



TSC TRACTOR® SUPPLY Co.

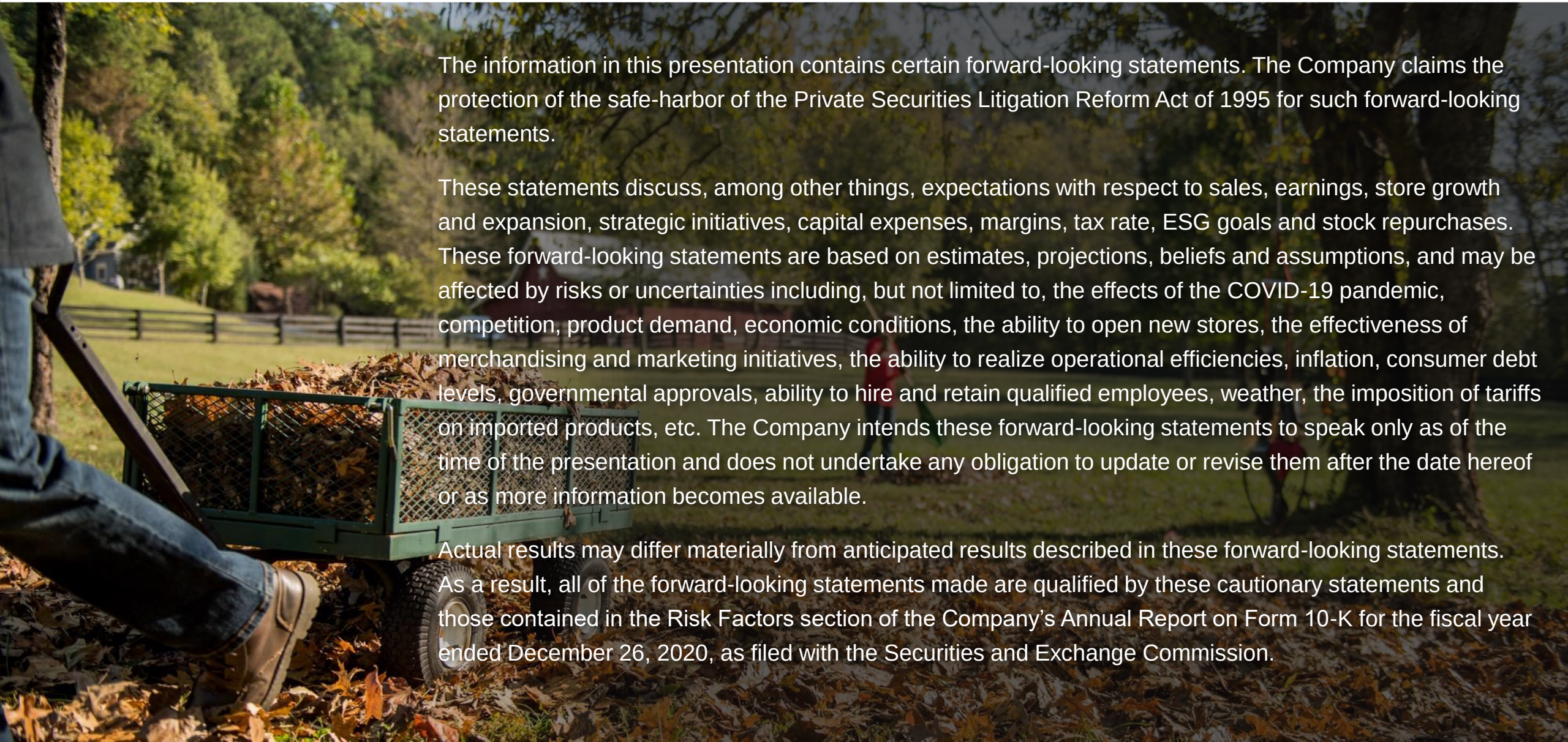
Supplemental Financial Presentation

October 21, 2021





SAFE HARBOR

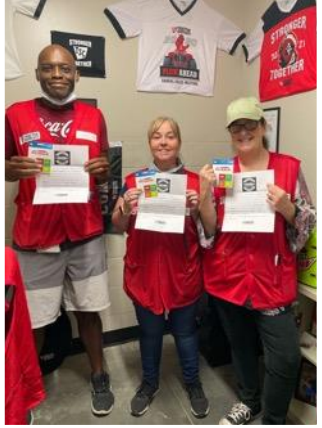
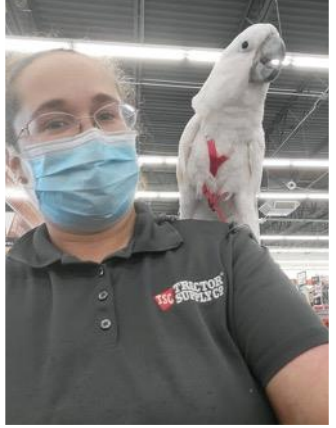


The information in this presentation contains certain forward-looking statements. The Company claims the protection of the safe-harbor of the Private Securities Litigation Reform Act of 1995 for such forward-looking statements.

These statements discuss, among other things, expectations with respect to sales, earnings, store growth and expansion, strategic initiatives, capital expenses, margins, tax rate, ESG goals and stock repurchases. These forward-looking statements are based on estimates, projections, beliefs and assumptions, and may be affected by risks or uncertainties including, but not limited to, the effects of the COVID-19 pandemic, competition, product demand, economic conditions, the ability to open new stores, the effectiveness of merchandising and marketing initiatives, the ability to realize operational efficiencies, inflation, consumer debt levels, governmental approvals, ability to hire and retain qualified employees, weather, the imposition of tariffs on imported products, etc. The Company intends these forward-looking statements to speak only as of the time of the presentation and does not undertake any obligation to update or revise them after the date hereof or as more information becomes available.

Actual results may differ materially from anticipated results described in these forward-looking statements. As a result, all of the forward-looking statements made are qualified by these cautionary statements and those contained in the Risk Factors section of the Company's Annual Report on Form 10-K for the fiscal year ended December 26, 2020, as filed with the Securities and Exchange Commission.








THANK YOU
TEAM TRACTOR!









Q3 2021 Performance

Strong Sales Growth

Net Sales Growth
($ in Billions)

+15.8%



Comp Sales Growth

+39.9%
2-Year Stack



HIGHLIGHTS

6th Consecutive Quarter with 10%+ Comparable Store Sales Growth

Average Ticket Up 9.5%

Customer Traffic Increased 3.6%

Double-digit E-commerce Sales Growth for 37 Consecutive Quarters

Broad-Based Strength in Customer Trends

New Customers









Neighbor's Club



22M+
Members

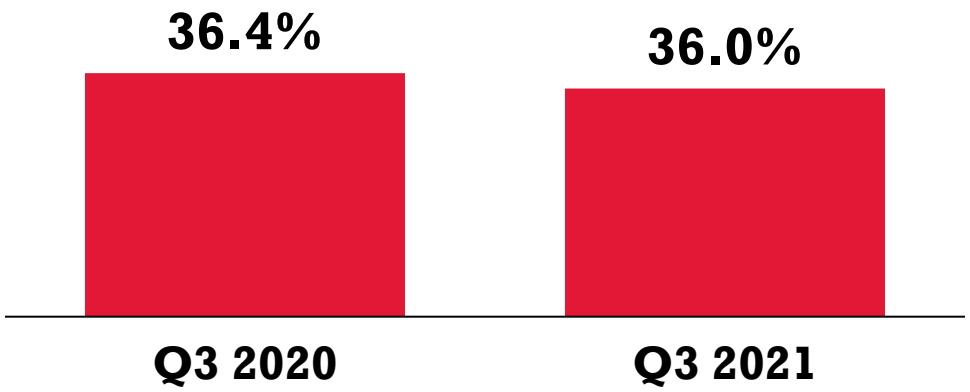
More Customers Shopping Tractor Supply YTD than Ever Before

FOR LIFE OUT HERE™

Q3 2021 Performance

Gross Margin
as a % of net sales

-41 bps Decrease

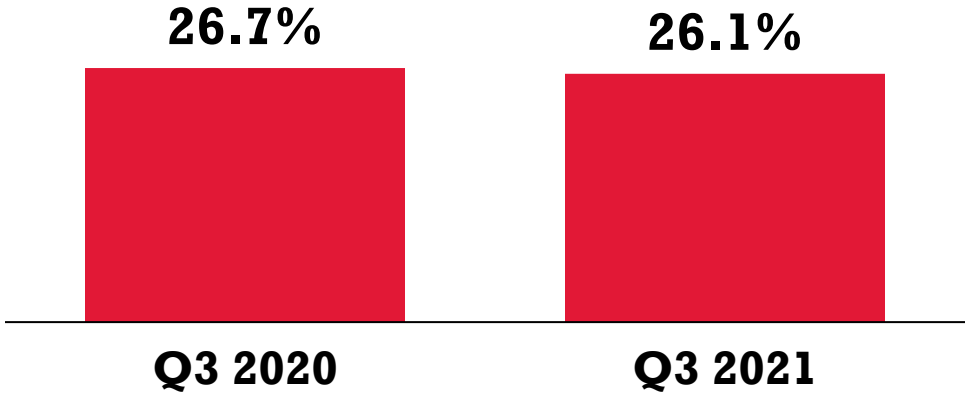


Key Drivers

- Approximately 100bps Higher than Q3 2019
- Price Management Actions, Primarily Due to Inflationary Cost Pressures, and Other Margin Driving Initiatives Were Able to Mostly Offset:
  - Product Cost Inflation
  - Higher Freight Costs
  - More Normalized C.U.E. Product Mix

SG&A Expenses
as a % of net sales

+58 bps Improvement



Key Drivers

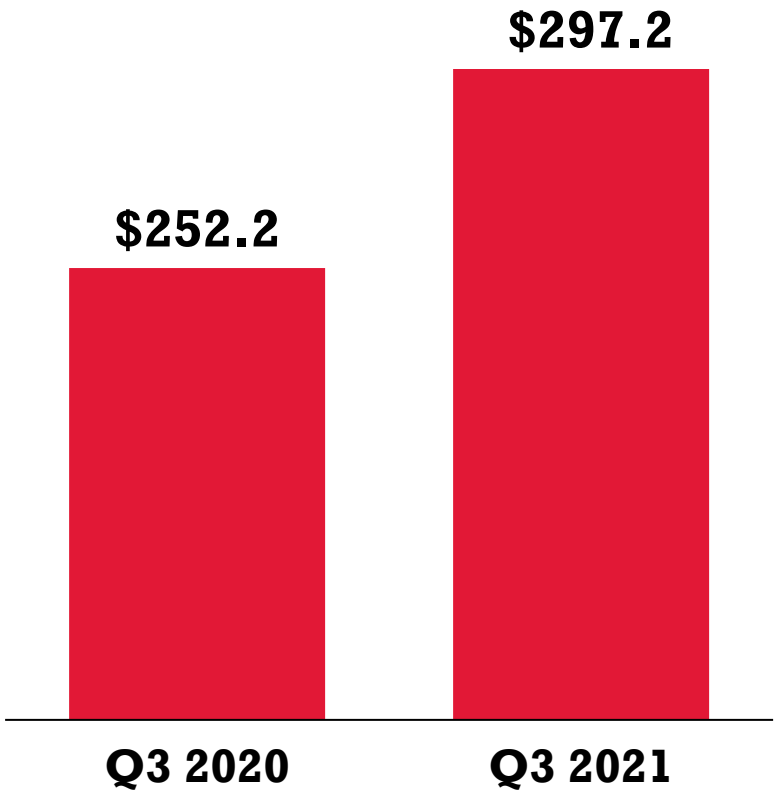
- Leverage in Occupancy & Other Fixed Costs
- Lower COVID-19 Costs
- Decreased Incentive Comp
- Partially Offset by Higher Wage Rates, Store Labor Hours and Investments in Strategic Initiatives

Q3 2021 Performance

Profitability

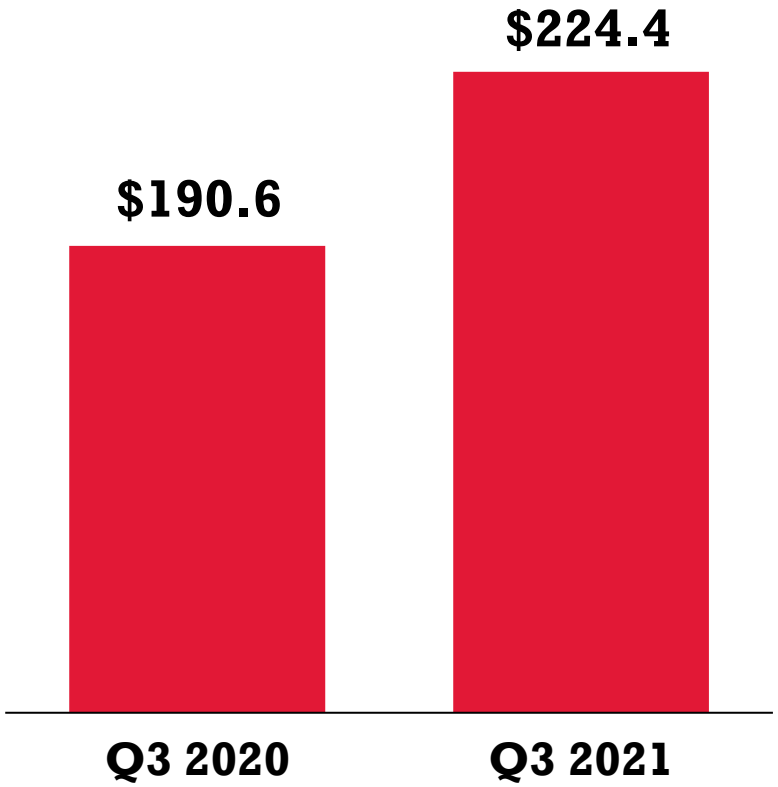
Operating Income

+17.9%



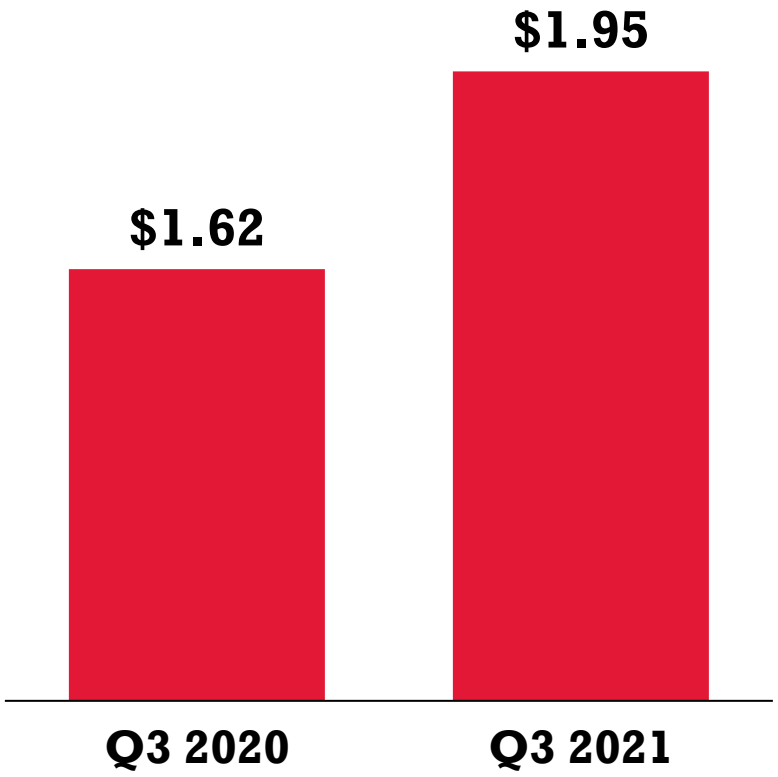
Net Income

+17.7%



Diluted EPS

+20.4%



Updated Full-Year 2021 Outlook

Net Sales	~$12.6 Billion
Comparable Store Sales	~+16%
Operating Margin Rate	10.2% to 10.3%
Net Income	$972M to $985M
Diluted Earnings Per Share	$8.40 to $8.50
Capital Expenditures	$550M to $600M
Effective Tax Rate	22.1% to 22.3%
Share Repurchases	$750M to $800M



Side Lot







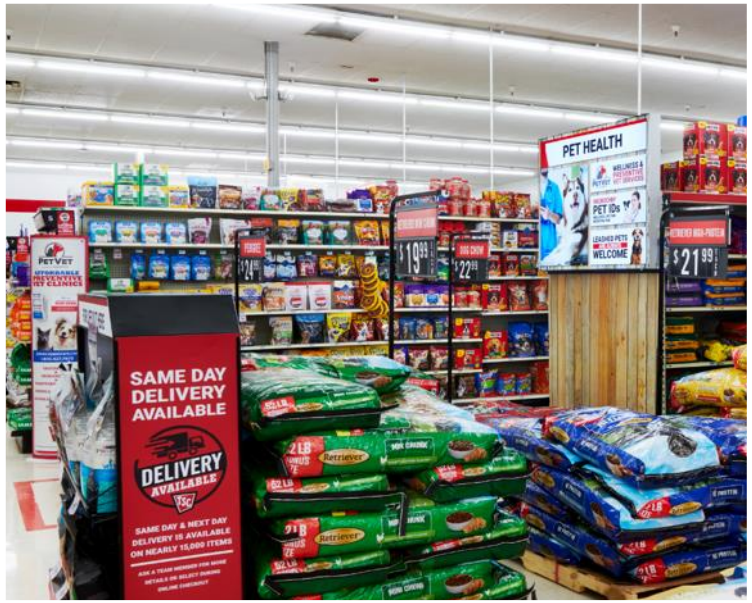




Project Fusion



2021 Plan: 15% of Store Base Complete













ESG Updates

- **Announced New Sustainability and Diversity, Equity and Inclusion Goals**
  - Reduce Emissions by 20% by 2025 and 50% by 2030
  - Committed to Net Zero Emissions Across All Operations by 2040
  - Established 5-Year Diversity, Equity and Inclusion Goals
- **Achieved Fourth Consecutive Year of Inclusion in FTSE4Good Index**
- **Recognized as a Great Place to Work Certified® August 2021 – August 2022**

FTSE4Good


TRACTOR SUPPLY Co

TSC Climate Announcement

Fact Sheet

On September 23, 2021, Tractor Supply Company announced goals to reduce our carbon footprint and achieve net zero emissions across all operations by 2040. At the same time, the Company announced our 5-year Diversity, Equity and Inclusion Goals. These commitments to climate and society reinforce Tractor Supply's vision that a healthy environment, properly managed resources and vibrant communities are keys to a secure and prosperous future.

"Tractor Supply is proud to be a retail leader in addressing climate change; we are uniquely positioned to contribute to building a regenerative future through our commitment to helping farmers, ranchers and all those who enjoy living the rural lifestyle across the US succeed in their efforts to positively impact the land."

Hal Lawton

President and Chief Executive Officer of Tractor Supply

Setting New Scope 1 and 2 Goals for 2025 and 2030 to Reduce Carbon Emissions while Committing to Achieving Net Zero Emissions in Operations by 2040

In 2018, Tractor Supply set an initial target to reduce carbon emissions from our facilities by 25% from a 2015 baseline (measured by market-based Scope 1 and 2 emissions per thousand square feet). In 2020, we met and exceeded this initial target five years ahead of schedule, achieving a 29% reduction, all while Tractor Supply's physical footprint and business revenue grew. Such reductions were made possible through investments in energy efficiency and energy management capabilities across our stores and operations, as well as initial purchases of renewable energy.

ZERO NET 2040

Great Place To Work® Certified AUG 2021-AUG 2022 USA ™

Learn more at IR.TractorSupply.com/ESG

LIFE Out HERE STRATEGY

We are committed to being an integral part of our customers' lives as the dependable supplier of Out Here Lifestyle solutions.

Anytime • Anywhere • Anyway

TSC TRACTOR SUPPLY CO

Deliver Legendary Customer Experiences

Advance Our ONETractor Capabilities

Operate the Tractor Way

Go the Country Mile for Our Team

Generate Healthy Shareholder Return


TSC TRACTOR SUPPLY CO
FOR LIFE OUT HERE℠