

TO OUR FELLOW SHAREHOLDERS:

2025 was another excellent year for TJX! We are so proud of our global Associates who drove our above-plan top- and bottom-line growth. Throughout our 49-year history, our commitment to **our mission to deliver great value to customers every day** has led to our successful growth through many different retail, economic, and geopolitical environments. With our great values and entertaining, treasure-hunt shopping experience, we attracted new shoppers and **gained market share in each of our divisions** in 2025. Across our retail banners, our value proposition of brand, fashion, price, and quality, appeals to a very broad range of customers across age and income demographics, which differentiates us from many other major retailers. Our long track record of success demonstrates the strength and resiliency of our off-price business model. As we begin our **50th year** in business, we have great confidence in our continued successful growth around the world.

Associate Recognition

Our Associates work every day to bring our business to life for our shoppers, and we are truly grateful for their ongoing dedication and commitment to TJX and our customers. Our success in 2025 is a testament to their sharp execution of our off-price fundamentals and the collective efforts of our global teams to drive these results.

2025 Business Review

In 2025, annual sales surpassed **\$60 billion**, marking a major milestone for our Company! Full year **comparable sales grew a very strong 5%**, driven by strong sales growth across all of our divisions. We also saw strength in both our apparel and home categories. Sales, pretax profit margin, and earnings per share all increased significantly over last year and were well above our initial guidance for the year. Full year pretax profit margin was 12.1% and diluted earnings per share were \$4.87. On an adjusted basis, full year pretax profit margin grew to 11.7% and diluted earnings per share increased 11% to \$4.73.¹

We are extremely pleased with the broad-based strength across the Company, as **each division delivered comparable sales growth of 4% or better** for the year. Importantly, each division also drove increases in customer transactions and attracted new shoppers throughout the year. We believe all of our divisions are set up extremely well to continue capturing market share around the world for many years to come.

Marmaxx's annual sales exceeded \$36 billion and comparable sales increased a **strong 4%**, with consistent strength in stores across all regions and customer income demographics. **Sierra**, which is reported with TJ Maxx and Marshalls within this division, also drove robust sales growth as store openings accelerated across the country. Marmaxx's full-year segment profit margin was 15.1% and adjusted segment profit margin increased to an outstanding 14.4%.² Looking ahead, we are excited by the opportunities we see to attract more shoppers, grow our store base, and further increase sales at our largest division.

At **HomeGoods**, annual sales surpassed \$10 billion, a great milestone for this division! Comparable sales grew a **very strong 5%**, with consistent strength across all regions. Full year segment profit margin was 12.2% and adjusted segment profit margin grew to a very strong 12.0%.² We are the largest off-price home fashions retailer in the U.S. and continue to see plenty of opportunities for our HomeGoods and Homesense banners to capture a larger share of the home retailing market.

TJX Canada, which includes Winners, HomeSense, and Marshalls in Canada, delivered an **outstanding 7%** comparable sales increase, with strength across all three banners. Annual sales grew to \$5.6 billion. Full year segment profit margin was 13.4% and adjusted segment profit margin, on a constant currency basis, increased to an outstanding 13.8%.³ As the leading off-price retailer in Canada, we have excellent brand awareness and strong customer loyalty, which we believe sets us up very well to continue our successful growth across the country.

At **TJX International**, which includes TK Maxx and Homesense in Europe and TK Maxx in Australia, annual sales grew to \$8 billion. Comparable sales increased a **strong 4%**, with strength in Europe and terrific sales in Australia. Full year segment profit margin was 7.0% and adjusted segment profit margin, on a constant currency basis, grew significantly to a strong 7.3%.³ We continue to see numerous growth opportunities for this division. We are excited about opening our first stores in Spain in 2026, and we are confident that we can attract even more shoppers in both Europe and Australia over the long term.

As to **e-commerce**, we were pleased with the sales performance during the year. We continued to add new categories and brands to our tjmaxx.com, marshalls.com, sierra.com, and tkmaxx.com sites in 2025 to deliver even more freshness to our online shoppers. We see our online business as an important complement to our successful brick-and-mortar stores and a great way to offer customers exciting values on our eclectic assortments 24/7.

Throughout the year, our global teams collaborated as “**One TJX**” to deliver on our value mission to our customers, every day. Our team of over 1,400 world-class buyers source from an ever-changing universe of approximately 21,000 vendors and from more than 100 countries. By leveraging our global presence and strong vendor relationships, we are able to chase hot trends and capitalize on the tremendous availability in the marketplace. With our global buying and planning expertise and our proprietary logistics and distribution networks, we believe **we are one of the most flexible retailers in the world**. This flexibility allows us to buy close to need, react quickly to consumer preferences, and flow the right product to the right stores, at the right time.

With our ever-changing mix of **good, better, and best brands**, we sell to a very wide customer demographic. We believe our extensive assortment of merchandise resonates with shoppers across many different income and age groups, including younger customers. We are excited about our marketing campaigns in 2026, which reinforce our value leadership, introduce new shoppers to our retail banners around the world, and may encourage cross-shopping of our banners. Our value perception remains very strong, and we believe that our exciting, **treasure-hunt shopping experience** will continue to bring joy to shoppers around the world.

Global Growth

As the **leading off-price retailer of apparel and home fashions in the world**, we continue to see tremendous opportunity to keep delivering our values to even more consumers globally. We see the potential to grow to a total of **7,000 stores** with our existing retail banners in our current countries, including Spain, over the long term. Again, we are thrilled to be bringing **TK Maxx to Spain this year, our 10th country!** We see the long-term potential to add 100 stores in Spain. We continue to be very pleased with our joint venture with Grupo Axo in Mexico and our minority investment in Brands for Less in the Middle East. We are confident in the long-term growth outlook for these businesses in these newer geographies. With the long-term opportunity to add 1,700-plus stores globally, we are convinced that we have a very long runway ahead for continued growth both in the U.S. and internationally.

Financial Position and Shareholder Distributions

In 2025, we generated \$6.9 billion in operating cash flow and ended the year with \$6.2 billion of cash on our consolidated balance sheet. Our financial and operational strength enable us to capitalize on the opportunities we see to grow our business while simultaneously returning significant cash to our shareholders.

In 2025, we returned **\$4.3 billion to shareholders through our buyback and dividend programs**. In March 2026, our Board of Directors approved a 13% increase in our quarterly dividend to 48 cents per share – marking our 29th dividend increase in the last 30 years. Further, we plan to buy back an additional \$2.50 to \$2.75 billion of TJX stock in 2026. Over the past 29 years, we have bought back over \$35 billion in TJX stock.

Looking Forward

Once again, we are very proud of the outstanding performance and sharp execution of our teams in 2025. We enter 2026 in a position of strength and have many initiatives underway to further drive sales and traffic to our stores and online. We are convinced that in-store shopping is here to stay and we are laser focused on providing an entertaining, treasure-hunt shopping experience with great values to our shoppers every day. We remain committed to investing in store remodels and new store prototypes to enhance the shopping environment for our customers. We are planning to take a TJX approach in deploying artificial intelligence to areas where we believe it can help us operate more efficiently, for example in-store analytics, or opportunities to enhance and augment the work of our talented Associates.

As we look ahead, **we are as confident as ever in the future of TJX**. The strength and resiliency of our flexible, off-price business model has proven itself for five decades. We are convinced that our value proposition will continue to resonate with more consumers around the world. Importantly, the tenure and deep bench of TJX experience and off-price expertise within our teams are unmatched and we are developing the next generation of TJX leaders every day.

The depth of our global talent base and the consistency of our culture set us apart and give us great confidence in our ability to navigate changing retail and economic landscapes. Going forward, we are energized by the opportunities we see to further grow our top- and bottom- lines, expand our global footprint, capture additional market share, and bring excitement and joy to more shoppers around the world.

Corporate Responsibility

Anchored by our value mission, TJX has been committed to acting as a responsible corporate citizen since the beginning. Our long-standing corporate responsibility programs focus on supporting our Associates, giving back to the communities where we operate, mitigating our impact on the environment, and operating our business with integrity.

Making TJX a great place to work is always a priority, and we are committed to fostering our culture in which the ideas, feedback, and perspectives of our Associates help shape who we are for the better. We have many initiatives in place to support our Associates, including our intentional efforts to **develop talent, promote inclusion, and champion our culture**. To support our Associates' growth and success, we prioritize teaching and mentoring and offer a range of career development opportunities and programs. We believe the work environment we strive to foster has encouraged many Associates to join us not just to find a job, but to build a career. In fact, at the end of 2025, 41% of people in managerial positions around the world had been at TJX for 10 or more years.⁴

With the support of our hardworking Associates, generous customers, and our three regional TJX charitable foundations, we continue to focus on **giving back to the communities where we live and work**. In 2025, this included support for more than 2,500 nonprofit organizations around the globe, helping families access basic needs, providing education opportunities for young people, and much more. Our Associates have been integral to the success of our programs, volunteering their time, running in-store fundraisers, and participating in our Associate Nominated Grant program.

Our **environmental sustainability initiatives** are centered around our global goals that aim to decrease our operational greenhouse gas emissions, source 100% renewable energy, divert operational waste from landfill, and reduce the environmental impact of certain product packaging. In 2025, we achieved our goal to phase out the use of polyvinyl chloride (PVC) in the packaging of soft home products developed in-house by our product design team. The achievement of this goal reflects several years of thoughtful planning and execution by our teams and demonstrates our continued work towards meeting our global environmental goals. In recent years, our teams have made great progress toward these goals, including improving the energy efficiency of our stores and distribution centers, securing attractive renewable energy procurement deals, and implementing enhanced reuse and recycling infrastructure across our operations, among many other efforts.

Our long-standing **Global Social Compliance Program** is designed to convey and reinforce our expectations of respect for the human rights of workers in our supply chain. Our Vendor Code of Conduct serves as the foundation of our Program and reinforces our expectations to our vendors. Within the last year, we added requirements to our Code related to grievance mechanisms and risk management systems as well as additional specificity around our expectations regarding health and safety, fire safety, and working hours.

We are grateful to our Associates throughout the business who enable our Company to stand by our commitment to corporate responsibility and affirm our core values of honesty, integrity, and treating each other with dignity and respect. Additional information on our ongoing global corporate responsibility efforts, as well as our business operations and financial results can be found on our corporate website, [TJX.com](https://www.tjx.com).⁵

Our Gratitude

Finally, we would like to once again, thank our Associates from around the world for their hard work and dedication to TJX and our customers all year long. We are also grateful to our customers for their loyal shopping visits, and to our fellow shareholders, vendors, and other business partners for their support throughout the year.



Carol Meyrowitz
Executive Chairman of the Board



Ernie Herrman
Chief Executive Officer and President

¹TJX full-year Fiscal 2026 adjusted pretax profit margin and diluted earnings per share exclude a 0.4 percentage point and a \$0.14 net benefit, respectively, from a litigation settlement related to credit card interchange fees and related expenses. Reconciliations detailing the net impact of the litigation settlement and related expenses on the TJX's results as well as of its business segments are available in the Investors section of [TJX.com](https://www.tjx.com).

²Marmaxx and HomeGoods full-year Fiscal 2026 adjusted segment profit margins exclude a 0.7 percentage point and a 0.2 percentage point net benefit, respectively, from the litigation settlement related to credit card interchange fees and related expenses.

³TJX Canada and TJX International full-year Fiscal 2026 adjusted segment profit margins both exclude a 0.4 percentage point negative impact from litigation settlement related expenses. For comparability purposes, constant currency adjustments remove the impact of foreign exchange by assuming a constant exchange rate between periods for translation based on the rate in effect for the prior period. The impact of foreign exchange on consolidated results and international divisions are available in the Investors section of [TJX.com](https://www.tjx.com).

⁴Managerial positions are defined as assistant store manager (or equivalent level) and above across TJX.

⁵Information appearing on [TJX.com](https://www.tjx.com) is not a part of, and is not incorporated by reference into, this letter.