EXECUTIVE STOCK OWNERSHIP AND RETENTION POLICIES AND PRACTICES

The TJX executive compensation program that is overseen by the Executive Compensation Committee of the Board of Directors of TJX includes policies and practices that are designed to align our executives’ interests with those of our shareholders. These policies and practices require share ownership by executive officers of TJX and encourage share retention as long as the executive is serving as an executive officer of TJX, regardless of whether the executive is eligible to retire.

Executive Stock Ownership Guidelines. Under our stock ownership guidelines, our CEO and President and our Executive Chairman are expected to attain stock ownership with a fair market value equal to at least six times annual base compensation; and our Chief Financial Officer and all Senior Executive Vice Presidents are expected to attain stock ownership with a fair market value of at least three times annual base compensation. At age 62, these ownership guidelines are reduced by fifty percent. Executives are expected to make steady progress toward the ownership guidelines and to attain them within five years from their respective dates of hire or promotion to the above positions. Executives who have not attained the requisite ownership level are expected to retain at least 50% of the value of shares of stock received upon or following vesting of stock awards and exercise of stock options (net of income taxes and, if applicable, exercise price) until such ownership level is achieved.

Long-term Equity Awards. Our executive compensation program emphasizes long-term equity incentives that tie executive officer compensation to long-term shareholder value. Our long-term incentives include performance share units with three-year performance vesting conditions and restricted stock units with three-year service vesting conditions. Our CEO also holds a career shares award that is not scheduled to vest in full until the end of a ten-year service period and provides for the deferral of such vested shares for a period following his retirement or other separation from service. Additional information about equity compensation for our executive officers can be found in our annual proxy statement.

Other Policies. Any sale of TJX shares by our executive officers is subject to other applicable company policies, including our policy for recovery of executive officer incentive compensation and our global insider trading policy, which includes prohibitions on engaging in pledging or hedging transactions with respect to TJX stock.