

CORPORATE  
RESPONSIBILITY  
REPORT

The TJX Companies, Inc.

2015



V A L U E



Since The TJX Companies' inception, delivering value to our customers has been our mission, valuing our Associates has been at our core, returning value to our shareholders has been a constant priority, and adding value to our communities has been a central pursuit. Above all else, a key corporate value has always been acting with integrity, which guides everything we do.

As our Company grows, we continue to keep our core values of integrity and openness as an integral part of our expanding world.

Our global, TJX VALUE corporate responsibility program captures the essence of our Company and is aimed at helping us continue to make a positive, sustainable impact within the areas which we believe are key to our business and serve the interests of our Associates, customers, shareholders, vendors and communities.

# 5

The five tenets of our program represent pursuits that have been important since the Company's inception. Those areas are:

**VENDOR SOCIAL COMPLIANCE**

**ATTENTION TO GOVERNANCE**

**LEVERAGING OUR CULTURE**

**UNITED WITH OUR COMMUNITIES**

**ENVIRONMENTAL SUSTAINABILITY**

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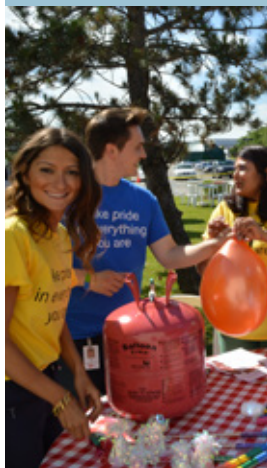
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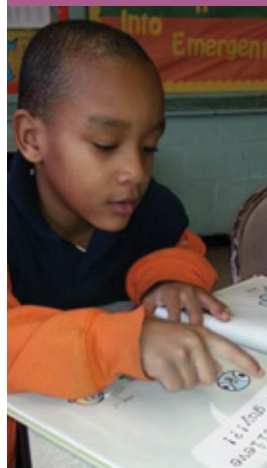
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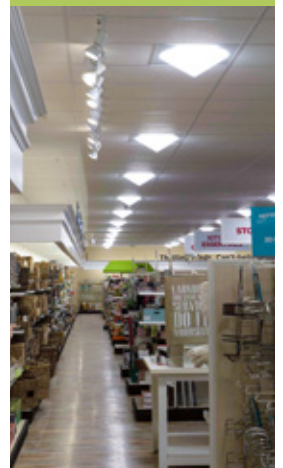
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## To our Associates, Customers, Shareholders, Vendors and Neighbors:

**A LETTER  
FROM  
CAROL  
MEYROWITZ,  
OUR CHAIRMAN  
AND CHIEF  
EXECUTIVE  
OFFICER**



Five years ago, we published our first TJX global Corporate Responsibility report and in doing so, extended what we believe is an important, ongoing conversation with all of you about how we conduct business using ethical business practices. While our brick-and-mortar stores and our e-commerce websites are focused on bringing value to our customers every day, we also deeply respect our obligation to continue to bring VALUE to the world in which we conduct our business. We are pleased to share the progress we make each year through our TJX VALUE Corporate Responsibility website and eBook, which feature program improvements in the U.S., Canada and Europe, across five important areas. As we deepen our understanding of what it means to be a good corporate citizen, we have, and will continue to, explore the best and most effective way to educate our stakeholders on our corporate responsibility efforts.

With this in mind, I am pleased to share with you our 2015 Corporate Responsibility eBook. Our eBook is a printable version of our website, which provides a detailed look at the progress TJX has made throughout 2014 and communicates our vision for the future. This includes measurable goals in some areas, including our recently established 10-year commitment to reduce energy usage and greenhouse gas emissions and our ongoing commitment to hire military Veterans. We hope you'll find our eBook engaging as we share vibrant content and stories that demonstrate the significant efforts and combined impact of our approximately 198,000 Associates working together across the globe.

I am particularly proud to share a few highlights from our reporting that demonstrate how deeply we care and how firmly we commit to the many causes we support. In 2014, our T.J. Maxx Associates celebrated 30 years of working with Save the Children in the U.S. and our T.K. Maxx and HomeSense Associates in the U.K. celebrated their 10-year partnership with Cancer Research U.K. In Canada, our Winners and HomeSense Associates have supported the Sunshine Foundation for over a decade, helping to grant wishes for children with severe physical disabilities or life-threatening illnesses. Thanks to the sustained efforts of our Associates and the generosity of our customers supporting many causes with us over many years, we have helped to make a meaningful impact on the lives of thousands of children.

As a global, value retailer for today and tomorrow, we hold ourselves to high standards at TJX. We remain committed to evolving our corporate responsibility program so that we may continue to improve our performance and make a positive, sustainable impact on the world, while maintaining our commitment to integrity, which has informed everything we do at TJX since day one. I invite you to explore this eBook and learn more about our corporate responsibility efforts.

Sincerely,

A handwritten signature in black ink that reads "Carol Meyrowitz".

Carol Meyrowitz  
CHAIRMAN AND  
CHIEF EXECUTIVE OFFICER  
THE TJX COMPANIES, INC.



## Our Company

The TJX Companies, Inc. is the leading off-price retailer of apparel and home fashions in the U.S. and worldwide, ranking No. 103 in the 2015 Fortune 500 listings, with \$29.1 billion in revenues in 2014, more than 3,300 stores in 7 countries, 3 e-commerce sites, and approximately 198,000 Associates. We operate T.J. Maxx and Marshalls (combined Marmaxx), HomeGoods and Sierra Trading Post, as well as tjmaxx.com and sierratradingpost.com, in the United States; Winners, HomeSense and Marshalls (combined TJX Canada) in Canada; and T.K. Maxx in the United Kingdom, Ireland, Germany, Poland and Austria, as well as HomeSense and tkmaxx.com in the U.K. (combined TJX Europe).\*

We see ourselves as a global, value retailer and our off-price mission is to deliver great value to customers through the combination of brand, fashion, price and quality. We offer a rapidly changing assortment of brand name and designer merchandise at prices generally 20%-60% below department and specialty store regular prices on comparable merchandise, every day. With our value proposition and exciting treasure-hunt shopping experience, we believe that our demographic reach is among the widest in retail as we attract a broad range of fashion and value conscious customers across many income levels and demographic groups.

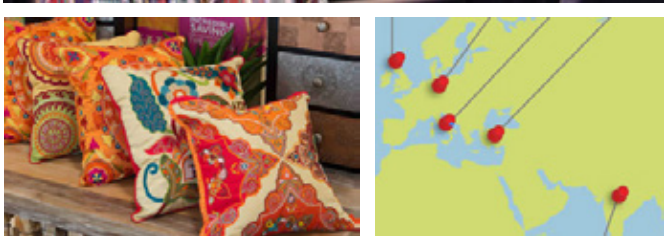
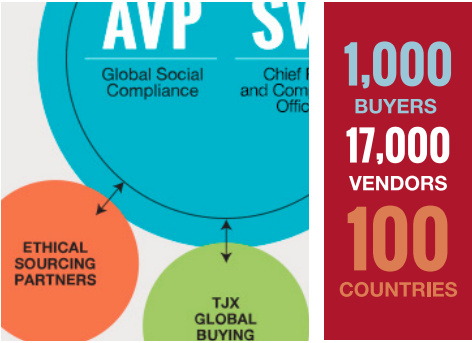
In our 38-year history, we have delivered steady sales and earnings growth and some of the highest returns on investment in retail. We have seen only one year with an annual comparable store sales decline. We believe that we operate one of the most flexible business models in the world and that year after year, our great flexibility has enabled us to succeed through various economic and business environments. Our stores have no walls between departments, which enables us to expand and contract merchandise categories to respond to market trends and customers' changing tastes. Our inventories turn rapidly, which allows us to buy close to need, with visibility into current fashion and pricing trends. We source merchandise globally from a vendor universe of over 17,000 vendors in more than 100 countries. We see ourselves as leaders in innovation, constantly testing new ideas, seeking the right categories, current fashions and top brands, and leveraging information from our worldwide buying presence. Further, our financial strength gives us the strong foundation and flexibility to grow our business and simultaneously return value to shareholders. These are some of the key factors that give us great confidence in our continued ability to increase sales and profitability as we continue to grow globally.

\*Please note that references to things accomplished or completed by TJX in 2014 within this eBook denote TJX's fiscal year 2015, which began February 2, 2014 and ended January 31, 2015.



# Vendor Social Compliance

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At TJX, we have a long history of treating people with dignity, fairness and respect, and we are committed to operating our business with high standards of ethics. We believe our commitment to these principles is an important part of our success – in the past and as we continue to grow our Company.

Our commitment to fairness and ethics extends to our vendors and is embedded within our responsible sourcing initiatives through our vendor social compliance program. We strongly value the relationships that we have developed with our vendors. These relationships have been built on a foundation of honesty and trust and a commitment to ethical business practices. It is, therefore, critical that our vendors respect the laws and the cultures of the communities in which they operate and respect the rights of the workers who manufacture products for sale in our stores. In short, we expect our vendors to uphold the high ethical standards embodied in our Vendor Code of Conduct and vendor social compliance program.



## Program Highlights

### Supplier Engagement and Education

Since 2005, we have conducted over 100 training sessions for buying agents, vendors and factory management in 10 countries to educate them on our Vendor Code of Conduct and our expectations with respect to our vendor social compliance program, particularly local labor laws and ethical business practices. TJX Associates involved in the development and buying of our merchandise are also trained on our vendor social compliance program on a biennial basis.

### Global Program Coordination

Each TJX international buying office has an appointed liaison that assists the Assistant Vice President (AVP), Global Social Compliance, with the communication of our vendor social compliance program requirements to local vendors. Others involved in the day-to-day management of product sourcing are also involved in our vendor social compliance program.

### Leveraging Best-In-Class Expertise

We have retained UL LLC (UL) and Intertek Group PLC (Intertek), organizations that have extensive experience and knowledge in the field of ethical sourcing, to assist us with program development, education and training, and compliance monitoring. Our process includes the involvement of TJX internal buying staff and others involved in the day-to-day management of sourcing issues for TJX.



## Strong Vendor Relationships

We strongly value the relationships that we have developed with our vendors – relationships that we believe have been a key factor in our long-term success. These relationships have been built on a foundation of honesty and trust and a commitment to ethical business practices.



On a worldwide basis, over 1,000 Associates in our buying organization source from a universe of more than 17,000 vendors in over 100 countries and, as part of TJX's purchase order terms, our vendors are required to comply with our Vendor Code of Conduct. The Code of Conduct requires that goods we sell have been manufactured and shipped in accordance with all applicable laws, regulations and industry standards, including among other things, a commitment to respect the rights of the workers who manufacture products for sale in our stores. These requirements stand even if a vendor applies their own code of conduct, monitoring and ethical sourcing guidelines.

**1,000**  
BUYERS

**17,000**  
VENDORS

**100**  
COUNTRIES





## Our Off-Price Business Model

We are an off-price retailer, and for us, value is a combination of brand, fashion, price and quality. We deliver great value on an ever changing selection of brand name and designer fashion at prices that are generally 20%-60% below department and specialty store regular prices on comparable merchandise, every day.



The majority of product we sell in our stores is brand name merchandise. To attain our merchandise, we work closely with our vendors and take advantage of a wide variety of opportunities, which can include department store cancellations, a manufacturer making up too much product, or a closeout deal when a vendor wants to clear merchandise at the end of a season. Additionally,

there are other ways we bring tremendous value to our customers. For example, some merchandise is designed by our own fashion and style experts and manufactured just for us, particularly when what we are seeing in the marketplace isn't the right value for our customers.

## Our Vendor Social Compliance Efforts

Historically, we have focused our factory monitoring and supplier training program on suppliers of products that we have designed, as this is where we are most likely to be able to have a meaningful impact. We collaborate closely with our buying agents because they have strong relationships with local production facilities and are well positioned to reinforce our expectations on social compliance issues. TJX believes deeply in ethical sourcing in our supply chain and is committed to continuous improvement. Even though we do not own, operate or control any facilities that manufacture products sold in our stores, all of our vendors are required to follow our Vendor Code of Conduct.



## Vendor Code of Conduct

In order for our vendors to understand our standards and expectations, TJX has an established Vendor Code of Conduct, which requires each of our vendors, at a minimum, to act in accordance with all applicable laws and regulations when manufacturing products to be sold to TJX. With respect to certain issues, our Code prescribes higher standards of performance.



### High Standards

The Code reflects our own high standards, which embrace internationally recognized principles designed to protect the interests of the workers who manufacture products for sale in our stores. The principles encompassed in the Code set forth our expectations with respect to legal and regulatory compliance, health and safety, child labor, forced labor, wages and benefits, working hours, harassment, discrimination, freedom of association, environment, subcontractors, and monitoring and compliance. These principles have been informed by, and in many instances incorporate, human rights, labor rights and anti-corruption standards enunciated by the United Nations and other respected international bodies.

### Vendor Code of Conduct

TJX requires that all products offered for sale in our stores be produced in facilities that meet specific criteria, as set forth below:

#### Compliance with Applicable Laws and Regulations

Our vendors and the factories in which the merchandise they sell us is manufactured (collectively, our “vendors”) must comply with all applicable laws and regulations, including, but not limited to, all environmental laws and regulations, and all laws, regulations and internationally adopted restrictions concerning bribery and corruption.



### Health and Safety

Our vendors must provide their workers with a safe and healthy workplace and safe working conditions.

### Child Labor

Our vendors must not use child labor. The term “child” is defined as anyone younger than 15 years of age (or younger than 14 years of age where the law of the country of manufacture allows 14-year-olds to work). However, in countries where the legal age for completing compulsory education is higher than 15, then we define “child” as anyone younger than the age for completing compulsory education.

### Forced Labor

Our vendors must not use involuntary or forced labor, whether in the form of prison labor, indentured labor, bonded labor, labor acquired through slavery or human trafficking, or otherwise.



### Wages and Benefits

Our vendors must abide with all applicable laws relating to wages and benefits, and must pay the legally prescribed minimum wage or the prevailing industry wage, whichever is higher.

### Working Hours

Our vendors must not require their employees, on a regularly scheduled basis, to work in excess of 60 hours per week (or fewer hours if prescribed by applicable laws and regulations). All overtime must be

voluntary and must be fully compensated in accordance with the requirements of local law, and except in extraordinary circumstances, employees must be entitled to at least one day of rest in every seven-day period.

### Harassment or Abuse

Our vendors must respect the rights and dignity of their employees. We will not tolerate human rights abuses, including physical, sexual, psychological or verbal harassment or abuse of workers.

### Discrimination

Workers must be employed, retained and compensated based on their ability to perform their jobs, and must not be discriminated against on the basis of gender, race, color, national origin, age, religious, ethnic or cultural beliefs, or any other prohibited basis.

### Freedom of Association

Our vendors must respect the rights of their workers to choose (or choose not) to freely associate and to bargain collectively where such rights are recognized by law.



### **Environment**

Our vendors must be in compliance with all applicable environmental laws and regulations. Our vendors are strongly encouraged to protect the environment by: operating in a sustainable manner, where possible; conserving and protecting resources, such as water and energy; and taking into consideration environmental issues that may impact local communities.

### **Subcontractors**

Our vendors must ensure that all subcontractors and any other third parties they use in the production or distribution of goods offered for sale in our stores comply with the principles described in this Code of Conduct. Additionally, our private label vendors must disclose to TJX's third-party auditors the names of all such subcontractors and third parties before social compliance audits are scheduled.

### **Monitoring and Compliance**

TJX or its designated third-party auditor or agent shall have the right to monitor and assess compliance with these principles. A violation of this Code of Conduct may result in required corrective action, cancellation of purchase order(s) and/or termination of the business relationship.



## Global Vendor Social Compliance Program

TJX's global vendor social compliance program is coordinated by our AVP, Global Social Compliance, who has specific responsibility for managing and overseeing our ethical sourcing program.



Our AVP, Global Social Compliance, reports to the Senior Vice President, Chief Risk and Compliance Officer, and works closely with representatives of the different purchasing functions across all of TJX's businesses and with the Vendor Social Compliance Committee. This global social compliance position interacts on a regular basis with UL, Intertek and Omega Compliance Ltd. (Omega), all of which are external organizations with extensive experience in ethical sourcing. The position also relies on other internal and external resources for the development of vendor and buying agent training, monitoring and remediation.

Our Vendor Social Compliance Committee is overseen by TJX management, representing the U.S., Canada and Europe and from relevant disciplines within TJX, including merchandising, sourcing, imports, compliance, enterprise risk management, legal and global communications. The Committee meets on a regular basis and oversees compliance of TJX's vendor social compliance initiative. Committee members work closely and cooperatively with the AVP, Global Social Compliance, on responding to significant issues.

We source from a universe of more than 17,000 vendors in over 100 countries, and the majority of product we sell is brand name merchandise. That said, some of our merchandise is manufactured for us and some is designed by our own fashion and style experts, particularly when what we are seeing in the marketplace isn't the right value for our customers, meaning the right combination of brand, fashion, price and quality.

We believe our vendor social compliance efforts are best devoted to products we have designed because this is where we are most likely to be able to have a meaningful impact.

**FOR US,  
VALUE IS A  
COMBINATION OF  
BRAND,  
FASHION,  
PRICE  
AND  
QUALITY.**



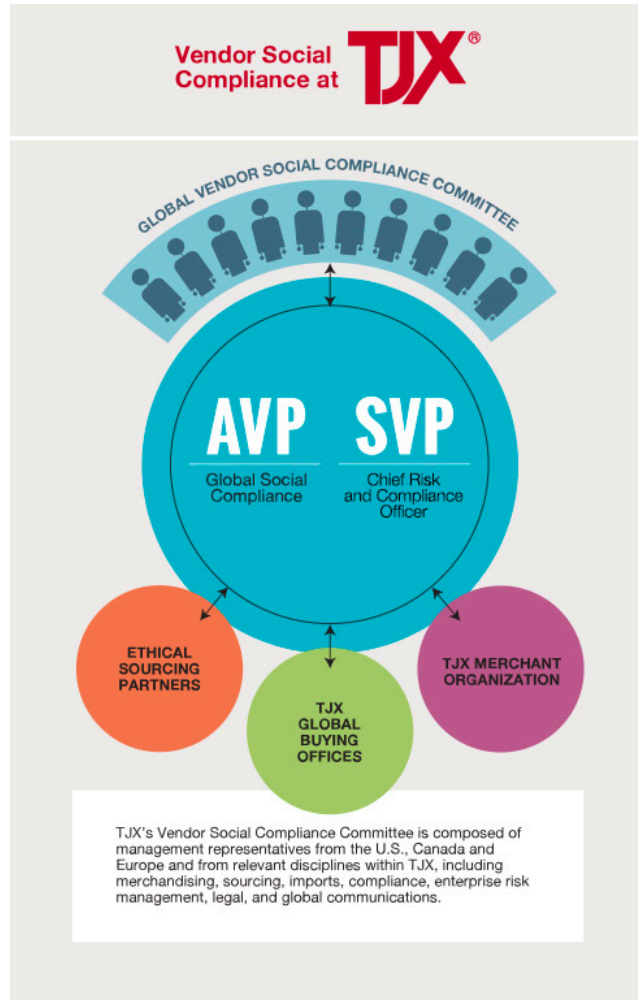
### Third-Party Resources and Support

As we continue to develop and evolve our vendor social compliance program, we engage with various audiences and consider their guidance:

- We have reviewed and incorporated many of the international human rights standards enunciated by international bodies such as the United Nations and the International Labor Organization.
- We have received and incorporated valuable insights and suggestions from socially responsible investors.
- We have retained several organizations that have extensive experience and knowledge in the field of ethical sourcing – UL, Intertek and Omega – to assist us with program development, education and training, and compliance monitoring. Our process includes the involvement of TJX internal buying staff and others involved in the day-to-day management of sourcing issues.
- We are members of the National Retail Federation, the Retail Industry Leaders Association, Ethisphere’s Business Ethics Leadership Alliance and the Ethics & Compliance Officer Association.
- We participate in industry conferences and stay current on the latest developments in vendor compliance and ethical sourcing.
- Finally, we have reviewed and benchmarked ourselves against the programs of companies comparable to ours.

### Factory Monitoring Program

When we source product we have designed, we require the buying agents and vendors that are involved to identify any active factories that they use, or intend to use, to produce such merchandise.





We and our representatives work closely with our agents and vendors so that they understand our vendor social compliance program and our Vendor Code of Conduct. We created the TJX Global Social Compliance Manual, which contains among other important guidance, an audit procedure outline and factory evaluation checklist to help prepare the factory for the audit process. This tool is available in six languages and offers detailed information designed to help our agents, vendors and factory management better understand the expectations of our Vendor Code of Conduct, as well as the monitoring and corrective action processes. We require our buying agents to disseminate this manual to their entire TJX vendor base.



### Factory Auditing

Factories manufacturing our products are expected to cooperate fully with us and our auditors and to provide access to facilities and documents. We have developed comprehensive compliance program guidelines for our third-party factory auditors. We regularly review and, as appropriate, modify these guidelines to try to ensure that they are consistent with evolving vendor social compliance issues and trends.

On-site audits conducted by our independent monitors and principal buying agents generally include one to two full working days at each audited factory, and include the following components:

- Interview with factory management (opening meeting)
- Policy, payroll and documentation review
- Factory walk through
- Health and safety inspection
- Confidential worker interviews
- Debrief with factory management (closing meeting)

Our AVP, Global Social Compliance, participates in shadow audits with TJX's independent auditors and with our buying agents' in-house compliance auditors. Shadowing is practiced in order to gain a better understanding of the compliance audit process and challenges, and to better aid TJX in our review of both our audit results and, more broadly, our program's effectiveness.

### Corrective Action and Remediation

At the conclusion of an audit, a Corrective Action Plan (CAP) is created, if necessary, and all concerns are discussed by the auditors with factory management. Factory management is requested to sign the CAP to verify their understanding of the findings. A copy of the CAP is left with management to assist them in resolving the violations or deficiencies detected during the audit. A copy is also transmitted to TJX's AVP, Global Social Compliance. To encourage collaboration with our buying agents and vendors, a copy of the CAP is also forwarded to their attention following a third-party audit.



For lower risk deficiencies, our buying agents or direct vendors are expected to provide evidence to us demonstrating that remedial action has been carried out. However, where moderate to more serious violations of the Vendor Code of Conduct or the local laws are detected, we require that our third-party monitors re-audit the factory. Problems are tracked and vendors are notified of the expectation of remedial action. There are several issues that we consider “zero tolerance” issues. That is, we would immediately terminate the relationship if a factory is found to be in violation of this aspect of our program, including for example, issues like bribery/corruption; child, prison, slave or forced labor; human trafficking; maintaining a facility with all doors and/or exits locked; and failure to pay any wages.

When a problem requires remediation, we expect that continuous improvement is verified during the re-audit. Our general goal is that each re-audit demonstrates measurable improvement from



the prior audit. If a factory receives several consecutive noncompliant grades, this pattern may suggest that required remedial action is not being undertaken.

Though we strive to work with vendors to address and resolve shortcomings in their operations, under extreme circumstances, we must conclude that we can no longer do business with certain factories, or that they will be precluded from producing goods for us until they

demonstrate that they have addressed the situation and have put management systems in place to prevent a recurrence.

Our preferred approach, however, is to work with vendors whenever possible to address and resolve issues identified during audits of their facilities because the reality is that improving working conditions in factories in underdeveloped countries is an ongoing effort. TJX, like other retailers, is facing this challenge. Our goal, when possible and reasonable, is continuous improvement of conditions at factories. This is preferable to ceasing business with these factories and gives us the ability to influence positive change. We believe that this “continuous improvement” model is in the best interest of the workers in the facilities from which we source goods.

Integral to the success of our compliance program is ongoing involvement and partnerships between TJX, UL, Intertek, Omega, our buying agents and vendors to address shortcomings identified in audits and to work toward improvement.

### Encouraging Environmental Responsibility

In keeping with our commitment to protect the environment, audits conducted on behalf of TJX include a review of factory policies, practices and procedures concerning the handling of chemicals and other hazardous waste, and a review of whether the factory is in compliance with all applicable environmental laws and regulations. Our Vendor Code of Conduct strongly encourages our vendors to share our commitment to protecting the environment by operating in a sustainable manner where possible, for example by conserving and protecting resources such as water and energy, and taking into consideration environmental issues that may impact local communities. Furthermore, our supplier training program has been expanded to include considerable coverage of the protection and conservation of water.





## Vendor Social Compliance Training

Since 2005, we have conducted over 100 training sessions for our buying agents, vendors and management at factories around the world. Sessions have been held in China, Korea, Taiwan, Turkey, India, Indonesia, the Philippines, Thailand, Vietnam and the United States.



These training sessions were conducted by either UL or Intertek representatives, who were accompanied by our AVP, Global Social Compliance. We believe that the presence of our management at each of these sessions in each of these countries demonstrates to factory management, buying agent management and vendors that TJX is committed to our vendor social compliance program. Over time, our training sessions have included the following topics:

- Review of TJX's Vendor Code of Conduct and of the expectations contained in this Code
- Review of local labor laws
- Review of anti-bribery laws (including the Foreign Corrupt Practices Act and the U.K. Bribery Act) and product compliance requirements
- Business ethics
- Discussion on TJX's policy against forced and involuntary labor, including slavery and human trafficking
- Fire safety training
- Water conservation recommendations
- Best practices and preventative actions
- Case studies to help demonstrate how to embed management remediation systems
- Open discussions with vendors and factory management on compliance challenges



Because of the strong, positive feedback from our agents and vendors, we will continue to devote resources to these important training initiatives and to review and update these initiatives as appropriate.

### Associate Training

We also organize formal internal vendor social compliance training for TJX Associates involved in the development and buying of merchandise. Our Associates undergo training biennially. In addition, through informal meetings and discussions, our AVP, Global Social Compliance, continues to update our buying personnel on the requirements of TJX's vendor social compliance program.





## Responses to Evolving Issues

### Including Bangladesh, Uzbekistan, California's SB 657 and Conflict Minerals

Since 1999, we and our buying agents have conducted thousands of audits of factories producing goods for TJX. Based on the knowledge learned from these audits and the program in general, we continue to revise and enhance our program.



We take issues that impact the retail industry very seriously and discuss our response to the issues in Bangladesh and Uzbekistan below, along with TJX's position against involuntary and forced labor, as well as our California SB 657 statement. We are similarly committed to compliance with regulations on conflict minerals and have described our general approach and policy below.

### Bangladesh

The tragedies that took place in Bangladesh in 2012 and 2013 clearly focused retailers' and manufacturers' attention on remaining vigilant and monitoring whether their policies and practices are adequate and appropriate. Although very little of the product manufactured for us is made in Bangladesh, worker health and safety have always been a significant part of TJX's vendor social compliance program, and we have further strengthened our focus in these important areas.

We have expanded our audit programs based on evolving industry recommendations regarding auditing the fire safety practices of factories. We have elevated the importance of fire safety in our external supplier and internal buyer training programs and posted a message about our workplace safety expectations on our vendor intranet site as well. Going forward, we plan to continue to follow the various Bangladesh-focused initiatives of the retail industry in order to glean any insights that might enhance our own global vendor social compliance program.



## Uzbekistan

Consistent with our commitment to high standards and social responsibility, since 2009, we have been attentive to the reports of alleged forced child labor in Uzbekistan. We have notified our global vendor base that TJX prohibits the use of child labor in any phase of manufacturing of its goods for sale, and it is our expectation and our requirement that our vendors will not knowingly use any cotton sourced from Uzbekistan. A letter on our policy regarding Uzbekistan cotton is posted on our intranet for vendors. Our vendors are also reminded of our policy regarding Uzbekistan cotton during our vendor training sessions.

On three separate occasions, TJX was a signatory among many other companies, civil society organizations and investors on letters urging the Government of Uzbekistan to ensure there is an immediate cessation to forced child labor in the cotton fields. In the past, we have participated in multi-stakeholder meetings to address this issue in Washington, D.C., New York and Brussels. TJX continues to participate, along with over 160 other brands and retailers, as a signatory on a pledge, sponsored by the Responsible Sourcing Network, to not knowingly source Uzbek cotton until the Government of Uzbekistan eliminates the practice of forced child and adult labor. We also continue to participate in periodic multi-stakeholder calls to stay current on this matter.

## TJX's Position Against Involuntary or Forced Labor, as well as Our Statement for California's Transparency in Supply Chains Act (SB 657)

TJX's vendor relationships are based on a mutual commitment to uphold the high ethical standards embodied in our Vendor Code of Conduct and vendor social compliance program. As a condition of conducting business with TJX and as a means of self-certification, all merchandise vendors agree to comply with our Vendor Code of Conduct, which prohibits the use of any form of involuntary or forced labor, including labor obtained through slavery or human trafficking. Our Vendor Code of Conduct further requires that the goods our vendors sell to us have been manufactured in accordance with all applicable laws and regulations.

We contract with both independent auditors (including UL and Intertek) and other third parties (such as our buying agents) to conduct social compliance audits at factories for suppliers of products that we have designed, and to evaluate and address risks of forced labor, including slavery and human trafficking. We created the TJX Global Social Compliance Manual, which is available in six languages and contains an audit procedure outline and factory evaluation checklist, to help the affected factories better understand our Code and prepare for the audit process. The audits are conducted on an unannounced basis during specified time windows, and they are intended to verify the factories' compliance with the standards contained in our Code, including our prohibition of involuntary or forced labor. Vendors are expected to cooperate fully with the audits and to provide the auditors with full access to their facilities, employees and documentation. The factory's score on the initial audit determines how soon it will be re-assessed, according to a risk-based audit cycle we have developed. TJX has procedures to take appropriate steps should we learn that a vendor is failing to meet our standards, including remediation, cancellation of purchase orders and termination of our business relationship.



With respect to internal accountability, our TJX Global Code of Conduct prohibits behavior that creates an intimidating or hostile work environment, and it requires Associates to obey all applicable laws and regulations of the countries in which we operate, including wage and hour rules. In choosing third parties to work with, our Associates are obligated to select vendors who act with integrity and in a manner consistent with the ethical principles stated in our Code. TJX reviews reported concerns and takes appropriate action depending on the nature and severity of the violation.

TJX provides biennial training for Associates and management involved in the development and buying of merchandise, as well as cyclical in-person training for our buying agents, certain vendors and their factory managers around the world. Among other things, this training provides guidance on recognizing and mitigating the risks of forced labor, slavery and human trafficking.

We believe that these efforts underscore to our vendors, buying agents and Associates our commitment and seriousness of purpose with respect to the ethical sourcing of our products.

### Conflict Minerals

At TJX, we are committed to complying with the rules and regulations impacting our business, including those under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, intended to address violence and human rights abuses in the Democratic Republic of the Congo (the DRC) and adjoining countries. These rules require public companies to determine if they manufacture or contract to manufacture any products where “conflict minerals” – specifically tin, tantalum, tungsten and gold – are necessary to the functionality or production of the product, and if so, whether those minerals originated in the DRC or adjoining countries. Companies are required to do additional diligence about the source and chain of custody of those minerals that may have originated in the covered region to determine if they came from sources that benefitted armed forces in the region.

As demonstrated by the TJX Vendor Code of Conduct and our vendor social compliance program, we believe in responsible sourcing. TJX is many layers removed from the mining, smelting or refining of any minerals contained in the products we sell, so we must rely on our vendors to collect current, complete and reliable information to comply with these rules. We expect our affected vendors not to knowingly supply us with products that include conflict minerals that directly or indirectly benefit armed groups in the DRC or adjoining countries. We further expect our vendors and buying agents to comply with our requests to provide us with information and perform due diligence regarding their sourcing of the minerals at issue. We will consider appropriate remediation steps if we find that a vendor has violated this policy.

To raise questions or concerns about these issues, please contact us at [complianceofficer@tjx.com](mailto:complianceofficer@tjx.com).

### Continuing Our Commitment

Vendor social compliance is a tremendously challenging undertaking, and we know that we do not have all of the answers. Indeed, no company does. We believe we are responding to the challenge by making our commitment clear to our vendors, buying agents and Associates; by our auditing and training efforts; by responding to issues as appropriate for our business; and by reporting about our efforts in this eBook and in the corporate responsibility section of our website.

SPOTLIGHT

Ethical Business Practice is Central Theme for Merchant Training

“ Integrity guides everything we do at TJX; our actions reflect who we are as a Company and how we are perceived in the marketplace. ”

**Marney Letendre**  
Assistant Vice President,  
Global Social Compliance



At TJX, an important part of our global vendor social compliance program is the training that we develop specifically for those involved in developing and buying our merchandise. This training, which is updated regularly and offered at least once every 24 months, is designed to educate our merchant organization on the global, ethical and legal issues involved when sourcing goods for our stores and e-commerce channels.

We believe this active dialog with our buyers about our commitment to ethical business practices is a key part of our success. Our training sessions were created and are led by our head of Global Social Compliance, who reviews our expectations of vendors as guided by our Vendor Code of Conduct. Our training includes discussion of important issues such as:

- Worker health and safety
- Working hours
- Environment
- Stakeholder expectations
- Prohibition of child labor
- Prohibition of harassment or abuse
- Subcontracting
- Wages and benefits
- Discrimination
- Monitoring and compliance
- Reputation management

Additionally, the training program discusses the prohibition of bribery and corrupt business practices, including coverage of the Foreign Corrupt Practices Act and the U.K. Bribery Act.

Our program is interactive and engaging – providing a series of thought-provoking questions for our merchants to consider as well as practical exercises for role-playing situations that our merchants may face in their daily negotiations. At the close of each training session we expect our buyers to possess the knowledge necessary to educate our vendors on our guidelines for ethical business practices.

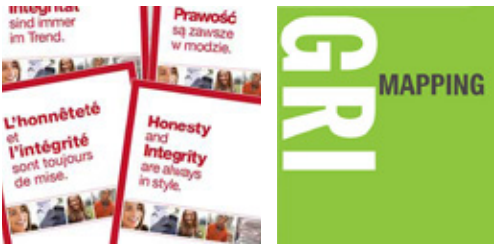


# Attention to Governance

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**10** BOARD MEMBERS  
**9** ARE INDEPENDENT



Our long-term vision is to continue to grow TJX as a global, off-price retailer, and we recognize that to achieve this vision, we must remain grounded in the same principles on which our Company was founded – operating to the highest levels of integrity, ethics and fairness. We rely on the talent and efforts of each of our approximately 198,000 Associates to help us live these principles every day to help ensure the continued success of our Company.

We have practiced excellence in corporate governance since our founding 38 years ago. As part of our governance practices, we have a suite of corporate governance material that outlines the standards to which we hold ourselves accountable. Our governance documents also guide us in our approach to business dealings and decisions and interactions with each other, and we are committed to high standards of ethics.



## Program Highlights

### Board Diversity and Independence

Our Board of Directors represents diversity of experience, gender, race and ethnicity and reflects a range of talents, ages, skills, viewpoints, educational backgrounds and expertise to provide sound and prudent guidance with respect to our operations and interests. Additionally, nine out of our ten Board members are independent.

### Global Reporting Initiative

We're proud of our achievements in many areas of corporate responsibility. At the same time, we recognize that we are on an ongoing journey. In 2014, we compared our reporting and initiatives against the Global Reporting Initiative G4 guidelines and have implemented some changes to our corporate responsibility reporting program as a result. We are pleased to make available, for the first time, our CR website mapped to GRI.

### Stakeholder Engagement

Much of our business success is due in large part to the value we place on relationships. To foster relationships with key stakeholders and achieve our goals, we maintain an open dialogue with our stakeholders, including our Associates, customers, shareholders, vendors and communities through a variety of channels.





# A

## Board of Directors

As a global company with approximately 198,000 Associates at the end of 2014, we consider diversity among our Associates, customers and vendors to be part of who we are and core to our culture. At the Board level and throughout the organization, we strive to promote the benefits of leveraging our differences and promoting a talented and diverse workforce. In that regard, we seek to have a diverse Board that can provide sound and prudent guidance with respect to our operations and interests.



While we do not have a formal policy with respect to Board diversity, we do take into account many factors when evaluating our Board and considering new Board members. These factors include geographic, gender, age, ethnic and racial diversity as well as diversity of experience – e.g., a general understanding of disciplines relevant to the success of a large, publicly traded company in today's business environment; understanding of our business and industry; professional background and leadership experience; experience on the boards of other large publicly traded companies; personal accomplishment; and independence. Our Corporate Governance Committee evaluates each individual Board member in the context of the Board as a whole, with the objective of recommending a group that the Committee believes can best perpetuate the success of our business. The TJX Board of Directors represents stockholder interests by exercising sound judgment using its collective diversity of experience.



We value the many kinds of diversity reflected in our current Board and are pleased to report that:

- All of our directors are financially literate.
- 2 of the 4 members of our Audit Committee are audit committee financial experts.
- 9 of our 10 Board Members are independent.
- 3 of our 10 Board Members are women.
- Our Board represents a range of ethnicities, experiences and backgrounds.
- Board Members are re-elected annually through a majority voting of shareholders.

## Board Members



**Carol Meyrowitz, 61**  
DIRECTOR SINCE 2006  
CHAIRMAN OF THE BOARD AND  
CHIEF EXECUTIVE OFFICER



**Zein Abdalla, 56**  
INDEPENDENT DIRECTOR SINCE 2012  
MEMBER OF THE CORPORATE GOVERNANCE  
COMMITTEE



**Amy B. Lane, 62**  
INDEPENDENT DIRECTOR SINCE 2005  
CHAIRPERSON OF THE FINANCE COMMITTEE  
AND MEMBER OF THE AUDIT AND  
EXECUTIVE COMMITTEES



**José B. Alvarez, 52**  
INDEPENDENT DIRECTOR SINCE 2007  
MEMBER OF THE AUDIT AND EXECUTIVE  
COMPENSATION COMMITTEES



**John F. O'Brien, 72**  
INDEPENDENT DIRECTOR SINCE 1996  
LEAD DIRECTOR AND MEMBER OF THE  
EXECUTIVE AND EXECUTIVE COMPENSATION  
COMMITTEES



**Alan M. Bennett, 64**  
INDEPENDENT DIRECTOR SINCE 2007  
CHAIRMAN OF THE EXECUTIVE  
COMPENSATION COMMITTEE AND MEMBER  
OF THE FINANCE COMMITTEE



**Willow B. Shire, 67**  
INDEPENDENT DIRECTOR SINCE 1995  
CHAIRPERSON OF THE CORPORATE  
GOVERNANCE COMMITTEE AND MEMBER  
OF THE EXECUTIVE COMPENSATION  
COMMITTEE



**David T. Ching, 62**  
INDEPENDENT DIRECTOR SINCE 2007  
MEMBER OF THE AUDIT AND CORPORATE  
GOVERNANCE COMMITTEES



**William H. Swanson, 66**  
INDEPENDENT DIRECTOR SINCE 2015  
MEMBER OF THE EXECUTIVE  
COMPENSATION COMMITTEE



**Michael F. Hines, 59**  
INDEPENDENT DIRECTOR SINCE 2007  
CHAIRMAN OF THE AUDIT COMMITTEE AND  
MEMBER OF THE FINANCE COMMITTEE

Board Member biographies may be found in the Attention to Governance section of our corporate website, [tjx.com](http://tjx.com).



## Committees of the Board

### Executive Committee

Carol Meyrowitz, Chair  
Amy B. Lane  
John F. O'Brien

### Audit Committee

Michael F. Hines, Chair  
José B. Alvarez  
David T. Ching  
Amy B. Lane

### Executive Compensation Committee

Alan M. Bennett, Chair  
José B. Alvarez  
John F. O'Brien  
Willow B. Shire  
William H. Swanson

### Finance Committee

Amy B. Lane, Chair  
Alan M. Bennett  
Michael F. Hines

### Corporate Governance Committee

Willow B. Shire, Chair  
Zein Abdalla  
David T. Ching



## Executive Officers

Carol Meyrowitz  
CHAIRMAN AND  
CHIEF EXECUTIVE OFFICER

Ernie Herrman  
PRESIDENT

Ken Canestrari  
SENIOR EXECUTIVE VICE PRESIDENT  
GROUP PRESIDENT

Scott Goldenberg  
SENIOR EXECUTIVE VICE PRESIDENT  
CHIEF FINANCIAL OFFICER

Michael MacMillan  
SENIOR EXECUTIVE VICE PRESIDENT  
GROUP PRESIDENT

Richard Sherr  
SENIOR EXECUTIVE VICE PRESIDENT  
GROUP PRESIDENT

Nan Stutz  
SENIOR EXECUTIVE VICE PRESIDENT  
GROUP PRESIDENT



## Corporate Governance Documents

TJX has practiced excellence in corporate governance for 38 years. As part of our governance practices, we are committed to high standards of ethics, which are reflected in our Associate Code of Conduct, Code of Ethics for TJX Executives and Director Code of Business Conduct and Ethics.



Our global Associate Code of Conduct, which applies to all Associates worldwide, sets out basic principles of integrity, honesty and fair dealing and serves as a guide for ethical business conduct. Our Code of Ethics for TJX Executives reinforces the significant expectations we have for ethical business practices from our executive officers, who are also subject to our Associate Code of Conduct. Our Director Code of Business Conduct and Ethics clarifies the expectations for our individual Board Members, while our Corporate Governance Principles reflect basic governance guidelines and Board practices.

Many of the policies outlined in our Corporate Governance Principles, Codes of Conduct and Ethics, and other governance documents create an important framework for our core values of integrity, openness and treating others with dignity and fairness.

**OUR CODE  
OF CONDUCT  
IS  
TRANSLATED  
INTO  
22  
LANGUAGES**



The following corporate governance documents are available on our corporate website, [tjx.com](http://tjx.com).

## Organizational Documents

- Certificate of Incorporation
- Bylaws

## Committee Charters

- Executive Committee
- Audit Committee
- Executive Compensation Committee
- Finance Committee
- Corporate Governance Committee

## Guidelines, Codes and Standards

- Associate Code of Conduct
- Code of Ethics for TJX Executives
- Director Code of Business Conduct and Ethics
- Statement on Political Activity and Expenditures

## Corporate Governance Guidelines

- Corporate Governance Principles

## Policies for Communicating with the Board of Directors and Management

- Shareholder Policies
- Policy Regarding Complaints Regarding Accounting Matters
- Policy Regarding Associate Complaints Regarding Questionable Accounting and Auditing Matters



## Stakeholder Engagement

We strongly believe that effective corporate governance must evolve and change with the needs of our many stakeholders. To achieve our goals, we strive to maintain an open dialogue with our stakeholders, including our Associates, customers, shareholders, vendors and communities.



We foster Associate engagement through a number of communications initiatives as we recognize that our Associates are some of our greatest assets. At the corporate level and across our divisions, we have many different ways to communicate with and engage our Associates, including our *TJX Today* newsletter for Associates worldwide, virtual and live Town Hall meetings with management, State of the Company meetings, and *The Thread*, a new Associate intranet.

Additionally, as the leading off-price apparel and home fashions retailer in the United States and worldwide, our customers reflect our broad demographic reach. We believe it is important to engage with our customers so that we can address their changing preferences and tastes and concerns they may have. We have implemented a number of “voice of the customer” initiatives to identify ways that we might improve the customer experience.



We speak regularly with shareholders throughout the year, including investor meetings, conferences and phone calls, to engage with the investment community and share near- and long-term strategies. The Chairperson of our Corporate Governance Committee, members of TJX management and TJX subject matter experts have also met periodically with socially conscious investors to discuss and work to address important issues.

Our aim is to consider the best interests of our stakeholders. We listen carefully and consider this valuable input in the context of our current policies and practices.



## Global Reporting Initiative

For the first time, TJX is providing an index of our corporate responsibility reporting. Our index is based on the Global Reporting Initiative's ("GRI") Sustainability Reporting Framework guidelines. GRI is an international not-for-profit organization that seeks to promote a sustainable global economy through responsible management and transparent reporting of economic, environmental, social and governance performance.



The GRI guidelines offer organizations an approach to communicate reliable, relevant and standard information, highlighting the connections between their respective business and sustainability. The guidelines have been available since 1999 and are used by thousands of organizations across the globe, including many of TJX's peers and other companies of similar size.

TJX's corporate responsibility information has been indexed against GRI's G4 Guidelines, its fourth generation guidelines that were launched in May 2013. The TJX index is intended to help readers quickly navigate our corporate responsibility website to the topic of interest. To view the index, please visit the Attention to Governance section of our corporate website, [tjx.com](http://tjx.com).

For more information on our corporate responsibility reporting, please contact Global Communications at (508) 390-2323.





# Leveraging Our Culture

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Employee Longevity  
**33%**  
of our global managerial team has been at the Company for more than 10 years.



At TJX, our business model may be what sets us apart, but it's our Company's culture that keeps us together. We are a company of values – committed to providing value to our customers, valuing our global Associates and adding value to the communities we serve.

The key to our success lies in our commitment to our culture, which is honest, integrity-driven, caring and focused on the development of our people.

Our Associates lead by example and live by the values that embody us as a Company. Whether a sales Associate in our store, a buyer in the market, or a supervisor in a distribution center, we all work toward a common goal - to create and deliver value.



## Program Highlights

### A Diverse Workforce

We are committed to creating a workforce that reflects the communities in which we do business. We believe a diverse culture further promotes our core values of integrity, inclusion and respect.

Globally, 77% of our total workforce – corporate, store, managerial and non-managerial – is female. Also, in the U.S., 54% of our total workforce is people of color and 31% of our U.S. management is people of color.

### Putting Our Associates First

We strive to foster an environment that makes our Associates want to come to work. While we expect hard work, dedication and innovative thinking, we also encourage people to balance work and home life – whatever that means for each individual.

In 2015, we received the distinction of being named a Top 50 Great Place to Work in Canada and in 2014, we were listed as a top employer by the *Black EOE Journal*, *The Hispanic Network Journal*, *Professional Woman's Multicultural Magazine*, and *Careers and the disABLED* magazine. We are also proud to have earned a score of 100 in 2015 on the Corporate Equality Index of the U.S.-based Human Rights Campaign. TJX has earned a score of 100 on this index in 6 of the past 7 years.

### Lifelong Teachers and Learners

We are proud that our culture is built on relationships. Frequently, Associates accept a job with us, and then stay to build a career. How do we successfully integrate our new talent with our seasoned professionals? We listen, we nurture and we support a culture that encourages us all to take responsibility for teaching one another. We remain open to learning, no matter what stage we may be in our career. For example, a meaningful 33% of our managerial team globally has worked here for more than 10 years. At the same time, we recruit hundreds of new Associates every year into our management development programs to support our future growth.



## TJX | A Company of Choice

We challenge ourselves every day to improve the ways in which we embrace and leverage differences among people, whether they are our Associates, customers, vendors or members of the communities where we work and live. As an organization, we are inclusive and committed to cultivating an environment that enables us to continually strengthen our position in the marketplace.



We use the term Company of Choice to refer to our Company, and we bring this concept to life in three primary ways:

### Retailer of Choice

TJX is the leading off-price retailer of apparel and home fashions in the U.S. and worldwide, delivering great value on ever-changing merchandise selections at prices generally 20%-60% below department and specialty store regular prices, on comparable merchandise, every day. We believe we have one of the widest customer demographic reaches in retail. It's important that we challenge ourselves to find new and innovative ways to improve the shopping experience so that we may better serve the diverse needs of our customers.

### Employer of Choice

We believe that our continued success depends on the diverse skills, experiences and backgrounds that our Associates bring into the organization. With approximately 198,000 Associates worldwide at the end of 2014, we employ a significant pool of talented Associates from diverse backgrounds. As we continue to grow our store base and expand into new geographies, our efforts to understand, value and incorporate differences are increasingly important to further leverage our Company culture.



As an Employer of Choice, we work on many fronts to:

1. Foster inclusiveness and leverage the differences among our people
2. Train and develop our Associates
3. Inspire innovation
4. Encourage work/life balance

Our goal is to recruit talented individuals, help them learn the fundamentals of our off-price business, and give them opportunities to develop their careers with us.

### Neighbor of Choice

As a Neighbor of Choice, we are focused on enriching the communities in which our customers and Associates live and work through charitable giving, corporate partnerships, community programs, volunteerism and more. Information on these programs is available in the United With Our Communities section of this eBook.



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## Retailer of Choice

We believe that we have one of the widest customer demographic reaches in the retail sector. For the past several years, younger shoppers have comprised a higher percentage of our new customers. As we strive to be a Retailer of Choice, customer engagement and customer service are important to us. We know that an engaged customer visits our stores more often, and a well-served customer is likely to shop more than one of our many retail brands.



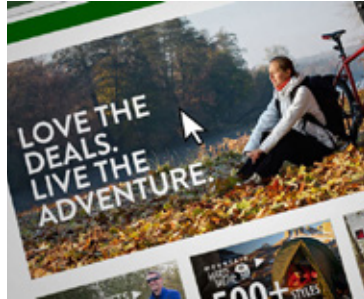
## Listening to our Customers

Customer satisfaction is important to us. We have implemented a number of “voice of the customer” initiatives in the U.S., including free-form customer surveys to complete via a mobile device, which allow customers to tell us how they rate their shopping experience. We review thousands of responses each month and regularly provide detailed reports to stores and store operations management. These reports provide the stores with specific detailed feedback regarding performance so they may identify and resolve issues quickly – and ultimately improve their individual store performance. Having tangible input also allows us to develop clear customer service training for store managers, team leaders and Associates. This data has helped us to make broad improvements across our brands. For example, as a result of the feedback we received from T.J. Maxx customers, we implemented improved signs to differentiate our departments. In 2014, we began updating our Marshalls stores with similar changes. Other store improvements include department-specific fixtures that allow us to change product categories into small “shops” for a flexible period of time, multi-lingual signs that make it easier for customers to find what they are looking for, and “pop up” cart stations for easy browsing.

**WE ARE  
ALWAYS LOOKING  
FOR WAYS TO  
ENHANCE  
THE  
TREASURE  
HUNT  
SHOPPING  
EXPERIENCE**



In addition to survey data, we also work to have sincere and friendly conversations with our customers when they are in the store. Over the past few years, we've been particularly focused on engagement with our customers, and have provided training to our store Associates on how to improve the customer experience while shopping in our stores.



Each brand also has a marketing website that informs customers of our stores' seasonal offerings and other important information such as store locations. Our websites have both email addresses and toll-free telephone numbers for customers to direct feedback, suggestions or concerns directly to our Customer Service groups. We participate in social media channels that allow customers to provide real-time feedback about their experiences in our stores.

Beyond brick and mortar, tjmaxx.com, sierratradingpost.com and tkmaxx.com also offer customers the ability to shop online 24/7, every day of the year.

## Serving Our Customers

We are always looking for ways to enhance the "treasure hunt" shopping experience to encourage customers to shop us again and again.

We have dedicated Store Planning groups within each brand that are responsible for understanding the customer base across different geographic locations. This helps us to offer our customers the products they want, when they want them. Additionally, we give our store managers the flexibility to create their own floor displays and feature locally popular items. We have reduced our store inventory and increased store deliveries in an effort to create the "treasure hunt" experience that our customers love and expect when they shop us.

In 2014, we expanded our customer loyalty program, *TJX Rewards Access* in the U.S. and *TJX STYLE+* in Canada, to include a non-credit card option that offers customers special contests, early access shopping, extended return policies and tips on new arrivals (specific benefits may vary by card and by region). We also began piloting our TJX Europe loyalty program, *Treasure*, in the U.K.



and Ireland. Members of the new program have access to exclusive shopping news, receive invitations to VIP evenings and may be entered into drawings for prizes.

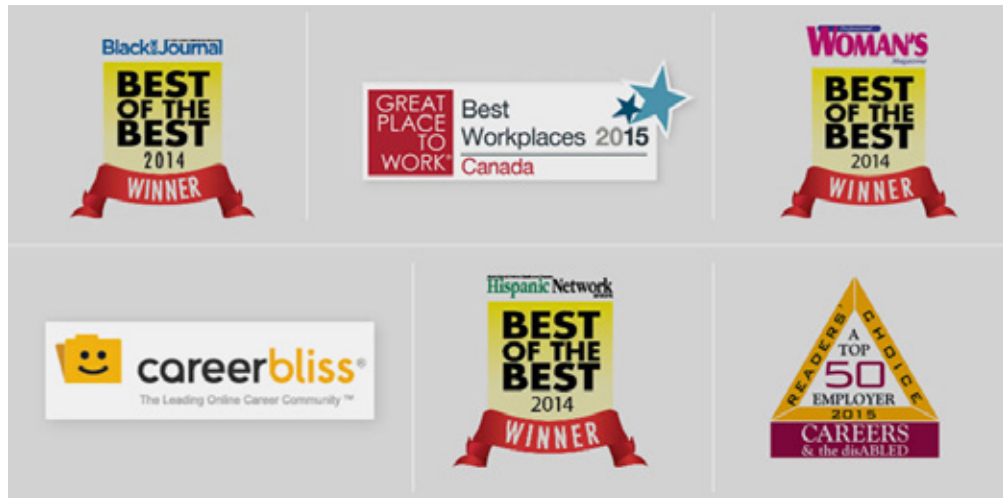
We know it's the little things that can make a difference. In response to customer input, our European team is piloting a project where some store Associates wear a customized "Can I help you?" t-shirt. These new customized t-shirts make it easier for customers to locate an Associate on the floor. Customer feedback suggests that this small change has been helpful.

Finally, we have a number of in-store customer service programs designed to motivate and reward individual Associates, stores and store districts, as well as programs for Associates to share ideas among themselves, including thoughts on how to further improve customer service. The overarching goal of all of our programs is to teach, model and motivate excellence in customer service so that our customers have a wonderful shopping experience across all of our retail brands.



## Employer of Choice: Recruitment, Development and Retention of Associates

As a Fortune 200 Company operating in seven countries with approximately 198,000 Associates and 3,395 stores, we believe our future is bright! In fact, in 2014, we added 176 new stores and approximately 7,000 jobs across our global operations.



Successful TJX Associates build authentic, personal relationships, which makes it easier to collaborate and work as a team to reach a common goal. Integrity and honesty are essential, and we strive to act with caring, humility and confidence. We take calculated risks – testing new ideas and innovations – and we accept our mistakes as opportunities to learn and improve.

The more successful we are as a business, the more important our Associates are to the process. Therefore, we must attract ambitious and talented individuals, teach them the fundamentals of our off-price model, offer challenging assignments and support career growth so that Associates join us for a job and build a career with us.

We're proud to report that:

- TJX scored 100 on the 2015 Corporate Equality Index of the U.S.-based Human Rights Campaign
- TJX Canada was named as one of 2015 Best Workplaces by Great Place to Work
- TJX was listed as Top Diversity Employer by *The Black EOE Journal*, *The Hispanic Network Journal*, and *Professional Woman's Multicultural Magazine* in 2014
- TJX was listed as a Top Employer by *Careers and the disABLED* magazine in 2015
- TJX was named a Top Entry-Level Employer by CollegeGrad.com in 2015
- T.J. Maxx ranked #7 on the list of Top 10 Happiest Retailers to Work For by CareerBliss in 2014



## Recruitment

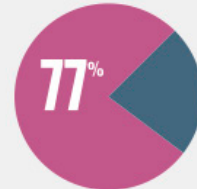
To support our future growth, we seek a highly diverse group of individuals to fill a wide variety of positions across our global operations. It is essential that we continue to focus on acquiring and developing talent wherever we find it. Our global recruiters seek out diverse applicants with talents needed for today and tomorrow.



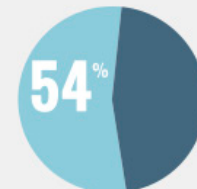
Discovering and developing TJX’s global leaders of tomorrow is always a top priority. In addition to on-campus recruiting, we offer internship programs for college students, allowing them to gain experience as they determine their career paths. Our intern programs have grown to include several hundred students each year and span across our divisions worldwide, including our corporate operations, store operations and distribution centers.

We recruit candidates who are curious and have tremendous passion for a variety of careers across the organization. Since our success depends on providing customers with the right merchandise, at the right price and at the right time, developing our team of high performing merchants is a top priority. We offer specialized merchandising internships that are well recognized and sought after among students who major in fashion, retail and business administration. On average, 75% of interns from the merchandising program in the U.S. join us full time after completing their internship. More information on our merchandising internship program is available on our corporate website, [tjx.com](http://tjx.com).

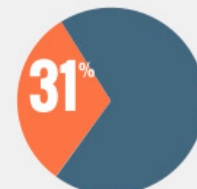
### Strong Representation of Women and People of Color



Globally, 77% of our total workforce — corporate, store, managerial and non-managerial — is female



In the U.S., 54% of our total workforce is people of color



31% of our U.S. management is people of color





We also have a longstanding commitment to the U.S. Armed Forces and are dedicated to hiring members of the U.S. Armed Forces, Veterans and military spouses. In 2013, TJX pledged to hire at least 3,000 Veterans by 2018. We are well on our way, having hired more than 1,650 by the end of 2014. To assist Armed Forces personnel who may be interested in working at TJX, we developed a special section on our Careers website that allows candidates to identify job opportunities that match their talents and experience. More information on our commitment to military personnel is available on page 52.

We are committed to hiring people who may face employment challenges. We work closely with community-based organizations in the U.S. and Canada to identify store and distribution center Associates from a selection of candidates that are often pre-screened and trained by the community-based organization. We are proud that over the years, we have provided work for more than 250,000 people who have received some type of government assistance in the U.S. Additionally, in the U.S. and Europe, we offer educational programs for disadvantaged young people to learn about the retail industry and the specific skills required for obtaining a job. In many cases, participants are offered a job with us following completion of the program. More information about recruitment of people with employment challenges is available on the following pages.

## L

## Focused on Workforce Development

TJX is a leader in the workforce development movement. Over the past 19 years, we have provided jobs to more than 250,000 people who have received some form of government assistance in the U.S. As we look to grow our Associate population with trained people from diverse backgrounds, we have expanded our program to include people with disabilities and at-risk young people, among others.



In the U.S., the TJX Workforce Initiatives group serves as a recruitment resource for our field leadership by linking them with community-based organizations (CBOs) to identify and develop an hourly-Associate talent pipeline. In Canada, our Field and Distribution Talent Acquisition teams have partnered with the Toronto Region Immigrant Employment Council (TRIEC) to provide employment opportunities to new Canadian residents, and our distribution center works with various not-for-profit and social service agencies to source candidates for operations positions. These relationships are beneficial on many levels: job seekers gain self-confidence and learn about retail career opportunities; TJX hires enthusiastic Associates referred from a pool of pre-screened candidates and benefits from federal, state and local tax credits and incentive programs; and CBOs expand outreach efforts and continue to attract government and private funding due to demonstrated success when working with TJX. We are proud that many of our stores and management teams have received outstanding employer recognition from our external community partners for providing jobs and valuable work experience to individuals who may face barriers to employment. In the past two years, TJX has received over 100 of these types of awards from local community-based organizations.

L

According to the U.S. Department of Labor, Bureau of Labor Statistics, the unemployment rate for those with a disability was 13.2%, nearly double the rate for persons with no disability (7.1%) in 2013<sup>1</sup>. We seek to reduce the disparity demonstrated by this statistic. To help build brand awareness within the disability community, our Workforce Initiatives group in the U.S. has embarked on a number of work experience and pre-employment programs for youth and young adults with disabilities, with many of these initiatives resulting in job offers for candidates.

In addition to the efforts undertaken by our Workforce Initiatives group to employ young adults with disabilities, teams in the U.S. and Europe oversee innovative youth programs – the Youth Business Institute (YBI) in the U.S. and Get Into Retail in Europe – which offer professional and personal development for disadvantaged young people. YBI teaches job readiness skills to students in at-risk high schools and exposes them to the business of retail. In 2014, we hired over 50% of YBI-graduated students for positions in our stores. Get Into Retail partners with The Prince's Trust in the U.K. to provide vulnerable young people with training, development and eventually the opportunity for permanent employment. After a successful pilot program in the U.K., we are planning to expand Get Into Retail to other countries. Read more about these and other great programs in the United With Our Communities section of this eBook.



<sup>1</sup>United States Department of Labor, Bureau of Labor Statistics, Persons with a Disability: Labor Force Characteristics Summary, published June 2014.

## L

## Career Development

Teaching and mentoring are key focus areas as we continue to drive the long-term success of our Company. Our commitment to teaching starts at the top with our senior leaders, who consider mentoring and teaching an absolute priority.



We make a commitment to foster an environment where our Associates can learn and develop their work and leadership skills. Throughout various parts of our organization, we offer classroom training, field training, mentoring and more. We also recognize that communication and relationship building among Associates is a critical part of our development. We have no walls between merchandise departments in our stores, and we take the same approach in our organization. We want the way we do business – with integrity, honesty and caring about one another – to continue to permeate our culture.

DEVELOPING  
OUR LEADERS  
OF  
TOMORROW  
IS A  
**TOP**  
PRIORITY

### Training Our Next Generation of Merchants



We are particularly proud of our global merchant training programs, which we believe are some of the best and most respected training programs in the retail industry. While we call them different names around the globe – the Merchandising Development Program in the U.S., the Buyer Development Program in Canada and the Merchandising and Buying Graduate Program in Europe – all of these programs are designed to support Associates interested in pursuing careers as merchants and to develop them as future leaders in our off-price retail business.

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In 2014, we hired over 300 Associates into the buyer training program, many of them right out of college. Training begins with education in planning and allocation and an introduction to off-price retailing. Most Associates then transition into job placement and begin their TJX careers, most often in an allocation position. We continue to invest in these Associates' training and development and create opportunities for structured career progression into merchandising, buying and management.

We also have advanced learning opportunities through our TJX University, in which formal coursework, significant one-on-one coaching and field exercises prepare Associates for the next step in their career paths. At the same time, the program helps to ensure a consistency in our approach to business, teamwork and culture that have been such a critical part of our success. We believe this is one of the best training programs in retailing!

### Talent Development Programs

In addition to our merchant training programs, we have many other talent development programs for Associates at various levels and disciplines across the Company.

Our global program, "Leaders Developing Leaders," is an active learning program for high-potential management Associates in which Associates are presented with a business problem to solve as a group case study. They then develop a business plan and present it to Senior Management. Within our U.S. stores and distribution centers, we offer many development programs to help Associates acquire the skills critical for their current roles. In addition, we offer formal leadership training and coaching and informal coaching and mentoring to support career growth.

In Canada, we offer a wide range of leadership and personal development programs in a variety of approaches – instructor-led, on-the-job, self-directed and just-in-time e-learning. We recognize that all Associates are unique in their personal and professional goals, but our aim is to provide development opportunities that allow Associates to enjoy long, fulfilling careers at TJX.



In Europe, we have TJX Graduate Programs in distribution, finance and IT that are similar in structure to our merchant training programs, with a goal of broadening Associates' understanding of our business and develop them as potential future leaders in their areas of discipline. We also have an apprenticeship program that spans the organization from distribution centers and stores

to marketing and finance. The apprenticeship program is designed to provide Associates with opportunities for career and personal development.

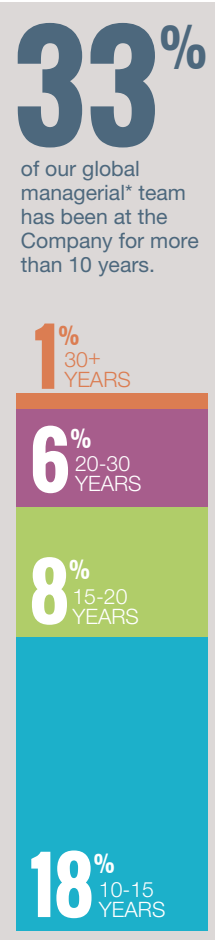


## Staying Power

At TJX, we believe our ability to retain our top talent is largely due to our long-term success in combination with our Company’s culture. To help support the development of our Associates, we have defined leadership and cultural competencies that are skills and behaviors that are key to long-term success. Personal character and integrity are at the core of who we are, and even though our Company is global, we invest the time to get to know one another.



In addition to culture, we know it’s important for our Associates to be able to grow with us. Today, we are an Employer of Choice for an increasingly diverse and international talent base. We find that the diversity and bench strength of our existing talent enables us to promote and transfer Associates into new and challenging positions while meeting our business needs. We are able to leverage this talent across regions and geographies. Where it is appropriate for our business, some Associates may even have the opportunity to spend time working outside of their respective home countries. We offer various training and mentoring programs as we continue to develop the next generation of leaders who fully understand our off-price business.



\*Managerial is defined as assistant manager (or equivalent level) and above across the Company.



Finally, we understand that a person must feel valued if they are to make a long-term commitment to any employer. We are proud that we have earned a score of 100 on the Corporate Equality Index of the U.S.-based Human Rights Campaign in 6 of the past 7 years. Across our regions, we have formal and informal initiatives underway to foster inclusion and a sense of family. In the U.S., we have Associate Resource Groups set up to provide Associates with the opportunity to meet and network with others who have similar interests. To date, we have groups focused on providing education and networking around cultural diversity, women and leadership, lesbian/gay/bisexual/transgender community and friends, Veterans and Reservists, and people with disabilities. In Canada, we publish “Did you know?” a monthly educational newsletter that focuses on diversity and inclusion.

Our Associates are our most valuable resource. While we expect hard work, dedication and innovative thinking, we also encourage Associates to balance work and home life. And we believe one of the reasons our Associates stay with us is because of this balance.



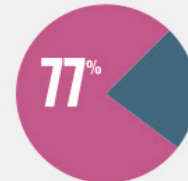
## Working Together

Our organization is diverse and we value our differences. We aim to provide Associates with tools to successfully navigate such a diverse organization – whether that is training in how to work cross-culturally, providing development opportunities or just helping Associates to build a personal network within our large organization.

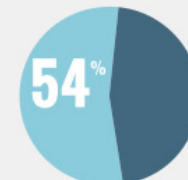


Our inclusion-related training is designed to help Associates understand, respect and effectively navigate differences among people, whether those differences are gender, ethnicity, race, age, or other legally protected categories. Inclusion-related learning varies among the countries in which we operate and is tailored to address the environment an Associate most often encounters. For example, new Associates at our global headquarters in the U.S. may attend a course entitled “Understanding Our Business,” which includes a segment on working well with those who are different from oneself. Associates in our U.S. stores use a tool called “Culture Pulse,” to gauge how they are performing in the areas of customer engagement and in their connections with each other. In Canada, we offer management-level programs such as “Leveraging Differences with a Winning Balance” to build leadership skills and access to Globesmart, a tool that builds cultural competence for Associates who travel internationally and for managers to better understand their teams and be more effective leaders.

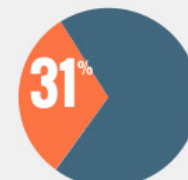
### Strong Representation of Women and People of Color



Globally, 77% of our total workforce – corporate, store, managerial and non-managerial – is female



In the U.S., 54% of our total workforce is people of color



31% of our U.S. management is people of color





To supplement our internal training initiatives, we partner with several business networks to offer specialized development for specific audiences. In the U.S., these partnerships include the National Urban League and the National Council of La Raza. We also belong to Conexion and The Partnership. Conexion pairs Latino Associates with a seasoned mentor at other organizations in other industries and provides workshops in leadership. The Partnership offers year-long programs in leadership and cultural navigation for Associates and Fellows, and the Next Generation Executive Program, a five-month training course. To date, we have nearly 400 Associates of color who are alumni of The Partnership programs.

## Associate Communications



We're a growing, global organization and at any one time, there can be a lot going on across our businesses and geographies. We want our Associates to be informed and allow for opportunities to participate in Company-organized activities and community events. At the corporate level and at all of our divisions, we have many different ways to communicate and engage our Associates, including: *TJX Today*, a publication for all Associates worldwide, employee newsletters, weekly bulletins, CEO updates, virtual and live management Town Hall meetings and State of the Company meetings. In 2014, we introduced a new global intranet portal for home office Associates called *The Thread*, an engaging tool which provides access to important information and empowers Associates to collaborate and share information as appropriate within TJX.

## Inclusion Policies

TJX has earned a score of 100 on the Corporate Equality Index of the U.S.-based Human Rights Campaign in 6 of the last 7 years and earned the highest ranking in the Human Rights Campaign's "Buying for Workplace Equality" guide. We periodically review our policies against the guidelines set forth in the Index and were pleased to achieve a score of 100 this year.

As an Employer of Choice, we have broadly extended our benefits offerings, increasing access to same-sex, domestic-partner benefits globally and transgender-inclusive benefits to more Associates. We also include "gender identity and expression" in the Company nondiscrimination policy and adopted as policy "gender transition guidelines."

## Industry Recognition

- TJX scored 100 on the 2015 Corporate Equality Index of the U.S.-based Human Rights Campaign
- TJX Canada was named as one of 2015 Best Workplaces by Great Place to Work
- TJX was listed as Top Diversity Employer by *The Black EOE Journal*, *The Hispanic Network Journal*, and *Professional Woman's Multicultural Magazine* in 2014
- TJX was listed as a Top Employer by *Careers and the disABLED* magazine in 2015
- TJX was named a Top Entry-Level Employer by CollegeGrad.com in 2015
- T.J. Maxx ranked #7 on the list of Top 10 Happiest Retailers to Work For by CareerBliss in 2014



## Associate Groups

In our Global Headquarters, we have five active Associate Resource Groups organized for networking, development and support. These groups provide new and long-time Associates with a comfortable venue in which to meet people as well as encourage networking and career development. Our Associate Resource Groups sponsor educational, volunteer and social events and are open to anyone in the Company.



While informal and fun, these groups are also well organized with a dedicated focus on a business objective. Each Associate Resource Group develops an annual business plan describing how it will support our business, and each group has a voice in community relations initiatives. In addition, our Associate Resource Groups are provided an annual operating budget, a liaison from Human Resources and an executive sponsor.

Our Associate Resource Groups include: The Multicultural Coalition (MCC); Women Adding Value Everyday (WAVE); a Resource Group for Lesbians, Gays, Bisexuals, Transgendered People and Friends (PRIDE); Supporting TJX Armed Forces Relations (STAR); and Leadership, Education, and Adaptation for Disabilities (LEAD).





Here is just a sample of the programs hosted by our Associate Resource Groups in 2014:

### Education:

- Created ribbons and cards that were distributed at the Associate barbecue at our global headquarters in recognition of Post-Traumatic Stress Disorder Awareness Month
- Participated in Massachusetts Conference for Women and hosted a Women's Leadership Day
- Hosted Boston Marathon bombing survivor, Jeff Bauman, for a presentation on adapting to a disability
- Celebrated National Disability Employment Awareness Month, Black History Month, Hispanic Heritage Month and more with special events
- Sponsored a Women's Leadership Day in New York City



### Volunteerism:

- Participated in Operation American Soldier, providing care packages to troops
- Participated in local school educational and cultural events
- Hosted students at global headquarters for a retail "career day"
- Worked at local food pantry

### Fundraising for:

- Homeless children
- AIDS prevention and services
- Military personnel support
- Multiple sclerosis
- Breast cancer research



We are proud to have been recognized for our support of our Associates over the years. In five of the past six years, we were listed on the "Best of the Best" list for Top Diversity Employers by *The Black EOE Journal*. In 2013 and 2014, we were also recognized as a Top Diversity Employer by *The Hispanic Network Journal* and *Professional Woman's Multicultural Magazine* for our work in incorporating diversity into our business practices. Finally, in four of the past five years, we have been ranked as a "Top 50 Employer" by *CAREERS* and *the disABLED* magazine, where readers select companies they believe provide a positive work environment for people with disabilities.

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## TJX's Commitment to Servicemen and Servicewomen

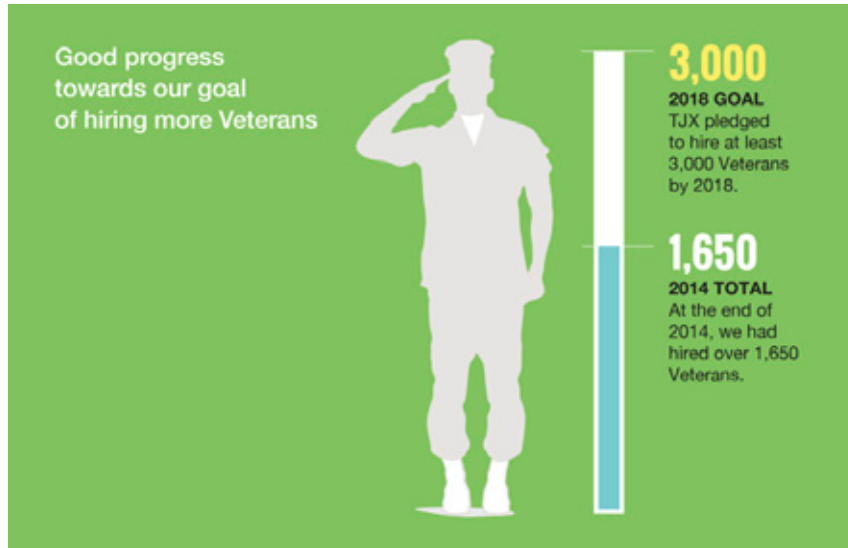
When it comes to supporting our military, TJX is dedicated to hiring members of the U.S. Armed Forces and Veterans; making contributions that assist service members, both on deployment and upon their return; and honoring members of the military for their service. This isn't just about good business – this is the right thing to do.



TJX signed the Five-Star Statement of Support with the federal agency, Employer Support of the Guard and Reserve (ESGR), back in 2007. Through this commitment, we made a pledge to hire U.S. Veterans and assist Associates active in the National Guard and Reserve. In September 2012, we reaffirmed our commitment to ESGR with a ceremony at our global headquarters in Massachusetts.

In 2013, we met on Capitol Hill with government officials and other U.S. companies and pledged to hire at least 3,000 additional Veterans by 2018. Since that time, we have welcomed over 1,650 Veterans into the TJX family. As part of our recruitment efforts, we launched a Military Recruitment section on our website to help Veterans and Reservists identify TJX job opportunities available in their communities that match their talents and experience.

In addition to our commitment to hiring Veterans, The TJX Foundation has provided support to several organizations dedicated to Veterans' assistance, including the Home Base Program, which works with the Department of Veterans Affairs to treat those affected by combat-related stress and traumatic brain injury, and America's VetDogs, a nonprofit provider of specialized service animals to soldiers wounded in war. We are also proud to support the Massachusetts Iraq and Afghanistan Fallen Heroes Memorial through financial contributions as well as in-kind donations.



At our global headquarters, we have “STAR” (Supporting TJX Armed Forces Relations), an Associate Resource Group whose mission is to provide networking and support for Associates who have a military affiliation, directly or indirectly via a family member. STAR also provides education for TJX Managers and Associates about appropriate support for military-affiliated Associates and their families.

We take our commitment to military men and women and their families seriously, and we are proud to recognize and support our service members.

## L

## Supplier Diversity

Similar to our Associate population, we also aim to have a diverse supplier base. We proactively seek out relationships with domestic suppliers who represent many cultures, ethnicities and experiences.



Our U.S. supplier diversity program, which is managed by our Global Sourcing and Procurement group, is dedicated to sourcing goods and services not sold in our stores (not-for-resale) from a diverse supplier group. Since the program's inception in 1992, TJX continues to be on the lookout for innovative ways to expand our supplier network. In recent years, we broadened the scope of our program by adding businesses owned by persons with disabilities, as well as Veteran-owned businesses, to our approved diverse supplier group. Currently, we are benchmarking ourselves against best practices set by the National Minority Supplier Development Council to determine areas in which we might further expand our program.

TJX is an active Corporate Member of the following organizations:

- National Minority Supplier Development Council (NMSDC)
- Greater New England Minority Supplier Development Council
- Women's Business Enterprise National Council (WBENC)
- Center for Women and Enterprise
- U.S. Business Leadership Network (USBLN)

### Certification Requirements for Diverse Suppliers

To participate in our supplier diversity program, TJX requires that a company be certified as a diverse supplier. We accept certification from the National Minority Supplier Development Council, the Women's Business Enterprise National Council, the U.S. Business Leadership Network and the U.S. Department of Veterans Affairs (VA).

For more information on our supplier diversity program, please visit the Leveraging Our Culture section of our corporate website, [tjx.com](http://tjx.com).

# SPOTLIGHT

## WAVE: Creating a Sense of Community

“

WAVE had a banner year in 2014, growing their membership by 30% and sponsoring over 20 events for Associates.

”

### Paula Bingham

Vice President, Merchandise Analysis and Executive Sponsor of WAVE



Our organization is diverse and we value our differences. As a Company, we aim to provide Associates with tools to thrive in our organization – whether that be training, development opportunities, benefits for non-traditional families or helping Associates network within our large (and growing) organization. One way we help Associates to make personal connections and become more integrated within our Global Headquarters is through our Associate Resource Groups.

Currently, TJX has five active Associate Resource Groups. While each group has a different audience and mission, they all share a desire to make a positive impact on the lives of their members and the communities where they live and work. While informal and fun, these groups are also incredibly well organized, with a dedicated focus on a business objective. Each group develops an annual business plan and is provided an operating budget as well as an executive sponsor to help champion their efforts within the organization.

### Spotlight On Wave



In our U.S. corporate headquarters, nearly 60% of our Associates are women. Our “WAVE” (Women Adding Value Everyday) Associate Resource Group supports this important Associate population by empowering, developing and motivating its members on how to be successful here at TJX. Clearly, this mission resonates with our Associates as WAVE had a banner year in 2014, growing their membership by 30% and sponsoring over 20 events for Associates!



## SPOTLIGHT

So, what's behind the momentum of WAVE?

At its opening meeting early in 2014, members provided feedback on ways to improve the Group's offerings. Armed with this direction, WAVE leadership created two subcommittees, focused on different areas: one dedicated to Networking, and the other to Community Outreach.

The Networking subcommittee focused their events on creating a place where Associates from around the Company could come together to network and converse around a common theme.

The Community Outreach subcommittee focused on getting Associates out of the office and into their neighborhoods. In addition to their ongoing work with local food pantries, female high school students and the "Dress for Success" program in 2014, WAVE members formed over 120 teams, in 32 states, to participate in the American Cancer Society's "Making Strides Against Breast Cancer" regional walks. Together, our WAVE teams, which consisted of Associates, family members and friends, raised hundreds of thousands of dollars for breast cancer research and support.

With this help, the co-leaders could focus on offering new curriculum for career development, financial planning and executive exposure. As WAVE continues to build on its recent success we look forward to seeing what 2015 brings.



# L SPOTLIGHT

## Building a Great Work Environment for our Associates

“

Our success depends on our Associates. Retaining top talent is important, which is why creating a work environment that recognizes and nurtures happy and committed Associates is one of our top priorities.

”

**Doug Mizzi**  
President, TJX Canada



At TJX, we take pride in being a desired employer – a company where people proactively seek out opportunities because we’ve built a positive reputation in the marketplace. We know we’ve amassed great talent across our organization, and we aim to provide a culture which supports and rewards our Associates as they strive for professional success. It is with this in mind, that we are particularly proud that TJX Canada has received the distinction of being named a Top 50 Great Place to Work® in Canada for 2014 and 2015.

The Great Place to Work Institute Canada is the Canadian affiliate of the U.S.-based Great Place to Work Institute. Organizations on the 2015 list were ranked using the results of an employee survey called the Trust Index®, which was developed and is administered by the Great Place to Work Institute. The survey methodology is utilized by over 6,000 organizations in almost 50 countries each year, making it the most widely adopted workforce satisfaction tool in the world.

This honor is especially meaningful because it comes directly from an independent, third-party survey of our Associates. The award is based on two criteria: a survey completed by a random selection of employees, along with their open-ended comments about our organization, and an independent, third-party review of our culture, including an evaluation of human resources policies and procedures. Importantly, the survey results provide us with meaningful information regarding areas of strength as well as insight into the areas where we can continue to improve.

We believe that this particular award demonstrates our commitment to encourage an active and open dialog with our Associates, to be active listeners and to continually improve and evolve our workplace environment. Our achievement with the Great Place to Work survey in Canada gives us confidence that our Associates enjoy the TJX culture, take pride in their jobs and have a high degree of trust in the decision making of management.



# United With Our Communities

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TJX considers every neighborhood in which we do business to be our community, and we strive to be a Neighbor of Choice by enriching the lives of our Associates, customers and neighbors who live and work in our communities.

We extend our support to the communities we serve through our Community Relations pillars:



Throughout our 38-year history as a Company, we have continued our work to be a good corporate citizen. We support a range of organizations, including those that help children, women and families in need; provide aid for education; assist the disadvantaged and sick; provide help and education regarding the prevention of domestic violence; and assist the victims of natural disasters.



## Program Highlights

### **Strong Allegiance to Charities Within Each Brand**

All of our brands are deeply committed to specific charities and our Associates and customers are passionate about raising money for these charities through in-store fundraising, the sale of certain merchandise in support of charitable fundraising efforts and other community initiatives.

### **Establishing Foundations in Canada and Europe**

The TJX Foundation focuses on U.S.-based programs that provide basic-needs services to disadvantaged children, women and families. In 2014, we took steps to formalize our giving efforts outside the U.S. under regional foundations in Canada and the U.K. Once finalized, these new entities will help us to manage our commitments in each geographic area and consider new partnership opportunities in the future. In aggregate, over 2,300 organizations throughout our geographies received support from TJX in 2014.

### **Sharpening our Focus on At-Risk Young People**

Many of our community relations programs focus on youth and young adults, where we foster affiliations with schools, universities and other groups to help prepare students as they transition into the workforce. Two of our larger initiatives are the Youth Business Institute (YBI) in the U.S. and the Get Into Retail program in Europe, both of which expanded in 2014 to include more young people and new regions.

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## Corporate Philanthropy

“We approach our commitment to the communities we serve with a deep sense of purpose. By being true to who we are as a Company, TJX strives to add value to the lives of those in the communities where we do business. I am proud of our efforts in the U.S., Canada and Europe and pleased that we are taking steps to establish two additional foundations to serve our expanding geographical footprint. We recognize that the cumulative success of our efforts would not be possible without the leadership and active involvement of our TJX Associates worldwide.”

— **Carol Meyrowitz**, Chairman and Chief Executive Officer, The TJX Companies, Inc.



As a Neighbor of Choice, caring for others is an important part of our culture and we strive to improve the lives of our Associates, customers and neighbors who live and work in the communities we serve. Throughout our 38-year history as a Company, we have continued our work to be a good corporate citizen, supporting a range of organizations that help children, women and families in need; provide aid for education; assist the disadvantaged and sick; and provide help and education regarding the prevention of domestic violence. We also support disaster relief efforts around the world. One way in which we support these important causes is through our charitable entities in our different regions.



In the U.S., The TJX Foundation has provided funding and support to thousands of organizations. While we have always had a commitment to charitable giving throughout our regions, in 2014, we took steps to formalize our giving under regional foundations in Canada and the U.K. Our new Foundations, once finalized, will develop our existing charitable initiatives and may consider new programs in the future. We will also continue our charitable giving initiatives in other parts of Europe through our existing Community Fund.



## Disaster Relief Efforts

In addition to our ongoing focus on children, women and families, our giving extends to the community at large, particularly during times of need. TJX supports the Red Cross Disaster Relief Fund, which assists individuals and families whose lives have been struck by natural disaster. We



have been a member of the Red Cross' Annual Disaster Giving Program for almost two decades and in the past few years have made additional contributions for services to help the victims of catastrophic natural disasters like Super Typhoon Haiyan in the Philippines and the tornadoes in the Midwestern U.S. At the corporate level, we also contributed to the West, Texas Disaster Relief Fund to help victims of a local plant explosion and to The One Fund, a Massachusetts-based Foundation

formed to help those families most affected by the Boston Marathon bombings. Through TJX Canada, we contribute to the Canadian Red Cross for its disaster relief services, and over the past few years have contributed to the Royal Canadian Mounted Police Force in support of Mounties that were killed in Moncton and to funds to support the victims of the Alberta flood and the LeMegantic train derailment.



## The TJX Foundation in the U.S.

The primary mission of The TJX Foundation is to support U.S.-based programs that provide basic-needs services to disadvantaged children, women and families in communities where we do business. In the U.S., much of our charitable giving is coordinated through this Foundation, which funded approximately 1,650 nonprofit organizations in 2014. The Foundation proudly supports a wide variety of organizations from our brands' charitable partners to local giving, including when we make a donation to a local charity with each new store opening.



### Giving Guidelines<sup>1</sup>

If your nonprofit organization would like to apply for potential funding from The TJX Foundation, you will find information on these pages to guide you through the application process. While we cannot fund all worthy causes, we intend to carefully review all eligible applications. Please note that The TJX Foundation is currently focused on supporting U.S.-based 501(c)(3) charities that conform to the following giving guidelines:

- Civic/Community: Emphasis is on programs that teach disadvantaged persons independent living skills and that work to improve race/cultural relations.
- Domestic Violence Prevention: Support will target immediate emergency services and shelter accommodations for victims and family members affected by abusive situations as well as programming that works to break the cycle of violence.

<sup>1</sup> Giving Guidelines and information on how to apply for funding are not available on-line for The TJX Canada Foundation and The TJX U.K. Foundation. The information on this page is for U.S. 501(c)(3) organizations.



- Education: Support will target programs that provide academic and vocational opportunities for the disadvantaged, including early intervention, mentoring, tutoring, GED and college coursework, as well as programs that teach English.
- Health: Support will target programs that provide early and comprehensive prenatal services and healthy-baby education and, in some cases, research.
- Social Services: We support programs for disadvantaged children and families, including those that provide food and other basic needs, counseling and family support, adoption services, and youth development. Support will target programs that provide direct services to those with mental or physical impairments.

To learn more about The TJX Foundation and to apply for funding, please visit our corporate website, [tjx.com](http://tjx.com).

## U

## Our Corporate Partnerships

We have strong relationships with several charitable organizations at the TJX corporate level, TJX Canada and TJX Europe, and across our brands. One of our important corporate partnerships is with the Alzheimer's Association.



Alzheimer's disease and dementia painfully affect not only those who suffer from the disease, but their families and caregivers as well. The Alzheimer's Association estimates that every 67 seconds someone in the U.S. develops Alzheimer's. The significant number of people impacted by Alzheimer's, including our Associates and customers, and their families, is the reason that TJX committed to a multi-year, global partnership with the Alzheimer's Association, the world's leading voluntary health organization for Alzheimer's care, support and research.



In total, TJX has pledged \$2 million to support the Alzheimer's Association as they strive to fulfill their vision of a world without Alzheimer's. Our initial \$1 million, multi-year pledge was made in 2010, followed by a second \$1 million multi-year pledge

in 2013. Over the past few years, we have strengthened our partnership with the Association, extending our activities beyond financial contribution. We are a Champion of the Alzheimer's Early Detection Alliance, which helps to foster awareness about the disease and provides education regarding early warning signs and symptoms.

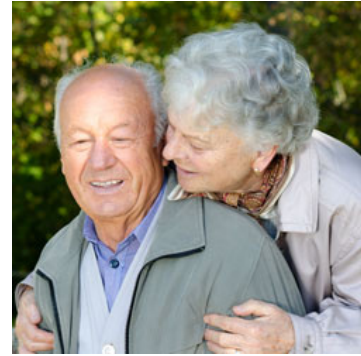




As Champions, our support was on full display once again in November 2014 during World Alzheimer's Month, when the buildings and landscape at TJX's corporate headquarters in Framingham, Massachusetts, were illuminated in purple light – the Alzheimer's Association's signature color.

In 2014, we expanded our fundraising program to our U.S. distribution center Associates, encouraging them to become more engaged. This program included outreach to our T.J. Maxx, Marshalls and HomeGoods distribution centers, and focused on educating Associates on ways that they could actively support the cause through local fundraising initiatives. In the first year, all of our distribution centers engaged in some type of fundraising campaign – from organizing bake sales and raffles to participating in local walks.

TJX is a National Team Member of the Walk to End Alzheimer's in the U.S., and we are a key sponsor of the event's Promise Garden. Since our partnership with the Alzheimer's Association began in 2010, Associate participation in the Walk event has grown substantially. In 2013, all distribution centers, the New York and California buying offices, and our corporate home office formed teams for their local Walks. In 2014, our Sierra Trading Post Associates and many T.J. Maxx, Marshalls and HomeGoods stores also fielded teams and, in total, more than 1,800 TJX Associates, family, and friends signed up to participate in local walks, with 74 teams collectively raising significant monies to support this meaningful cause. This is in addition to Associate donations and our Marshalls in-store fundraising campaign.



These efforts and others have served as catalysts for increasing Associate engagement and over time, we believe our support can help the Association in its goals to eliminate Alzheimer's disease

through the advancement of research; to provide care and support for those affected, including caregivers; and to reduce the risk of dementia through the promotion of brain health.



## Community Partnerships

TJX has developed community programs with many organizations to further strengthen our ties to local communities. These relationships can take on many forms and often include a combination of corporate sponsorships, product donations, Associate volunteerism and other support.



### Preparing the Next Generation of Associates

Many of our community programs focus on youth and young adults, where we foster affiliations with schools, universities and other groups to help prepare young people as they transition into the workforce. Two of our larger initiatives are the Youth Business Institute (YBI) in the U.S. and the Get Into Retail program in Europe.

YBI is an example of a big idea that started in one market and evolved over time. YBI was originally conceived in 1999 when the Company launched a pilot program for underprivileged youth in the Boston, Massachusetts area. The idea was simple: provide basic skills and training for success in school and in the workplace. By 2006, the program had evolved significantly to include a formal program agenda, Associate volunteers and two additional schools in Atlanta, Georgia.





Today, YBI is an 11-week, innovative, professional and personal development program that operates in 19 high schools, located in 12 U.S. cities and in Puerto Rico. We expect to expand the number of locations in the future. At YBI, over 300 TJX Associate volunteers teach high school students job readiness skills and expose them to career pathways relevant for entry into the retail workforce. The YBI course kicks off with workshops on time management and budgeting. In the weeks that follow, students are immersed in coursework and training for resume building and interview preparation. We also foster students' career exploration through job shadowing of TJX Associates. At the end of the program, the students participate in a fashion show and graduation ceremony. Since 2012, YBI has awarded over \$530,000 in scholarships to YBI students, graduated more than 800 high school students, and hired approximately 400 program graduates into part-time or full-time positions within the Company.

In Europe, we work with The Prince's Trust, an organization that supports teens and young adults who are unemployed, struggling at school or otherwise at risk of exclusion from many



opportunities. The Trust's programs are designed to give vulnerable young people the practical and financial support needed to stabilize their lives and develop self-esteem and skills for work. We have developed a program with The Prince's Trust called Get Into Retail, which recruits young people from The Prince's Trust program and teaches them about career paths

and working in retail as well as skills for interviewing and getting a job. Our program combines classroom-based training with a TJX store-based mentor, with the aim of offering these young people a job in a T.K. Maxx store. After a successful pilot in London in 2012, we expanded to other U.K. cities, including Birmingham, Belfast and Cardiff. We now have 14 Get Into Retail programs running across the U.K., educating over 150 young people each year. We have offered employment opportunities to many of the program participants following course completion, and expect to expand this program again next year.

### Fostering Self-Sufficiency



In addition to those programs that focus on youth, some of our community programs emphasize empowerment and self-sufficiency for people who may face barriers to employment. TJX Community Relations and local T.J. Maxx and Marshalls stores partner with The Crisis Assistance Ministry of Mecklenburg County, North Carolina, and Jackets for Jobs, Inc., in Detroit, Michigan,

two nonprofits dedicated to getting people in need back on the path to self-sufficiency. With the help of local Marshalls and T.J. Maxx Associates, TJX funding and donated merchandise, these groups operate "free stores" that are stocked with interview and business attire for program participants to shop. Local job placement professionals are also available to help with resume writing and interviewing skills. To date, thousands of people have been helped by these programs.



## Associate Volunteerism

We believe our Associates' volunteer efforts demonstrate our Company's core values of integrity and mutual respect and caring, while also tapping the leadership skills, compassion and altruism of our Associates. Many of the volunteer opportunities undertaken add a new dimension to the lives of participating Associates.



Sometimes we combine Associate volunteerism with what we refer to as our regional philanthropic targeting programs. These programs invite Associates in our stores, regional offices and distribution centers to identify and recommend organizations within their communities that they would like to support. An application for charitable grants through The TJX Foundation is made, and if selected, this grass-roots effort is supported. Our Youth Business Institute, Get into Retail and Jackets for Jobs programs are excellent examples of leveraging the strength of Associate volunteers within our community relations and charitable giving efforts. We believe regional targeting of charities makes our philanthropic efforts meaningful for both our Associates and customers.

WE  
**SERVE**  
WITH A DEEP  
SENSE OF  
PURPOSE



In the U.S., our Associates are actively engaged in supporting other causes as well, and activities that may have started as smaller, localized efforts have now grown into more substantial campaigns that occur in many locations across the country. For example, our U.S. Loss Prevention group leads Associate participation in the Making Strides Against Breast Cancer walks that occur throughout the country each fall. In 2014, this group rallied together 127 teams in 32 states, with over 2,200 Associates, family members and friends raising hundreds of thousands of dollars in funding for breast cancer research and support.



In addition to these grass roots-type campaigns, many Associates at our corporate headquarters volunteer their time supporting events ranging from blood drives to walking for various causes to weekly participation as Big Brothers/Big Sisters. This year we were proud to be awarded the first annual Bob Cousy MVP Award by Big Brothers/Big Sisters of Central Massachusetts. This honor came with special recognition for our centralized

model, where each week we provide roundtrip transportation for participating students, from their school to our home office in Framingham, Massachusetts.

In Canada, our Associates support programs that assist disadvantaged women and children. For more than 11 years, TJX Canada has worked with Ernestine's Women's Shelter and Covenant House Toronto. In addition to corporate donations of gift cards and in-kind product, Associates volunteer their time at Ernestine's and every summer the Store Operations group coordinates a barbeque, providing food, entertainment and games for the women and children in the shelter. Covenant House Toronto is an organization that advocates for homeless youth



in Canada, providing a comprehensive range of housing and support services to meet the needs of these youth. In addition to their monetary contributions, our Associates enthusiastically volunteer their time at Canada's largest youth shelter to help serve food, stock supplies and participate in programs. We believe this support helps to encourage young people working to move away from a life on the street and into a life with a future.

In Europe, T.K. Maxx and HomeSense Associates in the U.K. and Ireland are encouraged to volunteer and raise funds for the charitable causes they personally care about. Our existing Community Fund further strengthens our charitable giving in Europe by providing grants for local causes recommended by our Associates. We believe that the combination of our Associates' volunteerism along with The Community Fund contribution, help create a strong impact at the local level. In Germany, T.K. Maxx supports the charity Children for a Better World, via local fundraising and volunteer initiatives such as the Metro Marathon relay as well as national campaigns. In Poland, our stores partner with local initiatives as part of our national support of the Academy for the Future program run by children's charity, Stowarzyszenie Wiosna.



## Cause Marketing & Fundraising

Our brands support community and charitable initiatives that are important to Associates and customers alike through cause marketing and fundraising programs.



In addition to the great work coordinated through our Foundation and at our offices and distribution centers, our stores focus their fundraising and awareness campaigns on organizations that help children, women and families, aid education, assist the disadvantaged and sick, and help to prevent domestic violence. Thanks to the dedication and passion of our Associates and the generosity of our customers, we have raised substantial funds and have increased awareness for many important organizations and causes. Throughout the Company, we are continually searching for new ways to give back and are proud of our collective efforts.

## U

## Cause Marketing &amp; Fundraising in the U.S.

T.J. Maxx helps to create lasting change in children's lives by supporting nutrition and health, childhood development and educational programs for children in need.



While **T.J. Maxx** sponsors many organizations across the U.S., one of our biggest charitable relationships is with Save the Children. Today, one in five American children lives in poverty<sup>1</sup>, having to go without simple, yet critical necessities like healthy food, books, and safe places to play and exercise. For the past 30 years, we have partnered with Save the Children U.S. to help



these children find a future outside of poverty. Through in-store fundraising, corporate sponsorships, donations of proceeds from exclusive Save the Children product sales, and volunteer leadership efforts, we're proud to help children get a successful start to life. Our partnership also includes sponsorship of children living in some of the poorest rural communities in the U.S. Our program began with sponsorship of 113 children and has grown

to over 1,000 children. As part of our program, internal Associate fundraisers are held at stores and offices throughout the country. This year, we were honored to receive Save the Children's Corporate Champion for Children Award in recognition of our longstanding efforts to help children in need reach their full potential.

T.J. Maxx also supports organizations committed to care and research for prevalent health disorders affecting children, including diabetes and autism.

At **Marshalls**, our primary goal is to support the communities in which we do business through our commitment to organizations that support the health of families. For more than 25 years, Marshalls has been particularly committed to our partnership with JDRF (formerly Juvenile Diabetes Research Foundation) to improve the lives of children and adults living with Type 1 diabetes and to support JDRF's search for a cure for diabetes.

<sup>1</sup>United States Census Bureau, 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC)



Through in-store fundraising and awareness campaigns, fundraising walk teams nationwide, and support of JDRF events, we're helping to fund exciting new research and support programs. We are proud to have been named an Elite Corporate Partner for the past five years, helping to fund breakthroughs that may one day eliminate this devastating disease.



In addition to our corporate support of the Alzheimer's Association, Marshalls has raised awareness and funds to support their vision of a world without Alzheimer's through an in-store fundraising program. We also support the health of families by supporting organizations tackling critical issues such as cures for childhood cancer and the prevention of domestic violence. For example, we have a corporate

awareness program that helps Associates and customers understand the signs of abuse and additionally, Marshalls makes an annual donation to the National Domestic Violence Hotline, which provides 24/7 lifesaving tools and support to enable victims to find safety and live their lives free from abuse.

At **HomeGoods**, we focus our charitable efforts in an area that impacts the lives of so many of our Associates and customers – helping families fight cancer. HomeGoods Associates throughout our organization have championed this mission for many years, and we take immense pride in actively directing our fundraising efforts towards this common goal.



HomeGoods proudly partners with St. Jude Children's Research Hospital and Dana-Farber Cancer Institute, both leading cancer research and treatment centers. We participate in St. Jude's annual Thanks and Giving campaign, raising funds and awareness that support St. Jude's mission to advance cures for pediatric cancer. We also offer holiday-themed water globes, sold exclusively to raise money for St. Jude during the Thanks and Giving campaign. Each year, various HomeGoods field and home office Associates travel to St. Jude to learn more about the organization's lifesaving work and to bring some "HomeGoods Happy" cheer to St. Jude patients and their families. Likewise, in support of Dana-Farber Cancer Institute, HomeGoods also holds an annual in-store fundraising campaign and sells reusable bags featuring art designed by a Jimmy Fund Clinic patient. We are honored to report that this year Dana-Farber, in recognition of our many years of fundraising support, will recognize HomeGoods with a commemorative plaque and framed installation in the newly renovated and expanded Jimmy Fund Clinic.



At **Sierra Trading Post**, we focus our charitable giving at the local level, where we believe we can have direct impact in the community. We support organizations that help children, women and families, assist the disadvantaged, and support economic development. Given the size of our small store base, our charitable giving is provided directly from the Company, rather than derived

from in-store fundraising. Additionally, we have a structured in-kind donation program whereby we donate some returned items that are in excellent condition to local community shelters. Some of our merchandise donations are sold in thrift shops to support community programs and others are given to families in need by charities that we support.



## U

## Cause Marketing & Fundraising in Canada

At TJX Canada, our Winners and HomeSense brands have long partnered with organizations to help enrich the lives of women and children.



We proudly support the Canadian Women's Foundation, an organization committed to ending violence against women, moving low-income women out of poverty and empowering girls to gain confidence. For over ten years, through our Shop for Hope decal program and product sales initiatives, our Associates' and customers' efforts have raised funds to support approximately 450 shelters and over 30,000 women and children in Canada.

**Winners** and **HomeSense** are also proud supporters of the Sunshine Foundation of Canada. This national charity grants wishes in response to the individual dreams of children with severe physical disabilities and life-threatening illnesses. For over a decade, Winners and HomeSense customers and Associates have helped to raise millions of dollars through the annual "Spread a Little Sunshine" campaign to make these children's dreams a reality.



**Marshalls**, in Canada, believes in supporting the family unit, so that happy and healthy kids may thrive in our communities. We support Kids Help Phone, a phone and online counseling service for Canadian youth, where professional counselors are available 24 hours a day, 365 days a year, to help young people deal with concerns, large or small. Marshalls is also a proud sponsor of CTV television network's Toy Mountain, an annual toy drive

in support of the Salvation Army. In addition to making a cash donation to the Salvation Army, Marshalls stores in the Greater Toronto area serve as official toy drop-off locations.

**TJX Canada** has also been a long-time supporter of PRIDE, and in 2014, we were an official sponsor of World Pride, a 10-day celebration of lesbian, gay, bisexual, and transgendered (LGBT) communities, which was held in Toronto.



## Cause Marketing & Fundraising in Europe

TJX Europe’s community programs aim to create a lasting, positive impact in the communities we serve by helping vulnerable children and young people achieve their potential.



Since 2004, **T.K. Maxx** and **HomeSense** in the U.K. and Ireland, together with our customers, have raised significant funds for Cancer Research U.K., which is dedicated to the research, prevention and treatment of children’s cancers. Our support includes the “Give Up Clothes for Good” program, the U.K.’s biggest clothing collection campaign. This initiative allows people



to donate used clothes, which are then sold by charities to raise funds. With Associates and customers donating hundreds of thousands of bags of clothing in 2014, we’ve been able to support Cancer Research U.K. in a significant way. In 2014, we proudly celebrated the 10-year anniversary of our partnership by funding a special research project.

We are equally proud of our partnership with Comic Relief, a charity that helps children and families suffering from poverty and social injustice in the U.K. and Africa. Since 2005, our Associates and customers have raised significant funds for Comic Relief U.K.’s much-loved fundraising campaign, Red Nose Day. As the official t-shirt retailer for the campaign, T.K. Maxx U.K. is proud to work with well-known designers and

celebrities to develop and market a unique line of 100% Fair Trade cotton t-shirts. Through our combined efforts, we have raised significant funds for Comic Relief over the years.



Our T.K. Maxx stores in other geographies support organizations for which they are passionate. In Ireland, through a local “Give Up Clothes for Good” program, we’ve raised significant funds for Enable Ireland, which helps support children and young people with disabilities. In Germany, we support Children for a Better World, a charity that provides children with healthy food and school lunches so that they can focus on their school work, thereby helping them to achieve their full potential. Since 2010, our fundraising efforts and sales of Bags for Life and Christmas cards have provided funding through this organization for over 150,000 meals for disadvantaged children. In 2014, T.K. Maxx in Poland began supporting the Academy of the Future, a program run by Stowarzyszenie Wiosna, a national children’s education charity that provides one-on-one mentoring and educational support to over 1,800 disadvantaged children. T.K. Maxx kicked off its fundraising efforts in September and also sold special Christmas merchandise for the cause.



Our HomeSense stores in the U.K. partner with local Action for Children projects, which work to help disadvantaged and vulnerable children and young people through approximately 50 local programs in our stores’ communities. HomeSense and its customers have raised significant funds since 2010 through in-store fundraising and sales of holiday ornaments.

Since 2008, **TJX Europe** has worked with Save the Children and other charities in Uganda to provide educational opportunities for children, which has helped about 10,000 children from 12 communities gain access to primary schooling. We’re pleased that our fundraising efforts have supported the building of 20 classrooms, provided approximately 500 desks and more than 3,000 textbooks, and trained over 100 teachers. The proportion of children enrolled in primary school in these 12 communities has risen from about 50% in 2008 to over 90% in 2014. More recently, TJX Europe has directed its support to source limited products from these Ugandan communities with the aim of helping to support long-term social and economic improvement.

# SPOTLIGHT

## T.J. Maxx Celebrates 30 Years Supporting Children in Need

Over the years, our sponsorship has grown to more than 1,000 children.



T.J. Maxx has always been, and remains, passionate about helping children in need reach their full potential. As our Company has expanded into more and more communities, our commitment to being a good neighbor in these communities has grown as well.

Our initial program with Save the Children began in 1984, with T.J. Maxx sponsoring 113 children living in some of the poorest rural communities in America. Over the years, our sponsorship has grown to more than 1,000 children, allowing Save the Children to provide access to early education, literacy, nutrition and physical fitness programs to children in areas lacking in these resources.

In addition to our corporate sponsorship of programs, we engage our customers to support this cause with us through fundraising and offer Save the Children merchandise for sale in our stores. This year, as in previous years, our designers developed a new reusable bag and a fleece blanket – both displaying artwork from the children – with a portion of the proceeds going directly to Save the Children. The passion of our store Associates ignites the generosity of our customers and we're pleased that together with our customers, we've been able to support Save the Children in a bigger way every year!

In 2014, Save the Children honored T.J. Maxx with their National Responsibility Award, recognizing our 30 year partnership, our longstanding corporate support and our commitment to fundraising for the organization.

# SPOTLIGHT



## T.J. Maxx & Save the Children. Celebrating 30 Years of Partnership

1984

T.J. Maxx and Save the Children begin their partnership with the sponsorship of 113 U.S. children living in the poorest rural communities in the U.S.

1990



Oprah Winfrey asks her viewers to donate a dollar to Save the Children. Phone banks were overloaded by thousands of donor calls.

1991

**SAVE THE CHILDREN EXPANDS OPERATIONS TO REACH 20 U.S. STATES.**

Save the Children launches its "Eyes on the Future" program, working with the Navajo reservation to provide eye exams to more than 20,000 children and youth over 10 years.

1992



Save the Children holds its first children's art contest for tie and scarf designs. Both President George H.W. Bush and soon-to-be President Bill Clinton wear the ties during the 1992 presidential campaign.

1993

**T.J. MAXX REACHES 500 CHILD SPONSORSHIPS.**

1999



T.J. Maxx sells Save the Children T-shirts, educational toys and school supplies in stores nationwide to benefit Save the Children.



The T.J. Maxx/Save the Children in-store fundraising campaign **RAISES MORE THAN \$1 MILLION** to help children in need in the U.S.

Save the Children reaches nearly **30,000 CHILDREN** through literacy programming in the U.S.



2000



T.J. Maxx and Save the Children launch the "Happy Hearts" in-store fundraising campaign, raising more than \$470,000 to help children in need.

2002



Save the Children issues its "America's Forgotten Children" report, bringing awareness to the 2.5 million children living in rural poverty in the U.S.

2003



Save the Children launches its afterschool literacy programs, helping children stay on track developmentally and grow as readers and learners. In one school year, Save the Children doubles the percentage of children reading at or above grade level!

2005



Save the Children launches Healthy Choices programming, exposing children to healthier ways of living through activity and nutrition. Save the Children's policies and partnerships to fight childhood obesity are potentially benefiting 22.4 million children.

2006



Save the Children launches Early Steps to School Success, a program that lays a critical foundation of language and literacy skills so children enter school ready to succeed. 84% of at-risk toddlers in this program score at or above the national average on literacy and language tests.

2007



Save the Children U.S. Programs celebrates **75 YEARS** with a gala, honoring T.J. Maxx and ringing the closing bell of the NYSE with Ernie Herman, President, Marmaxx.



T.J. Maxx features children and teens from the rural communities where Save the Children works in its back-to-school marketing efforts.

Save the Children's Campaign for Healthy Kids advocates for children's nutrition and physical activity legislation and regulations, leading to **20 POLICY CHANGES** over the next three years.



**69%** of the children enrolled in Save the Children's literacy programs achieve significant growth, equivalent to nearly five additional months of school!

**30 YEARS OF PARTNERSHIP!**

2009



T.J. Maxx partners with celebrity Jennie Garth to unveil a limited-edition Save the Children reusable bag, raising funds and awareness. For each bag sold, T.J. Maxx donated one back-to-school item to children in need.

2010



Celebrities attending the Teen Choice Awards sign T.J. Maxx/Save the Children reusable tote bags, which were then auctioned off to raise money for Save the Children U.S. Programs.

2011



T.J. Maxx executives visit U.S. Programs in Mississippi.

2012



T.J. Maxx sponsors 1,000 children with the opening of the 1000th store in Washington, D.C. A check totaling over \$1.8 million was presented by Marmaxx President Richard Sherr to Save the Children SVP Mark Shriver at the TJX Home Office.

2013



**THE T.J. MAXX/SAVE THE CHILDREN IN-STORE CAMPAIGN RAISES MORE THAN \$2 MILLION FOR THE FIRST TIME.**

T.J. Maxx sells reusable Halloween trick-or-treat bags benefiting Save the Children.



T.J. Maxx stores nationwide sell the Save the Children Commemorative Quilt, with proceeds going to Save the Children.

2014

Ernie Herman, President, TJX, joins Save the Children's Board of Trustees.

SPOTLIGHT

Marshalls – Focusing on Healthy Families


There are hundreds of thousands of children and teens battling diabetes across the U.S. We believe they all deserve a chance at a healthy life.

At Marshalls, our goal is to support the communities in which we do business through a commitment to organizations that support the health of families. Our Associates, with generous support from our customers, have taken great pride in raising awareness and supporting fundraising efforts for JDRF (formerly the Juvenile Diabetes Research Foundation), for the past 20 years.

This is why we do it.

**Evie, 5**  
 Diagnosed at age 4  
 A cure for Evie means...

"For Evie, a cure would mean the return of a carefree childhood!"



**Sadhana, 14**  
 Diagnosed on September 3, 2008  
 A cure for Sadhana means...

"To me a cure means no more finger pricks or shots and no more having to explain to people that yes, I can in fact, eat sugar."



**Alli, 10**  
 Diagnosed October 1, 2008 at age 4.  
 A cure for Alli means...

- it means living a life without being connected to a pump, poking my fingers up to 10 times a day  
 - it means not having the first words out of my parent's mouths be- "What is your blood sugar?" and "You're not being high"



**Benjamin, 10**  
 Diagnosed at 21 months  
 A cure for Benjamin means...

"My life would be so much easier without diabetes...no more sticking needles into myself, no more bothering to bolus and no more carrying all my diabetes supplies wherever I go."



# SPOTLIGHT

## St. Jude Children's Research Hospital: Dollars Raised, Hope Given

“

I didn't know what to expect. It's an incredibly tough situation for children and families, but the positive energy and mood within the hospital was heart-warming and impressive.

”

**Joe Dubord**  
Senior Vice President,  
Distribution Services for  
HomeGoods



“Overwhelmingly powerful” are the two words that Joe Dubord, Senior Vice President of Distribution Services, used to describe his first trip to St. Jude Children's Research Hospital, an organization HomeGoods has proudly partnered with for the past 5 years.

HomeGoods' charitable work is primarily focused on helping families fight cancer, so our partnership with St. Jude is a natural fit, and one that our organization takes great pride in. HomeGoods Associates participate in St. Jude's annual Thanks and Giving campaign, raising awareness and inspiring our customers to help contribute funds to support St. Jude's lifesaving work. We also sell an exclusive collection of holiday-themed water globes to help raise money for St. Jude.

In an effort to help our Associates better understand the important work being done at St. Jude, once a year, some of our field management, distribution center and home office Associates have an opportunity to visit St. Jude in Tennessee.

After touring the facility and meeting members of the St. Jude team, HomeGoods hosts a celebration for patients and their families in which our Associates have the opportunity to engage with the kids in a variety of fun activities including art projects, interactive games and gift-giving. This “hands on” experience allows our Associates to come away with an even greater appreciation of the work being done and tangible examples of how our support helps to positively impact their lives. They bring their stories back to their stores and offices to inspire an even broader base of Associates to continue to get involved.

The enthusiasm of our store Associates helps to encourage the participation of HomeGoods customers. Together with our customers, we continue to challenge ourselves in our fundraising goals so we may ultimately help more children at St. Jude who are in need of medical treatment.

“I am proud that our Company is fiercely committed to supporting an organization like St. Jude. Each year, when we visit and witness the tireless effort of the staff and unbelievable strength of these children and families, we come back to our day jobs more humble and even more motivated to make a difference in these children's lives,” said David Glenn, Senior Vice President, Director of Stores, HomeGoods.

SPOTLIGHT

TJX Europe: Ten Years Supporting Cancer Research U.K.

“

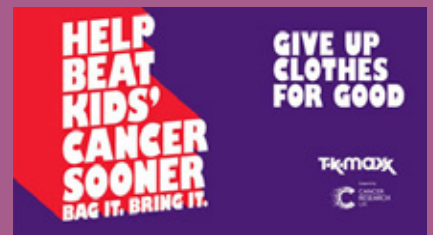
Our commitment to helping children beat cancer is seen at every level – from our offices through our Processing Centres and stores. It’s wonderful to see how our Associates and customers’ passion supports finding a cure for childhood cancer.

”

**Michael MacMillan**  
Group President, Senior Executive Vice President



TJX Europe is passionate about its community programs, which aim to help vulnerable children and young people achieve their potential. One of our longstanding partnerships is with Cancer Research U.K., an organization dedicated to the research, prevention and treatment of cancers. Sadly, four children in the U.K. are diagnosed with cancer every day<sup>1</sup>, and while this is a sobering statistic, TJX Europe believes our support contributes to a meaningful and long-lasting impact in the fight to beat childhood cancer. Since 2004, T.K. Maxx and HomeSense in the U.K., together with our customers, have raised significant funds for Cancer Research U.K. We are proud to be the largest corporate funder of research in childhood cancers in the U.K.



In addition to our corporate contributions and customer donations at the till (cash register), we host the biggest clothing collection campaign in the U.K. Our year-round, in-store campaign, called Give Up Clothes For Good, allows people to drop off used donated clothing, accessories and homeware at our stores. We give the donated items to Cancer Research U.K., to sell in their stores with all proceeds going straight to Cancer Research U.K.

Over the years we’ve enlisted iconic celebrities and other well-known personalities to participate in our campaign. We are very proud that in 2014 we collected an amazing 200,000+ bags of donated goods, and

over the course of our 10-year relationship have raised millions and millions of British pounds for this important and life-saving research.

<sup>1</sup> According to Cancer Research U.K.





# Environmental Sustainability

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## 2014 HIGHLIGHTS



At TJX, we have long been committed to pursuing initiatives that are smart for our business and good for the environment, and we are proud of the significant progress we are making in this regard.

We continue our focused efforts to reduce energy usage, increase the efficiency of our vehicles and buildings and manage our waste. We also remain focused on ways to further engage our Associates on important environmental issues, as we believe that environmental sustainability initiatives are increasingly important to them and that the more we collaborate, the better our program will be. As we work to evolve our program, we are focused on integrating best practices across our global organization and working to continually improve our measurement and reporting activities.

Since 2009, we have quantified our greenhouse gas emissions (GHG) footprint on an annual basis to better understand our energy use and to consider how climate change might affect our business. With these in mind, we set our second GHG emissions reduction target in 2014 to reduce GHG emissions per dollar of revenue by 30% by 2020, against a 2010 baseline.



## Program Highlights

### Global Recognition

TJX earned a position on CDP's 2014 Climate Disclosure Leadership Index (CDLI), scoring 98 out of 100 in the CDP 2014 Climate Change Information Request<sup>1</sup>. For the 13th consecutive year, we were included on the FTSE4Good Index. Additionally, in 2013 we earned certification by the Carbon Trust Standard<sup>2</sup> for our GHG emissions footprint management and reduction efforts throughout our European operations.

### Establishing a Second GHG Emissions Reduction Goal

We established our second GHG reduction target in 2014. Our goal is to reduce our global GHG emissions per dollar of revenue by 30% by 2020, against a 2010 baseline. Our initial GHG goal, established in 2010, was to reduce our GHG emissions relative to revenue by 5% by 2013. We are pleased to report that we exceeded that goal.

### Reducing our Energy Use

We implemented energy efficiency, waste and other initiatives in our stores, distribution centers and corporate offices that reduced our carbon footprint by about 8,200 metric tons of CO<sub>2</sub>e in 2014.

## 2014 GLOBAL RESULTS

Combined emissions reduction initiatives in the U.S., Canada and Europe reduced our carbon footprint by

**8,200**

metric tons of CO<sub>2</sub>e

The annual GHG emissions given off by about

**1,726**



cars

or the amount of GHG emissions stored by

**6,721**

acres of trees



<sup>1</sup>The CDP is a nonprofit organization, supported by institutional investors, which solicits information from the largest global, publicly held companies on their climate change governance, risk management, carbon emissions and communications. The CDP's Climate Disclosure Leadership Index is reserved for companies with disclosure scores in the top 10% of S&P 500 companies participating in the CDP survey.

<sup>2</sup>The Carbon Trust Standard is a voluntary certification which provides independent verification and recognition that an organization is measuring, managing and reducing its carbon footprint.

# E

## Environmental Sustainability at TJX

As the world's leading off-price retailer of apparel and home fashions, TJX's mission is to deliver great value to our customers, every day. We believe that the way in which we conduct our business matters, and we understand that reducing energy use and minimizing waste can lower our costs and help reduce our impact on the environment. We believe that minimizing our environmental impact can help support our mission by reducing our operating expenses, driving profitable growth and helping recruit and retain talent.



### Global Oversight for Environmental Sustainability

TJX's Executive Environmental Sustainability Steering Committee oversees the Company's global environmental reporting and provides direction on our environmental sustainability goals. Each year, the Committee guides and supports our CDP submission and provides leadership in other areas of environmental sustainability. It includes senior leaders from all geographies and represents many functions across our business, including environmental sustainability, merchandise planning, real estate, logistics, store operations, compliance, procurement, audit, legal and global communications.

In addition to our Executive Committee's efforts, environmental sustainability practitioners throughout TJX come together regularly as a Global Environmental Sustainability Committee to explore environmental issues that impact our Company globally and to facilitate increased collaboration across our geographies, in particular with respect to energy, operations, waste management and compliance with associated regulations. This Committee connects global managers with environmental sustainability experts and partners with functional teams to identify opportunities for efficiency gains and operational cost savings.

# E

This year, we expanded the scope of our two environmental sustainability committees to provide focus on a broader environmental strategy and vision for the Company. We convene these groups, as well as key functional and strategic environmental sustainability stakeholders, throughout the year to share best practices and global collaboration opportunities with a goal to improve the cohesiveness and effectiveness of our overall approach.

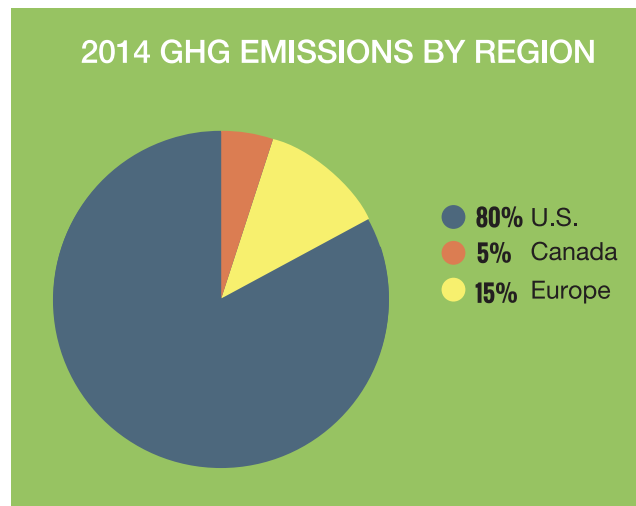
## Our Environmental Sustainability Program

Longer term, we plan to continue to foster these global, cross-functional initiatives to better address environmental sustainability risks and opportunities for our business. In the near term, TJX's environmental sustainability strategy is focused on minimizing our greenhouse gas emissions through the following "green" programs in our stores, distribution centers and offices:

1. Energy Efficiency: reducing the use of electricity and natural gas
2. Operational Logistics: reducing our fuel consumption where possible and adopting best practices for new construction, building operations and maintenance
3. Waste Management: reducing the amount of waste we generate, reusing items when we can, and recycling items that we can't reuse
4. Engagement: improving collaboration, educating Associates on our environmental responsibility, and providing resources for Associates to support our goals

Even as we strive for more global collaboration, as a multi-national company, our business units in the U.S., Canada and Europe have historically pursued environmental initiatives based on strategies and goals most relevant to their geographies. We believe it's important to continue to retain this regional focus to address business and regulatory demands that vary by geography. For this reason, we have established teams of experts in each of our geographies who are responsible for managing our "green" initiatives.

We explore our progress in these geographic areas in the pages that follow.



# E

## 2014 ENVIRONMENTAL SUSTAINABILITY ACHIEVEMENTS

### SETTING GHG REDUCTION GOAL

Set a goal for fiscal year 2020 to reduce our global GHG emissions per dollar of revenue by 30% against a fiscal year 2010 baseline

### BUILDING MORE EFFICIENTLY

Integrated sustainability elements into the design of our new corporate headquarters building in Canada and our new HomeGoods distribution center in the U.S.

Implemented emissions reduction initiatives that, on a global basis, reduced our carbon footprint by more than 8,200 metric tons of CO<sub>2</sub>e



### REDUCING CARBON FOOTPRINT

### INTEGRATING TECHNOLOGY SOLUTIONS

Integrated LED lighting designs into new HomeGoods stores and began piloting lighting alternatives for other divisions across the globe

### IMPROVING REPORTING AND ANALYTICS

Added global waste data to environmental data collection and assessment

## E

## Energy Efficiency

Electricity and fuels used to operate our stores generate the majority of our GHG emissions over which we have operational control. As a result, we have a long history of focusing on energy efficiency and reducing energy consumption within our stores.



Our Energy Management group was initially established about 25 years ago in the U.S. and is charged with finding ways to reduce store energy costs for our U.S. divisions. As our operations have expanded geographically, we now have groups across our global operations responsible for managing our energy consumption and costs. The energy reduction initiatives and programs driven by the geographies are the key contributors to reaching our global emissions reduction goal.

Our regional Energy Management groups are tasked with analyzing and maximizing current operational performance. These groups also test, prioritize and implement energy efficiency technologies and products. Some of our energy efficiency programs include:

- Retrofitting lighting
- Implementing and monitoring energy management/building automation systems
- Conducting preventative heating, ventilating and air conditioning systems (HVAC) maintenance
- Providing stores with energy awareness training materials

Members of our Energy Management groups also work with our store design teams on increasing the energy efficiency of designs for new and re-modeled stores. In addition to programs that reduce our energy consumption, we also consider renewable energy opportunities that are appropriate for the regions in which we do business.



## Highlights by Geography

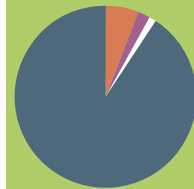
### U.S.

Our U.S. Energy Management group utilizes a multi-pronged approach to reduce energy use in our planned and existing stores. We collect data from electric, gas and, when available, water utilities' invoices and compile the information, along with facility attributes, in a database where it can be sorted in several ways to extract useful information. The insight gleaned from these analyses helps us to identify and prioritize energy reduction opportunities, track usage trends and monitor performance. In 2014, we had three key initiatives:

1. Implementing LED technology: We continued to work closely with our vendors to develop new solutions that meet our evolving criteria for lighting in our stores. As a result of these collaborations, new store designs for HomeGoods now include LED lighting throughout the sales floor. For our other divisions, we have implemented LED lighting in specific areas like track lighting, jewelry cases and fitting rooms, and we are in the process of assessing the viability of installing LED technologies in other areas.
2. Retrofitting existing lighting and HVAC systems in stores: We continued to focus on projects to make our existing stores more efficient, and, in 2014, our U.S. Energy Management group completed lighting retrofit projects in 654 stores, resulting in estimated savings of over 7.3 million kilowatt hours (kWh) per year. Additionally, they completed 601 HVAC retrofits, saving an estimated 1.6 million kWh or more than 800 metric tons of CO<sub>2</sub>e.
3. Upgrading lighting and HVAC systems in distribution centers: Our distribution and processing centers also make energy efficiency a priority. Distribution Services in the U.S. has invested in lighting and HVAC upgrades in many buildings. In some locations, we have partnered with third-party energy experts to audit the efficiency of our buildings, and we are currently evaluating the feasibility of many new initiatives, including installing LED fixtures. Our distribution centers are also looking for solutions to increase the energy efficiency of our material handling and maintenance operations equipment.

## REDUCING ELECTRICITY USE IN STORES IS A TOP PRIORITY

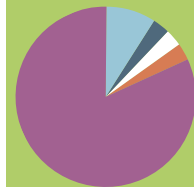
Electricity is Our Largest Source of GHG Emissions\*



- 90% Electricity
- 7% Fuels (Natural Gas, Diesel And Propane)
- 2% Transport Fuels
- 1% Refrigerants

\*FY15 Emissions By Source Scope 1 and Scope 2

Stores Account for 82% of Our GHG Emissions Footprint



- 82% Stores
- 9% Distribution Centers
- 3% Offices
- 3% Business Travel
- 3% Vehicles

E**Canada**

Our Canadian Energy Optimization Committee utilizes a similar approach as its U.S. counterparts to capture and analyze electric and gas usage and use that information to work to reduce energy use in our stores. This Committee operates using a four-pronged strategy to:

1. Identify opportunities to conserve energy in our stores (primarily through energy efficient lighting upgrades);
2. Evaluate new technologies such as demand-control ventilation for HVAC and LED lighting;
3. Leverage incentives provided by provincial utility programs to reduce project costs; and,
4. Explore energy purchasing opportunities.

In 2014, our Canadian team reduced the wattage of our lighting in 12 stores, leading to the conservation of more than 800,000 kWh – enough to power over 65 homes for a year! Since 2012, the team has implemented initiatives that have saved over 15.4 million kWh of energy.

**Europe**

In Europe, our focus on energy efficiency and conservation is deeply embedded into our business processes. Our Energy and Environment Committee is comprised of senior individuals from across the business, including members from store operations, property, distribution, facilities, finance, store design, procurement and corporate responsibility as well as external expert consultants. The Committee is responsible for environmental sustainability goals, including coordinating projects to reduce GHG and energy usage. In Europe, we also have an energy management team comprised of both internal Associates and an energy management specialist company, which has helped us continue to improve our energy performance.

Over time, we have achieved a reduction in our GHG emissions footprint across Europe through many energy saving initiatives, including lighting upgrades that use significantly less energy in new and refurbished stores. Additionally, our Store Design groups consider the GHG emissions impacts of each option alongside other key business factors when they are evaluating new, high-efficiency lighting technologies.

Recent key TJX Europe initiatives include:

1. Piloting LED lighting in a select number of U.K. stores;
2. Implementing new building monitoring systems to further reduce our energy consumption;
3. Working to increase the amount of data coming in from the stores, enabling swifter resolution of maintenance or other issues; and,
4. Implementing a temperature policy, which has been successful in our U.S. stores, to communicate recommended temperature settings for our U.K. stores.



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## Alternative Energy

We continue to actively evaluate alternative energy sources and are currently piloting several programs across our geographies.

In Europe, we have purchased renewable energy certificates which feed an equivalent amount of renewable energy into the electricity network to match our annual electricity consumption for our U.K., Ireland and German operations. Additionally in Europe, our processing centers in Germany and Poland have incorporated both solar and geothermal technologies.

In the U.S., we have solar panels on the roofs of select stores in New Jersey and our Connecticut distribution center. We also ensure that roofs on our newly constructed distribution centers are designed to accommodate solar panels should we choose to install them at a later date.

## E

## Operational Logistics

As we strive to reduce our environmental footprint, we look across our operations to determine where our efforts to improve efficiency can have the biggest impact. Two areas of particular focus for us are transportation logistics and new construction and building operations.



### Transportation Logistics Initiatives to Reduce Fuel Consumption

To support our growing business, we must build a transportation logistics network that is consistent, fast and low cost. Innovation and collaboration are critical elements of achieving these goals across each of our geographies. We encourage collaboration within internal groups and with our logistics carriers and partners. Whether we are using modeling software to improve the efficiency of our store delivery network, working to better utilize trailer space or testing new alternative fuel vehicles, we are constantly striving for increased fuel efficiency.



### Highlights by Geography

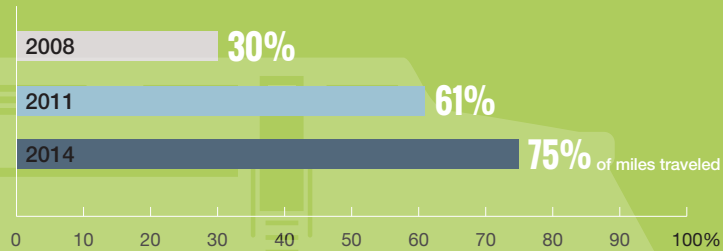
#### U.S. and Canada

In the U.S., an important way in which we are reducing our fuel costs and greenhouse gas (GHG) emissions is through expanded use of intermodal<sup>1</sup> for shipping merchandise. This is a more fuel efficient option that produces fewer emissions than trucking alone. Our use of inbound intermodal to distribution centers increased from 30% of miles travelled in fiscal year 2008 to 75% of miles travelled in 2014. Additionally, about 21% of our shipment miles between our distribution and shipping centers were intermodal in 2014. In addition to these initiatives, we have opened new service centers that make our shipping network more efficient.

<sup>1</sup>Intermodal: Transportation involving more than one form of carrier during a single journey.

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### OUR USE OF INBOUND INTERMODAL IN THE U.S. HAS INCREASED



With the growth in our business over the past 5 years, our shipping miles have increased significantly. While we would have expected that increased shipping miles would mean using more fuel and increasing our GHG emissions, we are pleased to report that

our combined fuel-efficiency efforts have enabled us to reduce our CO<sub>2</sub> emissions per ton mile. In fact, switching to more efficient modes of transportation has enabled our logistics teams in North America to reduce CO<sub>2</sub> emissions per ton mile over 20% since FY11!

We are also piloting the use of intermodal for store deliveries. In 2014, we identified an opportunity to ship goods outbound from one of our east coast distribution centers to stores in the southeast U.S. We intend to use this greener transportation alternative where possible as it reduces both our costs and logistics-related GHG emissions.

In 2014, we also continued working with one of our transport carriers to operate compressed natural gas (CNG) trucks in two major metropolitan markets in the U.S., this year increasing the number of trucks used. We estimate that these trucks produce about 22% less CO<sub>2</sub> emissions per mile than diesel trucks and that our initiative is helping to reduce CO<sub>2</sub> emissions by over 175 tons annually. That is the equivalent of the GHG emissions given off by about 37 cars or the amount stored by 143 acres of trees in a year! We are pleased with the success of this program and continue to test other efficient methods of delivering merchandise to our stores.

In the U.S., we are a member of the U.S. Environmental Protection Agency's (EPA) SmartWay Transport Partnership. This program is a collaborative effort between shippers, truckers and the EPA to find innovative ways to reduce both fuel consumption and GHG emissions.



As a SmartWay shipper, TJX is committed to tracking our fuel usage and using SmartWay certified transport carriers. We require that all new U.S. carriers are SmartWay certified. In 2013, the most recent year for which we have data available, 97%

of TJX's U.S. transportation spend was with SmartWay certified carriers. To achieve this result, TJX collaborated with carriers to encourage their participation in this program, and SmartWay scores are now included in our TJX Logistics Service Provider Questionnaire, which goes out to all prospective U.S. carriers. In Canada, the majority of our carriers are Fleet Smart or SmartWay approved. (Fleet Smart is the Canadian equivalent of the SmartWay program.) In 2013, 95% of our Canadian carrier spend was with either Fleet Smart or SmartWay carriers.



# E

Our initiatives to reduce fuel consumption extend beyond our transport partners. For example, at our distribution centers in North America, we work to optimize store delivery runs by using logistics software to design more efficient routes. We also utilize various co-loading schemes to encourage use of fully loaded trucks as well as alternative methods to load and unload trucks. We now have a variety of delivery techniques, including traditional deliveries, floor loaded trailers, pallet drops and trailer drops. In Canada, where we have a Drop Trailer program, we have introduced a night time drop program which reduces drive times to stores and maximizes the space used on the truck. This program is another way in which we conserve fuel costs and travel time and decrease the number of trucks on the road.

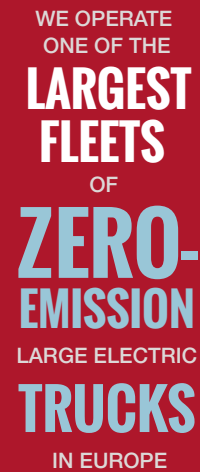
## Europe

In Europe, we believe we are at the forefront of innovation in our logistics fleet.

Our strategy has led to consistent improvement and lowering of GHG emissions from the European fleet over the past 8 years. We have a long history of collaborating with our carriers and incorporate a “green” clause in our agreement with our carrier for store delivery trucks that commits both us and our carrier to achieving key environmental goals. Together with our partners, we continually work on new ideas to increase fuel efficiency and reduce costs and minimize the impact of our vehicles on the environment. We also continue to work with our logistics partners to develop innovative, aerodynamic designs for our vehicles, and we encourage carriers to pilot hybrid vehicles.

In addition, we use technology and design to improve logistics. We operate one of the largest fleets of zero-emission, large electric trucks in Europe. We also utilize dual-fueled vehicles (LPG and diesel) within our fleet with an estimated reduction of about 9 metric tons of CO<sub>2</sub>e per vehicle per year. We take steps to increase the utilization of our vehicles and in 2014, we loaded 12% more units per pallet than our original forecast. This initiative helped save an estimated 400,000 kilometers and 300 tons of CO<sub>2</sub>e. Finally, to help manage delivery routes more efficiently, we offer driver education and invest in technologies like vehicle tracking.

We are also proud of our unique collaboration with other retailers in the U.K. and Ireland for load and trailer sharing, as we share capacity on some of our delivery routes. This collaborative approach can eliminate the need for multiple, parallel trips to the same location, helping to further reduce carbon emissions. In fact, we estimate that this initiative saved us about 450,000 kilometers of shipping miles in 2014.



WE OPERATE  
ONE OF THE  
**LARGEST  
FLEETS**  
OF  
**ZERO-  
EMISSION**  
LARGE ELECTRIC  
**TRUCKS**  
IN EUROPE

E

## New Construction and Building Operations

As we develop new buildings, we keep the focus on environmental sustainability at the forefront.

### Home Offices

When we expanded our TJX corporate headquarters in Massachusetts, we integrated sustainability into our design plans for building renovations and new construction. Our two renovated office buildings in Marlborough, Massachusetts, feature LED lighting and occupancy sensors in offices and conference rooms along with many other sustainability features. In 2014, we were honored to receive LEED Gold certification from the Green Building Council for both of these buildings. We have also brought additional sustainable design elements to the workplace – including 100% compostable utensils, plates and napkins in the cafeterias – and as Associates transitioned into these new buildings, we conducted orientation events that highlighted our environmental design features and provided education and training on our new programs.

We are pleased to report that TJX Canada has just finished construction of its new regional headquarters and has incorporated environmental sustainability features into construction with the goal of achieving LEED certification. In addition to energy and water conservation measures, environmental sustainability elements have been incorporated throughout the building, including interior finishes, workstations, outdoor areas and the cafeteria. The building and grounds also feature hybrid and electric vehicle charging stations, interior landscaping and a milkweed garden to support the monarch butterfly migration.

### Distribution Network

As we build new distribution and shipping centers, we include environmental sustainability where feasible. In 2012, TJX received LEED Silver certification for renovations to our Las Vegas, Nevada distribution center. Our optimization of energy usage in lighting and HVAC and Energy Star certification were key to receipt of this certification. Our TJX Corporate Technology Center has also been certified LEED Silver for new construction and includes features such as LED lighting on the building exterior, a white roof to minimize heat absorption and reduce cooling costs, and an onsite rainwater collection system.

Our processing center in Bergheim, Germany was recognized for its environmental design with a Silver award for Best Sustainable Design by the German Sustainable Building Association. Some of the highlights of our Bergheim facility include increased insulation to walls, roof and floor, energy efficient lighting, rainwater harvesting, solar pre-heated water, and geothermal heating and cooling to the office area. Our processing center in Wroclaw, Poland also has innovative environmental features.

## E

## Waste Management: Reduce-Reuse-Recycle

Waste management remains one of the top priorities of our environmental sustainability strategy at TJX. As with energy and operations logistics, we have a diverse group of waste management experts dedicated to improving our performance in this area. We have implemented initiatives in our stores, distribution centers and home offices to reduce, reuse and recycle with the ultimate goal of reducing our waste going to landfill.



We estimate that we recycled over 185,000 metric tons of materials globally each year!

One of our key focus areas is collaboration across all geographies to understand and share best practices in operations, data collection and strategy. In 2014, we worked to solidify our global waste management team, provide key updates on accomplishments in each region, and discuss areas where we could collaborate further. The group's key initiative was to collect data to calculate a global waste, greenhouse gas (GHG) emissions footprint and diversion rate (that is, how much waste is not sent to a landfill<sup>1</sup>), as well as to better understand the materials present in our waste stream. We worked with our external waste management partners to assess the completeness and accuracy of our waste data. We believe that collecting this data in a more consistent and repeatable process will provide us with metrics and key performance indicators that can help us better understand our performance in managing our waste programs.

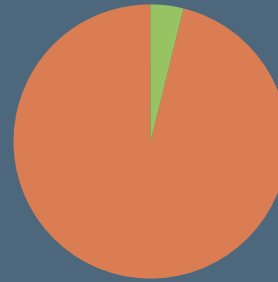
<sup>1</sup>For TJX, diverted waste is either recycled or sent to facilities that convert waste to energy (w2e).

# E

What we found:

- Waste-related GHG emissions are in the same range as business travel and significantly less than electricity and product transport.
- Our European division has the highest diversion rate of all of our geographies.
- While recycled materials make up the majority of our total tonnage of waste, they only constitute a small fraction of our GHG emissions.

## 2014 GHG EMISSIONS FROM INTERNAL WASTE OPERATIONS



- **4% Waste**  
The GHG emissions associated with our internal waste operations are a small portion of our overall footprint.

Like many retailers, the cardboard and other materials used to pack and ship our merchandise to our stores constitute the most significant volume in our waste stream. Throughout our geographies, we have initiatives that address reduction, reuse and recycling of many of these materials from the suppliers, through our distribution centers and on to the stores.

In 2014, we increased our focus on packaging to reduce waste. We piloted innovative projects to improve recycling of certain types of packaging materials and analyzed the lifecycle impacts of our internal-packaging fragile-packaging materials. We also began conversations with key vendors in Canada regarding merchandise packaging and opportunities for improvement in reducing packaging materials.

### In our Stores

Across geographies, we have introduced in-store recycling programs to most stores that can include recycling of things like cardboard, plastic, paper, aluminum and glass and the majority of our store reports, training material and policies are available electronically. For customers, our stores offer reusable carrier bags made out of recycled plastic, and in the U.K., proceeds from our “Bags for Life,” carrier bag program support our national charity partners. We are also working with our vendors to receive and analyze waste data and metrics. Several divisions have conducted waste audits that help us drive towards increasing volumes of recycled material. We’re pleased that our efforts are taking hold. In the U.S., we estimate that we recycle over 135,000 tons of material from stores in the U.S. annually. We have significantly increased our diversion rate in our Canadian stores over the past 4 years so that more waste is being recycled and less is going to landfill. Currently, we are able to divert more than 80% of our waste from landfill. In Europe, we estimate that approximately 89% of waste from our U.K. stores is diverted from landfill disposal.



We have learned that waste disposal programs work better when they are flexible and can adapt to the many different, unique store configurations, as well as to the regulatory or legislative requirements in different regions. As our programs mature, we are working to find solutions for the responsible disposal of many different types of materials in our waste stream and are constantly working to pilot new solutions to avoid sending materials to landfills.

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## In our Distribution Centers

Virtually all of our distribution centers include designs to simplify the reuse and recycling of the vast amount of corrugated cardboard we receive from our vendors. Most of our vendor corrugated cardboard is recycled or reused at these distribution centers. In some cases, the processes and systems required to maximize reuse and removal of corrugated cardboard were integrated into the initial designs for the distribution center. In addition to cardboard, our distribution centers have systems in place to recycle other things so they may, for example, also recycle scrap metal, pallets, paper, glass, plastic, aluminum and organics.

In addition, where feasible, we have established closed-loop operations with our stores, which allow stores to receive a delivery and then return the corrugated cardboard boxes to the distribution center in the same truck that made the delivery. Closed-loop deliveries make it easier for us to reuse cardboard boxes. Further, the distribution centers are expanding the use of reusable plastic totes to ship goods to stores, whenever appropriate. These plastic totes have a substantially greater lifespan than traditional cardboard boxes.

While many of our recycling programs are in effect across most distribution center locations, our regions also have programs unique to them. In the U.S., we have Asset Recovery and Recycling Centers (ARRC) located within many service centers that serve as a central destination for U.S. store waste. Select stores send used corrugated cardboard, plastic, excess hangers, store fixtures, display cases, unused boxes and other supplies to their local ARRC, where the items are processed. In Canada, we have robust recycling programs that netted an estimated 89% diversion rate for our Canadian distribution centers in 2014. Here we also have a packaging team that has developed a program to empower buyers to work with our vendors to reduce shipping packaging on merchandise coming into our distribution centers or to choose packaging materials that are easily recycled. In Europe, our processing centers are now operating at zero waste to landfill, and while Europe also uses a closed-loop system between stores and processing centers to recycle plastic totes, after their useful life, this material is collected in another closed-loop system through a vendor, which collects our hard plastic waste items, regrinds them and then delivers them to our plastic pallet manufacturer.

## In our Offices

In many of our offices, we have recycling programs in place that remove close to 100% of white paper from our waste stream. Additionally, some of our offices have various other recycling programs, including the recycling of compostable waste, cans, bottles, batteries, CDs, plastic wrap, plastic items and printed materials. Here are some of our highlights by region:

ESTIMATED  
**90%**  
**DIVERSION  
RATE**  
FOR OUR  
CANADIAN  
DISTRIBUTION  
CENTERS

**EUROPEAN  
PROCESSING  
CENTERS  
ARE  
OPERATING  
AT  
ZERO  
WASTE  
TO  
LANDFILL**





## E

### U.S.

- In our Marlborough home offices, we installed tri-sorter bins (recycling, trash and compost) throughout the office space.
- Leveraging a best practice from our internal team in Europe, we are piloting the removal of trash bins in certain select areas of our West Campus offices to see if we can further improve our rate of recycling and composting.
- The cafeterias in the Marlborough offices use cups, plates, napkins and utensils that are made from 100% compostable materials.

### Canada

- We have an organic waste program for compostable materials in our home office.
- In our new home office, Associates do not have trash or recycling containers at their desk. Instead, all Associates will be using centrally located tri-sorter bins.
- We hosted a Goodwill clothing and book drive at the home office to divert waste from landfills and over 10,000 pounds of donations were collected!

### Europe

- We eliminated waste bins from Associate's workspace.
- In our Watford home office, we streamlined our back-of-the-house waste removal, replacing several bins with a compactor which reduces the number of collections and helps reduce costs.

## Reducing Water Consumption

Although our business operations are not water intensive, we believe reducing water usage is consistent with both our low-cost operating philosophy and our commitment to environmental sustainability. To that end, we are increasing our efforts to monitor our water usage and identify opportunities to improve water efficiency in our operations. For instance, our Energy Management group in the U.S. collects water usage data as a means of identifying potential improvement opportunities. We use time-sensor technologies to control faucets in many of our restrooms, and in the U.K., we monitor our direct water usage and work to reduce consumption at stores with high water usage. In the U.K., we have also benchmarked our consumption against similar retailers and evaluated our average daily usage for stores.

Additionally, our TJX Vendor Code of Conduct strongly encourages our vendors to conserve and protect resources such as water and energy and also take into consideration environmental issues that may impact their local communities. Environmental concerns are incorporated into our vendor social compliance supplier training materials as well. Within these materials, we introduce high level concepts of environmental sustainability, which include water conservation, as the management of fresh water as a sustainable resource is very important globally. To specifically address water consumption in the supply chain, we have included an example of the water usage required to produce one kilogram of textiles. Our training includes specific cost-saving, water-conservation recommendations for our suppliers that they may consider implementing at their production facilities. We plan to continue including similar relevant water facts during future training sessions.

## E

## Associate Engagement

We know that corporate responsibility, including environmental sustainability, continues to grow in importance for many of our stakeholder groups, including our Associates. At TJX, our Associates are encouraged to minimize environmental impacts associated with operational decisions, and this is communicated in our Associate Code of Conduct.



As we developed our second greenhouse gas (GHG) emissions reduction target, we engaged cross-functional subject matter experts to identify and measure emissions impacts to our business. This process required participation from Associates across our store operations, facilities, procurement, IT, construction and energy management and resulted in an understanding of those initiatives that could potentially affect future energy use. This process has helped create greater awareness across the Company about how new projects may impact our energy costs and GHG emissions footprint.

In addition, we have global energy teams, global waste management teams and other teams that convene throughout the year to share best practices and collaborate on opportunities with a goal to improve the cohesiveness and effectiveness of our overall approach. Our global environmental sustainability managers engage with these functional teams and global managers to identify opportunities for efficiency gains and operational cost savings. We plan to continue to foster these global, cross-functional initiatives to better address environmental sustainability risks and opportunities for our business.



### Encouraging our Associates to “Go Green”

Globally, we use our corporate newsletter, *TJX Today*, and our intranet, *The Thread*, to communicate to Associates about our environmental sustainability initiatives, whether they are global corporate efforts or more regional success stories. In the U.S., we also held events on Earth Day for Associates in our home office buildings. At the events, local vendors and TJX experts hosted booths to educate Associates on what the Company is doing in the area of environmental sustainability, as well as what they personally could do to help the environment. In Europe, we hosted a tree planting day.

In Canada, our regional Go Green committee has a strong commitment and robust strategy around Associate engagement on environmental sustainability issues. Each year, the team produces events and educational materials that help demonstrate how Associates can incorporate sustainable values into their lives. We are proud to share just a few of our accomplishments from 2014:

- The “Turn Over a New Leaf” program encourages Associates to take sustainable actions in the workplace or at home. In the last four years, “Turn Over a New Leaf” has netted over 39,000 pledges from Associates to implement environmentally friendly practices. In 2014, Associates committed to reduce 2,900 metric tons of carbon emissions.
- Ecofest is our annual sustainable celebration that features special guests, eco-friendly vendors and food offerings. An interactive game was introduced this year to educate Associates on proper waste sorting.
- At our home office and distribution centers, we hosted a “Water Taste Test Challenge” to educate Associates on the benefits of choosing tap water over bottled water. Over 90% of taste testers preferred the taste of tap water.
- At distribution centers, we held monthly Lunch ‘N’ Learn sessions to educate Associates on everything from eco-friendly gardening to summer energy savings.
- We developed the “Think Before You Print” campaign to encourage store Associates to reduce paper usage.
- Distribution center Associates were provided with ideas for celebrating Earth Hour, including a healthy recipe that could be made without the use of electricity.
- Associates are encouraged to carpool and utilize public transportation through our participation in the Smart Commute Program.

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## External Reporting and Certifications

### CDP's Climate Change Information Request

In 2014, we participated in the CDP Climate Change Information Request for the fifth consecutive year. We're proud of our results! We maintained our strong disclosure score of 98 out of 100, and our performance score remained a "B."



We were particularly pleased that our performance earned us a position on CDP's Climate Disclosure Leadership Index (CDLI) for the third consecutive year. The CDLI is reserved for companies with disclosure scores in the top 10% of S&P 500 companies participating in the CDP. CDLI recognizes companies for the quality, integrity and comprehensiveness of the participant's disclosure regarding this important initiative. Since 2009, we have been working with external third-party experts to assist us with quantifying our greenhouse gas (GHG) inventory and responding to CDP's survey.

### Carbon Trust Standard Certification



In Europe, since 2006, we have been working with the Carbon Trust to develop a strong environmental program with a focus on GHG emissions reduction. In 2013, we were reaccruited with the Carbon Trust Standard certification, a certificate that is awarded biennially. While historically our Carbon Trust Standard certification was issued for our U.K. operations, in 2013 the certification recognized our efforts throughout our entire European operations. As of 2013, we had reduced our European GHG emissions footprint by 7% relative to the number of full-time employees and by 11% relative to sales since 2011. We intend to submit our biennial application to the Carbon Trust Standard for recertification in 2015.

### FTSE4Good Index

In addition to the recognition of our efforts by CDP and Carbon Trust, in 2014 we were once again listed on the FTSE4Good Index. We have been selected for inclusion on the FTSE4Good Index every year since 2001. Created by the global index company FTSE Group, FTSE4Good is an equity index series that is designed to facilitate investment in companies that meet globally recognized corporate responsibility standards, including stringent environmental criteria.





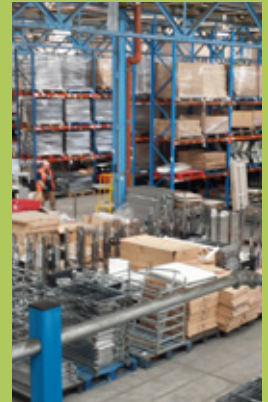
## Asset Recovery and Recycling Centers: U.S. Expansion, European Pilot Project



As a global company with more than 3,300 stores, we are always looking for new and innovative ways to reduce our impact on the environment. In recent years, we've made significant strides in our efforts to reduce the amount of waste we dispose of in our stores by reusing and recycling materials used in our day-to-day store operations. Our primary objective is to continue increasing our recycling and reuse rates and decreasing the amount of waste we send to landfills. To support our global waste diversion efforts, we have expanded and evolved a TJX home-grown initiative called the Asset Recovery and Recycling Center (ARRC) program.

Our first ARRC was launched in 2012 in Massachusetts (U.S.) and served a small number of local area stores. Our initial strategy was to explore more efficient ways for T.J. Maxx, Marshalls and HomeGoods stores to reuse fixtures and other materials that were unused and stored in backrooms or thrown away. During the pilot phase of the program, excess equipment was collected from some stores and either redeployed to stores that needed equipment or to other places or stored for later use. We also tested more efficient processes for recycling. The pilot was tremendously successful. Following the success of this project, ARRCs opened in more locations. In order to leverage our existing infrastructure, our ARRC programs now operate out of service centers that are centrally located near a concentration of stores. By the end of 2014, we had service centers in 9 regions serving 719 stores in the U.S.

Today, our ARRCs serve as a central destination for U.S. store waste. Select stores send used corrugated cardboard, plastic, excess hangers, store fixtures, display cases, unused boxes and other supplies to their local ARRC, where the items are processed.





## SPOTLIGHT

As a result of this program, we've seen more productive use of the stores' limited back-room space – freeing up more space to process merchandise – and a more thoughtful approach for reusing and recycling materials.

Based on our success in the U.S., in 2014 our European business adapted our model to prioritize the removal of excess fixtures from stores to ensure that each of our U.K. stores have just the right amount of fixtures needed to operate effectively. Stores were directed to send excess equipment back to the new U.K. ARRC and to make a list of equipment they anticipated they would need in the near future. ARRC project managers reviewed the inventory, sorted items, and marked them for re-sale, recycling or redeployment elsewhere in our store network. All stores in the U.K. participated in this effort, and, as result, thousands of pallets of equipment were sent to a central ARRC warehouse to be sorted, refurbished or redeployed. Results to date have been very positive, with significant savings in 2014 as new equipment did not need to be purchased. Equally important, backroom storage space has increased, allowing more merchandise to be transported with each truckload, resulting in fewer deliveries and a reduction in distribution costs. TJX Europe is currently testing this approach in Germany and Poland.



## Building “Greener” by Design



As we continue on our path to becoming a \$40 billion-plus global value retailer, we keep sustainability top of mind by examining where we might improve operational efficiency and reduce environmental impact. 2014 was an exciting year as we initiated construction and designed the interior space of our new Canadian corporate headquarters. We also completed construction of a new HomeGoods distribution facility in the U.S. Although the two facilities serve very different purposes, both buildings incorporate sustainability elements in their design and will support our organization’s needs as we continue to grow.

### TJX Canada: New Corporate Headquarters

TJX first entered Canada 25 years ago with the acquisition of 5 Winners stores. Now, TJX Canada operates 368 Winners, HomeSense and Marshalls stores combined.\* And, in the past 5 years alone, we’ve grown our store base over 25%. Having outgrown our current office space, we developed a plan to add home office infrastructure by constructing a larger Canadian corporate headquarters building.

During planning discussions for our new building, we made a conscious decision to integrate environmentally sound building design elements into the project. At the outset of the project, we made the decision to work towards LEED guidelines to help us build and operate a “greener” Canadian headquarters. LEED stands for Leadership in Energy and Environmental Design and is a green building certification program that recognizes best-in-class building strategies and practices. During construction, we installed energy efficient lighting and HVAC systems and ensured that all appliances and equipment were energy efficient.





## SPOTLIGHT

The building includes several features new to TJX home offices, like electric car charging stations, a bicycle storage room and a butterfly garden. Our cafeteria features beautiful tables and chairs made from local urban trees that would have otherwise become mulch.

As we prepared to exit our former Canadian corporate headquarters, we carefully considered opportunities to reduce our impact on the environment. We engaged with a not-for-profit organization to see that all unwanted office furniture or equipment is donated to charitable organizations, or recycled appropriately, and not sent to landfill.

Now that we've moved into our new Canadian headquarters, our Associates are contributing to our ongoing green efforts through their participation in recycling and composting. Today, we have tri-sorter waste bins in common areas for organic material, recycling and landfill waste versus individual office trash receptacles. The interior of the building is bright and open with an abundance of plants to enhance the workspace. Our new Canadian headquarters also offers a smart commute program, which allows Associates to easily find others in their neighborhood (via an online app) and arrange a carpool to and from work.

### New HomeGoods Distribution Center

Our new HomeGoods distribution center in Jefferson, Georgia is also a good example of our environmental sustainability efforts. HomeGoods operates over 450 stores in the U.S., and we have ambitious plans for the future growth of the division. To support our store growth, it was essential for us to expand our infrastructure so that we can process and distribute a higher volume of exciting home fashions to our stores from conveniently located distribution centers across the U.S. With this new facility, we have built in the capacity necessary to meet our growth goals for the Southeast region of the U.S. for many years.

The 800,000 square foot facility is dynamic and provides us with maximum operational flexibility. The building design elements include an open concept floor plan, so that product can be moved efficiently and quickly. Similar to our efforts in Canada, we included a LEED representative on our project development team to help us incorporate processes to increase energy and water efficiency, reduce waste and support environmentally sound practices. Our energy efficient initiatives in the distribution center include the use of a roof and concrete surfaces that significantly reduce heat generation, the installation of low flow toilets and faucets that reduce water use by over 35%, an HVAC system free of CFC-based refrigerants, and the implementation of landscaping and irrigation systems designed to reduce the total water used for irrigation by 50%.

The building is comprised of more than 20% recycled materials. For our Associates, we provided 30 preferred parking spaces for low-emitting and fuel-efficient vehicles and dedicated areas for the collection and storage of recyclable materials, including cardboard and paper. We are excited about this project and look forward to sharing our best practices more broadly across our organization.