pendants) |
| Penguin Random House (Cookbooks) | StyleCraft (Stools and Tables) | Home Dec Far East (Chairs) | Kate Spade (Kitchen Items) | Laura Ashley (Scatter Rugs) | Jamie Young (Table Lamps) |
| Melissa & Doug (Pizza) | | Adesso (Chairs) | Le Creuset (Kitchen Items) | Momeni (Area Rugs) | Safavieh (Table Lamps and Chandeliers) |
| | | DKNY (Tables) | | Reveal Designer (Area Rugs) | Simon Blake (Table Lamps) |
| | | | | | StyleCraft (Floor and Table Lamps) |

## Outside Relationships

*Customers* | *Suppliers* | *Capital* | *Regulators*

**Regulators**
- Securities Regulators
- U.S. Securities and Exchange Commission
- New York Stock Exchange
- U.S. Patent and Trademark Office

**Securities Regulation and NYSE Listing Rules**

**Common Stock Repurchases**

**Equity Capital**

**Capital**
- Significant Shareholders
- Wellington Management (7.75%)
- Vanguard Group (7.58%)
- BlackRock (5.24%)
- SSgA (4.34%)
- Alliance Bernstein (1.79%)
- Institutional Ownership: 90.88%

**Cash Registers and Other Point-of-Sale Electronic Instruments & Controls**

**Suppliers**
- Service Providers
- NCR Corp. (Point-of-Sale Equipment and Technology)
- Simon Property Group Inc. (Real Estate)
- Vornado Realty Trust (Real Estate)
- Public Storage (Warehousing)
- PWC (Auditors)

**Real Estate Leases**

**Real Estate Leases**

**Merchandise Warehousing**

**Audit Services**

**Trademarks & Other Intellectual Property Registrations**

**Retail Store and Online Merchandise Sales** (Including Apparel, Footwear, Accessories, Furniture, Rugs, Lighting, Cookware, Jewelry, and Sporting Goods)

**Customer Returns** (In-Store Only)

**Customers**
- Budget-Conscious Consumers
- In-Person Retail Store Shoppers
- Online Shoppers

## Key Company Data

**Company Description**

The TJX Companies, Inc. (TJX) is the leading off-price apparel and home fashions retailer in the U.S. and worldwide. The first two TJ Maxx stores were opened in Massachusetts in 1977. In 1995, TJX acquired Marshalls, which opened its first store in 1956. TJX creates a "Treasure Cave" experience with rapidly-changing merchandise to keep customers returning to its 4,500+ stores located in nine countries. It also operates four e-commerce sites.

**Share Data**
- Stock Exchange: New York Stock Exchange
- Ticker Symbol: TJX
- Share Price: $60.98 (as of 11/16/2020)
- Earnings Per Share: $0.58 (Trailing 12 Months) and $3.36 (2019 Diluted Basis)
- Forward Annual Dividend: Suspended
- Market Capitalization: $73.311 Billion

**Financial Highlights**

**Results of Operations**
- 2020 Revenues: $41.71 Billion
- Cost of Sales: $29.846 Billion
- Operating Income: $11.864 Billion
- SG&A: $7.455 Billion
- Net Income: $3.272 Billion

**Financial Condition**
- Total Assets: $24.145 Billion
- Total Liabilities: $18.197 Billion
- Long-Term Lease Liabilities: $7.817 Billion
- Long Term Debt: $2.367 Billion
- Equity: $5.948 Billion

**Cash Flow**
- Cash Flow from Operations: $4.067 Billion

**Resources**
- 286,000 employees
- 4,500+ locations
- 1,100+ Global Buying Associates
- 21,000+ vendors sourcing from 100+ countries
- Distribution Centers: 19M Sq. Ft. in Six Countries

**% Revenue by Segment**
- Marmaxx: 61.5%
- HomeGoods: 15.2%
- TJX (Canada): 9.7%
- TJX International: 13.6%

**Recent Developments**

In September 2020, the board elected Jose Alvarez as a member of the board, executive compensation committee and corporate governance committee. The board also elected C. Kim Goodwin in October 2020 as a member of the board and audit committee.

TJX reopened 4,500 stores and its online retail outlets in June 2020 after closing them during the initial COVID outbreak.

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