At Home and the Environment

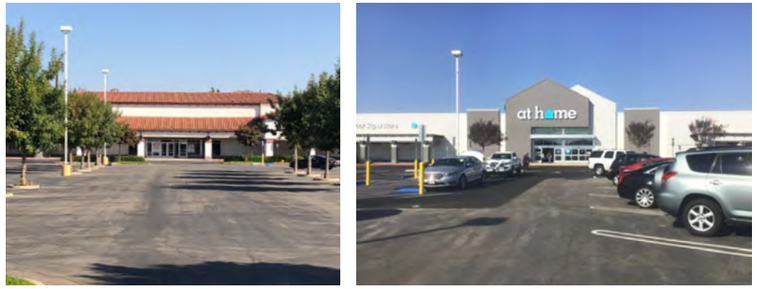
Our environmental strategy is to minimize our impact on the planet by reusing and recycling when reasonably possible. We are also continuously exploring ways to reduce our energy usage and overall carbon footprint. One environmentally friendly strategy we employ for many of our new stores is refurbishing existing real estate rather than demolishing and undertaking a brand new build. We believe these efforts meaningfully reduce our carbon footprint.

Land Use

We have nearly doubled our store base since our IPO in 2016, adding 111 net new stores since that time. One aspect of our land use strategy focuses on reusing and recycling existing properties by refurbishing big box retail locations. This opportunistic "second generation" development strategy enables us to efficiently open new stores while also significantly improving the environmental impact of our expanding footprint.

We recycled ~7M sq.ft. of retail space over the last three fiscal years.

Considering our rate of new store openings and that our stores range in size from 75,000 to 165,000 square feet, we believe that our land use strategy significantly reduces our environmental impact.



Before and After—Clovis, CA

Environmental Impacts of Our Land Use Strategy

- Reduces demolition waste that would otherwise be created and sent to a landfill or disposed of through incineration if we demolished the existing full infrastructure to accommodate a new building as compared to the reduced demolition waste from refurbishment
- Avoids the significant use of resources that would be involved in new construction relative to refurbishment
- Avoids the emission of carbon dioxide and methane that would be generated from the burning of gas and diesel during the construction process as compared to the significantly reduced emissions from our improvement projects
- Reduces air and water pollution caused by, and dramatically decreases the amount of water used during, the construction process

We also substantially reuse the existing parking lots when we develop sites, which meaningfully reduces the release of harmful gasses and resource depletion that would result from new asphalt production.

Over the prior three completed fiscal years, we opened 77 new stores in a mix of existing and new markets. In fiscal years 2019, 2020 and 2021, 85%, 89% and 100%, respectively, of our store openings were existing big box stores, versus new builds. Of the stores we plan to open during fiscal year 2022, we expect 82% to be recycled properties.

Considering our rate of new store openings and that our stores range in size from 75,000 to 165,000 square feet, we believe that our land use strategy significantly reduces our environmental impact. Positive social and community impacts are also seen in the replenishment of jobs lost when a prior employer exits, as well as the reversal of commercial property decay and promotion of the local economy when customers are attracted back to a revived shopping center.

Efficiency Measures in Our Stores and Distribution Centers

Energy Management System

We have installed energy management systems in all stores and our distribution centers as part of our energy savings strategy. In fiscal year 2022, we intend to upgrade our energy management systems in all stores and our distribution centers to allow for improved analytics. These new systems allow us to manage energy use across our organization in real time, resulting in cost savings and resource conservation. We are also working to replace black roofs at our stores with TPO (thermoplastic polyolefin) white roofs, increasing their reflectivity of light and heat and keeping stores naturally cooler. This also helps lower the urban heat island effect in our communities. Our Senior Director of Facilities manages our Energy Management System on behalf of At Home and reports to our Chief Development Officer.

LED Lighting

We upgrade all new stores that we open to have LED lighting systems. As a result, the large majority of our stores feature LED lights, and we have a systematic replacement schedule to convert the fixtures of our remaining stores. **In our parking lots, we are replacing metal halide lights with LED lights, which results in a 50% reduction in energy use.** As another part of our retrofit process, we replace older, inefficient chiller/boiler systems with high-efficiency rooftop HVAC units.

Waste Reduction

Every At Home store has a 40-yard compactor for waste handling. We also recycle cardboard. When moving into an existing building, we reuse substantially everything of value or utility, including existing LED lighting, plumbing, electrical systems, HVAC, the building envelope and the parking lot, unless there is a particular need or efficiency gained by installing a replacement.

Transportation Efficiency

During fiscal year 2018, we began removing pallets from our outbound shipping trailers. We replaced the process of stacking and shrink-wrapping boxes onto pallets with a floor-loading process that allows us to more efficiently load boxes onto trucks and optimize trailer capacity. **The process change better utilizes trailer space thereby reducing outbound trips from our distributions centers to our stores by more than 30%, with a corresponding reduction in transportation emissions.** Floor loading also reduces the environmental impact of packaging because it does not utilize plastic stretch film and packaging tape. Shipping cost reductions and efficiencies in the store receiving process have also been realized as a result.

Recycled ~12,000 tons equal to 57% of total waste

Emissions, Waste and Water Usage

Greenhouse Gas (GHG) Emissions

In fiscal year 2021, our stores, distribution centers and home office used approximately 268,000 GJ of natural gas resulting in Scope 1 GHG emissions of approximately 13,000 metric tons of CO_2 equivalents. In the same period, we used approximately 716,000 GJ of electricity, resulting in Scope 2 GHG emissions of approximately 80,000 metric tons of CO_2 equivalents. Kilowatt hours of electricity were converted to metric tons of carbon dioxide equivalents using the U.S. national average emissions factor.

During fiscal year 2021, we did not measure or track Scope 3 GHG emissions (indirect emissions such as employee business travel, commuting to work, the transport of goods and services into and out of the Company and the handling of waste) and do not have sufficient information to provide a reasonable estimate.

Waste and Water Usage

Based on data from our distribution centers, home office and retail stores where we contract for waste hauling by weight, in fiscal year 2021, **At Home recycled around 12,000 tons of material representing 57% of total waste.**

At Home used 381,000m^3 of water across our distribution centers, home office and retail stores in the same period.

We believe our use of electricity, natural gas and water and our generation of waste was reduced in fiscal year 2021 due to the impact of COVID-19 on our operations, including the temporary closure of our stores beginning in late March 2020. We expect to report higher emissions, waste and water usage in future years as a result of our growth strategy and in comparison to a year that included temporary closures. We also do not know what impact, if any, the further development of our omnichannel capabilities will have on our emissions, waste and water usage. Because our significantly increased sales following the reopening of stores in fiscal year 2021 offset the impact of the closures on a revenue basis, and because we expect to open a greater number of stores in future years, fiscal year 2021 may be an outlier even if we were to report historical emissions, waste and water usage by revenue in the future.

Data regarding the amount of electricity and natural gas (together with related emissions) and water used was gathered from our distribution centers, home office and each of our stores where available. For each store where data was unavailable, because certain or all utilities are included in our arrangement with the landlord or otherwise, we applied an average of the amount of electricity, natural gas or water used at all other stores to calculate the reported details.

Waste information regarding tons of materials recycled was unavailable for approximately 3% of stores where we pay a flat fee for recycling. Information regarding materials landfilled was unavailable for our Plano distribution center, and we applied the amount of materials landfilled at our Carlisle distribution center to calculate the reported total.