

5 THINGS YOU MIGHT NOT KNOW

March 2024

\$321

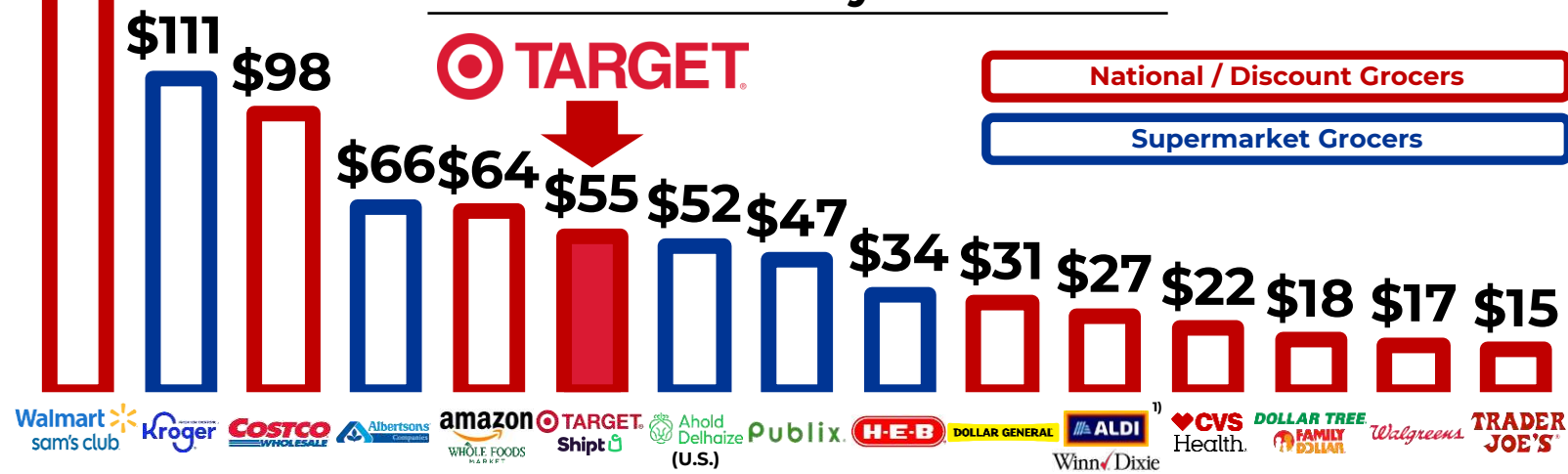
#6

U.S. Grocer

- ❑ **51% Grocery** (+30% in 20 yrs)
- ❑ **\$55B** U.S. Grocery Sales (+4x in 20 yrs)
- ❑ **1,956 Stores** (+70% in 20 yrs)

U.S. Grocery Sales

(\$ in Billions)



#4

U.S. Online Grocer

- ❑ **\$10B Online Grocery Sales**
- ❑ Acquired Shipt in 2017, same year Amazon acquired Whole Foods
- ❑ Shipt fulfills orders for 200+ 3rd party retailers

440,000

Non-Union Employees

- ❑ **3rd-Largest Non-Union U.S. Grocery Employer**

\$91B

Valuation

- ❑ **5th-Largest Valuation among U.S. Grocers**

A-Rated Credit

- ❑ Facilitates extraordinary investment, eg, 6 additional distribution centers over the next few years to enable more 1-day delivery coverage



“ ... we have gone from being a retailer that just sells food to a retailer that truly celebrates food. And in doing that, we have made Target a destination for food.”

– Rick Gomez, EVP & Chief Food & Beverage Officer, Q4 FY23 Earnings Call, 3/5/24

“Food and beverage has taken on a different role ... over the last several years, we have been investing in the business ... ”

“Our food and beverage business has been growing ... our fresh business is doing incredibly well. We’ve made big changes to specifications and quality control to deliver better, fresher product.”

“[D]uring the pandemic ... our food and beverage business through digital skyrocketed, and we continue to see strong growth in our food and beverage digital business. We saw a lot of traction with Drive Up, and during the pandemic we expanded it to fresh, frozen and adult beverages ... ”

“[Good & Gather] has become the largest own brand at Target ... I would say a lot of our [food and beverage] growth is because of Good & Gather. In some ways, it has become a little bit of the crown jewel of our portfolio. It really represents Target at its best—high quality, on-trend products at an affordable price.”

– Rick Gomez, EVP & Chief Food & Beverage Officer – Winsight Grocery Business, 10/24/23