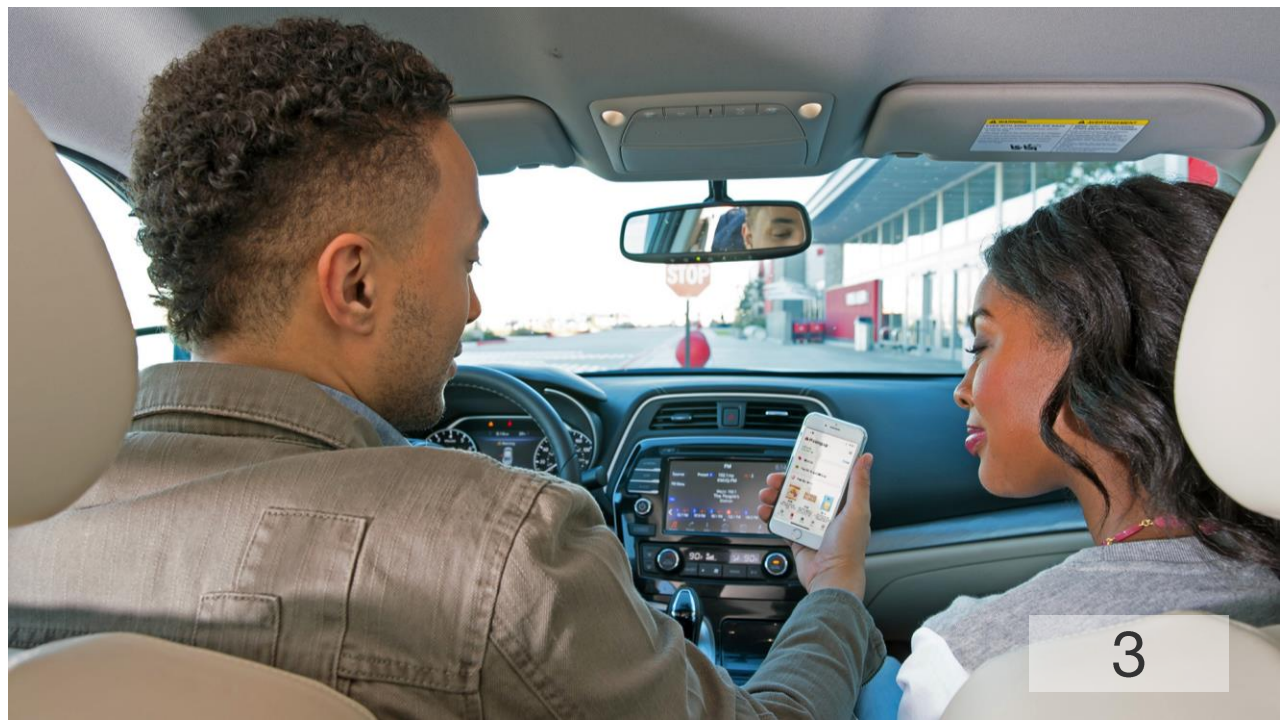




John Mulligan

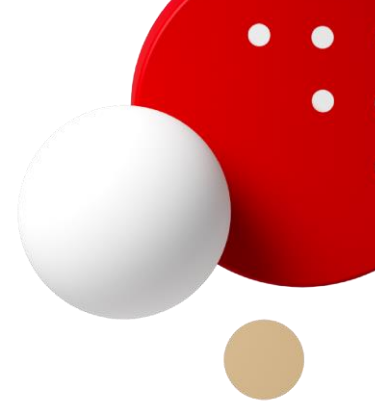
Chief Operating Officer







Team Accomplishments Since 2020



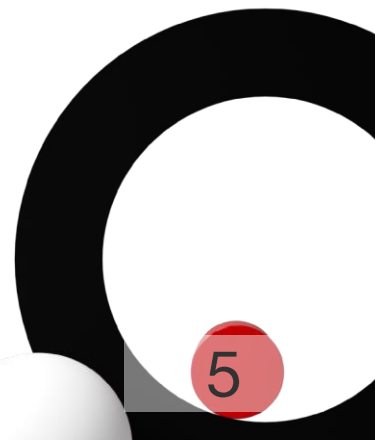
4x More Same-Day Items

Double-Digit Traffic Gains

60+ New Stores Opened

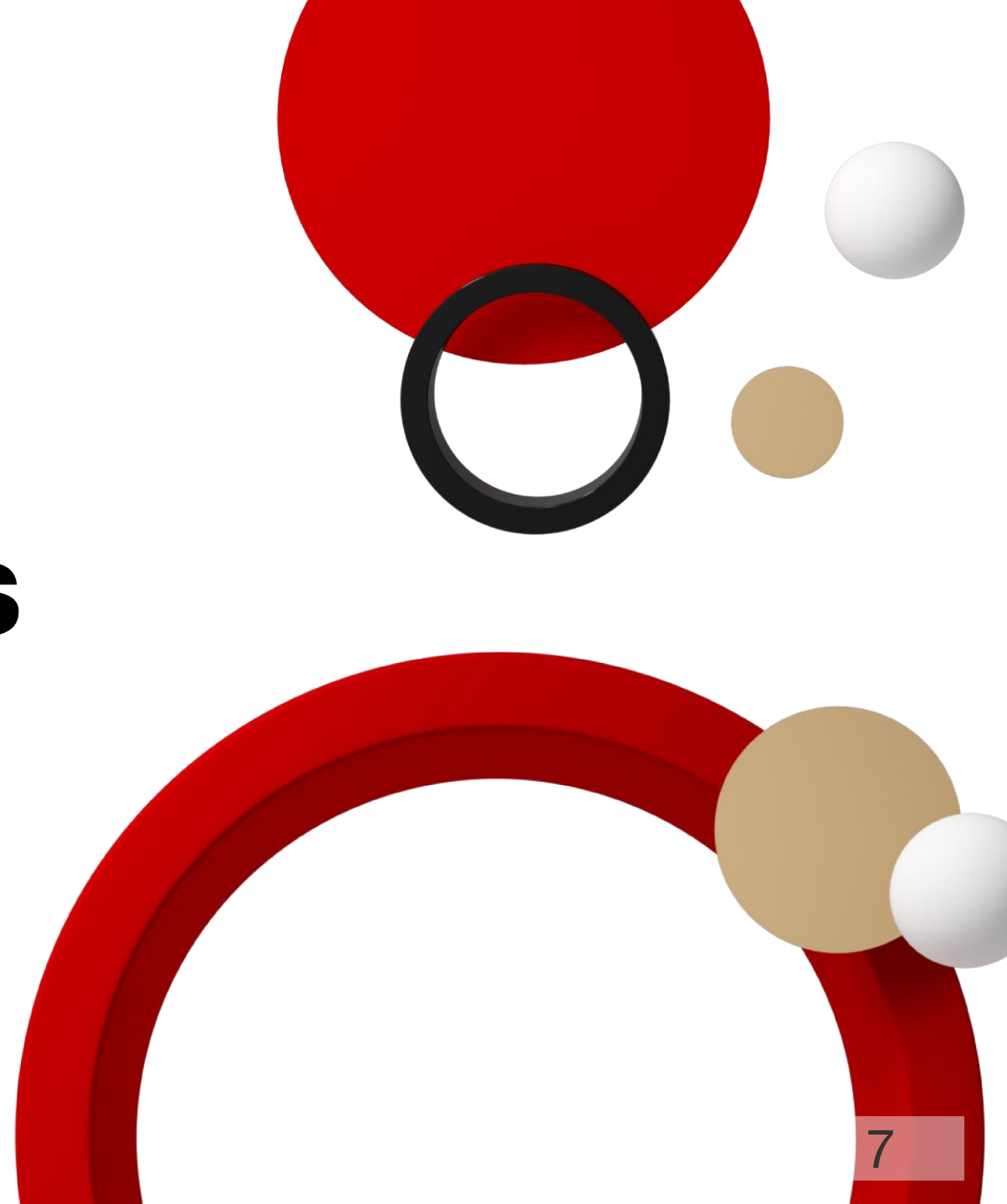
100s of Stores Remodeled

Record Levels of Inventory Moved

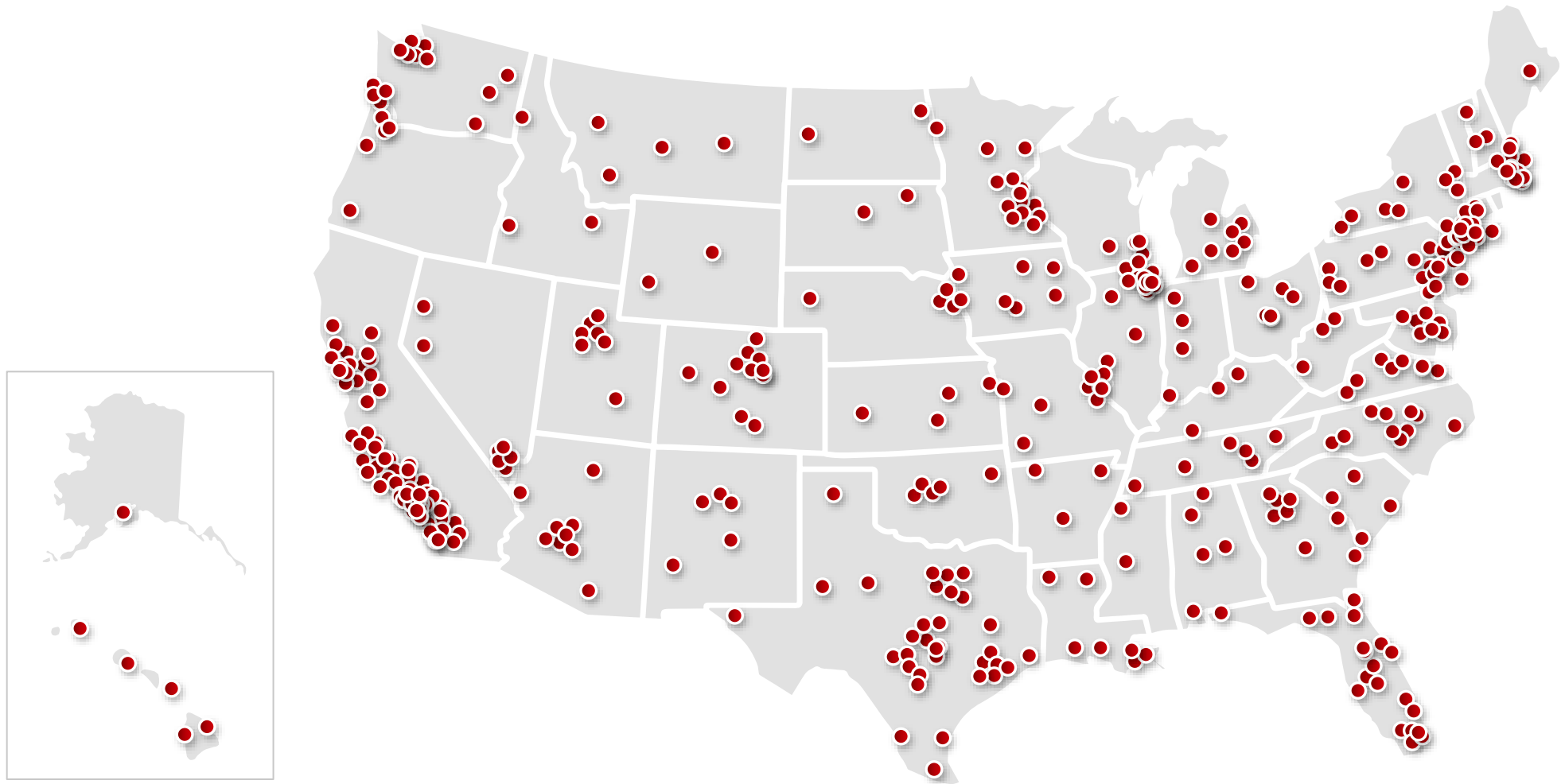




Stores as Hubs



2021 Stores





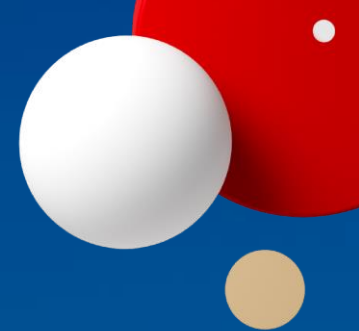
**Our strategy put us
years ahead of others.**

**More choice and convenience
for our guests.**

**More flexibility and capacity
for our future growth.**



>95% of sales in 2021



Services



drive up



order pickup



**same day
delivery**

Delivered by **Shipt** 



45%
growth in 2021

building on
235%
growth in 2020



**Our stores are supporting
more and more volume.**



+\$15M
in average store
sales since 2017



**Stores contribute to the top line
while protecting the bottom line.**



**Stores contribute to the top line
while **protecting the bottom line.****



30%

**increase in average sales
per store in the last 2 years**

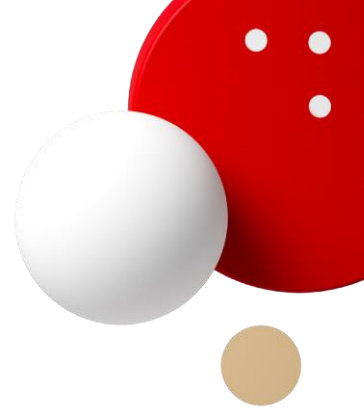


We're building the **upstream
capacity we'll need over time.**



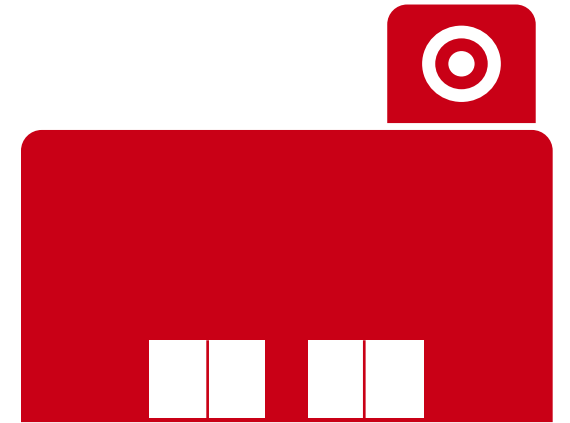
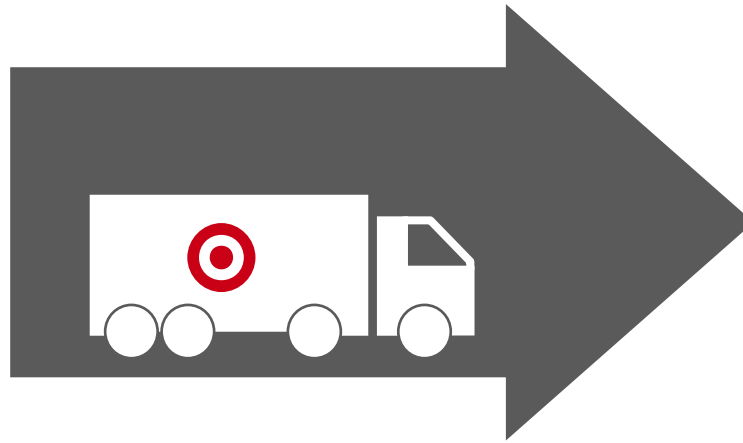
forward

Replenishment





Distribution Centers



Stores



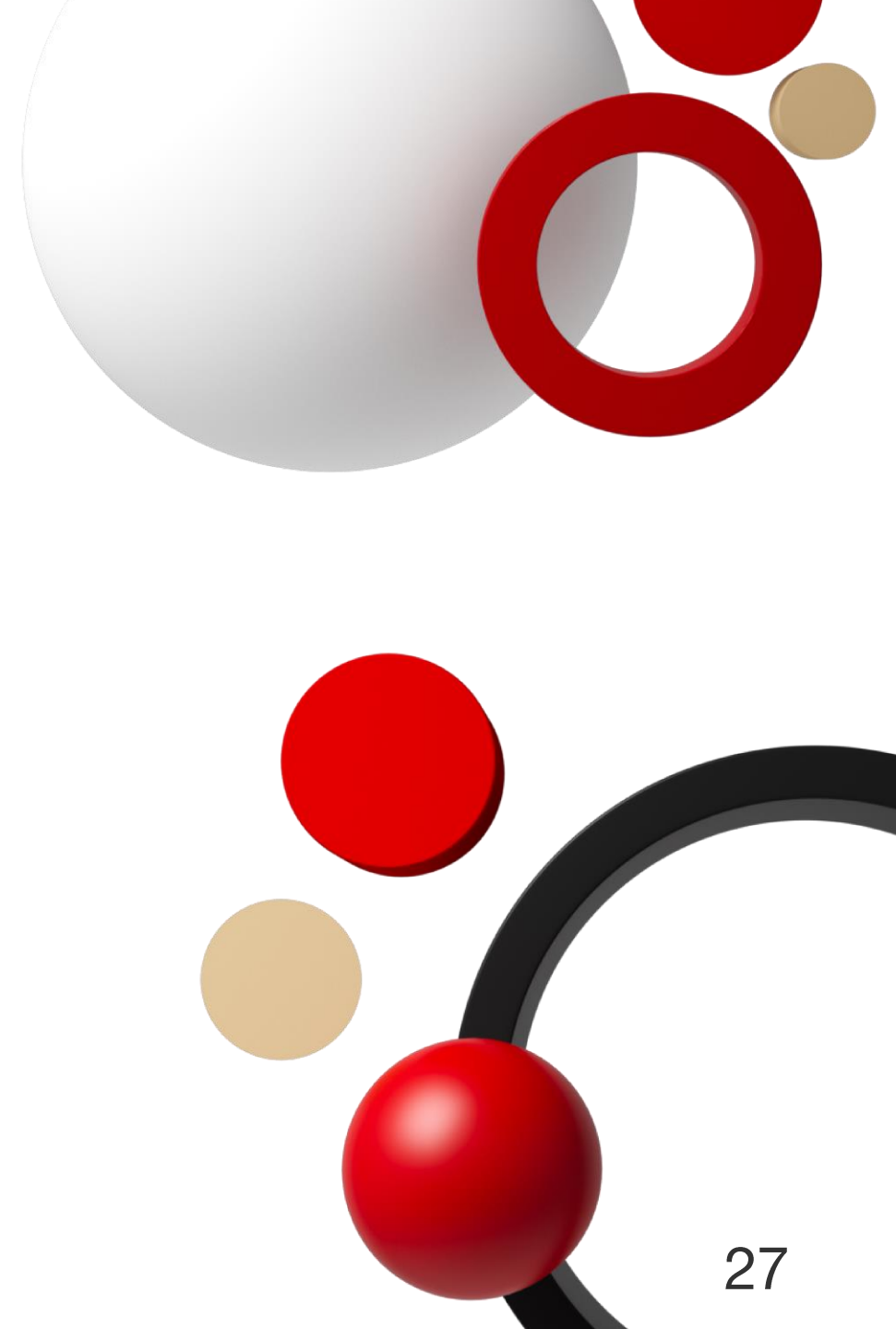


Logan Township, NJ



Chicago, IL

Sortation Centers





target

Minneapolis Sortation Center







Shipt 



**Faster Delivery +
Lower Fulfillment Cost**



Sortation Centers will allow us to roll out **next-day delivery at scale.**

Sortation Centers



Sortation Centers

- Works with stores as hubs strategy
- Leverages technology for efficiency
- Integrates Shipt's capabilities

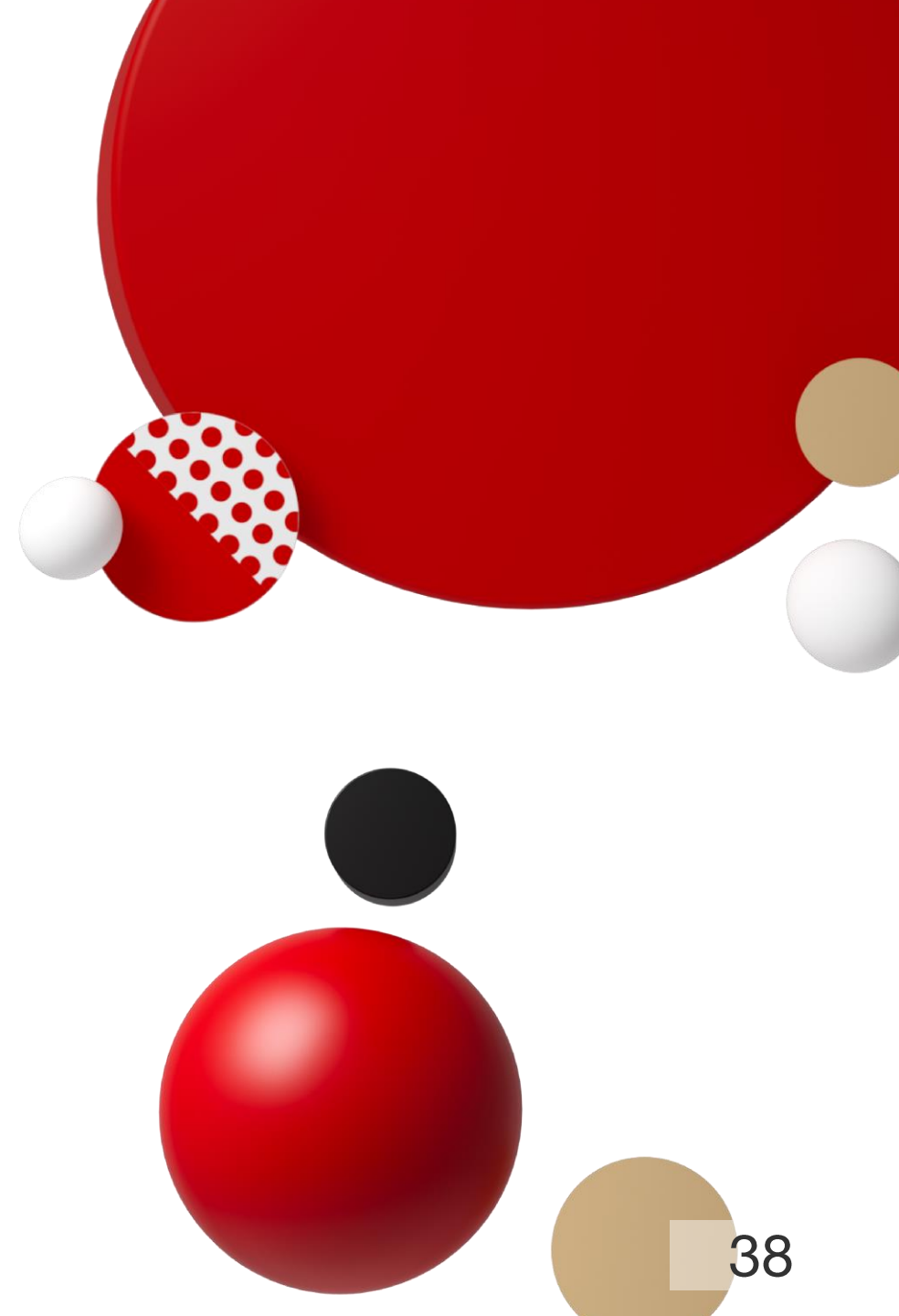


**Sortation Center expansion
will field **long-term growth.****

VIDEO:

Sortation Centers

Remodels





~200 Remodels in 2022





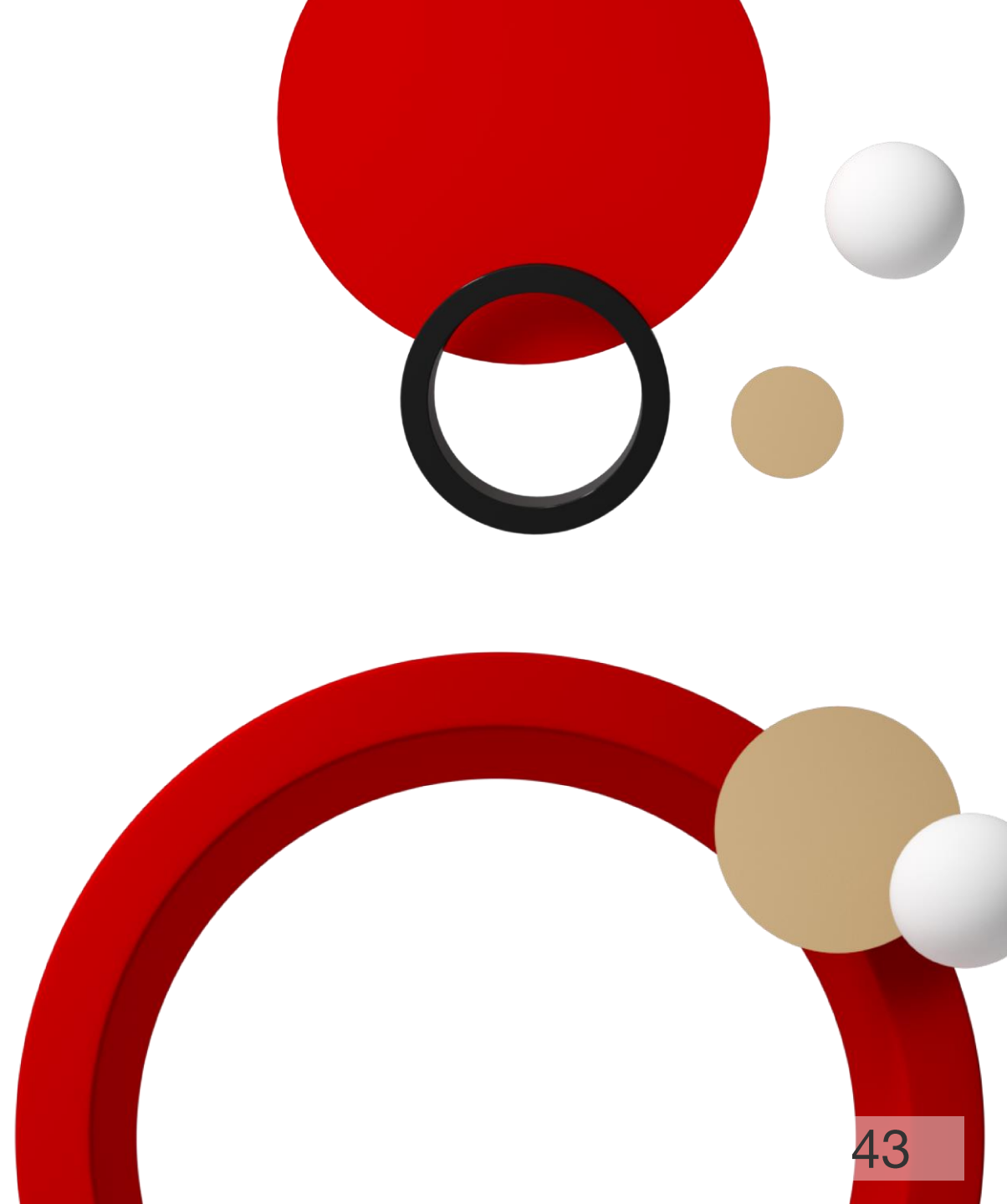
Remodeled Stores

+2-4%
sales first year

+1-2%
sales second year



New Stores



~30 New Stores Per Year





Chicago, IL



Small-Format Stores



Denver, CO

Boston, MA



Charleston, SC



Times Square, NY

Mid-Size Stores





Minneapolis, MN



Los Angeles, CA



Stanford, CA



San Diego, CA

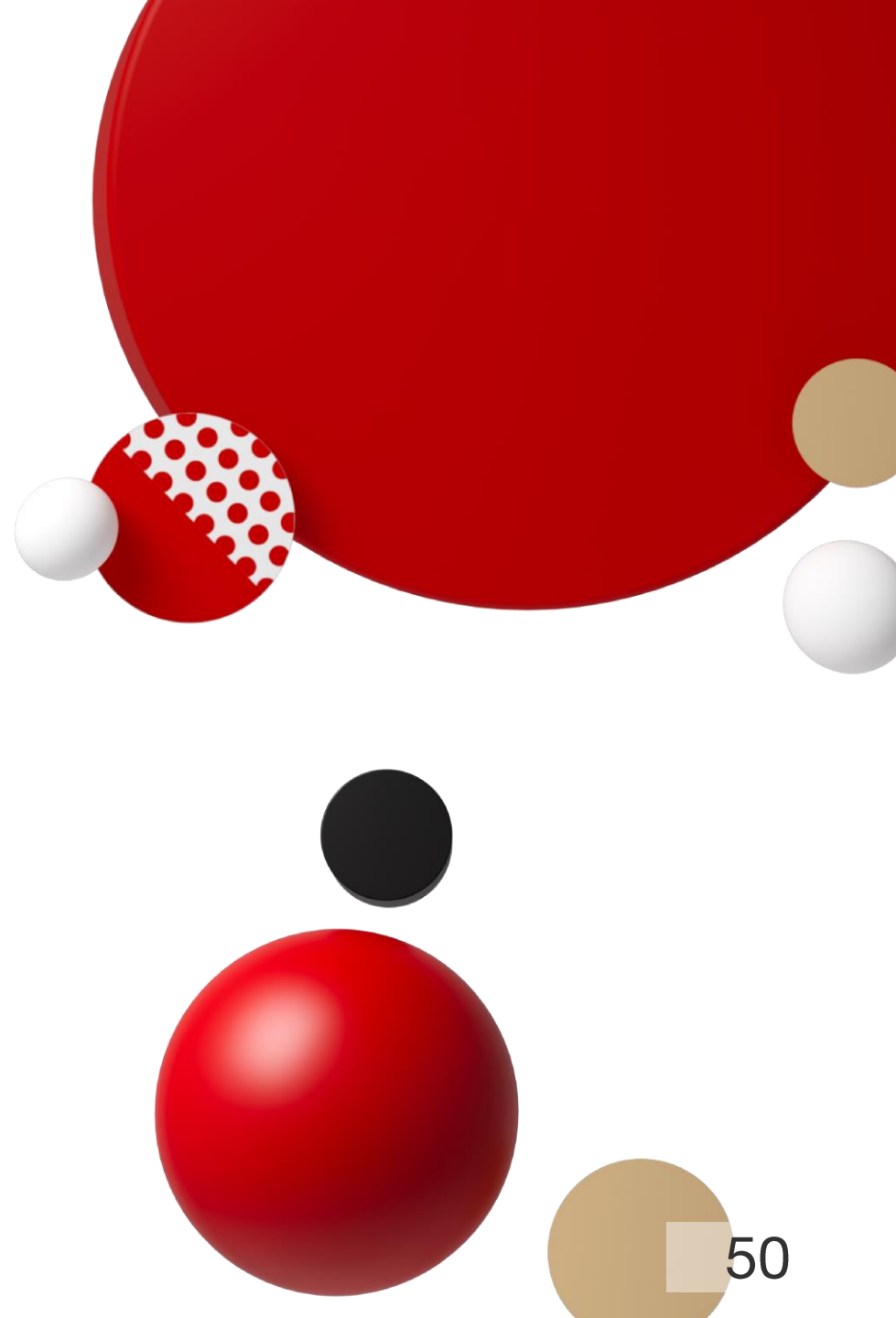


Philadelphia, PA



San Antonio, TX

Team

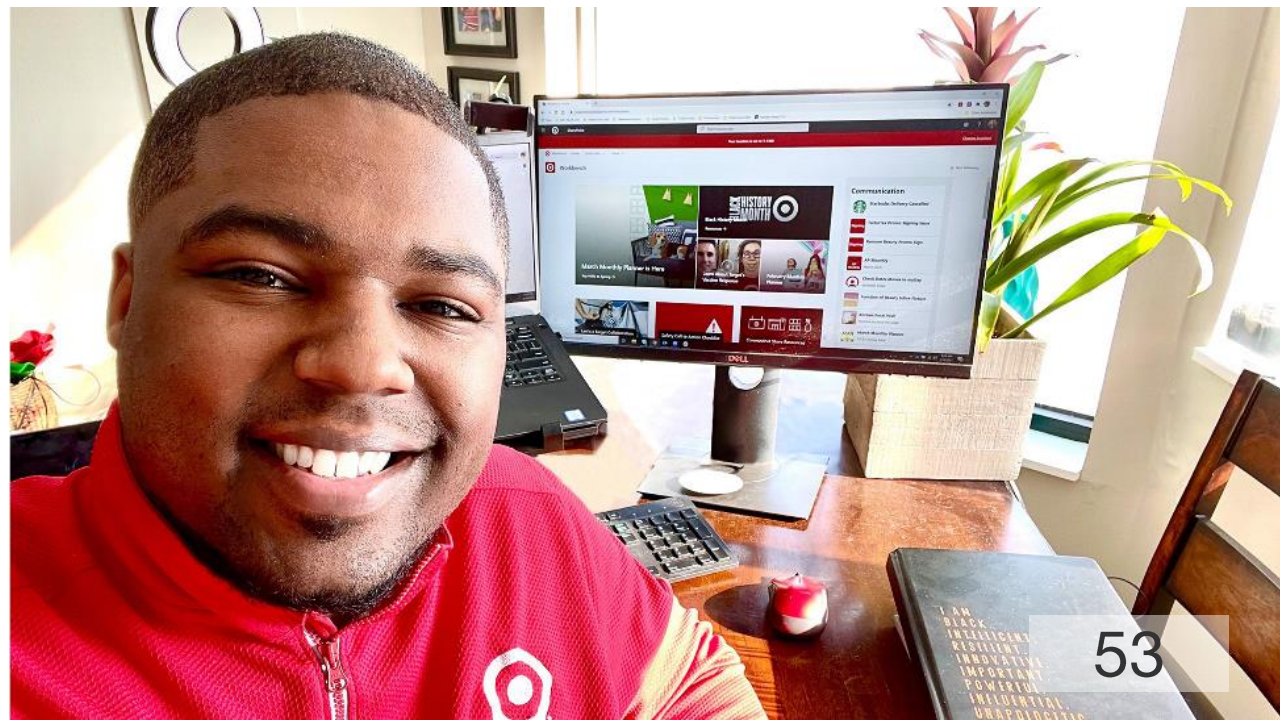






Our team has gotten **stronger.**





VIDEO:

Caring



financial community meeting