

REFINITIV

# DELTA REPORT

## 10-Q

ROST - ROSS STORES, INC.

10-Q - MAY 04, 2024 COMPARED TO 10-Q - OCTOBER 28, 2023

The following comparison report has been automatically generated

**TOTAL DELTAS** 2426

 **CHANGES** 237

 **DELETIONS** 508

 **ADDITIONS** 1681

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-Q**

(Mark one)  QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **October 28, 2023** **May 04, 2024**

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: **0-14678**

**Ross Stores, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

**94-1390387**

(State or other jurisdiction of incorporation or  
organization)

(I.R.S. Employer Identification No.)

**5130 Hacienda Drive, Dublin, California**  
(Address of principal executive offices)

**94568-7579**

(Zip Code)

Registrant's telephone number, including area  
code

**(925) 965-4400**

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
<b>Common</b> <b>stock, Stock,</b> par value \$.01	<b>ROST</b>	<b>NASDAQ Nasdaq Global Select Market</b>

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

The number of shares of Common Stock, with \$.01 par value, outstanding on November 10, 2023 May 17, 2024 was 836,666,266 333,574,906.

**Ross Stores, Inc.**

Form 10-Q

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## PART I. FINANCIAL INFORMATION

### ITEM 1. FINANCIAL STATEMENTS

#### Condensed Consolidated Statements of Earnings

		Three Months Ended		Nine Months Ended	
		Three Months Ended		Three Months Ended	
		Three Months Ended		Three Months Ended	
		Three Months Ended		Three Months Ended	
(\$000, except stores and per share data, unaudited)	(\$000, except stores and per share data, unaudited)	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
(\$000, except stores and per share data, unaudited)					
(\$000, except stores and per share data, unaudited)					
<b>Sales</b>					
<b>Sales</b>					
Sales	Sales	<b>\$4,924,849</b>	\$4,565,489	<b>\$14,354,440</b>	\$13,481,598
Costs and Expenses	Costs and Expenses				
Costs and Expenses	Costs and Expenses				
<b>Costs and Expenses</b>					
<b>Costs and Expenses</b>					
Cost of goods sold	Cost of goods sold				
Cost of goods sold	Cost of goods sold				
Cost of goods sold	Cost of goods sold	<b>3,564,268</b>	3,424,046	<b>10,426,241</b>	10,020,027
Selling, general and administrative	Selling, general and administrative				
Selling, general and administrative	Selling, general and administrative				
Selling, general and administrative	Selling, general and administrative	<b>810,470</b>	693,367	<b>2,364,590</b>	2,029,926
Interest (income) expense, net	Interest (income) expense, net	<b>(43,319)</b>	(2,802)	<b>(111,930)</b>	25,561
Selling, general and administrative	Selling, general and administrative				
Selling, general and administrative	Selling, general and administrative				
Interest income, net	Interest income, net				
Interest income, net	Interest income, net				
Interest income, net	Interest income, net				
<b>Total costs and expenses</b>					
<b>Total costs and expenses</b>					

Total costs and expenses	Total costs and expenses	4,331,419	4,114,611	12,678,901	12,075,514
Earnings before taxes	Earnings before taxes	593,430	450,878	1,675,539	1,406,084
Earnings before taxes					
Earnings before taxes					
Provision for taxes on earnings	Provision for taxes on earnings	146,103	108,842	410,702	341,086
Provision for taxes on earnings					
Provision for taxes on earnings					
Net earnings					
Net earnings					
Net earnings	Net earnings	\$ 447,327	\$ 342,036	\$ 1,264,837	\$ 1,064,998
Earnings per share	Earnings per share				
Earnings per share					
Basic	Basic	\$ 1.34	\$ 1.00	\$ 3.76	\$ 3.09
Basic					
Basic					
Diluted					
Diluted	Diluted	\$ 1.33	\$ 1.00	\$ 3.74	\$ 3.08
Diluted					
Weighted-average shares outstanding (000)	Weighted-average shares outstanding (000)				
Weighted-average shares outstanding (000)					
Basic	Basic	334,282	342,120	336,187	344,686
Basic					
Basic					
Diluted					
Diluted	Diluted	336,261	343,720	338,107	346,212

The accompanying notes are an integral part of these condensed consolidated financial statements.

## Condensed Consolidated Statements of Comprehensive Income

		Three Months Ended		Nine Months Ended	
		Three Months Ended			
		Three Months Ended			
		Three Months Ended			
(\$000, unaudited)	(\$000, unaudited)	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
(\$000, unaudited)					
(\$000, unaudited)					
Net earnings					
Net earnings					
Net earnings	Net earnings	\$ 447,327	\$ 342,036	\$ 1,264,837	\$ 1,064,998
Other comprehensive income	Other comprehensive income	—	—	—	—
Other comprehensive income					
Other comprehensive income					
Comprehensive income	Comprehensive income	\$ 447,327	\$ 342,036	\$ 1,264,837	\$ 1,064,998
Comprehensive income					
Comprehensive income					

The accompanying notes are an integral part of these condensed consolidated financial statements.

## Condensed Consolidated Balance Sheets

(\$000, except share data, unaudited)	(\$000, except share data, unaudited)	October 28, 2023	January 28, 2023	October 29, 2022	(\$000, except share data, unaudited)	May 4, 2024	February 3, 2024	April 29, 2023
<b>Assets</b>	<b>Assets</b>							
<b>Current Assets</b>	<b>Current Assets</b>							
Current Assets								
Cash and cash equivalents								
Cash and cash equivalents								
Cash and cash equivalents	Cash and cash equivalents	\$ 4,499,497	\$ 4,551,876	\$ 3,906,490				
Accounts receivable								
Accounts receivable								
Accounts receivable	Accounts receivable	171,915	145,694	168,483				

Merchandise inventory	Merchandise inventory	<b>2,613,808</b>	2,023,495	2,494,002
Prepaid expenses and other	Prepaid expenses and other	<b>206,725</b>	183,654	192,214
Total current assets	Total current assets	<b>7,491,945</b>	6,904,719	6,761,189
Total current assets				
<b>Property and Equipment</b>	<b>Property and Equipment</b>			
<b>Property and Equipment</b>				
Land and buildings	Land and buildings			
Land and buildings	Land and buildings	<b>1,491,023</b>	1,495,006	1,491,927
Fixtures and equipment	Fixtures and equipment	<b>4,109,947</b>	3,961,733	3,882,127
Leasehold improvements	Leasehold improvements	<b>1,503,769</b>	1,433,647	1,402,653
Construction-in-progress	Construction-in-progress	<b>569,995</b>	319,319	171,185
		<b>7,674,734</b>	7,209,705	6,947,892
Less accumulated depreciation and amortization	Less accumulated depreciation and amortization	<b>4,277,215</b>	4,028,178	3,939,154
Property and equipment, net	Property and equipment, net			
Property and equipment, net	Property and equipment, net	<b>3,397,519</b>	3,181,527	3,008,738
Operating lease assets	Operating lease assets	<b>3,160,017</b>	3,098,134	3,101,882
Operating lease assets				
Operating lease assets				
Other long-term assets	Other long-term assets			
Other long-term assets	Other long-term assets	<b>221,139</b>	232,083	228,286
Total assets	Total assets	<b>\$14,270,620</b>	\$13,416,463	\$13,100,095

Liabilities and Stockholders' Equity	Liabilities and Stockholders' Equity
Liabilities and Stockholders' Equity	
Liabilities and Stockholders' Equity	
Current Liabilities	Current Liabilities
Accounts payable	Accounts payable
Accounts payable	Accounts payable
Accounts payable	Accounts payable
Accrued expenses and other	Accrued expenses and other
Current operating lease liabilities	Current operating lease liabilities
Accrued payroll and benefits	Accrued payroll and benefits
Income taxes payable	Income taxes payable
Current portion of long-term debt	Current portion of long-term debt
Current portion of long-term debt	Current portion of long-term debt
Total current liabilities	Total current liabilities
Long-term debt	Long-term debt
Long-term debt	Long-term debt

Non-current operating lease liabilities	Non-current operating lease liabilities	<b>2,640,068</b>	2,593,961	2,596,221
Other long-term liabilities	Other long-term liabilities	<b>218,970</b>	224,104	223,162
Deferred income taxes	Deferred income taxes	<b>212,866</b>	217,059	214,022
Commitments and contingencies	Commitments and contingencies			
Commitments and contingencies	Commitments and contingencies			
<b>Stockholders' Equity</b>	<b>Stockholders' Equity</b>			
Common stock, par value \$.01 per share				
Authorized 1,000,000,000 shares				
Issued and outstanding 336,952,000, 342,753,000 and 344,808,000 shares, respectively		<b>3,370</b>	3,428	3,448
<b>Stockholders' Equity</b>				
<b>Stockholders' Equity</b>				
Common stock, par value \$.01 per share				
Authorized 1,000,000,000 shares				
Issued and outstanding 333,922,000, 335,172,000 and 341,045,000 shares, respectively				
Common stock, par value \$.01 per share				
Authorized 1,000,000,000 shares				
Issued and outstanding 333,922,000, 335,172,000 and 341,045,000 shares, respectively				

Common stock, par value \$.01 per share Authorized 1,000,000,000 shares Issued and outstanding 333,922,000, 335,172,000 and 341,045,000 shares, respectively					
Additional paid-in capital	Additional paid-in capital	<b>1,920,908</b>	1,820,249	1,793,265	
Treasury stock	Treasury stock	<b>(633,318)</b>	(584,750)	(581,267)	
Retained earnings	Retained earnings	<b>3,291,996</b>	3,049,656	2,931,554	
Retained earnings					
Retained earnings					
Total stockholders' equity	Total stockholders' equity	<b>4,582,956</b>	4,288,583	4,147,000	
Total liabilities and stockholders' equity	Total liabilities and stockholders' equity	<b>\$14,270,620</b>	\$13,416,463	\$13,100,095	

The accompanying notes are an integral part of these condensed consolidated financial statements.

#### Condensed Consolidated Statements of Stockholders' Equity

Nine Months Ended October 28, 2023							
(000)	Common stock		Additional paid-in capital			Treasury stock	
	Shares	Amount				Retained earnings	Total
<b>Balance at January 28, 2023</b>	342,753	\$ 3,428	\$ 1,820,249	\$ (584,750)	\$ 3,049,656	\$ 4,288,583	
Net earnings	—	—	—	—	—	371,191	371,191
Common stock issued under stock plans, net of shares							
used for tax withholding	461	4	6,145	(37,522)	—	—	(31,373)
Stock-based compensation	—	—	33,063	—	—	—	33,063
Common stock repurchased, inclusive of excise tax	(2,169)	(22)	(9,729)	—	(226,523)	(236,274)	
Dividends declared (\$0.335 per share)	—	—	—	—	(114,794)	(114,794)	
<b>Balance at April 29, 2023</b>	341,045	\$ 3,410	\$ 1,849,728	\$ (622,272)	\$ 3,079,530	\$ 4,310,396	
Net earnings	—	—	—	—	—	446,319	446,319
Common stock issued under stock plans, net of shares							

used for tax withholding	89	1	6,208	(913)	—	5,296
Stock-based compensation	—	—	39,429	—	—	39,429
Common stock repurchased, inclusive of excise tax	(2,152)	(21)	(9,959)	—	(222,713)	(232,693)
Dividends declared (\$0.335 per share)	—	—	—	—	(114,005)	(114,005)
<b>Balance at July 29, 2023</b>	<b>338,982</b>	<b>\$ 3,390</b>	<b>\$ 1,885,406</b>	<b>\$ (623,185)</b>	<b>\$ 3,189,131</b>	<b>\$ 4,454,742</b>
Net earnings	—	—	—	—	447,327	447,327
Common stock issued under stock plans, net of shares						
used for tax withholding	34	1	6,231	(10,133)	—	(3,901)
Stock-based compensation	—	—	38,877	—	—	38,877
Common stock repurchased, inclusive of excise tax	(2,064)	(21)	(9,606)	—	(231,129)	(240,756)
Dividends declared (\$0.335 per share)	—	—	—	—	(113,333)	(113,333)
<b>Balance at October 28, 2023</b>	<b>336,952</b>	<b>\$ 3,370</b>	<b>\$ 1,920,908</b>	<b>\$ (633,318)</b>	<b>\$ 3,291,996</b>	<b>\$ 4,582,956</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

Three Months Ended May 4, 2024						
(\$ and shares in 000, except per share data, unaudited)	Common stock		Additional paid-in capital		Treasury stock	Retained earnings
	Shares	Amount				Total
<b>Balance at February 3, 2024</b>	<b>335,172</b>	<b>\$ 3,352</b>	<b>\$ 1,952,625</b>	<b>\$ (633,318)</b>	<b>\$ 3,548,667</b>	<b>\$ 4,871,326</b>
Net earnings	—	—	—	—	487,990	487,990
Common stock issued under stock plans, net of shares used for tax withholding	642	6	6,218	(70,480)	—	(64,256)
Stock-based compensation	—	—	40,447	—	—	40,447
Common stock repurchased, inclusive of excise tax	(1,892)	(19)	(9,368)	—	(254,870)	(264,257)
Dividends declared (\$0.3675 per share)	—	—	—	—	(123,298)	(123,298)
<b>Balance at May 4, 2024</b>	<b>333,922</b>	<b>\$ 3,339</b>	<b>\$ 1,989,922</b>	<b>\$ (703,798)</b>	<b>\$ 3,658,489</b>	<b>\$ 4,947,952</b>

#### Condensed Consolidated Statements of Stockholders' Equity

Nine Months Ended October 29, 2022						
(000)	Common stock		Additional paid-in capital		Treasury stock	Retained earnings
	Shares	Amount				Total
<b>Balance at January 29, 2022</b>	<b>351,720</b>	<b>\$ 3,517</b>	<b>\$ 1,717,530</b>	<b>\$ (535,895)</b>	<b>\$ 2,874,898</b>	<b>\$ 4,060,050</b>
Net earnings	—	—	—	—	338,445	338,445
Common stock issued under stock plans, net of shares used for tax withholding	1,131	11	5,906	(38,113)	—	(32,196)

Stock-based compensation	—	—	36,071	—	—	36,071
Common stock repurchased	(2,524)	(25)	(10,266)	—	(229,274)	(239,565)
Dividends declared (\$0.310 per share)	—	—	—	—	(108,908)	(108,908)
<b>Balance at April 30, 2022</b>	<b>350,327</b>	<b>\$ 3,503</b>	<b>\$ 1,749,241</b>	<b>\$ (574,008)</b>	<b>\$ 2,875,161</b>	<b>\$ 4,053,897</b>
Net earnings	—	—	—	—	384,517	384,517
Common stock issued under stock plans, net of shares						
used for tax withholding	153	1	5,974	(521)	—	5,454
Stock-based compensation	—	—	26,803	—	—	26,803
Common stock repurchased	(2,928)	(29)	(12,594)	—	(222,812)	(235,435)
Dividends declared (\$0.310 per share)	—	—	—	—	(108,285)	(108,285)
<b>Balance at July 30, 2022</b>	<b>347,552</b>	<b>\$ 3,475</b>	<b>\$ 1,769,424</b>	<b>\$ (574,529)</b>	<b>\$ 2,928,581</b>	<b>\$ 4,126,951</b>
Net earnings	—	—	—	—	342,036	342,036
Common stock issued under stock plans, net of shares						
used for tax withholding	47	1	6,405	(6,738)	—	(332)
Stock-based compensation	—	—	29,493	—	—	29,493
Common stock repurchased	(2,791)	(28)	(12,057)	—	(231,608)	(243,693)
Dividends declared (\$0.310 per share)	—	—	—	—	(107,455)	(107,455)
<b>Balance at October 29, 2022</b>	<b>344,808</b>	<b>\$ 3,448</b>	<b>\$ 1,793,265</b>	<b>\$ (581,267)</b>	<b>\$ 2,931,554</b>	<b>\$ 4,147,000</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

Three Months Ended April 29, 2023						
(\$ and shares in 000, except per share data, unaudited)	Common stock		Additional paid-in capital			Retained earnings
	Shares	Amount	Treasury stock	Total		
<b>Balance at January 28, 2023</b>	<b>342,753</b>	<b>\$ 3,428</b>	<b>\$ 1,820,249</b>	<b>\$ (584,750)</b>	<b>\$ 3,049,656</b>	<b>\$ 4,288,583</b>
Net earnings	—	—	—	—	371,191	371,191
Common stock issued under stock plans, net of shares used for tax withholding	461	4	6,145	(37,522)	—	(31,373)
Stock-based compensation	—	—	33,063	—	—	33,063
Common stock repurchased, inclusive of excise tax	(2,169)	(22)	(9,729)	—	(226,523)	(236,274)
Dividends declared (\$0.3350 per share)	—	—	—	—	(114,794)	(114,794)
<b>Balance at April 29, 2023</b>	<b>341,045</b>	<b>\$ 3,410</b>	<b>\$ 1,849,728</b>	<b>\$ (622,272)</b>	<b>\$ 3,079,530</b>	<b>\$ 4,310,396</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

#### Condensed Consolidated Statements of Cash Flows

Nine Months Ended	Three Months Ended	Three Months Ended

(\$000, unaudited)	(\$000, unaudited)	October 28, 2023	October 29, 2022	(\$000, unaudited)	May 4, 2024	April 29, 2023
		2023	2022			
<b>Cash Flows</b>	<b>Cash Flows</b>					
<b>From Operating Activities</b>	<b>From Operating Activities</b>					
Net earnings	Net earnings	<b>\$1,264,837</b>	\$1,064,998			
Net earnings						
Net earnings						
Adjustments to reconcile net earnings to net cash provided by operating activities:	Adjustments to reconcile net earnings to net cash provided by operating activities:					
Depreciation and amortization	Depreciation and amortization	<b>300,366</b>	290,565			
Depreciation and amortization						
Depreciation and amortization						
Stock-based compensation						
Stock-based compensation	Stock-based compensation	<b>111,369</b>	92,367			
Deferred income taxes	Deferred income taxes	<b>(4,193)</b>	76,380			
Change in assets and liabilities:	Change in assets and liabilities:					
Change in assets and liabilities:						
Change in assets and liabilities:						
Merchandise inventory						
Merchandise inventory						
Merchandise inventory	Merchandise inventory	<b>(590,313)</b>	(231,729)			
Other current assets	Other current assets	<b>(48,803)</b>	(72,079)			
Accounts payable	Accounts payable	<b>259,105</b>	(452,968)			
Other current liabilities	Other current liabilities	<b>284,989</b>	(308,202)			

Income taxes	Income taxes	(25,524)	3,397
Operating lease assets and liabilities, net	Operating lease assets and liabilities, net	8,336	8,634
Other long-term, net	Other long-term, net	5,566	1,304
Net cash provided by operating activities	Net cash provided by operating activities	1,565,735	472,667

<b>Cash Flows</b>	<b>Cash Flows</b>
<b>From Investing Activities</b>	<b>From Investing Activities</b>

#### **Cash Flows From Investing Activities**

##### **Cash Flows From Investing Activities**

Additions to property and equipment

Additions to property and equipment

Additions to property and equipment	Additions to property and equipment	(540,458)	(417,901)
Net cash used in investing activities	Net cash used in investing activities	(540,458)	(417,901)

Net cash used in investing activities

Net cash used in investing activities

<b>Cash Flows</b>	<b>Cash Flows</b>
<b>From Financing Activities</b>	<b>From Financing Activities</b>

#### **Cash Flows From Financing Activities**

##### **Cash Flows From Financing Activities**

Issuance of common stock related to stock plans

Issuance of common stock related to stock plans			
Issuance of common stock related to stock plans	Issuance of common stock related to stock plans	<b>18,590</b>	18,298
Treasury stock purchased	Treasury stock purchased	<b>(48,568)</b>	(45,372)
Repurchase of common stock	Repurchase of common stock	<b>(703,400)</b>	(718,693)
Dividends paid	Dividends paid	<b>(342,132)</b>	(324,648)
Net cash used in financing activities	Net cash used in financing activities	<b>(1,075,510)</b>	(1,070,415)
Net cash used in financing activities			
Net cash used in financing activities			
Net decrease in cash, cash equivalents, and restricted cash and cash equivalents			
Net decrease in cash, cash equivalents, and restricted cash and cash equivalents			
Net decrease in cash, cash equivalents, and restricted cash and cash equivalents	Net decrease in cash, cash equivalents, and restricted cash and cash equivalents	<b>(50,233)</b>	(1,015,649)
Cash, cash equivalents, and restricted cash and cash equivalents:	Cash, cash equivalents, and restricted cash and cash equivalents:		
Cash, cash equivalents, and restricted cash and cash equivalents:	Cash, cash equivalents, and restricted cash and cash equivalents:		
Beginning of period	Beginning of period		

Beginning of period	Beginning of period	4,612,241	4,982,382
End of period	End of period	\$4,562,008	\$3,966,733

### Supplemental Cash Flow Disclosures

#### Supplemental Cash Flow Disclosures

##### Supplemental Cash Flow Disclosures

###### Supplemental Cash Flow Disclosures

Interest paid	Interest paid	\$ 80,316	\$ 80,316
Income taxes paid		\$ 440,419	\$ 261,309

Interest paid

Interest paid

Income taxes

(refunded) paid,

net

The accompanying notes are an integral part of these condensed consolidated financial statements.

### Notes to Condensed Consolidated Financial Statements

Three and Nine Months Ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**  
(Unaudited)

### Note A: Summary of Significant Accounting Policies

**Basis of presentation.** The accompanying unaudited interim condensed consolidated financial statements have been prepared from the records of Ross Stores, Inc. and subsidiaries (the "Company") without audit and, in the opinion of management, include all adjustments (consisting of only normal, recurring adjustments) necessary to present fairly the Company's financial position as of **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**, and the results of operations, comprehensive income, and stockholders' equity, for the three and nine month periods ended **October 28, 2023** and **October 29, 2022**, and the cash flows, for the nine three month periods ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**. The Condensed Consolidated Balance Sheet as of **January 28, 2023** **February 3, 2024**, presented herein, has been derived from the Company's audited consolidated financial statements for the fiscal year then ended.

Certain information and disclosures normally included in the notes to annual consolidated financial statements prepared in accordance with **accounting principles generally accepted** **Generally Accepted Accounting Principles** in the United States of America ("GAAP") have been condensed or omitted for purposes of these interim condensed consolidated financial statements. The interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements, including notes thereto, contained in the Company's Annual Report on Form 10-K for the year ended **January 28, 2023** **February 3, 2024**.

The results of operations, comprehensive income, and stockholders' equity, for the three and nine month periods ended **October 28, 2023** and **October 29, 2022**, and the cash flows, for the nine three month periods ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023** presented herein are not necessarily indicative of the results to be expected for the full fiscal year. The fiscal year

ending February 3, 2024February 1, 2025 is referred to as fiscal 2024 and is a 52-week year. The fiscal year ended February 3, 2024 is referred to as fiscal 2023 and was a 53-week year. The fiscal year ended January 28, 2023 is referred to as fiscal 2022 and was a 52-week year.

**Recently adopted accounting standards.** In September 2022, the FASB issued Accounting Standards Update (ASU) 2022-04, *Liabilities — Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations*, to enhance transparency about an entity's use of supplier finance programs. The ASU requires enhanced and additional disclosures about the key terms of supplier finance programs including a description of where in the financial statements any related amounts are presented. The Company adopted ASU 2022-04 in the first quarter of fiscal 2023 on a retrospective basis, excluding the rollforward requirements which will be adopted in fiscal 2024 on a prospective basis. The adoption of this standard did not have a material impact on the Company's condensed consolidated financial statements for the three and nine month periods ended October 28, 2023 and is not expected to have a material impact on the Company's fiscal 2023 financial statements.

**Use of accounting estimates.** The preparation of financial statements in conformity with GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ materially from the Company's estimates. The Company's significant accounting estimates include valuation reserves for inventory, packaway and other inventory carrying costs, useful lives of fixed assets, insurance reserves, reserves for uncertain tax positions, and legal claims.

**Revenue recognition.** The following sales mix table disaggregates revenue by merchandise category for the three and nine month periods ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023:

	Three Months Ended		Nine Months Ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
<b>Three Months Ended</b>				
<b>Three Months Ended</b>				
<b>Three Months Ended</b>				
<b>May 4, 2024</b>				
<b>May 4, 2024</b>				
<b>May 4, 2024</b>				
Home Accents and Bed and Bath				
Home Accents and Bed and Bath				
Home Accents and Bed and Bath				
Ladies	Ladies	25 %	25 %	25 %
Ladies	Ladies	23 %	25 %	24 %
Ladies	Ladies			
Ladies	Ladies			
Accessories, Lingerie, Fine Jewelry, and Cosmetics				

Accessories, Lingerie, Fine Jewelry, and Cosmetics					
Accessories, Lingerie, Fine Jewelry, and Cosmetics					
Men's	Men's	<b>16 %</b>	15 %	<b>15 %</b>	15 %
Accessories, Lingerie, Fine Jewelry, and Cosmetics		<b>14 %</b>	13 %	<b>14 %</b>	13 %
Men's					
Men's					
Shoes					
Shoes					
Shoes	Shoes	<b>13 %</b>	13 %	<b>13 %</b>	13 %
Children's	Children's	<b>9 %</b>	9 %	<b>9 %</b>	9 %
Children's					
Children's					
Total					
Total					
Total	Total	<b>100 %</b>	100 %	<b>100 %</b>	100 %

**Cash and cash equivalents.** Cash equivalents consist of highly liquid, fixed income instruments purchased with an original maturity of three months or less. The institutions where these instruments are held could potentially subject the Company to concentrations of credit risk. The Company manages its risk associated with these instruments primarily by holding its cash and cash equivalents across a highly diversified set of banks and other financial institutions.

**Restricted cash and cash equivalents.** Restricted cash and cash equivalents serve as collateral for The Company uses standby letters of credit in addition to a funded trust to collateralize certain insurance obligations. These restricted funds are invested in bank deposits, money market mutual funds, and U.S. Government and agency securities and cannot be withdrawn from the Company's account without the prior written consent of the secured parties. The standby letters of credit are collateralized by restricted cash. As of May 4, 2024, February 3, 2024, and April 29, 2023, the Company had \$2.2 million, \$2.2 million, and \$2.6 million, respectively, in standby letters of credit outstanding. As of May 4, 2024, February 3, 2024, and April 29, 2023, the Company had \$61.6 million, \$60.8 million, and \$58.4 million, respectively, in a collateral trust. The classification between current and long-term is based on the timing of expected payments of the obligations.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash and cash equivalents in the Condensed Consolidated Balance Sheets that reconcile to the amounts shown on the Condensed Consolidated Statements of Cash Flows:

		October 28, 2023	January 28, 2023	October 29, 2022	May 4, 2024	February 3, 2024	April 29, 2023
(\$000)	(\$000)			(\$000)			
Cash and cash equivalents	Cash and cash equivalents						
		<b>\$4,499,497</b>	\$4,551,876	\$3,906,490			

Restricted cash and cash equivalents included in:	Restricted cash and cash equivalents included in:
Prepaid expenses and other	Prepaid expenses and other
	<b>13,127</b>
	12,677
	11,446
Prepaid expenses and other	
Prepaid expenses and other	
Other long-term assets	Other long-term assets
	<b>49,384</b>
	47,688
	48,797
Total restricted cash and cash equivalents	Total restricted cash and cash equivalents
	<b>62,511</b>
	60,365
	60,243
Total cash, cash equivalents, and restricted cash and cash equivalents	Total cash, cash equivalents, and restricted cash and cash equivalents
	<b>\$4,562,008</b>
	\$4,612,241
	\$3,966,733

**Property and equipment.** As of **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**, the Company had **\$47.0** **\$34.4** million and **\$30.2** **\$46.4** million, respectively, of property and equipment purchased but not yet paid. These purchases are included in Property and equipment, Accounts payable, and Accrued expenses and other in the accompanying Condensed Consolidated Balance Sheets.

**Operating leases.** Supplemental cash flow disclosures related to operating lease assets obtained in exchange for operating lease liabilities (includes new leases and remeasurements or modifications of existing leases) were as follows:

		Three Months Ended		Nine Months Ended
		Three Months Ended		
		Three Months Ended		
		Three Months Ended		
(\$000)				
(\$000)				
(\$000)	(\$000)	<b>October 28, 2023</b>	October 29, 2022	<b>October 28, 2023</b>
				October 29, 2022

Operating lease assets obtained in exchange for operating lease liabilities	Operating lease assets obtained in exchange for operating lease liabilities	\$ 159,616	\$ 235,186	\$ 550,467	\$ 549,267
<hr/>					
Operating lease assets obtained in exchange for operating lease liabilities					

**Cash dividends.** On November 15, 2023 May 22, 2024, the Company's Board of Directors declared a quarterly cash dividend of \$0.335 \$0.3675 per common share, payable on December 29, 2023 June 28, 2024. The Company's Board of Directors declared a cash dividend of \$0.335 \$0.3675 per common share in March 2024, and \$0.3350 per common share in February, May, and August 2023, and \$0.310 per common share in March, May, August, and November 2022. 2023.

**Stock repurchase program.** In March 2022, 2024, the Company's Board of Directors approved a new two-year program to repurchase up to \$1.9 \$2.1 billion of the Company's common stock through fiscal 2023, 2025. During the ninethree month period ended October 28, 2023 May 4, 2024, the Company repurchased 6.4 million 1.9 million shares of common stock for \$703.4 \$262.5 million excluding (excluding excise tax due tax) under this program. For the Inflation Reduction Act of 2022. The three month period ended April 29, 2023, the Company repurchased 8.2 million 2.2 million shares of common stock for \$718.7 \$234.5 million during (excluding excise tax) under the nine month period ended October 29, 2022. previous publicly announced repurchase program.

**Litigation, claims, and assessments.** Like many retailers, the Company has been named in class/representative action lawsuits, primarily in California, alleging violations by the Company of wage and hour laws. Class/representative action litigation remains pending as of October 28, 2023 May 4, 2024.

The Company is also party to various other legal and regulatory proceedings arising in the normal course of business. Actions filed against the Company may include commercial, product and product safety, consumer, intellectual property, environmental, and labor and employment-related claims, including lawsuits in which private plaintiffs or governmental agencies allege that the Company violated federal, state, and/or local laws. Actions against the Company are in various procedural stages. Many of these proceedings raise factual and legal issues and are subject to uncertainties.

In the opinion of management, the resolution of currently pending class/representative action litigation and other currently pending legal and regulatory proceedings will not have a material adverse effect on the Company's financial condition, results of operations, or cash flows.

**Supply chain finance program.** The Company facilitates a voluntary supply chain finance program (the "program") to provide certain suppliers with the opportunity to sell their receivables due from the Company to participating financial institutions at the sole discretion of both the suppliers and the financial institutions. A third-party bank administers the program. The Company's responsibility is limited to making payment on the terms originally negotiated with each supplier, regardless of whether a supplier sells its receivable to a financial institution. The Company is not a party to the agreements between the participating financial institutions and the suppliers in connection with the program and receives no financial incentives from the suppliers or the financial institutions. No guarantees are

provided by the Company under the program and the Company's rights and obligations to its suppliers are not affected by the program. The range of payment terms negotiated with a supplier is consistent, irrespective of whether a supplier participates in the program.

All outstanding payments owed under the program are recorded within Accounts payable in the Condensed Consolidated Balance Sheets. The Company accounts for all payments made under the program as a reduction to operating cash flows in Accounts payable within the Condensed Consolidated Statements of Cash Flows. The amounts owed to a participating financial institution institutions under the program and included in Accounts payable were \$141.0 million \$161.5 million, \$119.2 million \$146.9 million, and \$128.0 million \$146.5 million at October 28, 2023 May 4, 2024, January 28, 2023 February 3, 2024, and October 29, 2022 April 29, 2023, respectively.

**Recently adopted accounting standards.** In September 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update (ASU) 2022-04, *Liabilities — Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations*, to enhance transparency about an entity's use of supplier finance programs. The ASU requires enhanced and additional disclosures about the key terms of supplier finance programs including a description of where in the financial statements any related amounts are presented. The Company adopted ASU 2022-04 in the first quarter of fiscal 2023 on a retrospective basis, excluding the annual rollforward requirement which will be adopted on a prospective basis in its fiscal 2024 Annual Report on Form 10-K. The adoption of this standard did not have a material impact on the Company's condensed consolidated financial statements for the three month period ended May 4, 2024 and is not expected to have a material impact on the Company's fiscal 2024 consolidated financial statements.

**Recently issued accounting standards.** In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The ASU is intended to enhance the transparency and decision usefulness of income tax disclosures. It requires the Company to disclose disaggregated jurisdictional and categorical information for the tax rate reconciliation and the amount of income taxes paid as well as additional income tax related amounts. The new guidance is effective for annual reporting periods beginning after December 15, 2024, with retrospective application permitted. The Company is currently evaluating the impact of this guidance on its disclosures in the consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The ASU is intended to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The standard is effective for annual reporting periods beginning after December 15, 2023, and interim periods beginning after December 15, 2024. The Company is currently evaluating the impact of this guidance on its disclosures in the consolidated financial statements.

#### Note B: Fair Value Measurements

Accounting standards pertaining to fair value measurements establish a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. The inputs used to measure fair value include: Level 1, observable inputs such as quoted prices in active markets; Level 2, inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, unobservable inputs in which little or no market data exists. This fair value hierarchy requires the Company to develop its own assumptions, maximize the use of observable inputs, and minimize the use of unobservable inputs when measuring fair value. Corporate and U.S. government and agency and mortgage-backed securities are classified within Level 1 or Level 2 because these securities are valued using quoted market prices or alternative pricing sources and models utilizing market observable inputs, prices.

The fair value of the Company's financial instruments are as follows:

	(\$000)	October 28, 2023	January 28, 2023	October 29, 2022	(\$000)	May 4, 2024	February 3, 2024	April 29, 2023
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Cash and cash equivalents (Level 1)	Cash and cash equivalents (Level 1)	\$4,499,497	\$4,551,876	\$3,906,490
Restricted cash and cash equivalents (Level 1)	Restricted cash and cash equivalents (Level 1)	\$ 62,511	\$ 60,365	\$ 60,243

The underlying assets in the Company's nonqualified deferred compensation program as of **October 28, 2023** **May 4, 2024**, **January 28, 2023** **February 3, 2024**, and **October 29, 2022** **April 29, 2023** (included in Other long-term assets and in Other long-term liabilities) primarily consist of participant-directed money market, stock, and bond funds. The fair value measurement for funds with quoted market prices in active markets (Level 1) are as follows:

(\$000)	(\$000)	October 28, 2023	January 28, 2023	October 29, 2022
Level 1	\$	<b>145,003</b>	\$ 155,496	\$ 148,849
(\$000)				
(\$000)				
Nonqualified deferred compensation program (Level 1)				
Nonqualified deferred compensation program (Level 1)				
Nonqualified deferred compensation program (Level 1)				

#### Note C: Stock-Based Compensation

For the three and nine month periods ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**, the Company recognized stock-based compensation expense as follows:

		Three Months Ended		Nine Months Ended	
		Three Months Ended		Three Months Ended	
		Three Months Ended		Three Months Ended	
(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Restricted stock	Restricted stock	<b>\$ 23,546</b>	\$ 22,177	\$ 69,094	\$ 63,337
Restricted stock					

Restricted stock						
Performance awards						
Performance awards						
Performance awards	Performance awards	14,232	6,186	38,994	25,800	
Employee stock purchase plan	Employee stock purchase plan	1,099	1,130	3,281	3,230	
Employee stock purchase plan						
Employee stock purchase plan						
Total	Total	\$ 38,877	\$ 29,493	\$ 111,369	\$ 92,367	
Total						
Total						

Total stock-based compensation expense recognized in the Company's Condensed Consolidated Statements of Earnings for the three and nine month periods ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023** is as follows:

(\$000)	Three Months Ended			Nine Months Ended								
	October 28, 2023		October 29, 2022	October 28, 2023		October 29, 2022						
	Three Months Ended			Three Months Ended								
<b>Statements of Earnings</b>												
<b>Classification (\$000)</b>												
<b>Statements of Earnings</b>												
<b>Classification (\$000)</b>												
<b>Statements of Earnings</b>												
<b>Classification (\$000)</b>												
<b>Cost of goods sold</b>												
<b>Cost of goods sold</b>												
Cost of goods sold	Cost of goods sold	\$ 20,254	\$ 16,547	\$ 58,885	\$ 50,768							
Selling, general and administrative	Selling, general and administrative	18,623	12,946	52,484	41,599							
<b>Selling, general and administrative</b>												
<b>Selling, general and administrative</b>												
Total	Total	\$ 38,877	\$ 29,493	\$ 111,369	\$ 92,367							
Total												
Total												

The tax benefits related to stock-based compensation expense for the three and nine month periods ended October 28, 2023 May 4, 2024 and April 29, 2023 were \$7.9 million and \$23.2 million, respectively. The tax benefits related to stock-based compensation expense for the three and nine month periods ended October 29, 2022 were \$6.1 million and \$18.9 million \$7.0 million, respectively.

**Restricted stock awards.** The Company grants shares of restricted stock or restricted stock units to directors, officers, and key employees. The market value of shares of restricted stock and restricted stock units at the date of grant is amortized to expense over the vesting period of generally three to five years.

**Performance share awards.** The Company has a performance share award program for senior executives. A performance share award represents a right to receive shares of restricted stock on a specified settlement date based on the Company's attainment of a performance goal during the performance period, which is the Company's fiscal year. If attained, the restricted stock then vests over a service period, generally three years from the date the performance award was granted.

As of October 28, 2023 May 4, 2024, shares related to unvested restricted stock, restricted stock units, and performance share awards totaled 4.0 million shares. A summary of restricted stock, restricted stock units, and performance share award activity for the nine three month period ended October 28, 2023 May 4, 2024, is presented below:

	Weighted- Number (000, except per share data)	average of grant date shares	fair value	
Unvested at January 28, 2023	3,943	\$ 99.69		
	Number of shares (000)		Number of shares (000)	Weighted-average grant date fair value
Unvested at February 3, 2024				
Awarded	Awarded 1,276	109.52		
Released	Released (1,139)	95.98		
Forfeited	Forfeited (68)	101.63		
Unvested at October 28, 2023	<u>4,012</u>	\$ 103.97		
Unvested at May 4, 2024				

The unamortized compensation expense at October 28, 2023 May 4, 2024 was \$199.0 \$277.8 million which is expected to be recognized over a weighted-average remaining period of 2.0 2.1 years. The unamortized compensation expense at October 29, 2022 April 29, 2023 was \$213.6 \$240.4 million which was expected to be recognized over a weighted-average remaining period of 2.0 2.4 years.

Shares repurchased for tax withholding are considered treasury shares which are available for reissuance. During the three and nine month periods ended October 28, 2023 May 4, 2024 and April 29, 2023, shares purchased by the Company for tax withholding totaled 85,761 484,855 and 461,889, respectively. During the three and nine month periods ended October 29, 2022, shares purchased by the Company for tax withholding totaled 74,844 and 490,060, 367,286, respectively.

**Employee stock purchase plan.** Under the Employee Stock Purchase Plan (“ESPP”), eligible employees participating in the quarterly offering period can choose to have up to the lesser of 10% of their annual base earnings or the IRS annual share purchase limit of \$25,000 in aggregate market value withheld to purchase the Company’s common stock. The purchase price of the stock is 85% of the closing market price on the date of purchase. Purchases occur on a quarterly basis (on the last trading day of each calendar quarter). The Company recognizes expense for ESPP purchase rights equal to the value of the 15% discount given on the purchase date.

#### Note D: Earnings Per Share

The Company computes and reports both basic earnings per share (“EPS”) and diluted EPS. Basic EPS is computed by dividing net earnings by the weighted-average number of common shares outstanding for the period. Diluted EPS is computed by dividing net earnings by the sum of the weighted-average number of common shares and dilutive common stock equivalents outstanding during the period. Diluted EPS reflects the total potential dilution that could occur from outstanding equity plan awards and unvested shares of both performance and non-performance based awards of restricted stock and restricted stock units.

For the three and nine month periods ended October 28, 2023 May 4, 2024 and April 29, 2023, approximately 14,000 220,000 and 17,000 weighted-average shares were excluded from the calculation of diluted EPS, respectively, because their effect would have been anti-dilutive for the periods presented. For the three and nine month periods ended October 29, 2022, approximately 85,000 and 492,000 20,000 weighted-average shares were excluded from the calculation of diluted EPS, respectively, because their effect would have been anti-dilutive for the periods presented.

The following is a reconciliation of the number of shares (denominator) used in the basic and diluted EPS computations:

		Three Months Ended			Nine Months Ended		
		Three Months Ended			Three Months Ended		
		Three Months Ended			Three Months Ended		
Shares in (000s)	Shares in (000s)	Basic EPS	Effect of dilutive common stock equivalents	Diluted EPS	Basic EPS	Effect of dilutive common stock equivalents	Diluted EPS
<b>October 28, 2023</b>							
Shares in (000s)							
Shares in (000s)							
<b>May 4, 2024</b>							
<b>May 4, 2024</b>							
<b>May 4, 2024</b>							
Shares							
Shares							

## Note E: Debt

**Senior Notes.** Unsecured senior debt (the "Senior Notes"), net of unamortized discounts and debt issuance costs, consisted of the following:

		October 28, 2023	January 28, 2023	October 29, 2023		May 4, 2024	February 3, 2024	April 29, 2023
(\$000)	(\$000)							
3.375% Senior Notes due 2024								
3.375% Senior Notes due 2024								
3.375% Senior Notes due 2024	3.375%	Senior	Senior	Notes	Notes	due	due	2024
2024	2024	\$ 249,598	\$ 249,257	\$ 249,144				
4.600% Senior Notes due 2025	4.600%	Senior	Senior	Notes	Notes	due	due	2025
2025	2025	698,120	697,161	696,841				
0.875% Senior Notes due 2026	0.875%	Senior	Senior	Notes	Notes	due	due	2026
2026	2026	496,960	496,038	495,732				

4.700%	4.700%			
Senior Notes due 2027	Senior Notes due 2027	<b>240,225</b>	239,899	239,791
4.800%	4.800%			
Senior Notes due 2030	Senior Notes due 2030	<b>132,732</b>	132,602	132,559
1.875%	1.875%			
Senior Notes due 2031	Senior Notes due 2031	<b>495,678</b>	495,254	495,113
5.450%	5.450%			
Senior Notes due 2050	Senior Notes due 2050	<b>146,358</b>	146,299	146,280
Total long-term debt <sup>1</sup>	Total long-term debt <sup>1</sup>	<b>\$2,459,671</b>	\$2,456,510	\$2,455,460
Less: current portion	Less: current portion	<b>249,598</b>	—	—
Less: current portion				
Total due beyond one year	Total due beyond one year	<b>\$2,210,073</b>	\$2,456,510	\$2,455,460

<sup>1</sup> Net of unamortized discount discounts and debt issuance costs of \$15.3 million \$13.2 million, \$18.5 million \$14.3 million, and \$19.5 million \$17.4 million as of October 28, 2023 May 4, 2024, January 28, 2023 February 3, 2024, and October 29, 2022 April 29, 2023, respectively.

Interest on all Senior Notes is payable semi-annually and the Senior Notes are subject to prepayment penalties for early payment of principal.

The aggregate fair value of the seven outstanding series of Senior Notes was approximately \$2.2 \$2.3 billion as of October 28, 2023 and October 29, 2022 May 4, 2024, February 3, 2024, and approximately \$2.3 billion as of January 28, 2023 April 29, 2023. The fair value is estimated by obtaining comparable market quotes which are considered to be Level 1 inputs under the fair value measurements and disclosures guidance.

**Revolving credit facilities.** The Company's \$1.3 billion senior unsecured revolving credit facility ("Credit Facility") expires in February 2027 and may be extended at the Company's request for up to two additional one-year periods subject to customary conditions. The Credit Facility contains a \$300 million sublimit for issuance of standby letters of credit. It also contains an option allowing the Company to increase the size of its Credit Facility by up to an additional \$700 million, with the agreement of the committing lenders. Interest on borrowings under this Credit Facility is a term rate based on the Secured Overnight Financing Rate ("Term SOFR") (or an alternate benchmark rate, if Term SOFR is no longer available) plus an applicable margin and is payable quarterly and upon maturity.

The Credit Facility is subject to a quarterly Consolidated Adjusted Debt to Consolidated EBITDAR financial leverage ratio covenant. As of **October 28, 2023** **May 4, 2024**, the Company was in compliance with the financial covenant, had no borrowings or standby letters of credit outstanding under the Credit Facility, and the \$1.3 billion Credit Facility remained in place and available.

The table below shows the components of interest **expense and income** for the three **and nine** month periods ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**:

		Three Months Ended		Nine Months Ended	
		Three Months Ended			
		Three Months Ended			
		Three Months Ended			
(\$000)	(\$000)	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
(\$000)					
(\$000)					
Interest expense on long-term debt					
Interest expense on long-term debt	Interest expense on long-term debt	\$ 21,159	\$ 21,150	\$ 63,458	\$ 63,429
Other interest expense	Other interest expense	424	448	1,169	1,242
Other interest expense					
Other interest expense					
Capitalized interest					
Capitalized interest					
Capitalized interest	Capitalized interest	(3,342)	(663)	(8,268)	(4,489)
Interest income	Interest income	(61,560)	(23,737)	(168,289)	(34,621)
Interest (income) expense, net	\$	(43,319)	\$ (2,802)	\$ (111,930)	\$ 25,561
Interest income					
Interest income					

Interest income, net
Interest income, net
Interest income, net

## Note F: Taxes on Earnings

The Company's effective tax rate for the three and nine month periods ended October 28, 2023 was May 4, 2024 and April 29, 2023 were approximately 25% compared to approximately 23% and 24% for the three and nine month periods ended October 29, 2022, respectively. The Company's effective tax rate is impacted by changes in tax laws and accounting guidance, location of new stores, level of earnings, tax effects associated with stock-based compensation, and uncertain the resolution of tax positions with various tax authorities.

As of October 28, 2023 May 4, 2024, January 28, 2023 February 3, 2024, and October 29, 2022 April 29, 2023, the reserves for unrecognized tax benefits were \$65.3 \$60.0 million, \$60.6 \$58.6 million, and \$70.7 \$59.9 million, inclusive of \$8.4 \$7.0 million, \$7.1 \$6.2 million, and \$9.1 \$6.5 million of related interest and penalties, respectively. The Company accounts for interest and penalties related to unrecognized tax benefits as a part of its provision for taxes on earnings. If recognized, \$52.2 \$47.6 million would impact the Company's effective tax rate. It is reasonably possible that certain federal and state tax matters may be concluded or statutes of limitations may lapse during the next 12 months. Accordingly, the total amount of unrecognized tax benefits may decrease by up to \$12.9 \$10.8 million. The difference between the total amount of unrecognized tax benefits and the amounts that would impact the effective tax rate relates to amounts attributable to deferred income tax assets and liabilities. These amounts are net of federal and state income taxes.

The Company is open to audit by the Internal Revenue Service under the statute of limitations for fiscal years 2019 2020 through 2022.2023. The Company's state income tax returns are generally open to audit under the various statutes of limitations for fiscal years 2018 2019 through 2022.2023. Certain federal and state tax returns are currently under audit by various tax authorities. The Company does not expect the results of these audits to have a material impact on the condensed consolidated financial statements.

In December 2021, the Organization for Economic Co-operation and Development released Pillar Two Model Rules ("Pillar Two"), which provide for a global minimum tax of 15% on multinational entities. Although the U.S. has not yet adopted Pillar Two, several countries enacted Pillar Two with an initial effective date of January 1, 2024. The impact of Pillar Two on the Company's effective tax rate is expected to be minimal for fiscal 2024. The Company will continue to monitor future Pillar Two legislation in relevant jurisdictions for any impacts to its effective tax rate.

## Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Ross Stores, Inc.:

### Results of Review of Interim Financial Information

We have reviewed the accompanying condensed consolidated balance sheets of Ross Stores, Inc. and subsidiaries (the "Company") as of October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023, the related condensed consolidated statements of earnings, comprehensive income, and stockholders' equity, for the three and nine month periods ended October 28, 2023 and October 29, 2022, and cash flows, for the nine three month periods ended October 28, 2023 May 4, 2024 and October 29, 2022, April 29, 2023 and the related notes (collectively referred to as the "interim financial information"). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of January 28, 2023 February 3, 2024, and the related consolidated

statements of earnings, comprehensive income, stockholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated **March 27, 2023** **April 1, 2024**, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of **January 28, 2023** **February 3, 2024**, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

### **Basis for Review Results**

This interim financial information is the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/Deloitte & Touche LLP

San Francisco, California

**December 5, 2023** **June 11, 2024**

### **ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

This section and other parts of this Form 10-Q contain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from the results discussed in the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed below under the caption "Forward-Looking Statements" and also those in Part I, Item 1A (Risk Factors) of our Annual Report on Form 10-K for fiscal **2022** **2023**. The following discussion should be read in conjunction with the condensed consolidated financial statements and notes thereto included elsewhere in this Quarterly Report on Form 10-Q and in conjunction with the consolidated financial statements and notes thereto in our Annual Report on Form 10-K for fiscal **2022** **2023**. All information is based on our fiscal calendar.

#### **Overview**

Ross Stores, Inc. operates two brands of off-price retail apparel and home fashion stores—Ross Dress for Less® ("Ross") and dd's DISCOUNTS®. Ross is the largest off-price apparel and home fashion chain in the United States, with **1,765** **1,775** locations in 43 states, the District of Columbia, and Guam, as of **October 28, 2023** **May 4, 2024**. Ross offers first-quality, in-season, name brand and designer apparel, accessories, footwear, and home fashions for the entire family at savings of 20% to 60% off department and specialty store regular prices every day. We also operate **347** **352** dd's DISCOUNTS stores in 22 states **as of May 4, 2024** that feature a more moderately-priced assortment of first-quality, in-season, name brand apparel, accessories, footwear, and home fashions for the entire family at savings of 20% to 70% off moderate department and discount store regular prices every day.

There remains **ongoing** **uncertainty** and **potential for volatility** in the current macroeconomic and geopolitical environments, and **persistent** **prolonged** **inflationary pressures** continue to negatively impact the **discretionary spending** **purchasing power** of our low-to-moderate income customers. **As a result of today's uncertain external conditions** **Through these ongoing pressures and inflationary pressures, shoppers continue to seek even stronger** **uncertainty**, we remain focused on offering our customers the best branded values **when visiting** **possible throughout** our stores. **We** **In addition, we** plan to carefully manage our expenses and inventory, while closely

monitoring market share trends for the off-price industry. We believe our market share can continue to grow through continued focus on bringing value and convenience to our consumers.

## Results of Operations

The following table summarizes the financial results for the three **and nine** month periods ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**:

		Three Months Ended			
		Three Months Ended		Nine Months Ended	
		Three Months Ended			
		October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Three Months Ended					
May 4, 2024					
May 4, 2024					
May 4, 2024					
<b>Sales</b>					
<b>Sales</b>					
<b>Sales</b>	<b>Sales</b>				
Sales (millions)	Sales (millions)	\$ 4,925	\$ 4,566	\$ 14,354	\$ 13,482
Sales growth (decline)		7.9 %	(0.2 %)	6.5 %	(3.0 %)
Comparable store sales growth (decline) <sup>1</sup>		5 %	(3 %)	4 %	(5 %)
Sales (millions)					
Sales (millions)					
Sales growth					
Sales growth					
Sales growth					
Comparable store sales growth <sup>1</sup>					
Comparable store sales growth <sup>1</sup>					
Comparable store sales growth <sup>1</sup>					
<b>Costs and expenses (as a percent of sales)</b>					
<b>Costs and expenses (as a percent of sales)</b>					
<b>Costs and expenses (as a percent of sales)</b>	<b>Costs and expenses (as a percent of sales)</b>				
Cost of goods sold	Cost of goods sold	72.4 %	75.0 %	72.6 %	74.3 %

Cost of goods sold					
Cost of goods sold					
Selling, general and administrative	Selling, general and administrative	16.5 %	15.2 %	16.5 %	15.1 %
Interest (income) expense, net		(0.9 %)	(0.1 %)	(0.8 %)	0.2 %
Selling, general and administrative					
Selling, general and administrative					
Interest income, net					
Interest income, net					
Interest income, net					
<b>Earnings before taxes (as a percent of sales)</b>					
<b>Earnings before taxes (as a percent of sales)</b>					
Earnings before taxes (as a percent of sales)	Earnings before taxes (as a percent of sales)	12.0 %	9.9 %	11.7 %	10.4 %
Net earnings (as a percent of sales)	Net earnings (as a percent of sales)	9.1 %	7.5 %	8.8 %	7.9 %
<b>Net earnings (as a percent of sales)</b>					
<b>Net earnings (as a percent of sales)</b>					

<sup>1</sup> Comparable stores are stores open for more than 14 complete months.

<sup>1</sup> Comparable stores are stores open for more than 14 complete months.

<sup>1</sup> Comparable stores are stores open for more than 14 complete months.

**Stores.** Our long-term strategy is to open additional stores based on market penetration, local demographic characteristics, competition, expected store profitability, and the ability to leverage overhead expenses. We continually evaluate opportunistic real estate acquisitions and opportunities for potential new store locations. We also evaluate our current store locations and determine store closures based on similar criteria.

During We opened 18 new stores in the third first quarter of fiscal 2023, we opened 51 2024 and expect to open a total of approximately 90 new stores. For the nine month period ended October 28, 2023, we opened 97 new locations, stores this year.

The following table summarizes the stores opened and closed during the three and nine month periods ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023:

	Three Months Ended	Nine Months Ended
	Three Months Ended	
	Three Months Ended	

Three Months Ended					
Store Count					
Store Count	Store Count	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Ross Dress for Less	Ross Dress for Less				
<b>Ross Dress for Less</b>					
<b>Ross Dress for Less</b>					
Beginning of the period					
Beginning of the period					
Beginning of the period	Beginning of the period	1,722	1,669	1,693	1,628
Opened in the period	Opened in the period	43	28	72	71
Opened in the period					
Opened in the period					
Closed in the period					
Closed in the period					
Closed in the period	Closed in the period	—	(1)	—	(3)
Total Ross Dress for Less stores end of period	Total Ross Dress for Less stores end of period	1,765	1,696	1,765	1,696
Total Ross Dress for Less stores end of period					
Total Ross Dress for Less stores end of period					
<b>dd's DISCOUNTS</b>					
<b>dd's DISCOUNTS</b>					
dd's DISCOUNTS	dd's DISCOUNTS				
Beginning of the period	Beginning of the period	339	311	322	295
Beginning of the period					
Beginning of the period					
Opened in the period					
Opened in the period					
Opened in the period	Opened in the period	8	12	25	28
Closed in the period	Closed in the period	—	—	—	—

Closed in the period					
Closed in the period					
Total dd's DISCOUNTS stores end of period	Total dd's DISCOUNTS stores end of period	347	323	347	323
Total dd's DISCOUNTS stores end of period	Total dd's DISCOUNTS stores end of period				
Total stores end of period	Total stores end of period				
Total stores end of period	Total stores end of period	2,112	2,019	2,112	2,019
1 Includes the reopening of a store previously temporarily closed due to a weather event.	1 Includes the reopening of a store previously temporarily closed due to a weather event.				
2 Includes the temporary closure of a store impacted by a weather event.	2 Includes the temporary closure of a store impacted by a weather event.				
1 Includes the reopening of a store previously temporarily closed due to a weather event.	1 Includes the reopening of a store previously temporarily closed due to a weather event.				
1 Includes the reopening of a store previously temporarily closed due to a weather event.	1 Includes the reopening of a store previously temporarily closed due to a weather event.				

**Sales.** Sales for the three month period ended **October 28, 2023** **May 4, 2024** increased **\$359.4 million** **\$363.4 million**, or **7.9% 8.1%**, compared to the three month period ended **October 29, 2022** **April 29, 2023**, primarily due to a **5% comparable store sales increase** and the opening of 93 net new stores between **October 29, 2022** **April 29, 2023** and **October 28, 2023**.

Sales for the nine month period ended **October 28, 2023** increased **\$872.8 million**, or **6.5%**, compared to the nine month period ended **October 29, 2022**, primarily due to **May 4, 2024** and a **4% 3% comparable store sales increase** and the opening of 93 net new stores between **October 29, 2022** and **October 28, 2023**.

increase.

Our sales mix for the three and nine month periods ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023** is shown below:

	Three Months Ended		Nine Months Ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Home Accents and Bed and Bath	25 %	25 %	25 %	25 %
Ladies	23 %	25 %	24 %	25 %
Men's	16 %	15 %	15 %	15 %
Accessories, Lingerie, Fine Jewelry, and Cosmetics	14 %	13 %	14 %	13 %

Shoes	13 %	13 %	13 %	13 %
Children's	9 %	9 %	9 %	9 %
Total	100 %	100 %	100 %	100 %

We intend to address the uncertain and competitive climate for apparel and home goods by pursuing and refining our existing strategies, continuing to strengthen our merchant organization, refining our merchandise mix, and further developing our systems to improve our merchandise offerings. We cannot be sure that our strategies and store expansion program will result in sales growth or an increase in net earnings.

	Three Months Ended	
	May 4, 2024	April 29, 2023
Home Accents and Bed and Bath	26 %	26 %
Ladies	23 %	24 %
Accessories, Lingerie, Fine Jewelry, and Cosmetics	15 %	14 %
Men's	14 %	14 %
Shoes	13 %	13 %
Children's	9 %	9 %
Total	100 %	100 %

**Cost of goods sold.** Cost of goods sold for the three and nine month periods period ended **October 28, 2023** **May 4, 2024** increased \$140.2 million and \$406.2 million, respectively, **\$198.1 million** compared to the three and nine month periods period ended **October 29, 2022** **April 29, 2023**, primarily due to the respective 5% and 4% comparable store sales increases, higher sales from the opening of 93 net new stores between **October 29, 2022** **April 29, 2023** and **October 28, 2023**, **May 4, 2024** and higher incentive compensation expense, the 3% comparable store sales increase, partially offset by lower ocean distribution costs and domestic freight costs, lower buying costs primarily due to lower incentive compensation expense.

Cost of goods sold as a percentage of sales for the three month period ended **October 28, 2023** **May 4, 2024** decreased approximately 260 140 basis points compared to the three month period ended **October 29, 2022** **April 29, 2023**, primarily due to a 235 75 basis point increase points decrease in merchandise margin mainly due to lower ocean freight distribution costs, a 45 50 basis point decrease in distribution buying costs primarily due to the timing of packaway inventory carrying costs, lower incentive compensation expense, and a 40

30 basis point decrease in domestic freight costs, and 25 basis points of leverage in occupancy costs. Partially offsetting these items was an 85 a 15 basis point increase decrease in buying costs merchandise margin primarily due to higher incentive compensation expense, our efforts to offer more sharply priced brands, partially offset by lower ocean freight costs.

**Cost of goods sold** We expect the decline in merchandise margin as a percentage of sales for the nine month period ended October 28, 2023 decreased approximately 170 basis points compared to the nine month period ended October 29, 2022, primarily due continue through fiscal 2024 as we build on our efforts to a 185 basis point increase in merchandise margin mainly due to offer more sharply priced brands throughout our stores. We expect this decline will be offset by lower ocean freight distribution costs, a 50 basis point decrease domestic freight costs, and 15 basis points of leverage in occupancy costs. Partially offsetting these items was an 80 basis point increase in buying costs primarily due to higher incentive compensation expense.

We expect lower ocean and domestic freight costs and higher incentive compensation expense to continue through fiscal 2023.

**Selling, general and administrative expenses.** For the three and nine month periods ended October 28, 2023 May 4, 2024, selling, general and administrative expenses ("SG&A") increased \$117.1 \$30.1 million and \$334.7 million, respectively, compared to the three and nine month periods ended October 29, 2022. These increases were April 29, 2023, primarily due to higher incentive compensation expense, higher store wages and the opening of 93 net new stores between October 29, 2022 April 29, 2023 and October 28, 2023 May 4, 2024.

SG&A as a percentage of sales for the three and nine month periods ended October 28, 2023 increased 125 and 140 May 4, 2024 decreased 65 basis points respectively, compared to the three and nine month periods ended October 29, 2022 April 29, 2023, primarily due to higher sales and lower incentive compensation expense and higher store wages.

We expect SG&A expenses lower incentive compensation expense to continue to increase as a result of higher incentive compensation costs, along with the impact from higher store wages through in fiscal 2023, 2024.

**Interest (income) expense, income, net.** For the three and nine month periods ended October 28, 2023 May 4, 2024, interest (income) expense, income, net increased \$40.5 \$14.6 million and \$137.5 million, respectively, compared to the three and nine month periods ended October 29, 2022 April 29, 2023, primarily due to increased interest income from higher interest rates, rates and higher cash balances.

Interest (income) expense, The table below shows the components of interest income, net for the three and nine month periods ended October 28, 2023 May 4, 2024 and October 29, 2022 consists of the following: April 29, 2023:

		Three Months Ended		Nine Months Ended	
		Three Months Ended		Three Months Ended	
		Three Months Ended		Three Months Ended	
(\$000)	(\$000)	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
(\$000)					
(\$000)					
Interest expense on long-term debt					
Interest expense on long-term debt	Interest expense on long-term debt	\$ 21,159	\$ 21,150	\$ 63,458	\$ 63,429
Other interest expense	Other interest expense	424	448	1,169	1,242
Other interest expense					
Other interest expense					
Capitalized interest					
Capitalized interest					

Capitalized interest	Capitalized interest	(3,342)	(663)	(8,268)	(4,489)
Interest income	Interest income	(61,560)	(23,737)	(168,289)	(34,621)
Interest (income) expense, net \$	\$ (43,319)	\$ (2,802)	\$ (111,930)	\$ 25,561	
Interest income					
Interest income					
Interest income, net					
Interest income, net					
Interest income, net					

**Taxes on earnings.** Our effective tax rate for the three and nine month periods ended October 28, 2023 was May 4, 2024 and April 29, 2023 were approximately 25% compared to approximately 23% and 24% for the three and nine month periods ended October 29, 2022, respectively. Our effective tax rate is impacted by changes in tax laws and accounting guidance, location of new stores, level of earnings, tax effects associated with stock-based compensation, and uncertain the resolution of tax positions. positions with various tax authorities.

**Net earnings.** Net earnings as a percentage of sales for the three month periods ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023 were 9.1% 10.0% and 7.5% 8.3%, respectively. Net earnings as a percentage of sales for the three month period ended October 28, 2023 was May 4, 2024 were higher primarily due to lower cost of goods sold, and higher interest income, partially offset by higher lower SG&A expenses, and higher taxes.

Net earnings as a percentage of sales for the nine month periods ended October 28, 2023 and October 29, 2022 were 8.8% and 7.9%, respectively. Net earnings as a percentage of sales for the nine month period ended October 28, 2023 was higher primarily due to lower cost of goods sold and higher interest income, partially offset by higher SG&A expenses and higher taxes.

**Earnings per share.** Diluted earnings per share for the three month period ended October 28, 2023 May 4, 2024 was \$1.33 \$1.46 compared to \$1.00 \$1.09 for the three month period ended October 29, 2022. Diluted earnings per share for the nine month period ended October 28, 2023 was \$3.74 compared to \$3.08 for the nine month period ended October 29, 2022 April 29, 2023. The \$0.33 and \$0.66 increases \$0.37 increase in the diluted earnings per share for the three and nine month periods period ended October 28, 2023 were May 4, 2024 was primarily attributable to a 31% and 19% increase in net earnings respectively, and a 2% 3% reduction in weighted-average diluted shares outstanding largely due to stock repurchases under our stock repurchase program.

## Financial Condition

### Liquidity and Capital Resources

The primary sources of funds for our business activities are cash flows from operations and short-term trade credit. Our primary ongoing cash requirements are for merchandise inventory purchases, payroll, operating and variable lease costs, taxes, capital expenditures in connection with related to new and existing stores, and investments in distribution centers, information systems, and buying and corporate offices. We also use cash to repurchase stock under active stock repurchase programs, pay dividends, and repay debt as it becomes due.

Nine Months Ended

		Three Months Ended	
		Three Months Ended	
		Three Months Ended	
(\$000)	(\$000)	October 28, 2023	October 29, 2022
Cash provided by operating activities	Cash provided by operating activities	\$ 1,565,735	\$ 472,667
Cash provided by operating activities			
Cash used in investing activities			
Cash used in investing activities			
Cash used in investing activities	Cash used in investing activities	(540,458)	(417,901)
Cash used in financing activities	Cash used in financing activities	(1,075,510)	(1,070,415)
Cash used in financing activities			
Cash used in financing activities			
Net decrease in cash, cash equivalents, and restricted cash and cash equivalents	Net decrease in cash, cash equivalents, and restricted cash and cash equivalents	\$ (50,233)	\$ (1,015,649)
Net decrease in cash, cash equivalents, and restricted cash and cash equivalents			
Net decrease in cash, cash equivalents, and restricted cash and cash equivalents			

## Operating Activities

Net cash provided by operating activities was \$1.6 billion \$368.9 million for the nine three month period ended October 28, 2023 May 4, 2024. This was primarily driven by net earnings excluding non-cash expenses for depreciation, amortization, and stock-based compensation, partially offset by the payment of fiscal 2023 incentive bonuses. Net cash provided by operating activities was \$0.5 billion \$413.2 million for the nine three month period ended October 29, 2022 April 29, 2023. This was primarily driven by net earnings excluding non-cash expenses for depreciation, amortization, and stock-based compensation, partially offset higher accounts payable leverage (defined as accounts payable divided by merchandise inventory payments and payment of fiscal 2021 incentive bonuses. inventory).

The increase decrease in cash flow provided by operating activities for the nine three month period ended October 28, 2023 May 4, 2024 compared to the same period in the prior year was primarily driven by lower higher incentive compensation payments combined with higher current year incentive compensation accruals, higher and lower accounts payable leverage, (defined as accounts payable divided partially offset by merchandise inventory), and higher net earnings.

Accounts payable leverage was 87% 86% and 77% 92% as of October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023, respectively. The increase decrease in accounts payable leverage was primarily due to the timing of inventory receipts and related

payments versus last year.

As a regular part of our business, packaway inventory levels will vary over time based on availability of compelling merchandise purchase opportunities in the marketplace and our decisions on the timing for release of that inventory to our stores. Packaway merchandise is purchased with the intent that it will be stored in our warehouses until a later date. The timing of the release of packaway inventory to our stores is principally driven by the product mix and seasonality of the merchandise, and its relation to our store merchandise assortment plans. As such, the aging of packaway varies by merchandise category and seasonality of purchase, but typically packaway remains in storage for less than six months. We expect to continue to take advantage of packaway inventory opportunities to maximize our ability to deliver bargains to our customers.

Changes in packaway inventory levels impact our operating cash flow. As of **October 28, 2023**, packaway inventory was 39% of total inventory, compared to 40% at the end of fiscal 2022. As of **October 29, 2022** **May 4, 2024**, packaway inventory was 41% of total inventory, compared to 40% at the end of fiscal **2021**, **2023**.

## Investing Activities

Net cash used in investing activities was **\$540.5** **\$136.2** million and **\$417.9** **\$167.3** million for the **nine** **three** month periods ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**, respectively, and was related to our capital expenditures. Our capital expenditures include costs to build, expand, and improve distribution centers, open new stores and improve existing stores, and for various other expenditures related to our information technology systems and buying and corporate offices.

The **increase** **decrease** in cash used in investing activities for the **nine** **three** month period ended **October 28, 2023** **May 4, 2024**, compared to the same period in the prior year, was primarily due to **higher** **a reduction in** capital expenditures related to **the construction** **of our new Buckeye, Arizona distribution center, the construction and build-out of new stores, and various information technology projects.** **center.**

Capital expenditures for fiscal **2023** **2024** are currently projected to be approximately **\$750 million**, **\$840 million**. Our planned capital expenditures for fiscal **2023** **2024** are for investments in our supply chain to support long-term growth, including construction of our next distribution centers, **investments in our information technology systems**, costs for fixtures and leasehold improvements to open new Ross and dd's DISCOUNTS stores, **investments in information technology systems**, and for various other expenditures related to our stores, distribution centers, and buying and corporate offices. We expect to fund capital expenditures with available cash.

## Financing Activities

Net cash used in financing activities was **\$1.1 billion** **\$450.0 million** and **\$380.6 million** for the **nine** **three** month periods ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**, respectively, primarily resulting from stock repurchases under our **current** **stock repurchase program** **programs** and **payment of dividends**, **dividend payments**.

**Revolving credit facilities.** We have a **\$1.3 billion** **\$1.3 billion** senior unsecured revolving credit facility ("Credit Facility"), **facility**. As of **October 28, 2023** **May 4, 2024**, we had no borrowings or standby letters of credit outstanding under the Credit Facility, **our** **the** **\$1.3 billion** Credit Facility remained in place and available, and we were in compliance with **the** **its** financial covenant. Refer to Note E: Debt in the Notes to Condensed Consolidated Financial Statements for additional information.

**Senior notes.** As of **October 28, 2023** **May 4, 2024**, we had approximately \$2.5 billion of outstanding unsecured Senior Notes, of which **\$250 million** **\$949 million** is classified within Current Liabilities on our Condensed Consolidated Balance Sheet for the period ended **October 28, 2023** **May 4, 2024**. Refer to Note E: Debt in the Notes to Condensed Consolidated Financial Statements for additional information.

**Other financing activities.** In March 2022, our Board of Directors approved a new two-year program to repurchase up to \$1.9 billion of our the Company's common stock through fiscal 2023.

For 2025. During the ninethree month period ended October 28, 2023 May 4, 2024, we repurchased 6.4 million 1.9 million shares of common stock for \$703.4 \$262.5 million excluding (excluding excise tax due tax) under this program. For the Inflation Reduction Act of 2022. We three month period ended April 29, 2023, we repurchased 8.2 million 2.2 million shares of common stock for \$718.7 \$234.5 million during (excluding excise tax) under our previous publicly announced repurchase program. During the nine month period ended October 29, 2022. During each of the nine three month periods ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023, we also acquired 0.5 million and 0.4 million shares of treasury stock, respectively, to cover employee tax withholding obligations under our employee equity compensation programs for aggregate purchase prices of approximately \$48.6 \$70.5 million and \$45.4 \$37.5 million, respectively.

On November 15, 2023 May 22, 2024, our Board of Directors declared a quarterly cash dividend of \$0.335 \$0.3675 per common share, payable on December 29, 2023 June 28, 2024. The Board of Directors declared a cash dividend of \$0.335 \$0.3675 per common share in March 2024, and \$0.3350 per common share in February, May, and August 2023, and \$0.310 per common share in March, May, August, and November 2022, 2023.

For the nine three month periods ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023, we paid cash dividends of \$342.1 \$123.3 million and \$324.6 \$114.8 million, respectively.

Short-term trade credit represents a significant source of financing for merchandise inventory. Trade credit arises from customary payment terms and trade practices with our vendors. We regularly review the adequacy of credit available to us from all sources and expect to be able to maintain adequate trade credit, bank credit, and other credit sources to meet our capital and liquidity requirements, including lease and interest payment obligations.

We ended the third first quarter of fiscal 2023 2024 with \$4.5 billion \$4.7 billion of unrestricted cash balances, which were held primarily in overnight money market funds invested in U.S. treasury and government instruments across a highly diversified set of banks and other financial institutions. We also have \$1.3 billion available under our Credit Facility. We estimate that existing cash and cash equivalent balances, cash flows from operations, bank credit facility, and trade credit are adequate to meet our operating cash needs and to fund our planned capital investments, debt repayments, interest payments, common stock repurchases, and quarterly dividend payments debt repayment, and interest payment obligations for at least the next 12 months.

### Contractual Obligations and Off-Balance Sheet Arrangements

The table below presents As of May 4, 2024, there have been no material changes to our significant contractual obligations as of October 28, 2023.

(\$000)	Less than one year	Greater than one year	Total <sup>1</sup>
Recorded contractual obligations:			
Senior notes	\$ 250,000	\$ 2,224,991	\$ 2,474,991
Operating leases	721,122	2,689,788	3,410,910
New York buying office ground lease <sup>2</sup>	7,552	1,103,251	1,110,803
Unrecorded contractual obligations:			
Real estate obligations <sup>3</sup>	10,056	160,979	171,035
Interest payment obligations	80,316	354,818	435,134

Purchase obligations <sup>4</sup>	4,282,728	64,577	4,347,305
Total contractual obligations	\$ 5,351,774	\$ 6,598,404	\$ 11,950,178

<sup>1</sup> We have a \$63.0 million liability for unrecognized tax benefits that is included in Other long-term liabilities on our interim Condensed Consolidated Balance Sheet. This liability is excluded from the schedule above as the timing of payments cannot be reasonably estimated.

<sup>2</sup> Our New York buying office building is subject to a 99-year ground lease.

<sup>3</sup> Minimum lease payments for leases signed that have not yet commenced.

<sup>4</sup> Purchase obligations primarily consist of merchandise inventory purchase orders, commitments related to construction projects, store fixtures and supplies, and information technology services, transportation, and maintenance contracts.

Other than the unrecorded contractual obligations noted above, we do not have any material off-balance sheet arrangements disclosed in our Annual Report on Form 10-K as of October 28, 2023, February 3, 2024, other than those which occur in the ordinary course of business.

**Standby letters of credit and collateral trust.** We use standby letters of credit outside of our Credit Facility in addition to revolving credit facility and a funded trust to collateralize some of our insurance obligations. As of October 28, 2023, May 4, 2024, January 28, 2023, February 3, 2024, and October 29, 2022, April 29, 2023, we had \$2.6 million, \$2.6 million, \$2.2 million, and \$3.0 million, \$2.6 million, respectively, in standby letters of credit outstanding. As of October 28, 2023, May 4, 2024, January 28, 2023, February 3, 2024, and October 29, 2022, April 29, 2023, we had \$59.9 million, \$57.8 million, \$61.6 million, \$60.8 million, and \$57.2 million, \$58.4 million, respectively, held in a collateral trust. The standby letters of credit are collateralized by restricted cash and the collateral trust consists of restricted cash and cash equivalents.

**Trade letters of credit.** We had \$18.5 million, \$7.6 million, and \$7.8 million in trade letters of credit outstanding at October 28, 2023, January 28, 2023, and October 29, 2022, respectively.

**Dividends.** In November 2023, our Board of Directors declared a quarterly cash dividend of \$0.335 per common share, payable on December 29, 2023.

### Critical Accounting Estimates

During the third first quarter of fiscal 2023, 2024, there have been no significant changes to the critical accounting estimates discussed in our Annual Report on Form 10-K for the year ended January 28, 2023, February 3, 2024.

### Forward-Looking Statements

This report contains a number of forward-looking statements regarding, without limitation, projected sales, costs and earnings, planned new store growth, capital expenditures, liquidity, and other matters. These forward-looking statements reflect our then-current beliefs, plans, and estimates with respect to future events and our projected financial performance, operations, and competitive position. The words "plan," "expect," "target," "anticipate," "estimate," "believe," "forecast," "projected," "guidance," "outlook," "looking ahead," and similar expressions identify forward-looking statements.

Future impact from inflation, interest rate increases, ongoing military conflicts and economic sanctions, the COVID-19 pandemic, climate change, pandemics, and other economic, regulatory, consumer spending, and industry trends that could potentially adversely affect our revenue, profitability, operating conditions, and growth are difficult to predict. Our forward-looking statements are subject to risks and uncertainties which could cause our actual results to differ materially from those forward-looking statements and our previous expectations, plans, and projections. Such risks and uncertainties are not limited to but may include:

- Impacts Uncertainties arising from the macroeconomic environment, including inflation, high interest rates, housing costs, energy and fuel costs, financial and credit market conditions, recession concerns, fear of a potential U.S. federal government shutdown, geopolitical conditions, (including the current Russia-Ukraine and Middle East conflicts), the COVID-19 pandemic, or public health and public safety issues which that affect our costs, consumer confidence, and consumer disposable income and shopping behavior. behavior as well as costs.
- Unexpected changes in the level of consumer spending on, or preferences for, apparel and home-related merchandise, which could adversely affect us.
- Competitive pressures in the apparel and home-related merchandise retailing industry.
- Our need to effectively manage our inventories, markdowns, and inventory shortage in order to achieve our planned gross margins.
- Risks associated with importing and selling merchandise produced in other countries, including risks from supply chain disruption, shipping delays, and higher than expected ocean freight costs.
- Unseasonable weather or extreme temperatures that may affect shopping patterns and consumer demand for seasonal apparel and other merchandise.
- Our dependence on the market availability, quantity, and quality of attractive brand name merchandise at desirable discounts, and on the ability of our buyers to anticipate consumer preferences and to purchase merchandise to enable us to offer customers a wide assortment of merchandise at competitive prices.
- Information or data security breaches, including cyber-attacks on our transaction processing and computer information systems, which could disrupt our operations, and result in theft or unauthorized disclosure of our confidential and valuable business information, such as customer, credit card, employee, or other private and valuable information that we handle in the ordinary course of our business.
- Disruptions in our supply chain or in our information systems, including from ransomware or other cyber-attacks, which that could impact our ability to process sales and to deliver product to our stores in a timely and cost-effective manner.
- Our need to obtain acceptable new store sites with favorable consumer demographics to achieve our planned new store openings.
- Our need to expand in existing markets and enter new geographic markets in order to achieve planned market penetration.
- Consumer problems or legal issues involving the quality, safety, or authenticity of products we sell, which could harm our reputation, result in lost sales, and/or increase our costs.
- An adverse outcome in various legal, regulatory, or tax matters, or the adoption of new federal or state tax legislation that increases tax rates or adds new taxes, which that could increase our costs.
- Damage to our corporate reputation or brands that could adversely affect our sales and operating results.
- Our need to continually attract, train, and retain associates with the retail talent necessary to execute our off-price retail strategies.
- Our need to effectively advertise and market our business.
- Changes in U.S. tax, tariff, or trade policy regarding apparel and home-related merchandise produced in other countries, which could adversely affect our business.
- Possible volatility in our revenues and earnings.
- An additional A public health or public safety crisis, demonstrations, natural or a man-made disaster in California or in another region where we have a concentration of stores, offices, or a distribution center, that could harm our business.
- Our need to maintain sufficient liquidity to support our continuing operations and our new store openings.

The factors underlying our forecasts are dynamic and subject to change. As a result, any forecasts or forward-looking statements speak only as of the date they are given and do not necessarily reflect our outlook at any other point in time. We disclaim any obligation to update or revise these forward-looking statements.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks, which primarily include changes in interest rates. We do not engage in financial transactions for trading or speculative purposes.

We may occasionally use forward contracts to hedge against fluctuations in foreign currency prices. We had no outstanding forward contracts as of **October 28, 2023** **May 4, 2024**.

Interest that is payable on our Credit Facility is based on variable interest rates and is therefore affected by changes in market interest rates. As of **October 28, 2023** **May 4, 2024**, we had no borrowings outstanding under the Credit Facility.

As of **October 28, 2023** **May 4, 2024**, we have outstanding seven series of unsecured Senior Notes. Interest that is payable on all series of our Senior Notes is based on fixed interest rates, and is therefore unaffected by changes in market interest rates.

We receive interest payments on our cash and cash equivalents and restricted cash and cash equivalents. Changes in interest rates may impact the interest income we recognize in the future.

A hypothetical 100 basis point increase or decrease in prevailing market interest rates would not have had a material negative impact on our condensed consolidated financial position, results of operations, cash flows, or the fair values of our cash and cash equivalents and restricted cash and cash equivalents as of and for the three **and nine** month **periods** period ended **October 28, 2023** **May 4, 2024**. We do not consider the potential losses in future earnings and cash flows from reasonably possible, near-term changes in interest rates to be material.

#### **ITEM 4. CONTROLS AND PROCEDURES**

##### **Disclosure Controls and Procedures**

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our “disclosure controls and procedures” (as defined in Exchange Act Rule 13a-15(e)) as of the end of the period covered by this report. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at that reasonable assurance level as of the end of the period covered by this report.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system will be met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events.

##### **Quarterly Evaluation of Changes in Internal Control Over Financial Reporting**

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, also conducted an evaluation of our internal control over financial reporting to determine whether any change occurred during the **third** **first** fiscal quarter of **2023** **2024** that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. Based on that evaluation, our management concluded that there was no such change during the **third** **first** fiscal quarter of **2023** **2024**.

#### **PART II – OTHER INFORMATION**

#### **ITEM 1. LEGAL PROCEEDINGS**

The matters under the caption "Litigation, claims, and assessments" in Note A of Notes to Condensed Consolidated Financial Statements are incorporated herein by reference.

## ITEM 1A. RISK FACTORS

See Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended **January 28, 2023** **February 3, 2024** for a description of risks and uncertainties associated with our business.

## ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Information regarding shares of common stock we repurchased during the **third** **first** quarter of fiscal **2023** **2024** is as follows:

Period	Total number of shares (or units) purchased <sup>1</sup>	Average price paid per share (or unit)	Total number of shares (or units) purchased as part of publicly announced plans or programs	Maximum number (or approximate dollar value) of shares (or units) that may yet be purchased under the plans or programs (\$000) <sup>2</sup>
August				
(7/30/2023 - 8/26/2023)	525,510	\$115.39	525,510	\$ 424,470
September				
(8/27/2023-9/30/2023)	916,341	\$116.94	830,580	\$ 327,450
October				
(10/01/2023- 10/28/2023)	707,623	\$114.26	707,623	\$ 246,600
<b>Total</b>	<b>2,149,474</b>	<b>\$115.68</b>	<b>2,063,713</b>	<b>\$ 246,600</b>

Period	Total number of shares (or units) purchased <sup>1</sup>	Average price paid per share (or unit)	Total number of shares (or units) purchased as part of publicly announced plans or programs	Maximum number (or approximate dollar value) of shares (or units) that may yet be purchased under the plans or programs (\$000)
February				
(2/4/2024 - 3/2/2024)	—	\$0.00	—	\$ 2,100,000
March				
(3/3/2024-4/6/2024)	1,312,630	\$145.11	827,775	\$ 1,980,000
April				
(4/7/2024- 5/4/2024)	1,063,791	\$133.94	1,063,791	\$ 1,837,520
<b>Total</b>	<b>2,376,421</b>	<b>\$140.11</b>	<b>1,891,566</b>	<b>\$ 1,837,520</b>

<sup>1</sup> We acquired 85,761 484,855 shares of treasury stock during the quarter ended October 28, 2023 May 4, 2024. Treasury stock includes shares acquired from employees for tax withholding purposes related to vesting of restricted stock grants. All remaining shares were repurchased under our publicly announced stock repurchase program.

<sup>2</sup> In March 2022, our 2024, our Board of Directors approved a new two-year program to repurchase up to \$1.9 billion \$2.1 billion of our common stock through fiscal 2023 2025.

## ITEM 5. OTHER INFORMATION

### A Rule Insider Adoption of Trading Arrangements:

During the three months ended May 4, 2024, none of our directors or executive officers informed us of the adoption or termination of a "Rule 10b5-1 Trading Plan that is trading arrangement" or "non-Rule 10b5-1 trading arrangement," except as follows:

On April 12, 2024, Michael Balmuth, Executive Chairman and a member of our Board of Directors, adopted a trading plan intended to satisfy the affirmative defense of Rule 10b5-1(c) was adopted to sell up to 122,000 shares of common stock. Unless otherwise terminated pursuant to its terms, the plan will terminate on October 6, 2023 by Michael J. Hartshorn, Group President and April 6, 2026, or when all shares under the plan are sold.

On April 10, 2024, Barbara Rentler, Chief Operating Executive Officer and a member of our Board of Directors. The Directors, adopted a trading plan has a duration intended to satisfy the affirmative defense of Rule 10b5-1(c) to sell up to one year, and provides for the sale of up to 76,000 48,885 shares of common stock. Unless otherwise terminated pursuant to its terms, the Company's common stock (prior to reduction for plan will terminate on October 11, 2024, or when all shares withheld for taxes). The number of shares that may be sold is also dependent in part on under the number of shares that vest under specified restricted stock and performance share awards. plan are sold.

## ITEM 6. EXHIBITS

### Exhibit

Number Exhibit

3.1	<a href="#"><u>Certificate of Incorporation of Ross Stores, Inc. as amended (Corrected First Restated Certificate of Incorporation, dated March 17, 1999, together with amendments thereto through Amendment of Certificate of Incorporation dated May 29, 2015) incorporated by reference to Exhibit 3.1 to the Form 10-Q filed by Ross Stores, Inc. for its quarter ended August 1, 2015.</u></a>
3.2	<a href="#"><u>Amended and Restated Bylaws of Ross Stores, Inc. (as amended March 8, 2023), incorporated by reference to Exhibit 3.2 to the Form 8-K filed by Ross Stores, Inc. on March 14, 2023.</u></a>
10.1	<a href="#"><u>Form of Executive Employment Agreement effective June 1, 2012 between Michael Balmuth and Ross Stores, Inc., incorporated by reference to Exhibit 10.1 to the Form 10-Q filed by Ross Stores, Inc. for its quarter ended October 27, 2012 Executive Officers (CA).</u></a>
10.2	<a href="#"><u>Second Amendment to Form of Executive Employment Agreement effective January 1, 2016 between Michael Balmuth and Ross Stores, Inc., incorporated by reference to Exhibit 10.49 to the Form 10-K filed by Ross Stores, Inc. for its fiscal year ended January 30, 2016 Executive Officers (NON-CA).</u></a>
15	<a href="#"><u>Letter re: Unaudited Interim Financial Information from Deloitte &amp; Touche LLP dated December 5, 2023June 11, 2024.</u></a>
31.1	<a href="#"><u>Certification of Chief Executive Officer Pursuant to Sarbanes-Oxley Act Section 302(a).</u></a>
31.2	<a href="#"><u>Certification of Chief Financial Officer Pursuant to Sarbanes-Oxley Act Section 302(a).</u></a>
32.1	<a href="#"><u>Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350.</u></a>
32.2	<a href="#"><u>Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350.</u></a>
101.INS	XBRL Instance Document. (The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.)
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase

**101.DEF Inline XBRL**

Taxonomy  
Extension  
Definition  
Linkbase

**101.LAB Inline XBRL**

Taxonomy  
Extension  
Label  
Linkbase

**101.PRE Inline XBRL**

Taxonomy  
Extension  
Presentation  
Linkbase

104 Cover Page  
Interactive  
Data File.  
(The cover  
page  
interactive  
data file  
does not  
appear in  
the  
Interactive  
Data File  
because its  
XBRL tags  
are  
embedded  
within the  
Inline XBRL  
document.)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

ROSS STORES, INC.

(Registrant)

Date: December 5, 2023 June 11, 2024

By: /s/Jeffrey P. Burrill

Jeffrey P. Burrill

Senior Vice President, Chief Accounting Officer and Corporate Controller (Principal Accounting Officer)

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NINTH AMENDMENT TO THE EXECUTIVE EMPLOYMENT AGREEMENT

THE NINTH AMENDMENT TO THE THIS EXECUTIVE EMPLOYMENT AGREEMENT (the "Amendment") (this "Agreement") is made effective as of May 2, 2022, \_\_\_\_\_, \_\_\_\_\_ (the "Effective Date") by and between Ross Stores, Inc., a Delaware corporation, and \_\_\_\_\_ (the "Company" "Executive"). References herein to the "Company" shall mean Ross Stores, Inc. and, Michael Balmuth (the "Executive"). where appropriate, Ross Stores, Inc. and each and any of its divisions, affiliates or subsidiaries.

**RECITALS**

A. The Company wishes to employ the Executive, and the Company previously entered into an Employment Agreement, effective June 1, 2012 (attached hereto) and amended effective March 15, 2015, January 1, 2016, May 18, 2016, April 15, 2017, July 3, 2018, November 23, 2018, July 13, 2019, April 1, 2020 and September 24, 2020 and it Executive is willing to accept such employment, as \_\_\_\_\_.

B. It is now the intention mutual desire of the Company and the Executive to enter into a written employment agreement to govern the terms of the Executive's employment by the Company as of and following the Effective Date on the terms and conditions set forth below.

**TERMS AND CONDITIONS**

In consideration for the promises of the parties set forth below, the Company and the Executive hereby agree as follows:

1. **Term.** Subject to the provisions of Section 6 of this Agreement, the term of employment of the Executive by the Company under this Agreement shall be as follows:

(a) **Initial Term.** The initial term of employment of the Executive by the Company under this Agreement shall begin on the Effective Date and end on March 31, 2028 (the "Initial Term"), unless extended or terminated earlier in accordance with this Agreement. The Initial Term plus any Extension (as defined in Section 1(c) hereof) thereof shall be the "Term of Employment."

(b) **Extension Intent Notice.** By December 31, 2025, the Executive shall advise the Chief Executive Officer of the Company ("CEO") or the CEO's designee whether the Executive would like the Term of Employment extended. If the Executive does not timely notify the Company of Executive's desire to extend (or not to extend) the Term of Employment, then such action shall be deemed to result in the Executive's Voluntary Termination as of the Term of Employment end date unless the Company determines otherwise in its sole and absolute discretion.

(c) **New Agreement.** Provided that, in accordance with Section 1(b) hereof, the Executive has timely notified the CEO or the CEO's designee of the Executive's desire to extend the Executive's employment, the Company will consider whether to offer the Executive an extension under this Agreement or a new Employment Agreement. If the Company decides in its sole and absolute discretion to offer the Executive an extension or a new Employment Agreement, the Company will notify the Executive accordingly (an "Extension Notice") not less than one hundred eighty (180) days prior to the expiration of the Term of Employment. If the

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Company timely provides an Extension Notice and the Executive and the Company to amend enter into such extension (or a new Employment Agreement), the Initial Term hereof will be extended by such additional period of time set forth in the Extension Notice (each an "Extension"). If the Company timely provides an Extension Notice and offers the Executive an extension or a new Employment Agreement providing at least comparable terms to the Executive's then current Employment Agreement but the Executive does not agree to enter into such extension or new Employment Agreement, such action shall be deemed to result in Executive's Voluntary Termination as set forth below. Accordingly, of the Term of Employment end date unless the Company determines otherwise in its sole and the Executive hereby agree as follows:

1. Paragraph 1 of the Employment Agreement is hereby amended by deleting "May 31, 2022" and inserting "November 30, 2023" in place thereof. absolute discretion.

2. **Paragraph 2 of the Employment Agreement is hereby amended to read as follows:**

"Position and Duties. The During the Term of Employment, the Executive shall continue to serve as an

employee of the Company with the title of Strategic Advisor through November 30, 2023. Effective June 1, 2022, in the Executive's role as Strategic Advisor, the Executive shall: (i) focus on succession planning, drive the search for CMO/CEO, and analyze strategy to develop levels immediately below CEO/COO; (ii) interview candidates at EVP level and above; (iii) assist in identifying strategic issues for the Company and developing plans to address such issues; (iv) assist in the development and monitoring of organization processes, assist in adjusting such processes where necessary, assist in the review of organizational plans in merchandising and operations, and work with high potential senior executives on their development and succession plans; (v) attend Board meetings virtually or in person; and (vi) advise the CEO, COO and Board of Directors. During the term of Executive's employment, the Executive may engage in outside activities provided those such activities (including but not limited to membership on boards of directors of not-for-profit and for-profit organizations) do not conflict with the Executive's duties and responsibilities hereunder and provided further that (ii) the Executive gives written notice to approval from the Board CEO of any significant outside business activity in which the Executive plans to become involved, whether or not such activity is pursued for profit."

### 3. Paragraph 3 of the Employment Agreement is hereby amended to read as follows:

"Principal Place of Employment. The Executive's employment shall be based at the Company's offices in New York, New York, Dublin, CA, except for required travel on the Company's business to an extent substantially consistent with present business travel obligations." obligations of the Executive's position.

### 4. The first sentence in paragraph 4(a) of the Employment Agreement is hereby deleted Compensation and the following sentence is inserted in place thereof:

#### Related Matters.

(a) **Salary.** During the Executive's employment, the Company shall pay to the Executive a base salary at an annual rate of not less than (i) One Million Two Hundred Thousand Dollars (\$1,200,000) from June 1, 2021 thru May 31, 2022 and (ii) Nine Million Dollars (\$9,000,000) from June 1, 2022 through November 30, 2023."

5. \_\_\_\_\_ per annum. The last Executive's salary shall be payable in substantially equal installments in accordance with the Company's normal payroll practices applicable to senior executives. Subject to the first sentence of paragraph 4(c) this Section 4(a), the Executive's salary may be adjusted from time to time in accordance with normal business practices of the Company.

(b) **Bonus.** During the Term of Employment, the Executive shall be eligible to receive an annual bonus paid under the Company's existing incentive bonus plan under which the Executive is hereby amended by deleting eligible (which is currently the phrase "year beginning Incentive Compensation Plan) or any replacement plan that may subsequently be established and in 2022" and inserting effect during the phrase "years beginning in 2022 and 2023" in place thereof.

6. Paragraph 4 Term of Employment. The current target annual bonus the Executive is eligible to earn upon achievement of 100% of all applicable performance targets under such incentive bonus plan is \_\_\_\_% of the

Employment Agreement Executive's then effective annual salary rate. Annual bonuses are not earned until the date any such bonus is hereby amended by adding paid in accordance with the terms of the applicable bonus plan. As such, the Executive's termination for Cause or Voluntary Termination (as described in Sections 6(c) and 6(f), respectively) prior to the Company's payment of the bonus for a new subsection (z) at fiscal year of the end thereof as follows:

"(z) **Retention Bonus III.** On or before June 1, 2022, the Board shall approve, or shall have approved, for Company will cause the Executive a cash to be ineligible for any annual bonus in the amount for that fiscal year or any pro-rata portion of Four Million Dollars (\$4,000,000) (the "Retention Bonus III"), which shall be paid to Executive on December 1, 2023, provided Executive is continuously employed through November 30, 2023. Notwithstanding the foregoing to the contrary, if Executive's employment is terminated such bonus.

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without Cause or Executive is unable to perform Executive's duties under Paragraph 2 as a result(c) **Expenses.** During the Term of Executive's death or Disability, the Executive will become vested in such bonus, prorated on a daily basis, from June 1, 2022 through November 30, 2023 based on Executive's continued employment with the Company during such period. The vested portion of the Retention Bonus III shall be paid to the Executive or the Executive's estate, as the case may be, on December 1, 2023."

7. Paragraph 8(b) of the Employment, Agreement is amended by deleting clauses (v) and (vi).

8. Paragraph 9(d) of the Employment Agreement is amended by deleting the phrase "paragraphs 4(y) and 9(i)" and inserting the phrase "paragraphs 4(y), 4(z), 9(i) and 9(j)" in place thereof.

9. Paragraph 9 is hereby amended by adding new paragraph 9(j) at the end thereof as follows:

"(j) **Termination of Employment on or after June 1, 2022.** Notwithstanding any other provision of the Agreement to the contrary, effective June 1, 2022: (i) if the Executive's employment is terminated without Cause, the Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the salary under paragraph 4(a) through November 30, 2023 Executive in performing services hereunder, including, but not limited to, all reasonable expenses of travel and a prorated portion of the Retention Bonus III living while away from home, provided that such expenses are incurred and accounted for in accordance with paragraph 4(z); the policies and (ii) if procedures established by the Executive is unable to perform Executive's duties as a result Company.

(d) **Benefits.** During the Term of Executive's death or Disability, Employment, the Executive shall be entitled to participate in all of the Company's employee benefit plans and arrangements in which senior executives of the Company are eligible to participate. The Company shall not make any changes in such plans or arrangements which would adversely affect the Executive's rights or benefits thereunder, unless such change

occurs pursuant to a program applicable to all senior executives of the Company and does not result in a proportionately greater reduction in the rights or benefits of the Executive as compared with any other similarly situated senior executive of the Company. The Executive shall be entitled to participate in, or receive benefits under, any employee benefit plan or arrangement made available by the Company in the future to its senior executives, subject to, and on a basis consistent with, the terms, conditions and overall administration of such plans and arrangements. Except as otherwise specifically provided herein, nothing paid to the Executive under any plan or arrangement presently in effect or made available in the future shall be in lieu of the salary or bonus otherwise payable under paragraph 4(a) through Executive's date this Agreement.

(e) **Vacations.** During the Term of termination (determined Employment, the Executive shall be entitled to \_\_\_\_\_ vacation days in each calendar year, determined in accordance with paragraph 8(b)) and a prorated portion of the Retention Bonus III in accordance with paragraph 4(z). Company's vacation plan. The Executive shall not also be entitled to all paid holidays given by the Company to its senior executives. Unused vacation days shall not be forfeited once they have been earned and, if still unused at the time of the Executive's termination of employment with the Company, shall be promptly paid to the Executive at their then-current value, based on the Executive's daily salary rate at the time of the Executive's termination of employment.

(f) **Services Furnished.** The Company shall furnish the Executive with office space and such services as are suitable to the Executive's position and adequate for the performance of the Executive's duties during the Term of Employment.

## 5. Confidential Information and Intellectual Property.

(a) This Agreement is intended to supplement, and not to supersede, any amount amounts otherwise payable rights the Company may have in law or equity with respect to the protection of trade secrets or confidential or proprietary information.

(b) Other than in the performance of the Executive's duties hereunder, the Executive agrees not to use in any manner or disclose, distribute, publish, communicate or in any way cause to be used, disclosed, distributed, published, or communicated in any way or at any time, either while in the Company's employ or at any time thereafter, to any person not employed by the Company, or not engaged to render services to the Company, any Confidential Information (as defined below) obtained while in the employ of the Company.

(c) Confidential Information includes any non-public written or unwritten information which relates to and/or is used by the Company or its subsidiaries, affiliates or

divisions, including, without limitation: (i) the Company's compilation of the buying habits and other proprietary information regarding past, present and potential customers, employees and suppliers of the Company as developed by or specifically for the Company (including, but not limited to, under paragraphs 9(a) the direction of the Executive while employed by the Company) and not generally known to the public; (ii) customer and supplier contracts and transactions or price lists of the Company and suppliers; (iii) the Company's methods of distribution; (iv) all Company agreements, files, books, logs, charts, records, studies, reports, processes, schedules and statistical information that are specific to the Company's business and/or strategy; (v) data, figures, projections, estimates, pricing data, customer lists (as described in this section), buying manuals or procedures, distribution manuals or procedures, and other policy and procedure manuals or handbooks; (vi) supplier information that the Company has devoted significant resources to develop and determine, tax records, personnel histories and records, sales information and property information; (vii) information regarding the present or future phases of the Company's business; (viii) inventions, trademarks and the Company's non-public business information processes, techniques, improvements, designs, redesigns, creations, discoveries, trade secrets, and developments; (ix) all computer software licensed or developed by the Company or its subsidiaries, affiliates or divisions, computer programs, computer-based and web-based training programs, and systems; and (x) the Company's finances and financial information. However, Confidential Information will not include information of the Company or its subsidiaries, affiliates or divisions that (1) became or becomes a matter of public knowledge through sources independent of the Executive, (2) has been or is disclosed by the Company or its subsidiaries, affiliates or divisions without restriction on its use, or (3) has been or is required or specifically permitted to be disclosed by law or governmental order or regulation, provided that the disclosure does not exceed the extent of disclosure required by such law, order or regulation. The Executive shall provide prompt written notice of any such order to the Company's CEO or CEO's designee sufficiently in advance of making any disclosure to permit the Company to contest the order or seek confidentiality protections, as determined in the Company's sole and absolute discretion. The Executive agrees that, if there is any reasonable doubt whether an item is public knowledge, the Executive will not regard the item as public knowledge until and unless the Company's CEO confirms to the Executive that the information is public knowledge.

(d) The provisions of this Section 5 shall not preclude the Executive from disclosing such information to the Executive's professional tax advisor or legal counsel solely to the extent necessary to the rendering of their professional services to the Executive if such individuals agree to keep such information confidential.

(e) Notwithstanding the foregoing, the U.S. Defend Trade Secrets Act of 2016 ("DTSA") provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (iii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual

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(A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

(f) The Executive agrees that upon leaving the Company's employ, the Executive will remain reasonably available to answer questions from Company officers regarding the Executive's former duties and responsibilities and the knowledge the Executive obtained in connection therewith.

(g) The Executive agrees that upon leaving the Company's employ the Executive will not communicate directly or indirectly with, or give statements to, any member of the media (including print, television, radio or social media) relating to any matter (including pending or threatened lawsuits or administrative investigations) about which the Executive has knowledge or information (other than knowledge or information that is not Confidential Information) as a result of such termination."employment with the Company. The Executive further agrees to notify the CEO or the CEO's designee immediately after being contacted by any member of the media with respect to any matter affected by this section.

Except for(h) The Executive agrees that all information, inventions and discoveries, whether or not patented or patentable, protected by a copyright or copyrightable, or registered as a trademark or eligible to be registered as a trademark, made or conceived by the amendment Executive, either alone or with others, at any time while employed by the Company, which arise out of such employment or is pertinent to any field of business or research in which, during such employment, the Company, its subsidiaries, affiliates or divisions is engaged or (if such is known to or ascertainable by the Executive) is considering engaging ("Intellectual Property") shall (i) be and remain the sole property of the Company and the Executive shall not seek a patent or copyright or trademark protection with respect to such Intellectual Property without the prior consent of an authorized representative of the Company and (ii) be disclosed promptly to an authorized representative of the Company along with all information the Executive possesses with regard to possible applications and uses. Further, at the request of the Company, and without expense or additional compensation to the Executive, the Executive agrees to, during and after the Executive's employment, execute such documents and perform such other acts as set forth above, the Employment Agreement Company deems necessary to obtain, perfect, maintain, protect and enforce patents on such Intellectual Property in a jurisdiction or jurisdictions designated by the Company, and to assign and transfer to the Company or its designee all such Intellectual Property rights and all patent applications and patents relating thereto. The Executive hereby irrevocably grants the Company power of its terms remain attorney to execute and deliver any such documents on the Executive's behalf in force the Executive's name and to do all other lawfully permitted acts to transfer the work product to the Company and further the transfer, issuance, prosecution, and maintenance of all Intellectual Property rights therein, to the full extent permitted by law, if the Executive does not promptly cooperate with the Company's request (without limiting the rights the Company shall have in effect.

such circumstances by operation of law). The power of attorney is coupled with an interest and shall not be affected by the Executive's subsequent incapacity.

IN WITNESS WHEREOF, the parties have executed this Amendment(i) The Executive represents and warrants that, as of the date and year first written above. Effective Date, there is no Intellectual Property that: (i) has been created by or on behalf of the Executive, and/or (ii) is owned exclusively by the Executive or jointly by the Executive with others or in which the

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**ROSS STORES, INC. and Subsidiaries**

**EXECUTIVE**

/s/Gunnar Bjorklund

/s/Michael Balmuth

Gunnar Bjorklund

Michael Balmuth

Chairman of the Compensation Committee

Date: May 2, 2022

Date: April 29, 2022

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Executive has an interest, and that relate in any way to any of the Company's actual or proposed businesses, products, services, or research and development, and which are not assigned to the Company hereunder. The Executive understands further that the Intellectual Property will not include, and the provisions of this Agreement requiring assignment of inventions to the Company do not apply to, any invention that qualifies fully for exclusion under the provisions of Section 2870 of the California Labor Code.

#### **TENTH AMENDMENT TO THE EMPLOYMENT AGREEMENT**

THE TENTH AMENDMENT TO THE EMPLOYMENT AGREEMENT (the "Amendment") is made, effective as of August 29, 2023, by Ross Stores, Inc. (the "Company") and Michael Balmuth (the "Executive"). (j) The Executive and the Company previously entered into an Employment Agreement, effective June 1, 2012 (attached hereto) and amended effective March 15, 2015, January 1, 2016, May 18, 2016, April 15, 2017, July 3, 2018, November 23, 2018, July 13, 2019, April 1, 2020, September 24, 2020 and May 2, 2022, and it is now agree that the intention Executive intends all original works of authorship within the purview of the copyright laws of the United States authored or created by the Executive and in the course of the Executive's employment with the Company to further amend will be works for hire within the Employment Agreement as set forth below. Accordingly, the Company and the Executive hereby agree as follows:

meaning of such copyright law.

1. (k) Paragraph 1 Upon termination of the Employment Agreement is hereby amended by deleting "November 30, 2023" and inserting "March 31, 2026" in place thereof.

## DISCLAIMER

2. Paragraph 2 of the Employment Agreement is hereby amended to read as follows:

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™

IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL POSITION AND DUTIES. THE EXECUTIVE SHALL SERVE AS (I) CHAIRMAN OF THE BOARD OF DIRECTORS AND AS AN EMPLOYEE. EXECUTIVE'S EMPLOYMENT OR AT ANY TIME UPON REQUEST OF THE COMPANY, WITH THE TITLE EXECUTIVE WILL (I) ASSUME ANY RESPONSIBILITY FOR ANY CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY OWNED BY THE COMPANY, INCLUDING BUT NOT UPON THE INFORMATION PROVIDED IN THIS REPORT TO USES OF THE COMPANY ADVISED TO REFINITIV SEPTEMBER 1, 2023 APPLICABLE BY COMPANY, OR AS ADVISED TO REFINITIV. ALL RIGHTS RESERVED. REFINITIV THAT REMAIN IN THE EXECUTIVE'S POSSESSION OR CONTROL, INCLUDING THOSE STORED ON ANY NON-COMPANY DEVICES, NETWORKS, STORAGE LOCATIONS, AND MEDIA IN THE EXECUTIVE'S POSSESSION OR CONTROL.

(I) Further, nothing in this Agreement shall limit the Executive's right to disclose sexual harassment or sexual assault disputes.

6. **Termination.** The Executive's employment may be terminated during the Term of Employment only as follows:

(a) **Death.** The Executive's employment shall terminate upon the Executive's death.

(b) **Disability.** If, as a result of the Company with the title of Senior Advisor from February 1, 2026 thru March 31, 2026. In the Executive's role as Executive Chairman, the Executive shall: (a) lead the search for a CEO and make recommendations of CEO candidates to the Board, focus on succession planning, and analyze strategy to develop levels immediately below CEO/COO; (b) interview candidates at EVP level and above; (c) focus on identifying strategic issues for the Company and assist in developing plans to address such issues; (d) focus on the development and monitoring of organizational plans, and assist in adjusting such plans where necessary; and (e) work with high potential senior executives on their development and succession plans. In the Executive's role as Senior Advisor, Disability (as defined below), the Executive shall support have been absent from the transition Executive's duties hereunder on a full-time basis for the entire period of a new CEO six consecutive months, and, Chairman within thirty days after written notice of termination is given by the Company (which may occur before or after the end of such six-month period), the Executive shall not have returned to the performance of the Board. During the term of Executive's employment, the Executive may engage in outside activities provided those activities do not conflict with Executive's duties and responsibilities hereunder and provided further that Executive gives written notice to the Board of any significant outside business activity in which he plans to become involved, whether or not such activity is pursued for profit."

3. The first sentence in paragraph 4(a) of the Employment Agreement is hereby deleted and the following sentence is inserted in place thereof:

"During on a full-time basis, the Executive's employment shall terminate in accordance with Section 7(b)(ii). For purposes of this Agreement, the Company term "Disability" shall pay have the same meaning as ascribed to such term under the Company's long-term disability plan in which the Executive is participating; provided

that in the absence of such plan (or the absence of the Executive's participation in such plan), Disability shall mean the Executive's inability to substantially perform the Executive's duties hereunder due to a base salary at an annual rate medically determinable physical or mental impairment which has lasted for a period of not less than One Million Four Hundred Thousand Dollars (\$1,400,000) from September 1, 2023 thru March 31, 2026."

4. The last sentence of paragraph 4(c) of the Employment Agreement is hereby deleted and the following sentence is inserted in place thereof:

"Notwithstanding the foregoing, the Executive's target incentive annual bonus for the Company's fiscal years beginning in 2024 and 2025 shall be 175 percent of Executive's annualized base salary for such fiscal years and the Executive will not be entitled to an annual bonus for the Company's fiscal years beginning in 2023 and 2026."

5. Paragraph 4 of the Employment Agreement is hereby amended by adding a new subparagraph (aa) at the end thereof as follows:

"(aa) **Restricted Stock Awards: 2023 - 2025.** On or before September 1, 2023, March 31, 2024 and March 31, 2025, the Board shall grant, or shall have granted, to Executive restricted stock awards ("2023 - 2025 RS Grants" respectively) for that number of shares determined by dividing (i) Three Million Five Hundred Thousand Dollars (\$3,500,000) in the case of the 2023 RS Grant and (ii) One Million Five Hundred Thousand Dollars (\$1,500,000) in the case of the 2024 and 2025 RS Grants, respectively, by the closing one hundred twenty (120) consecutive days.

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**market price(c) For Cause.** The Company may terminate the Executive's employment for Cause. For this purpose, "Cause" means the occurrence of any of the following (i) the Executive's repeated failure to substantially perform the Executive's duties hereunder (unless such failure is a result of a share Disability as defined in Section 6(b)); (ii) the Executive's theft, dishonesty, breach of fiduciary duty for personal profit or falsification of any documents of the Company; (iii) the Executive's material failure to abide by the applicable code(s) of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct) of the Company; (iv) knowing or intentional misconduct by the Executive as a result of which the Company is required to prepare an accounting restatement; (v) the Executive's unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of the Company (including, without limitation, the Executive's improper use or disclosure of confidential or proprietary information of the Company); (vi) any intentional misconduct or illegal or grossly negligent conduct by the Executive which is materially injurious to the Company monetarily or otherwise; (vii) any

material breach by the Executive of the provisions of Section 9 [Certain Employment Obligations] of this Agreement; or (viii) the Executive's conviction (including any plea of guilty or nolo contendere) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or which materially impairs the Executive's ability to perform Executive's duties with the Company. A termination for Cause shall not take effect unless: (1) the Executive is given written notice by the Company of its intention to terminate the Executive for Cause; (2) the notice specifically identifies the particular act or acts or failure or failures to act which are the basis for such termination; and (3) where practicable, the notice is given within sixty days of the Company's stock on learning of such act or acts or failure or failures to act.

(d) **Without Cause.** The Company may terminate the respective dates of each such grant as reported on Executive's employment at any time Without Cause. A termination "Without Cause" is a termination by the NASDAQ. The terms and conditions Company of the 2023-2025 RS Grants shall be set forth in the respective Notices of Grant of Restricted Stock, Restricted Stock Agreements and the 2017 Equity Incentive Plan or successor plan ("RS Documents"). Notwithstanding the foregoing, the Executive will become (i) 100 percent vested in the 2023 RS Grant on September 3, 2024; (ii) 50 percent vested in the 2024 RS Grant on each of the latest dates in open trading windows prior to March 31, 2025 and March 31, 2026, respectively, and (iii) 100 percent vested in the 2025 RS Grant on the latest date in an open trading window prior to March 31, 2026, in each case subject to Executive's continued employment with the Company thru such respective dates. Notwithstanding for any reasons other than the foregoing and any other provision of this Employment Agreement to the contrary, if Executive's employment is terminated without Cause or for Good Reason or Executive is unable to perform Executive's duties under Paragraph 2 as a result of Executive's death or Disability the Executive shall become vested in a portion of the shares awarded to Executive under the respective 2023-2025 RS Grants (prorated on a daily basis), based on Executive's continued employment during the periods beginning on the respective grant dates and ending on the respective vesting dates."

6. Paragraph 4 of the Employment Agreement is hereby amended by adding a new subparagraph (bb) at the end thereof as follows:

(bb) **Performance Share Awards: 2024 – 2026.** The Executive shall be eligible to receive Performance Share Awards for the fiscal years beginning in 2024, 2025 and 2026 consistent with the existing practice of the Company ("2024-2026 PS Grants"). The terms and conditions of the 2024-2026 PS Grants shall be set forth in the respective Notices of Grant of Performance Shares, Performance Share Agreements and the 2017 Equity Incentive Plan or successor plan ("PS Documents"). Notwithstanding anything in this Agreement or the PS Documents to the contrary, unvested Common Shares attributable to: (i) the 2024 PS Grant shall become Vested Common Shares as follows: 30 percent on the first anniversary of the date of grant and 70 percent on the second anniversary of the date of grant; and (ii) the 2025 PS Grant shall become Vested Common Shares on the first anniversary of the date of grant, in each case provided the Executive remains employed by the Company continuously through the respective vesting dates. Provided the Executive remains continuously employed by the Company through March 31, 2026, unvested Common Shares attributable to the 2026 PS Grant shall become Vested Common Shares on the date the Performance Shares are settled pursuant to the PS Documents. Notwithstanding the foregoing and any other provision of this Employment Agreement to the contrary, if Executive's employment is terminated without Cause or for Good Reason or Executive is unable to perform Executive's duties under Paragraph 2 as a result of Executive's death or Disability, a portion of the Executive's unvested Common Shares (prorated on a daily basis) shall become

Vested Common Shares, based on Executive's continued employment during the periods beginning on the respective grant dates and ending on the respective vesting dates."

7. Paragraph 4 of the Employment Agreement is hereby amended by adding a new subparagraph (cc) at the end thereof as follows:

**(cc) Retention Bonus IV.** On or before September 1, 2023, the Board shall approve, or shall have approved, for the Executive, a cash bonus in the amount of Four Million Seven Hundred Thousand Dollars (\$4,700,000) ("Retention Bonus IV"), which shall be paid to Executive on February 9, 2026 provided Executive is continuously employed by the Company through February 9, 2026. Notwithstanding the foregoing and any other provision of this Employment Agreement to the contrary, if Executive's employment is terminated without Cause or for Good Reason or Executive is unable to perform Executive's duties under Paragraph 2 as a result of Executive's death or Disability, the Executive will become vested in such bonus, prorated on a daily basis, from September 1, 2023 thru February 9, 2026 based on Executive's continued employment with the Company during such period. The vested portion of Retention Bonus IV shall be paid to the Executive or the Executive's estate, as termination by the case may be, on February 9, 2026."

8. The first sentence of paragraph 9(c) Company of the Executive for Cause as described in Section 6(c).

(e) **Termination by the Executive for Good Reason.**

(i) **Termination Not in Connection with a Change in Control.** At any time during the Term of Employment, Agreement is hereby amended by deleting "one year after" and inserting other than within the phrase "the period commencing one month prior to and ending twelve months following" following a Change in place thereof.

9. Paragraph 9(c)(i) Control (as defined below in Section 8(e)(ii)), the Executive may terminate the Executive's employment with the Company for "Good Reason," which shall be deemed to occur if, within sixty days after receipt of written notice to the Company by the Executive of the occurrence of one or more of the following conditions, any of the following conditions have not been cured: (i) a failure by the Company to comply with any material provision of this Agreement (including but not limited to the reduction of the Executive's salary or the target annual bonus opportunity set forth in Section 4(b)); (ii) a significant diminishment in the nature or scope of the authority, power, function or duty attached to the position which the Executive currently maintains without the express written consent of the Executive; *provided*, that the Executive's employment may be transferred, assigned, or re-assigned to Ross Stores, Inc. or a division, affiliate or subsidiary of Ross Stores, Inc.; the division, affiliate or subsidiary with respect to which the Executive is performing services may

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be reorganized; and the Executive's direct reports or the person or title of the person to whom the Executive reports may be changed; and no such transfer, assignment, re-assignment, reorganization or change shall constitute "Good Reason" for the Executive's termination of employment under this Section 6(e)(i); or (iii) the relocation of the Executive's Principal Place of Employment as described in Section 3 to a location that increases the regular one-way commute distance between the Executive's residence and Principal Place of Employment by more than 25 miles without the Executive's prior written consent. In order to constitute a termination of employment for Good Reason, the Executive must provide written notice to the Company of the existence of the condition giving rise to the Good Reason termination within sixty days of the initial existence of the condition, and in the event such condition is cured by the Company within sixty days from its receipt of such written notice, the termination shall not constitute a termination for Good Reason.

(ii) **Termination in Connection with a Change in Control.** Within the period commencing a month prior to and ending twelve months following a Change in Control, the Executive may terminate the Executive's employment with the Company for "Good Reason," which shall be deemed to occur if, within sixty days after receipt of written notice to the Company by the Executive of the occurrence of one or more of the following conditions, any of the following conditions have not been cured: (i) a failure by the Company to comply with any provision of this Agreement (including, but not limited to, the reduction of the Executive's salary, the target annual bonus opportunity or any other incentive opportunity, in each case, as of immediately prior to the Change in Control); (ii) a change in title, the nature or scope of the authority, power, function, responsibilities, reporting relationships or duty attached to the position which the Executive currently maintains without the express written consent of the Executive; (iii) the relocation of the Executive's Principal Place of Employment as described in Section 3 to a location that increases the regular one-way commute distance between the Executive's residence and Principal Place of Employment by more than 25 miles without the Executive's prior written consent; (iv) a change in the benefits to which the Executive is ~~hereby amended~~ entitled to ~~read~~ immediately prior to the Change in Control; or (v) the failure of the Company to assign this Agreement to any successor to the Company. In order to constitute a termination of employment for Good Reason, the Executive must provide written notice to the Company of the existence of the condition giving rise to the Good Reason termination within sixty days of the initial existence of the condition, and in the event such condition is cured by the Company within sixty days from its receipt of such written notice, the termination shall not constitute a termination for Good Reason.

(f) **Voluntary Termination.** The Executive may voluntarily resign from the Executive's employment with the Company at any time (a "Voluntary Termination"). A voluntary resignation from employment by the Executive for Good Reason pursuant to Section 6(e) shall not be deemed a Voluntary Termination.

(g) **Non-Renewal Termination.** If the Company does not provide the Executive an Extension Notice in accordance with Section 1(c), this Agreement shall automatically expire at the end of the then current

## 7. Notice and Effective Date of Termination.

(a) **Notice.** Any termination of the Executive's employment by the Company or by the Executive during the Term of Employment (other than as follows: a result of the death of the Executive, a Voluntary Termination described in Section 6(f), or a Non-Renewal Termination described in Section 6(g)) shall be communicated by written notice of termination to the other party hereto. Such notice shall indicate the specific termination provision in this Agreement relied upon and, except in the case of termination Without Cause described in Section 6(d), shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under that provision.

"The(b) **Date of Termination.** The date of termination of the Executive's employment shall be:

(i) if the Executive's employment is terminated due to the Executive's death, the date of the Executive's death;

(ii) if the Executive's employment is terminated due to Disability pursuant to Section 6(b), the date of termination shall be the last to occur of the 31st day following delivery of the notice of termination to the Executive by the Company or the end of the consecutive six-month period referred to in Section 6(b);

(iii) if the Executive's employment is terminated by the Executive as a Voluntary Termination, the effective date shall be the date mutually agreed to by the Company and the Executive or if the Executive's employment is terminated for any other reason by either party (other than Voluntary Termination), the date on which a notice of termination is delivered to the other party or, in the event of the Company's termination of the Executive, such date as the Company may specify in such notice; and

(iv) if the Agreement expires pursuant to a Non-Renewal Termination described in Section 6(g), the parties' employment relationship shall terminate on the last day of the then current Term of Employment without any notice.

## 8. Compensation and Benefits Upon Termination.

(a) **Termination Due To Disability, Without Cause or For Good Reason.** If the Executive's employment terminates pursuant to Section 6(b) [Disability], Section 6(d) [Without Cause], or Section 6(e)(i)

[Termination by Executive for Good Reason Not in Connection with a Change in Control], then, subject to Section 22 [Compliance with Section 409A], in addition to all salary, annual bonuses, expense reimbursements, benefits and accrued vacation days earned by the Executive pursuant to Section 4 through the date of the Executive's termination of employment, the Executive shall be entitled to the compensation and benefits set forth in Sections 8(a)(i) through (vii), provided that within sixty days following the Executive's termination of employment (i) the Executive has executed and delivered to the Company a general release of claims against the Company and its subsidiaries, affiliates, stockholders, directors, officers, employees, agents, successors and assigns in the current form approved by the

Company and attached as Exhibit A (provided, however, that the Company may modify such release in Exhibit A from time to time solely as needed to comply with federal, state, or local laws in effect at the time such release is to be executed) (the "Release"), and (ii) the Release has become irrevocable:

(i) **Salary.** Commencing on the sixtieth day after the date of the Executive's termination of employment, the Company shall continue to pay to the Executive the Executive's salary, at the rate in effect immediately prior to such termination of employment, through the remainder of the Term of Employment then in effect; provided, however, that any such salary otherwise payable during the 60-day period immediately following the date of such termination of employment shall be paid to the Executive sixty days following such termination of employment.

(ii) **Bonus.** The Company shall continue to pay to the Executive an annual bonus through the remainder of the Term of Employment then in effect; provided, however, that the amount of the annual bonus determined in accordance with this Section 8(a)(ii) for the fiscal year of the Company ("Fiscal Year") in which such Term of Employment ends shall be prorated on the basis of the number of days of such Term of Employment occurring within such Fiscal Year. The amount of each annual bonus payable pursuant to this Section 8(a)(ii), prior to any proration, shall be equal to the annual bonus that the Executive would have earned had no such termination under Section 8(a) occurred, contingent on the relevant annual bonus plan performance goals for the respective year having been obtained. However, in no case shall any such annual bonus, prior to proration, attributable to any Fiscal Year commencing on or after the first day of the Fiscal Year in which the Executive's termination of employment occurs exceed 100% of the Executive's target bonus for the Fiscal Year in which the Executive's termination of employment occurs. Such bonuses shall be paid on the later of the date they would otherwise be paid in accordance with the applicable Company bonus plan or sixty days after the date of the Executive's termination of employment.

(iii) **Stock Options.** Stock options granted to the Executive by the Company and which remain outstanding immediately prior to the date of termination of the Executive's employment, as provided in Section 7(b), shall remain outstanding until and shall immediately become vested in full upon the Release becoming irrevocable.

(iv) **Restricted Stock.** Shares of restricted stock granted to the Executive by the Company, according to the terms of the Ross Stores, Inc. Restricted Stock Agreement, which have not become vested as of the date of termination of the Executive's employment, as provided in Section 7(b), shall immediately become vested on a pro rata basis upon the Release becoming irrevocable. The number of such additional shares of restricted stock that shall become vested as of the date of the Executive's termination of employment shall be that number of additional shares that would have become vested through the date of such termination of employment at the rate(s) determined under the vesting schedule applicable to such shares had such vesting schedule provided for the accrual of vesting on a daily basis (based on a 365 day year). The pro rata amount of shares vesting through the date of termination shall be calculated by multiplying the number of unvested shares scheduled to vest in each respective vesting year by the ratio of the number of days from the date of grant through the date of

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termination and the number of days from the date of grant through the original vesting date of the respective vesting tranche. Any shares of restricted stock remaining unvested after such pro rata vesting shall automatically be reacquired by the Company in accordance with the provisions of the applicable restricted stock agreement, and the Executive shall have no further rights in such unvested portion of the restricted stock. In addition, the Company shall waive any reacquisition or repayment rights for dividends paid on restricted stock prior to Executive's termination of employment.

(v) **Performance Share Awards.** On the Performance Share Vesting Date (as defined in the Executive's Notice of Grant of Performance Shares and Performance Share Agreement from the Company (collectively the "Performance Share Agreement")) next following the Executive's date of termination of employment, the number of Performance Shares that shall become Vested Performance Shares (as defined in the Performance Share Agreement) shall be determined by multiplying (a) that number of shares of Company Common Stock subject to the Performance Share Agreement that would have become Vested Performance Shares had no such termination occurred; provided, however, in no case shall the number of Performance Shares that become Vested Performance Shares prior to proration exceed 100% of the Target Number of Performance Shares set forth in the Performance Share Agreement by (b) the ratio of the number of full months of the Executive's employment with the Company during the Performance Period (as defined in the Performance

Share Agreement) to the number of full months contained in the Performance Period. Vested Common Shares shall be issued in settlement of such Vested Performance Shares on the Settlement Date next following the date of the Executive's termination of employment.

**(vi) Unvested Common Shares Issued in Settlement of Performance Share Awards.**

If the Executive terminates employment pursuant to Sections 6(b), 6(d) or 6(e)(i) after the Performance Share Vesting Date, all Unvested Common Shares (as defined in the Performance Share Agreement) issued in settlement of the Performance Share Award shall become vested in full effective as of the date of such termination.

**(vii) Health Care Coverage.** The Company shall continue to provide the Executive with medical, dental, vision and mental health care coverage at or equivalent to the level of coverage that the Executive had at the time of the termination of employment (including coverage for the Executive's eligible dependents to the extent such dependents were covered immediately prior to such termination of employment) for the remainder of the Term of Employment, except coverage for a dependent will end when the dependent is no longer eligible for coverage, if earlier than the Term of Employment end date, provided, however that in the event such coverage may no longer be extended to the Executive following termination of the Executive's employment either by the terms of the Company's health care plans or under then applicable law, the Company shall instead reimburse the Executive for the Executive's cost of substantially equivalent health care coverage available to the Executive under ERISA Section 601 and thereafter and Section 4980B of the Internal Revenue Code (i.e., COBRA coverage) for a period not to exceed the lesser of (A) 18 months after the termination of the Executive's employment or (B) the remainder of the Term of Employment, and provided further that (1) any such health care coverage or reimbursement for health care coverage shall cease at such time that the Executive becomes eligible for health care coverage through another employer and (2)

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any such reimbursement shall be made no later than the last day of the calendar year following the end of the calendar year with respect to which such coverage or reimbursement is provided. The Executive must notify the Company within five business days of becoming eligible for such other coverage and promptly repay the Company any benefits the Executive received in error.

The Company shall have no further obligations to the Executive as a result of termination of employment described in this Section 8(a) except as set forth in Section 13.

**(b) Termination for Cause or Voluntary Termination.** If the Executive's employment terminates pursuant to Section 6(c) [For Cause] or Section 6(f) [Voluntary Termination], the Executive shall be

entitled to receive only the salary, annual bonuses, expense reimbursements, benefits and accrued vacation days earned by the Executive pursuant to Section 4 through the date of the Executive's termination of employment. Annual bonuses are not earned until the date any such bonus is paid in accordance with the terms of the applicable bonus plan. As such, the Executive shall not be entitled to any bonus not paid prior to the date of the Executive's termination of employment, and the Executive shall not be entitled to any prorated bonus payment for the year in which the Executive's employment terminates. Any stock options granted to the Executive by the Company shall continue to vest only through the date on which the Executive's employment terminates, and unless otherwise provided by their terms, any restricted stock, performance share awards or other equity awards that were granted to the Executive by the Company that remain unvested as of the date on which the Executive's employment terminates shall automatically be forfeited and the Executive shall have no further rights with respect to such awards. The Company shall have no further obligations to the Executive as a result of termination of employment described in this Section 8(b) except as set forth in Section 13.

(c) **Death.** If the Executive's employment terminates pursuant to Section 6(a) [Death], (i) the Executive's designated beneficiary or the Executive's estate shall be entitled to receive only the salary, any unpaid annual bonus for the fiscal year of the Company occurring immediately prior to the fiscal year in which the Executive's death occurred, expense reimbursements, benefits, and accrued vacation earned by the Executive pursuant to Section 4 through the date of the Executive's death; (ii) at the time payable under the applicable Company bonus plan, an annual bonus shall be paid to the Executive's designated beneficiary or the Executive's estate for the fiscal year of the Executive's death based on the annual bonus that the Executive would have earned under the Company's bonus plan for such fiscal year had the Executive not died, contingent on the relevant annual bonus plan performance goals for said year having been obtained, capped at 100% of the Executive's target bonus for such fiscal year and pro-rated for the number of days the Executive is employed during such fiscal year until the Executive's death; (iii) any shares of restricted stock granted to the Executive by the Company at least 12 months prior to the Executive's date of death that are unvested as of such date shall immediately become fully vested and any shares of restricted stock granted to the Executive by the Company within the 12-month period ending on the Executive's date of death that are unvested as of such date shall automatically be forfeited and the Executive shall have no further rights with respect to such restricted stock; and (iv) the Company shall waive any reacquisition or repayment rights for dividends paid on restricted stock prior to the Executive's death.

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(i) **Performance Share Awards.** On the Performance Share Vesting Date next following the Executive's date of death, the number of Performance Shares that shall become Vested Performance Shares shall be determined by multiplying (a) that number of shares of Company Common Stock subject to the

Performance Share Agreement that would have become Vested Performance Shares had no such termination occurred; provided, however, in no case shall the number of Performance Shares that become Vested Performance Shares prior to proration exceed 100% of the Target Number of Performance Shares set forth in the Performance Share Agreement, by (b) the ratio of the number of full months of the Executive's employment with the Company during the Performance Period (as defined in the Performance Share Agreement) to the number of full months contained in the Performance Period. Vested Common Shares shall be issued in settlement of such Vested Performance Shares on the Settlement Date next following the Executive's date of death.

**(ii) Unvested Common Shares Issued in Settlement of Performance Share Awards.**

If the Executive dies after the Performance Share Vesting Date, all Unvested Common Shares issued in settlement of the Performance Share Award shall become vested in full effective as of the date of such termination.

**(d) Non-Renewal Termination.** If the Agreement expires as set forth in Section 6(g) [Non-Renewal Termination], then, subject to Section 22 [Compliance with Section 409A], in addition to all salary, annual bonuses, expense reimbursements, benefits and accrued vacation days earned by the Executive pursuant to Section 4 through the date of the Executive's termination of employment, the Executive shall be entitled to the compensation set forth in Sections 8(d)(i) through (v), provided that within sixty days following the Executive's termination of employment (i) the Executive has executed and delivered the Release to the Company, and (ii) the Release has become irrevocable:

**(i) Bonus.** The Company shall pay the Executive an annual bonus for the fiscal year of the Company ("Fiscal Year") in which the date of the Executive's termination of employment occurs, which shall be prorated for the number of days of such Fiscal Year that the Executive is employed by the Company. The amount of such annual bonus, prior to proration, shall be equal to the annual bonus that the Executive would have earned under the Company's bonus plan for the Fiscal Year in which the Executive's termination of employment occurs had the Executive remained in its employment, contingent on the relevant annual bonus plan performance goals for the year in which Executive terminates having been obtained. However, in no case shall any such annual bonus, prior to proration, attributable to any Fiscal Year commencing on or after the first day of the Fiscal Year in which the Executive's termination of employment occurs exceed 100% of the Executive's target bonus for the Fiscal Year in which the Executive's termination of employment occurs. Such bonus shall be paid on the later of the date they would otherwise be paid in accordance with the applicable Company bonus plan or sixty days after the date of the Executive's termination of employment.

**(ii) Stock Options.** Stock options granted to the Executive by the Company and which remain outstanding immediately prior to the date of termination of the Executive's employment, as provided in Section 7(b), shall remain outstanding until and shall immediately become vested in full upon the Release becoming irrevocable.

(iii) **Restricted Stock.** Shares of restricted stock granted to the Executive by the Company which have not become vested as of the date of termination of the Executive's employment, as provided in Section 7(b), shall immediately become vested on a pro rata basis upon the Release becoming irrevocable. The number of such additional shares of restricted stock that shall become vested as of the date of the Executive's termination of employment shall be that number of additional shares that would have become vested through the date of such termination of employment at the rate(s) determined under the vesting schedule applicable to such shares had such vesting schedule provided for the accrual of vesting on a daily basis (based on a 365-day year). The pro rata amount of shares vesting through the date of non-renewal shall be calculated by multiplying the number of unvested shares scheduled to vest in each respective vesting year by the ratio of the number of days from the date of grant through the date of non-renewal, and the number of days from the date of grant through the original vesting date of the respective vesting tranche. Any shares of restricted stock remaining unvested after such pro rata vesting shall automatically be reacquired by the Company in accordance with the provisions of the applicable restricted stock agreement, and the Executive shall have no further rights in such unvested portion of the restricted stock. In addition, the Company shall waive any reacquisition or repayment rights for dividends paid on restricted stock prior to Executive's termination of employment.

(iv) **Performance Share Awards.** On the Performance Share Vesting Date on or next following the Executive's date of termination of employment, the number of Performance Shares that shall become Vested Performance Shares shall be determined by multiplying (a) that number of shares of Company Common Stock subject to the Performance Share Agreement that would have become Vested Performance Shares had no such termination occurred; provided, however, in no case shall the number of Performance Shares that become Vested Performance Shares prior to proration exceed 100% of the Target Number of Performance Shares set forth in the Performance Share Agreement, by (b) the ratio of the number of full months of the Executive's employment with the Company during the Performance Period (as defined in the Performance Share Agreement) to the number of full months contained in the Performance Period. Vested Common Shares shall be issued in settlement of such Vested Performance Shares on the Settlement Date next following the date of the Executive's termination of employment.

(v) **Unvested Common Shares Issued in Settlement of Performance Share Awards.** If the Executive terminates employment pursuant to Section 6(g) after the Performance Share Vesting Date, all Unvested Common Shares issued in settlement of the Performance Share Award shall become vested in full effective as of the date of such termination.

(e) **Special Change in Control Provisions.**

(i) **Termination of Employment in Connection with a Change in Control.** If the Executive's employment is terminated either by the Company Without Cause (as defined in Section 6(d)) or by the Executive for Good Reason (as defined in Section 6(e)(ii)), in either case within the period commencing one

month prior to and ending twelve months following a Change in Control, then, subject to Section 22 [Compliance with Section 409A], the

Executive shall be entitled to the compensation and benefits set forth in Sections 8(e)(i)(a) through (e) (in addition to any other payments or benefits provided under this Agreement), provided that within sixty days following the Executive's termination of employment (i) the Executive has executed and delivered the Release to the Company, and (ii) the Release has become irrevocable:

a. **Salary.** The Executive shall be entitled to a cash payment equal to 2.99 times the Executive's then current annual base salary, which shall be paid to the Executive sixty days following such termination of employment. The payment under this paragraph 9(c) Section 8(e)(i)(a) shall take the place of any payment under paragraph 9(a) Section 8(a)(i) and the Executive shall not be entitled to receive any a payment under paragraph 9(a) Section 8(a)(i) if the Executive is entitled to a payment under this paragraph 9(c) Section 8(e)(i)(a)."

10. Paragraph 9(c)(ii) of the Employment Agreement is hereby amended to read as follows:

"Theb. **Bonus.** The Executive shall be entitled to a cash payment equal to 2.99 times the Executive's target annual bonus for the Company's fiscal year then in which effect on the date termination of employment occurs, which shall be paid to the Executive sixty days following such termination of employment. The payment under this paragraph 9(c)(ii) Section 8(e)(i)(b) shall take the place of any payment under paragraph 9(a) Section 8(a)(ii) and the Executive shall not be entitled to receive any a payment under paragraph 9(a) Section 8(a)(ii) if the Executive is entitled to a payment under this paragraph 9(c)(ii) Section 8(e)(i)(b)."

11. Paragraph 9(c) of the Employment Agreement is hereby amended by inserting the following new paragraph 9(c)(v) immediately after paragraph 9(c)(iv).

"(v) c. **Restricted Stock Awards Equity.** All shares of Restricted Stock restricted stock granted to the Executive by the Company shall become vested in full upon the termination. Additionally, if the termination occurs prior to the Performance Share Vesting Date, 100% of the Target Number of Performance Shares shall be deemed Vested Performance Shares effective as of the date of the termination. All Unvested Common Shares issued in settlement of the Performance Share Award shall become vested effective as of the date of such termination. Except as set forth in this Section 8(e), the treatment of stock options, performance share awards and all other equity awards granted to the Executive by the Company that

remain outstanding immediately prior to the date of such Change in Control shall be determined in accordance with their terms.

d. **Estate Planning.** The Executive shall be entitled to reimbursement of the Executive's estate planning expenses (including attorneys' fees) on the same basis, if any, as to which the Executive was entitled to such reimbursements immediately prior to such termination of employment for the remainder of the Term of Employment then in effect.

e. **Health Care Coverage.** The Company shall continue to provide the Executive with medical, dental, vision, and mental health care coverage at or equivalent to the level of coverage which the Executive had at the time of the termination of employment (including coverage for the Executive's eligible dependents to the extent such dependents were covered immediately prior to such termination of employment) for the remainder of the Term of Employment, except coverage for dependents will end when dependent is no longer eligible for coverage, if earlier than the Term of Employment end date; **provided, however** that in the event such coverage may no longer be extended to the Executive following termination of the Executive's employment either by the terms of the Company's health care

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plans or under then applicable law, the Company shall instead reimburse the Executive for the Executive's cost of substantially equivalent health care coverage available to the Executive under ERISA Section 601 and thereafter and Section 4980B of the Internal Revenue Code (i.e., COBRA coverage) for a period not to exceed 18 months after the termination of the Executive's employment; and **provided further** that (1) any such health care coverage or reimbursement for health care coverage shall cease at such time that the Executive becomes eligible for health care coverage through another employer and (2) any such reimbursement shall be made by the last day of the calendar year following the end of the calendar year with respect to which such coverage or reimbursement is provided. The Executive must notify the Company within five business days of becoming eligible for such other coverage and promptly repay the Company any benefits the Executive received in error.

(ii) **Change in Control Defined.** **"Change in Control"** means the occurrence of any one or more of the following with respect to the Company:

(1) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")) acquires during a twelve-month period ending on the date of the most recent acquisition by such person, in one or a series of transactions, "beneficial ownership" (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing thirty-five percent (35%) or more of the total combined voting power of the

Company's then-outstanding securities entitled to vote generally in the election of directors; provided, however, that a Change in Control shall not be deemed to have occurred if such degree of beneficial ownership results from any of the following: (A) an acquisition by any person who, on the Effective Date of the then current Equity Incentive Plan, is the beneficial owner of thirty-five percent (35%) or more of such voting power; (B) any acquisition directly from the Company, including, without limitation, pursuant to or in connection with a public offering of securities; (C) any acquisition by the Company; (D) any acquisition by a trustee or other fiduciary under an employee benefit plan of the Company; or (E) any acquisition by an entity owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the voting securities of the Company; or

(2) any of the following events ("Ownership Change Event") or series of related Ownership Change Events (collectively, a "Transaction"):

(A) the direct or indirect sale or exchange in a single or series of related transactions by the stockholders of the Company of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities then entitled to vote generally in the election of directors; (B) a merger or consolidation in which the Company is a party; or (C) the sale, exchange, or transfer of all or substantially all of the assets of the Company (other than a sale, exchange, or transfer to one or more subsidiaries of the Company), provided that with respect to any such Transaction the stockholders of the Company immediately before the Transaction do not retain immediately after such Transaction direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the outstanding securities entitled to vote generally in the election of directors or, in the Ownership Change Event described in clause (C), the entity to which the assets of the Company were transferred (the "Transferee"), as the case may be; or

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(3) a date specified by the Compensation Committee of the Board following approval by the stockholders of a plan of complete liquidation or dissolution of the Company. For purposes of the preceding sentence, indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company or the Transferee, as the case may be, either directly or indirectly or through one or more subsidiary corporations or other business entities. The Committee shall determine whether multiple events described in clauses (1), (2), or (3) are related and to be treated in the aggregate as a single Change in Control, and its determination shall be final, binding and conclusive.

(i) **Excise Tax - Best After-Tax Result.** In the event that any payment or benefit received or to be received by the Executive pursuant to this Agreement or otherwise ("Payments") would

(a) constitute a "parachute payment" within the meaning of Section 280G of the Code and (b) but for this section, be subject to the excise tax imposed by Section 4999 of the Code, any successor provisions, or any comparable federal, state, local or foreign excise tax ("Excise Tax"), then, subject to the provisions of Section 8(e)(iv), such Payments shall be either (1) provided in full pursuant to the terms of this Agreement or any other applicable agreement, or (2) provided as to such lesser extent which would result in no portion of such Payments being subject to the Excise Tax ("Reduced Amount"), whichever of the foregoing amounts, taking into account the applicable federal, state, local and foreign income, employment and other taxes and the Excise Tax (including, without limitation, any interest or penalties on such taxes), results in the receipt by the Executive, on an after-tax basis, of the greatest amount of payments and benefits provided for hereunder or otherwise, notwithstanding that all or some portion of such Payments may be subject to the Excise Tax. If the Executive's payments or benefits are delivered to a lesser extent in accordance with this clause (2) above, then the Executive's aggregate benefits shall be reduced in the following order: (i) cash severance pay that is exempt from Section 409A; (ii) any other cash severance pay; (iii) reimbursement payments under Section 4(c), above; (iv) any restricted stock; (v) any equity awards other than restricted stock and stock options; and (vi) stock options. Unless the Company and the Executive otherwise agree in writing, any determination required under this Section shall be made by an independent advisor designated by the Company and reasonably acceptable to the Executive ("Independent Advisor"), whose determination shall be conclusive and binding upon the Executive and the Company for all purposes. For purposes of making the calculations required under this Section, Independent Advisor may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code; provided that Independent Advisor shall assume that the Executive pays all taxes at the highest marginal rate. The Company and the Executive shall furnish to Independent Advisor such information and documents as Independent Advisor may reasonably request in order to make a determination under this Section. The Company shall bear all costs that Independent Advisor may incur in connection with any calculations contemplated by this Section. In the event that this Section 8(e)(iii) applies, then based on the information provided to the Executive and the Company by Independent Advisor, the Executive may, in the Executive's sole discretion and within thirty days of the date on which the Executive is provided with the information prepared by Independent Advisor, determine which and how much of the Payments (including the

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accelerated vesting of equity compensation awards) to be otherwise received by the Executive shall be eliminated or reduced (as long as after such determination the value (as calculated by Independent Advisor in accordance with the provisions of Sections 280G and 4999 of the Code) of the amounts payable or distributable to the Executive equals the Reduced Amount). If the Internal Revenue Service (the "IRS") determines that any

Payment is subject to the Excise Tax, then Section 8(e)(iv) hereof shall apply, and the enforcement of Section 8(e)(iv) shall be the exclusive remedy to the Company.

(ii) **Adjustments.** If, notwithstanding any reduction described in Section 8(e)(iii) (or in the absence of any such reduction), the IRS determines that the Executive is liable for the Excise Tax as a result of the receipt of one or more Payments, then the Executive shall be obligated to surrender or pay back to the Company, within 120 days after a final IRS determination, an amount of such payments or benefits equal to the “Repayment Amount.” The Repayment Amount with respect to such Payments shall be the smallest such amount, if any, as shall be required to be surrendered or paid to the Company so that the Executive’s net proceeds with respect to such Payments (after taking into account the payment of the excise tax imposed on such Payments) shall be maximized. Notwithstanding the foregoing, the Repayment Amount with respect to such Payments shall be zero if a Repayment Amount of more than zero would not eliminate the Excise Tax imposed on such Payments or if a Repayment Amount of more than zero would not maximize the net amount received by the Executive from the Payments. If the Excise Tax is not eliminated pursuant to this Section, the Executive shall pay the Excise Tax.

(iii) **Acquirer Does Not Assume Performance Share Award.** In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the “Acquirer”), may, without the consent of the Executive, assume or continue in full force and effect the Company’s rights and obligations under a Performance Share Award or substitute for the Award a substantially equivalent award for the Acquirer’s stock. For purposes of this Section, a Performance Share Award shall be deemed assumed if, following the Change in Control, the Award confers the right to receive, subject to the terms and conditions of the applicable Company incentive plan and this Agreement, for each Performance Share or Unvested Common Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a holder of a share of Stock on the effective date of the Change in Control was entitled. Notwithstanding any other provision of this Agreement to the contrary, if the Acquirer elects not to assume, continue or substitute for the outstanding Performance Share Awards in connection with a Change in Control prior to the Performance Share Vesting Date, (i) the Target Number of Performance Shares shall become fully vested and such Performance Shares shall be deemed Vested Performance Shares and one Vested Common Share shall be issued to the Executive for each such Vested Performance Share immediately prior to the Change in Control and (ii) any Unvested Common Shares issued in settlement of Performance Share Awards shall become fully vested effective immediately prior to the Change in Control, provided that the Executive’s employment with the Company has not terminated immediately prior to the Change in Control. The vesting of Performance Shares and settlement of Awards that were permissible solely by reason of this Section shall be conditioned

upon the consummation of the Change in Control.

(iv) **Acquirer Does Not Assume Restricted Stock Award.** In the event of a Change in Control, the Acquirer, may, without the consent of the Executive, assume or continue in full force and effect the Company's rights and obligations under a Restricted Stock Award or substitute for the Award a substantially equivalent award for the Acquirer's stock. For purposes of this Section, a Restricted Stock Award shall be deemed assumed if, following the Change in Control, the Award confers the right to receive, subject to the terms and conditions of the applicable Company incentive plan and this Agreement, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a holder of a share of Stock on the effective date of the Change in Control was entitled. Notwithstanding any other provision of this Agreement to the contrary, if the Acquirer elects not to assume, continue or substitute for the outstanding Stock Award in connection with a Change in Control, all of the Shares shall become vested immediately prior to the Change in Control, provided that the Executive's employment with the Company has not terminated immediately prior to the Change in Control. The vesting of Shares and settlement of Awards that were permissible solely by reason of this Section shall be conditioned upon the consummation of the Change in Control.

## 9. **Certain Employment Obligations.**

(a) **Employee Acknowledgement.** The Company and the Executive acknowledge that (i) the Company has a special interest in and derives significant benefit from the unique skills and experience of the Executive; (ii) as a result of the Executive's service with the Company, the Executive will use and have access to some of the Company's proprietary and valuable Confidential Information during the course of the Executive's employment; (iii) the Confidential Information has been developed and created by the Company at substantial expense and constitutes valuable proprietary assets of the Company, and the Company will suffer substantial damage and irreparable harm which will be difficult to compute if, during the term of the Executive's employment or thereafter, the Executive should disclose or improperly use such Confidential Information in violation of the provisions of this Agreement; (iv) the Company will suffer substantial damage which will be difficult to compute if, the Executive solicits or interferes with the Company's employees; (v) the provisions of this Agreement are reasonable and necessary for the protection of the business of the Company; and (vi) the provisions of this Agreement will not preclude the Executive from obtaining other gainful employment or service.

(b) **Non-Solicitation of Employees.** During the period of the Executive's employment with the Company and for a period of 24 months following the Executive's termination of that employment with the Company, the Executive shall not, without the written permission of the Company or an affected affiliate, directly or indirectly (i) solicit, recruit, attempt to recruit or raid, or have or cause any other person or entity to solicit, recruit, attempt to recruit or raid, or otherwise induce the termination of employment of any person who is employed by the Company or (ii) encourage any such person not to devote such person's full business time to the Company. Executive also shall not use any of the Company's trade secrets to directly or indirectly solicit the employees of the Company. These non-solicitation provisions explicitly cover all forms of oral, written, or electronic communication, including, but not limited

to, communications by email, regular mail, express mail, telephone, fax, instant message, and social media, including, but not limited to, Facebook, LinkedIn, Instagram, Twitter, TikTok, and any other social media platform, whether or not in existence at the time of entering into this Agreement. However, it will not be deemed a violation of this Agreement if the Executive merely updates the Executive's LinkedIn profile without engaging in any other substantive communication, by social media or otherwise, that is prohibited by this non-solicitation provision.

(c) **Non-Solicitation of Third Parties.** During the period of the Executive's employment with the Company and for a period of 24 months following the Executive's termination of employment with the Company, the Executive shall not in any way use any of the Company's trade secrets to directly or indirectly solicit or otherwise influence any entity with a business arrangement with the Company, with whom the Executive had contact during the Executive's employment with the Company, including, without limitation, suppliers, sales representatives, lenders, lessors, and lessees, to discontinue, reduce, or otherwise materially or adversely affect such relationship. These non-solicitation provisions explicitly cover all forms of oral, written, or electronic communication, including, but not limited to, communications by email, regular mail, express mail, telephone, fax, instant message, and social media, including, but not limited to, Facebook, LinkedIn, Instagram, Twitter, TikTok, and any other social media platform, whether or not in existence at the time of entering into this Agreement. However, it will not be deemed a violation of this Agreement if the Executive merely updates the Executive's LinkedIn profile without engaging in any other substantive communication, by social media or otherwise, that is prohibited by this non-solicitation provision.

(d) **Non-Disparagement.** The Executive acknowledges and agrees that the Executive will not defame or criticize the services, business, integrity, veracity, or personal or professional reputation of the Company or any of its directors, officers, employees, affiliates, or agents of any of the foregoing in either a professional or personal manner either during the term of the Executive's employment or thereafter.

## 10. Company Remedies for Executive's Breach of Certain Obligations.

(a) The Executive acknowledges and agrees that in the event that the Executive breaches or threatens to breach Sections 5 or 9 of this Agreement, all compensation and benefits otherwise payable pursuant to this Agreement and the vesting and/or exercisability of all stock options, restricted stock, performance shares and other forms of equity compensation previously awarded to the Executive, notwithstanding the provisions of any agreement evidencing any such award to the contrary, shall immediately cease.

(b) The Company shall give prompt notice to the Executive of its discovery of a breach by the Executive of Sections 5 or 9 of this Agreement. If it is determined by a vote of not less than two-thirds of the members of the Board that the Executive has breached Sections 5 or 9 of this Agreement and has not cured such breach within ten business days of such notice, then:

(i) the Executive shall forfeit to the Company (A) all stock options, stock appreciation rights, performance shares and other equity compensation awards (other than shares of restricted stock, restricted stock units, and common shares issued in settlement of performance share awards or similar awards) granted to the Executive by the Company which remain outstanding and unexercised or unpaid as of the date of such determination by the Board (the "Breach Determination Date") and (B) all shares of restricted stock, restricted stock units, common shares issued in settlement of performance share awards and similar awards granted to the Executive by the Company which continue to be held by the Executive as of the Breach Determination Date to the extent that such awards vested during the Forfeiture Period (as defined below); and

(ii) the Executive shall pay to the Company all gains realized by the Executive upon (A) the exercise by or payment in settlement to the Executive on and after the commencement of the Forfeiture Period of stock options, stock appreciation rights, performance shares and other equity compensation awards (other than shares of restricted stock, restricted stock units or similar awards) granted to the Executive by the Company and (B) the sale on and after the commencement of the Forfeiture Period of shares or other property received by the Executive pursuant to awards of restricted stock, restricted stock units or similar awards granted to the Executive by the Company and which vested during the Forfeiture Period.

(c) For purposes of this Section, the gain realized by the Executive upon the exercise or payment in settlement of stock options, stock appreciation rights, performance shares and other equity compensation awards shall be equal to (A) the closing sale price on the date of exercise or settlement (as reported on the stock exchange or market system constituting the principal market for the shares subject to the applicable award) of the number of vested shares issued to the Executive upon such exercise or settlement, reduced by the purchase price, if any, paid by the Executive to acquire such shares, or (B) if any such award was settled by payment in cash to the Executive, the gain realized by the Executive shall be equal to the amount of cash paid to the Executive. Further, for purposes of this Section, the gain realized by the Executive upon the sale of shares or other property received by the Executive pursuant to awards of restricted stock, restricted stock units or similar awards shall be equal to the gross proceeds of such sale realized by the Executive. Gains determined for purposes of this Section shall be determined without regard to any subsequent increase or decrease in the market price of the Company's stock or taxes paid by or withheld from the Executive with respect to such transactions.

(d) For the purposes of this Section, the "Forfeiture Period" shall be the period ending on the Breach Determination Date and beginning on the earlier of (A) the date six months prior to the Breach

Determination Date or (B) the business day immediately preceding the date of the Executive's termination of employment with the Company."

(e) The Executive agrees to pay to the Company immediately upon the Breach Determination Date the amount payable by the Executive to the Company pursuant to this Section.

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(f) The Executive acknowledges that money will not adequately compensate the Company for the substantial damages that will arise upon the breach or threatened breach of Sections 5 or 9 of this Agreement and that the Company will not have any adequate remedy at law. For this reason, such breach or threatened breach will not be subject to the arbitration clause in Section 19; rather, the Company will be entitled, in addition to other rights and remedies, to specific performance, injunctive relief, and other equitable relief to prevent or restrain such breach or threatened breach. The Company may obtain such relief from an arbitrator pursuant to Section 19 hereof, or by simultaneously seeking arbitration under Section 19 and a temporary injunction from a court pending the outcome of the arbitration. It shall be the Company's sole and exclusive right to elect which approach to use to vindicate its rights. The Executive further agrees that in the event of a breach or threatened breach, the Company shall be entitled to obtain an immediate injunction and restraining order to prevent such breach and/or threatened breach and/or continued breach, without posting a bond or having to prove irreparable harm or damages, and to obtain all costs and expenses, including reasonable attorneys' fees and costs. In addition, the existence of any claim or cause of action by the Executive against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the restrictive covenants in this Agreement.

(g) **Recoupment.** The Executive hereby understands and agrees that (i) if the Executive is an "Affected Officer", as defined in the Company's Policy for Recovery of Erroneously Awarded Incentive Compensation, adopted November 15, 2023 ("Recovery Policy"), the Executive shall be subject to the Recovery Policy in addition to the Company's recoupment policy ("Recoupment Policy") and (ii) if the Executive is not an Affected Officer, the Executive shall be subject to the Company's Recoupment Policy. Under the Recoupment Policy applicable to the Company's senior executives, subject to the discretion and approval of the Board, the Company may, to the extent permitted by governing law, require reimbursement of any cash payments and reimbursement and/or cancellation of any Performance Share or Common Shares issued in settlement of a Performance Share to the Executive where all of the following factors are present: (1) the award was predicated upon the achievement of certain financial results that were subsequently the subject of a material restatement, (2) the Board determines that the Executive engaged in fraud or intentional misconduct that was a substantial contributing cause to the need for the restatement, (3) a lower award would have been made to the Executive

based upon the restated financial results, and (4) such amount was not otherwise recovered under the Recovery Policy. In each instance, the Company may seek to recover the Executive's entire gain received by the Executive within the relevant period, plus a reasonable rate of interest.

**11. Exercise of Stock Options Following Termination.** If the Executive's employment terminates, the Executive (or the Executive's estate) may exercise the Executive's right to purchase any vested stock under the stock options granted to the Executive by the Company as provided in the applicable stock option agreement or Company plan. All such purchases must be made by the Executive in accordance with the applicable stock option plans and agreements between the parties.

**12. Successors; Binding Agreement.** This Agreement and all rights of the Executive hereunder shall inure to the benefit of and be enforceable by the Executive's personal

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or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amounts would still be payable to the Executive hereunder, all such amounts shall be paid in accordance with the terms of this Agreement and applicable law to the Executive's beneficiary pursuant to a valid written designation of beneficiary, as determined by the Compensation Committee in its discretion, or, if there is no effective written designation of beneficiary by the Executive, to the Executive's estate.

**13. Insurance and Indemnity.** The Company shall, to the extent permitted by law, include the Executive during the Term of Employment under any directors and officers' liability insurance policy maintained for its directors and officers, with coverage at least as favorable to the Executive in amount and each other material respect as the coverage of other officers covered thereby. The Company's obligation to provide insurance and indemnify the Executive shall survive expiration or termination of this Agreement with respect to proceedings or threatened proceedings based on acts or omissions of the Executive occurring during the Executive's employment with the Company. Such obligations shall be binding upon the Company's successors and assigns and shall inure to the benefit of the Executive's heirs and personal representatives.

**14. Notice.** For the purposes of this Agreement, notices, demands and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered or (unless otherwise specified) mailed by United States registered mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

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If to the Company:

Ross Stores, Inc.  
5130 Hacienda Drive  
Dublin, CA 94568-7579  
Attention: General Counsel

or to such other address as any party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

**15. Complete Agreement; Modification, Waiver; Entire Agreement.** This Agreement, along with any compensation and benefits summary, stock option, restricted stock, performance share or other equity compensation award agreements between the parties, represents the complete agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, promises or representations of the parties, including any prior employment agreement or similar agreement between the parties, except those relating to repayment of signing and related bonuses, or relocation expense reimbursements. To the extent that the bonus payment provisions (i.e., post-termination bonus payments) provided in this Agreement differ from the provisions of the Company's incentive

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bonus plans (currently the Incentive Compensation Plan) or any replacement plans, such bonus payments shall be paid pursuant to the provisions of this Agreement except to the extent expressly prohibited by law. Except as provided by Section 22 [Compliance with Section 409A], no provision of this Agreement may be amended or modified except in a document signed by the Executive and such person as may be designated by the Company. No waiver by the Executive or the Company of any breach of, or lack of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or the same condition or provision at another time. To the extent that this Agreement is in any way deemed to be inconsistent with any prior or contemporaneous compensation and benefits summary, stock option, restricted stock, performance share or other equity compensation award agreements between the parties, or term sheet referencing such specific awards, the terms of this Agreement shall control. No agreements or representations,

oral or otherwise, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. This Agreement shall be modified to comply with any federal securities law or rule or any NASDAQ listing rule adopted to comply therewith.

**16. Governing Law - Severability.** The validity, interpretation, construction, performance, and enforcement of this Agreement shall be governed by the laws of the state in which the Executive's principal place of employment described in Section 3 is located without reference to that state's choice of law rules. If any provision of this Agreement shall be held or deemed to be invalid, illegal, or unenforceable in any jurisdiction, for any reason, the invalidity of that provision shall not have the effect of rendering the provision in question unenforceable in any other jurisdiction or in any other case or of rendering any other provisions herein unenforceable, but the invalid provision shall be substituted with a valid provision which most closely approximates the intent and the economic effect of the invalid provision and which would be enforceable to the maximum extent permitted in such jurisdiction or in such case.

**17. Mitigation.** In the event the Executive's employment with the Company terminates for any reason, the Executive shall not be obligated to seek other employment following such termination. However, any amounts due to the Executive under Sections 8(a)(i), 8(a)(ii), 8(a)(vii), 8(e)(i)(a), 8(e)(i)(b), 8(e)(i)(d) or 8(e)(i)(e) (collectively, "Mitigable Severance") shall be offset by any cash remuneration, health care coverage and/or estate planning reimbursements (collectively, "Mitigable Compensation") attributable to any subsequent employment or consulting/independent contractor arrangement that the Executive may obtain during the period of payment of compensation under this Agreement following the termination of the Executive's employment with the Company. For any calendar quarter, the Executive shall not be entitled to any Mitigable Severance unless the Executive certifies in writing to the Company on or before the first day of any such calendar quarter the amount and nature of Mitigable Compensation the Executive expects to receive during such quarter. In addition, the Executive must notify the Company within five business days of any increase in the amount and/or nature of Mitigable Compensation not previously reported in the most recent quarterly certification. The Executive shall repay to the Company any Mitigable Severance the Executive received in error within ten days of the receipt of such Mitigable Severance.

**18. Withholding.** All payments required to be made by the Company hereunder to the Executive or the Executive's estate or beneficiaries shall be subject to the withholding of

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such amounts as the Company may reasonably determine it should withhold pursuant to any applicable law. To the extent permitted, the Executive may provide all or any part of any necessary withholding by contributing

Company stock with value, determined on the date such withholding is due, equal to the number of shares contributed multiplied by the closing price per share as reported on the securities exchange constituting the primary market for the Company's stock on the date preceding the date the withholding is determined.

**19. Arbitration.** Except as otherwise provided by applicable law, the Company and the Executive shall resolve all disputes or claims relating to or arising out of the parties' employment relationship or this Agreement (including, but not limited to, any claims of breach of contract, wrongful termination, discrimination, harassment, retaliation, failure to accommodate, or wage and hour violations), pursuant to the Federal Arbitration Act and, as applicable, in accordance with the Company's then-current Dispute Resolution Agreement ("Arbitration Agreement"). The Executive and the Company hereby mutually agree that all such disputes shall be fully, finally, and exclusively resolved by binding arbitration in the city in which the Executive's principal place of employment is located. Notwithstanding the Arbitration Agreement, arbitration shall be conducted by JAMS arbitration services pursuant to its Employment Arbitration Rules and Procedures ("JAMS Arbitration Rules") by an arbitrator mutually agreed upon by the parties hereto or, in the absence of such agreement, by an arbitrator selected in accordance with JAMS' then-current Arbitration Rules. To the extent permitted by law, the Company and the Executive agree that each may file claims against the other only in their individual capacities, and may not file claims as a named plaintiff, or participate as a class member, in any class or collective action against the other. Nothing in this arbitration provision or the Arbitration Agreement shall prevent either the Executive or the Company from seeking interim or temporary injunctive or equitable relief from a court of competent jurisdiction pending arbitration. This provision fully incorporates the Arbitration Agreement provided, however, that in the event of any conflict between this provision and the Arbitration Agreement, this provision shall govern.

If there is termination of the Executive's employment with the Company followed by a dispute as to whether the Executive is entitled to the benefits provided under this Agreement, then, during the period of that dispute the Company shall pay the Executive 50% of the amount specified in Section 8 hereof (except that the Company shall pay 100% of any insurance premiums provided for in Section 8), if, and only if, the Executive agrees in writing that if the dispute is resolved against the Executive, the Executive shall promptly refund to the Company all such payments received by, or made by the Company on behalf of, the Executive. If the dispute is resolved in the Executive's favor, promptly after resolution of the dispute the Company shall pay the Executive the sum that was withheld during the period of the dispute plus interest at the rate provided in Section 1274(d) of the Code.

**20. Attorney's Fees.** Except as otherwise provided herein, each party shall bear its own attorney's fees and costs incurred in any action or dispute arising out of this Agreement.

**21. Miscellaneous.** No right or interest to, or in, any payments shall be assignable by the Executive; provided, however, that the Executive shall not be precluded from designating in writing one or more beneficiaries to receive any amount that may be payable after the

Executive's death and the legal representative of the Executive's estate shall not be precluded from assigning any right hereunder to the person or persons entitled thereto. This Agreement shall be binding upon and shall inure to the benefit of the Executive, the Executive's heirs and legal representatives and, the Company and its successors.

**22. Compliance with Section 409A.** Notwithstanding any other provision of this Agreement to the contrary, the provision, time and manner of payment or distribution of all compensation and benefits provided by this Agreement that constitute nonqualified deferred compensation subject to and not exempted from the requirements of Code Section 409A ("Section 409A Deferred Compensation") shall be subject to, limited by and construed in accordance with the requirements of Code Section 409A and all regulations and other guidance promulgated by the Secretary of the Treasury pursuant to such Section (such Section, regulations and other guidance being referred to herein as "Section 409A"), including the following:

(a) **Separation from Service.** Payments and benefits constituting Section 409A Deferred Compensation otherwise payable or provided pursuant to Section 8 upon the Executive's termination of employment shall be paid or provided only at the time of a termination of the Executive's employment that constitutes a Separation from Service. For the purposes of this Agreement, a "Separation from Service" is a separation from service within the meaning of Treasury Regulation Section 1.409A-1(h).

(b) **Six-Month Delay Applicable to Specified Employees.** If, at the time of a Separation from Service of the Executive, the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) (a "Specified Employee"), then any payments and benefits constituting Section 409A Deferred Compensation to be paid or provided pursuant to Section 8 upon the Separation from Service of the Executive shall be paid or provided commencing on the later of (i) the date that is six months after the date of such Separation from Service or, if earlier, the date of death of the Executive (in either case, the "Delayed Payment Date"), or (ii) the date or dates on which such Section 409A Deferred Compensation would otherwise be paid or provided in accordance with Section 8. All such amounts that would, but for this Section 22(b), become payable prior to the Delayed Payment Date shall be accumulated and paid on the Delayed Payment Date.

(c) **Health Care and Estate Planning Benefits.** In the event that all or any of the health care or estate planning benefits to be provided pursuant to Sections 8(a)(vii); 8(e)(i)(d) or 8(e)(i)(e) as a result of a Participant's Separation from Service constitute Section 409A Deferred Compensation, the Company shall provide for such benefits constituting Section 409A Deferred Compensation in a manner that complies with Section 409A. To the extent necessary to comply with Section 409A, the Company shall determine the health care premium cost necessary to provide such benefits constituting Section 409A Deferred Compensation for the applicable coverage period and shall pay such premium cost which becomes due and payable during the applicable coverage period on the applicable due date for such premiums; provided, however, that if the Executive is a Specified Employee, the Company shall not pay any such premium cost until the Delayed Payment Date. If the Company's payment pursuant to the previous sentence is subject to a Delayed Payment

Date, the Executive shall pay the premium cost otherwise payable by the Company prior to the Delayed Payment Date, and on the Delayed

Payment Date the Company shall reimburse the Executive for such Company premium cost paid by the Executive and shall pay the balance of the Company's premium cost necessary to provide such benefit coverage for the remainder of the applicable coverage period as and when it becomes due and payable over the applicable period.

(d) **Stock-Based Awards.** The vesting of any stock-based compensation awards which constitute Section 409A Deferred Compensation and are held by the Executive, if the Executive is a Specified Employee, shall be accelerated in accordance with this Agreement to the extent applicable; provided, however, that the payment in settlement of any such awards shall occur on the Delayed Payment Date. Any stock based compensation which vests and becomes payable upon a Change in Control in accordance with Section 8(e) shall not be subject to this Section 22(d).

(e) **Change in Control.** Notwithstanding any provision of this Agreement to the contrary, to the extent that any amount constituting Section 409A Deferred Compensation would become payable under this Agreement by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also constitute a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A.

(f) **Installments.** The Executive's right to receive any installment payments payable hereunder shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment for purposes of Section 409A.

(g) **Reimbursements.** To the extent that any reimbursements payable to the Executive pursuant to this Agreement are subject to the provisions of Section 409A of the Code, such reimbursements shall be paid to the Executive no later than December 31 of the year following the year in which the cost was incurred; the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year; and the Executive's right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(h) **Rights of the Company; Release of Liability.** It is the mutual intention of the Executive and the Company that the provision of all payments and benefits pursuant to this Agreement be made in compliance with the requirements of Section 409A. To the extent that the provision of any such payment or

benefit pursuant to the terms and conditions of this Agreement would fail to comply with the applicable requirements of Section 409A, the Company may, in its sole and absolute discretion and without the consent of the Executive, make such modifications to the timing or manner of providing such payment and/or benefit to the extent it determines necessary or advisable to comply with the requirements of Section 409A; provided, however, that the Company shall not be obligated to make any such modifications. Any such modifications made by the Company shall, to the maximum extent permitted in compliance with the requirements of Section 409A, preserve the aggregate monetary face value of such payments and/or benefits provided by this Agreement in the absence of such modification; provided, however, that the Company shall in no event be obligated to pay any

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interest or other compensation in respect of any delay in the provision of such payments or benefits in order to comply with the requirements of Section 409A. The Executive acknowledges that (i) the provisions of this Section 22 may result in a delay in the time at which payments would otherwise be made pursuant to this Agreement and (ii) the Company is authorized to amend this Agreement, to void or amend any election made by the Executive under this Agreement and/or to delay the payment of any monies and/or provision of any benefits in such manner as may be determined by the Company, in its discretion, to be necessary or appropriate to comply with Section 409A (including any transition or grandfather rules thereunder) without prior notice to or consent of the Executive. The Executive hereby releases and holds harmless the Company, its directors, officers and stockholders from any and all claims that may arise from or relate to any tax liability, penalties, interest, costs, fees or other liability incurred by the Executive as a result of the application of Code Section 409A.

**23. Future Equity Compensation.** The Executive understands and acknowledges that all awards, if any, of stock options, restricted stock, performance shares and other forms of equity compensation by the Company are made at the sole discretion of the Board or such other committee or person designated by the Board. The Executive further understands and acknowledges, however, that unless the Executive has executed this Agreement and each successive amendment extending the Term of Employment as may be agreed to by the Company and the Executive, it is the intention of the Board and the Executive that, notwithstanding any continued employment with the Company, (a) the Company shall have no obligation to grant any award of stock options, restricted stock, performance shares or any other form of equity compensation which might otherwise have been granted to the Executive on or after the intended commencement of the Initial Term or any Extension thereof for which the Executive has failed to sign the Agreement or the applicable Extension amendment and (b) any such award which is nevertheless granted to the Executive after the intended commencement of the Initial Term or any Extension thereof for which the Executive has failed to sign such Agreement or applicable Extension amendment shall not vest unless and until the Executive has executed the Agreement or applicable Extension amendment, notwithstanding the provisions of any agreement evidencing such award to the contrary.

**24. Counsel.** The Executive has been advised of the Executive's right to consult with counsel prior to executing this Agreement.

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**IN WITNESS WHEREOF**, the parties have executed this Executive Employment Agreement effective as of the date and year first above written.

**Ross Stores, Inc. and Subsidiaries**

By: Barbara Rentler

Chief Executive Officer

**Executive**

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Exhibit A to Executive Employment Agreement

**CONFIDENTIAL SEPARATION AGREEMENT AND GENERAL RELEASE**

This Confidential Separation Agreement and General Release ("Agreement") is entered into by and between \_\_\_\_\_ ("Executive") and Ross Stores, Inc. and its subsidiaries (collectively "Ross" or the "Company"). In consideration for the mutual covenants and undertakings set forth below, Executive and Ross (collectively referred to as the "Parties") knowingly and voluntarily agree as follows:

1. **Separation.** Executive's employment with Ross terminates or terminated effective \_\_\_\_\_ (the "Separation Date").
2. **Verification of Employment.** Executive agrees to refer prospective employers or others seeking verification of Executive's employment to the Company's third party provider, The Work Number (1-800-367-5690 or <http://www.theworknumber.com>). The Work Number will verify Executive's date of employment and job title only.
3. **Compensation and Benefits.** Ross shall pay and provide Executive the compensation and benefits set forth in Sections 8(a)(i) through (vii) of the Executive Employment Agreement, dated \_\_\_\_\_ ("Executive Agreement") in accordance with the terms of those Sections and subject to the provisions in Section 17 of the Executive Agreement regarding mitigation.
4. **Release.** In consideration for Ross' promises herein, Executive knowingly and voluntarily releases and forever discharges Ross, and all of its parent corporations, affiliates, subsidiaries, divisions, successors and assignees, as well as the current and former employees, attorneys, officers, directors and agents thereof of each (collectively referred to throughout the remainder of this Agreement as "Releasees"), of and from any and all claims, judgments, promises, agreements, obligations, damages, losses, costs, expenses (including attorneys' fees) and liabilities of whatever kind and character, known and unknown, which Executive may now have, has ever had, or may in the future have, arising from or in any way connected with any and all matters from the beginning of time to the date hereof, including but not limited to any alleged causes of action for violation of:
  - Title VII of the Civil Rights Act of 1964, as amended
  - The National Labor Relations Act, as amended
  - The Civil Rights Act of 1991
  - Sections 1981 through 1988 of Title 42 of the United States Code, as amended
  - The Employee Retirement Income Security Act of 1974, as amended
  - The Immigration Reform and Control Act, as amended
  - The Americans with Disabilities Act of 1990, as amended
  - The Age Discrimination in Employment Act of 1967, as amended
  - The Federal Workers Adjustment and Retraining Notification Act, as amended

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- The Occupational Safety and Health Act, as amended
- The Sarbanes-Oxley Act of 2002
- The United States Equal Pay Act of 1963
- California Family Rights Act - Cal. Govt. Code § 12945.2 et seq.
- California Fair Employment and Housing Act - Cal. Gov't Code § 12900 et seq.
- Statutory Provisions Regarding Retaliation/Discrimination for Filing a Workers' Compensation Claim - Cal. Lab. Code §132a (1) to (4)
- Statutory Provision Regarding Representations and Relocation of Employment (Cal. Lab. Code §970 et seq.)
- California Unruh Civil Rights Act - Civ. Code § 51 et seq.
- California Sexual Orientation Bias Law - Cal. Lab. Code §1101 et seq.
- California AIDS Testing and Confidentiality Law - Cal. Health & Safety Code §199.20 et seq.
- California Confidentiality of Medical Information - Cal. Civ. Code §56 et seq.
- California Smokers' Rights Law - Cal. Lab. Code §96
- California Parental Leave Law - Cal. Lab. Code §230.7 et seq.
- California Apprenticeship Program Bias Law - Cal. Lab. Code §3070 et seq.
- California Equal Pay Law - Cal. Lab. Code §1197.5 et seq.
- California Whistleblower Protection Law - Cal. Lab. Code § 1102-5(a) to (c)
- California Military Personnel Bias Law - Cal. Mil. & Vet. Code §394 et seq.
- California Family and Medical Leave - Cal. Lab. Code §233
- California Parental Leave for School Visits Law - Cal. Lab. Code §230.7 et seq.
- California Electronic Monitoring of Employees - Cal. Lab. Code §435 et seq.
- Cal/OSHA law, as amended
- California Consumer Reports: Discrimination Law - Cal. Civ. Code §1786.10 et seq.
- California Political Activities of Employees Act - Cal. Lab. Code §1101 et seq.
- California Domestic Violence Victim Employment Leave Act - Cal. Lab. Code §230.1
- California Voting Leave Law - Cal. Elec. Code §14350 et seq.
- California Court Leave Law - Cal. Lab. Code §230
- California Consumer Reports: Discrimination Law - Cal. Civ. Code §1786.10 et seq.
- California Political Activities of Employees Act - Cal. Lab. Code §1101 et seq.
- California Domestic Violence Victim Employment Leave Act - Cal. Lab. Code §230.1
- California Labor Code §§ 2698 and 2699
- Any other federal, state or local civil or human rights law or any other local, state or federal law, regulation or ordinance
- Any public policy, contract, tort, or common law, or
- Any claim for costs, fees, or other expenses including attorneys' fees incurred in these matters

In granting the release herein, you understand that this Agreement includes a release of all claims known or unknown. In giving this release, which includes claims which may be

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unknown to you at present, you acknowledge that you have read and understand Section 1542 of the California Civil Code which reads as follows: **"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."** You hereby expressly waive and relinquish all rights and benefits under that section and any law of any jurisdiction of similar effect with respect to the release of any unknown or unsuspected claims you may have against the Company.

5. **No Filed Claims.** Executive represents that, prior to Executive's execution of this Agreement, Executive did not file any charge, complaint or lawsuit against any of the Releasees with any court or regulatory agency or in any arbitral forum.
6. **Participation/Communication Rights and Obligations.** Nothing in this Agreement precludes Executive from filing a charge or complaint with, communicating with or providing information or documents to, reporting possible violations of law or regulation to, responding to any inquiry from, providing testimony before, or otherwise participating in an investigation or proceeding by the U.S. Equal Employment Opportunity Commission, the U.S. Securities and Exchange Commission, the U.S. Department of Justice, Congress, any agency Inspector General or other governmental agency or regulatory authority, or from making other disclosures that are protected under the whistleblower provisions of federal, state or local law or regulation. Executive hereby agrees, however, to waive Executive's right to any monetary or other recovery should any claim released by this Agreement be pursued by or with any of the foregoing government entities or agencies on Executive's behalf, except that Executive is not prohibited from seeking or obtaining a payment or award from a governmental agency for information provided to the governmental agency. Executive is advised that, notwithstanding Executive's confidentiality and non-disclosure obligations set forth in this Agreement, pursuant to the federal Defend Trade Secrets Act ("DTSA"), Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law, may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal, and (B) does not disclose the trade secret, except pursuant to court order.

7. **No Other Compensation or Benefits.** Executive affirms that Executive has been paid and/or has received all leave (paid or unpaid), compensation, wages, bonuses, commissions, expense reimbursement, and benefits to which Executive may be entitled and that no other

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leave (paid or unpaid), compensation, wages, bonuses, commissions, expense reimbursement or benefits are due to Executive, except as provided in this Agreement.

8. **Acknowledgements Regarding Employment Matters.** The Executive affirms that Executive has no known workplace injuries or occupational diseases and has been provided and/or has not been denied any leave requested, including any leave under the Family and Medical Leave Act or any other leave authorized by federal or state law. Executive further affirms that Executive has not reported any purported improper, unethical or illegal conduct or activities to any supervisor, manager, executive, human resources representative, or agent of Ross and has no knowledge of any such improper, unethical, or illegal conduct or activities. Executive additionally affirms that, during the course of employment at Ross, Executive has taken no actions contrary to or inconsistent with Executive's job responsibilities or the best interests of Ross' business.

9. **Restrictive Covenants.** The parties expressly acknowledge that those certain employment obligations set forth in the Executive Agreement, specifically the non-solicitation of employees provisions in Section 9(b), the non-solicitation of third parties provisions in Section 9(c), and the non-disparagement provisions in Section 9(d) of the Executive Agreement, shall remain in full force and effect for the time period(s) specified in those provisions. To the extent applicable law considers the reason for termination in determining whether to enforce the employment obligations in Sections 9(b) or (c), Executive's involuntary termination shall be deemed to have been for cause if Ross, in its discretion, terminated Executive's employment due to Executive's poor performance, failure to abide by Ross's code of conduct or other policy, theft, dishonesty, breach of fiduciary duty, unauthorized use or disclosure of Ross's property or confidential information, conviction of a crime, unlawful use of illegal drugs, or other misconduct.

10. **Return of Documents, Material, Information and Property.** By no later than the Separation Date, Executive agrees to return to Ross all Ross documents (and copies) and other Ross property that Executive has in Executive's possession, including, but not limited to, Ross files, notes, drawings, records, business

plans and forecasts, financial information, specifications, computer-recorded information, tangible property (laptop computer, cell phone, PDA, flash drives, remote access tokens, etc.), credit cards, entry cards, identification badges and keys, and any materials of any kind that contain or embody any proprietary or confidential information of Ross (and all reproductions thereof), including but not limited to any confidential personnel or personally identifiable information about Ross employees learned in the course and scope of Executive's employment ("Company Property"). Executive represents that Executive has made a diligent search to locate any such documents, property and information, and that Executive has permanently deleted and expunged all Ross information in Executive's possession and from any personal computer, smartphone, tablet, server, cloud or e-mail system. Executive further represents that, other than in the scope of Executive's employment with Ross and for the benefit of Ross,

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Executive has not provided any Company Property to any third party and will not do so in the future.

11. **Cooperation.** Executive further agrees to be available as needed and fully cooperate with Ross in defending any anticipated, threatened, or actual litigation that currently exists or that may arise subsequent to the execution of this Agreement. Such cooperation shall include, but is not limited to, meeting with internal Ross employees to discuss and review issues in which Executive was directly or indirectly involved with during Executive's employment with Ross, participating in any investigation conducted by Ross either internally or by outside counsel or consultants, signing declarations or witness statements, preparing for and serving as a witness in a deposition or at trial in any civil or administrative proceeding, reviewing documents, and similar activities that Ross deems necessary. Executive further agrees to be available as needed and cooperate in answering questions regarding any previous or current project Executive worked on while employed by Ross so as to insure a smooth transition of responsibilities and to minimize any adverse consequences of Executive's departure.
12. **Paragraph 9(i)Confidentiality.** Executive agrees that this is a private agreement and that Executive will not disclose or discuss the fact that it exists or discuss or disclose its terms with anyone other than Executive's spouse, attorney, and accountant, or as required by law. Further, nothing in this Agreement shall limit the Executive's right to disclose factual information related to a claim filed in a civil action or an administrative action regarding sexual assault, sexual harassment, harassment, discrimination or retaliation.

13. **Non-Disparagement.** Except as required by law, Executive agrees not to make, publish or issue, or cause to be made, published or issued, any untrue, disparaging or derogatory statements concerning the Company or any Releasee.

14. **Medicare Representation.** Executive warrants that Executive is not a Medicare beneficiary as of the date of this Agreement and, therefore, no conditional payments are required to be made to Medicare.

15. **Tax Code Section 409A.** This Agreement is intended to comply with Section 409A of the Internal Revenue Code and shall be operated in good-faith compliance with Section 409A and the guidance issued thereunder notwithstanding any provision of this Agreement to the contrary. To the extent that either party believes that any payment to be made hereunder is likely to result in the imposition of the excise taxes applicable under Section 409A of the Internal Revenue Code and the regulations issued thereunder, the parties agree to negotiate in good faith to restructure the timing and form (but not the amount) of any nonconforming payments to the extent necessary to avoid any such excise taxes

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16. **Forum Selection.** Any action arising out of this Agreement or an alleged breach of this Agreement shall be brought only in the courts of the County of Alameda in the State of California. Unless otherwise ordered by the Court, only the provisions of this Agreement in dispute or alleged to have been breached shall be disclosed in any such action.

17. **Applicable Law.** This Agreement shall be governed, interpreted and enforced in accordance with the laws of the State of California without regard to its conflict or choice of law provisions.

18. **Severability.** If any part of this Agreement is found to be invalid or unenforceable, the remaining parts of the Agreement will remain in effect as if no invalid or unenforceable part existed.

19. **Entire Agreement.** This Agreement sets forth the entire agreement between the parties hereto, and fully supersedes all prior agreements or, promises and understandings between the parties, except that the terms set forth in Section 5 (Confidential Information and Intellectual Property), Section 9 (Certain Employment Obligations), Section 10 (Company Remedies for Executive's Breach of Certain Obligations), Section 11 (Exercise of Stock Options Following Termination), Section 13 (Insurance and Indemnity) and Section 17 (Mitigation) of the Executive Agreement shall remain in full force and effect in accordance with its terms. In

the event of any inconsistency between the terms of this Agreement and the aforementioned surviving terms of the Employment Agreement, is hereby amended the terms of this Agreement shall prevail. This Agreement may not be modified except in a writing agreed to and signed by adding the following sentence both parties, providing however that Ross may modify this form of agreement from time to time solely as needed to comply with federal, state, or local laws in effect at the end thereof: "This paragraph 9(i) time this Agreement is to be executed. Executive represents that Executive has not relied on any representations, promises, or agreements of any kind made to Executive in connection with Executive's decision to accept this Agreement except for those set forth in this Agreement.

20. **Counterparts.** This Agreement may be executed in counterparts, each of which shall not apply if the Executive's Employment is terminated after May 31, 2022."

13. Paragraph 9(j) be deemed an original, and all counterparts so executed shall constitute one agreement binding on all of the parties hereto. The Agreement may be signed and transmitted electronically, and such signatures shall be binding and deemed originals for purposes of enforcing this Agreement.

21. **Advice of Counsel.** Executive is advised to discuss this Agreement with an attorney of Executive's choice and acknowledges that Executive has been given ample opportunity to do so and has, in fact, done so.

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22. **Knowing and Voluntary.** Executive acknowledges that Executive is entering into this Agreement freely, knowingly and voluntarily, without duress or coercion, and with a full understanding of its terms. Executive further acknowledges that Executive

- (a) Has carefully read and understands this Agreement;
- (b) Is, through this Agreement, releasing Ross from any and all claims Executive may have against it that have arisen prior to or as of the date of this Agreement, including but not limited to, rights or claims arising under the Age Discrimination in Employment Agreement Act of 1967;
- (c) Knowingly and voluntarily agrees to all of the terms set forth in this Agreement; and
- (d) Knowingly and voluntarily intends to be legally bound by the terms of this Agreement;

The following subparagraphs shall be applicable only if Executive is hereby amended by adding the following sentence forty years of age or older at the end thereof: "Except time Executive signs this Agreement.

(e) Executive has been given a full twenty-one (21) days within which to consider the terms of this Agreement and consult with an attorney of Executive's choice and, to the extent paragraph 9(j) relates Executive executes this Agreement prior to Retention Bonus III (defined in paragraph 4(z) expiration of the full twenty-one (21) days, Executive knowingly and voluntarily waives that period; and

(f) Executive has a full seven (7) days following the execution of this Agreement to revoke this Agreement (the "Revocation Period") by providing written revocation notice to the Company's General Counsel or such other person as the Company designates. The revocation must be personally delivered or mailed to the General Counsel or such other person as the Company designates at 5130 Hacienda Dr., paragraph 9(j) Dublin, CA 94568 and postmarked within seven (7) calendar days of Executive's execution of this Agreement. This Agreement shall not apply if become effective or enforceable until the Executive's Employment is terminated on or after September 1, 2023." Revocation Period has expired.

14. Exhibit A to the Employment Agreement is hereby deleted and replaced by a new Exhibit A attached hereto.

Except for the amendment as set forth above, the Employment Agreement and all of its terms remain in force and in effect.

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IN WITNESS WHEREOF, the parties have The Parties hereto knowingly and voluntarily executed this Amendment Agreement as of the date and year first written above, set forth below:

ROSS STORES,  
INC. and

Subsidiaries Dated: \_\_\_\_\_

/s/Gunnar  
Bjorklund  
Gunnar Bjorklund

Chairman of the Compensation Committee

EXECUTIVE By: \_\_\_\_\_

/s/Michael  
Balmuth Executive  
Michael Balmuth

Date: Dated: August 29,  
2023 \_\_\_\_\_ Date: By:

August 29,  
2023 \_\_\_\_\_  
Ross Stores, Inc. and its Subsidiaries  
("Ross")

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## EXECUTIVE EMPLOYMENT AGREEMENT

**THIS EXECUTIVE EMPLOYMENT AGREEMENT** (this "Agreement") is made effective \_\_\_\_\_, 2024 (the "Effective Date") by and between Ross Stores, Inc., a Delaware corporation, and \_\_\_\_\_ (the "Executive"). References herein to the "Company" shall mean Ross Stores, Inc. and, where appropriate, Ross Stores, Inc. and each and any of its divisions, affiliates or subsidiaries.

### RECITALS

A. The Company wishes to employ the Executive, and the Executive is willing to accept such employment, as \_\_\_\_\_.

B. It is now the mutual desire of the Company and the Executive to enter into a written employment agreement to govern the terms of the Executive's employment by the Company as of and following the Effective Date on the terms and conditions set forth below.

### TERMS AND CONDITIONS

In consideration for the promises of the parties set forth below, the Company and the Executive hereby agree as follows:

1. **Term.** Subject to the provisions of Section 6 of this Agreement, the term of employment of the Executive by the Company under this Agreement shall be as follows:

(a) **Initial Term.** The initial term of employment of the Executive by the Company under this Agreement shall begin on the Effective Date and end on March 31, 2028 (the "Initial Term"), unless extended or terminated earlier in accordance with this Agreement. The Initial Term plus any Extension (as defined in Section 1(c) hereof) thereof shall be the "Term of Employment."

(b) **Extension Intent Notice.** By December 31, 2025, the Executive shall advise the Chief Executive Officer of the Company ("CEO") or the CEO's designee whether the Executive would like the Term of Employment extended. If the Executive does not timely notify the Company of the Executive's desire to extend (or not to extend) the Term of Employment, then such action shall be deemed to result in the Executive's Voluntary Termination as of the Term of Employment end date unless the Company determines otherwise in its sole and absolute discretion.

(c) **New Agreement.** Provided that, in accordance with Section 1(b) hereof, the Executive has timely notified the CEO or the CEO's designee of the Executive's desire to extend the Executive's employment, the Company will consider whether to offer the Executive an extension under this Agreement or a new Employment Agreement. If the Company decides in its sole and absolute discretion to offer the Executive an extension or a new Employment Agreement, the Company will notify the Executive accordingly (an "Extension Notice") not less

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than one hundred eighty (180) days prior to the expiration of the Term of Employment. If the Company timely provides an Extension Notice and the Executive and the Company enter into such extension (or a new Employment Agreement), the Initial Term hereof will be extended by such additional period of time set forth in the Extension Notice (each an "Extension"). If the Company timely provides an Extension Notice and offers the Executive an extension or a new Employment Agreement providing at least comparable terms to the Executive's then current Employment Agreement but the Executive does not agree to enter into such extension or new Employment Agreement, such action shall be deemed to result in Executive's Voluntary Termination as of the Term of Employment end date unless the Company determines otherwise in its sole and absolute discretion.

**2. Position and Duties.** During the Term of Employment, the Executive shall serve as [REDACTED]. During the Term of Employment, the Executive may engage in outside activities provided (i) such activities (including but not limited to membership on boards of directors of not-for-profit and for-profit organizations) do not conflict with the Executive's duties and responsibilities hereunder and (ii) the Executive obtains written approval from the CEO of any significant outside business activity in which the Executive plans to become involved, whether or not such activity is pursued for profit.

**3. Principal Place of Employment.** The Executive shall be employed at the Company's offices in **New York, NY**, except for required travel on the Company's business to an extent substantially consistent with present business travel obligations of the Executive's position.

**4. Compensation and Related Matters.**

**(a) Salary.** During the Term of Employment, the Company shall pay to the Executive a salary at a rate of not less than [REDACTED] (\$[REDACTED]) per annum. The Executive's salary shall be payable in substantially equal installments in accordance with the Company's normal payroll practices applicable to senior executives. Subject to the first sentence of this Section 4(a), the Executive's salary may be adjusted from time to time in accordance with normal business practices of the Company.

**(b) Bonus.** During the Term of Employment, the Executive shall be eligible to receive an annual bonus paid under the Company's existing incentive bonus plan under which the Executive is eligible (which is currently the Incentive Compensation Plan) or any replacement plan that may subsequently be established and in effect during the Term of Employment. The current target annual bonus the Executive is eligible to earn upon achievement of 100% of all applicable performance targets under such incentive bonus plan is \_\_% of the Executive's then effective annual salary rate. Annual bonuses are not earned until the date any such bonus is paid in accordance with the terms of the applicable bonus plan. As such, the Executive's termination for Cause or Voluntary Termination (as described in Sections 6(c) and 6(f), respectively) prior to the Company's payment of the bonus for a fiscal year of the Company will cause the Executive to be ineligible for any annual bonus for that fiscal year or any pro-rata portion of such bonus.

[REDACTED]  
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[REDACTED]  
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**(c) Expenses.** During the Term of Employment, the Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive in performing services hereunder, including, but not limited to, all reasonable expenses of travel and living while away from home, provided that

such expenses are incurred and accounted for in accordance with the policies and procedures established by the Company.

**(d) Benefits.** During the Term of Employment, the Executive shall be entitled to participate in all of the Company's employee benefit plans and arrangements in which senior executives of the Company are eligible to participate. The Company shall not make any changes in such plans or arrangements which would adversely affect the Executive's rights or benefits thereunder, unless such change occurs pursuant to a program applicable to all senior executives of the Company and does not result in a proportionately greater reduction in the rights or benefits of the Executive as compared with any other similarly situated senior executive of the Company. The Executive shall be entitled to participate in, or receive benefits under, any employee benefit plan or arrangement made available by the Company in the future to its senior executives, subject to, and on a basis consistent with, the terms, conditions and overall administration of such plans and arrangements. Except as otherwise specifically provided herein, nothing paid to the Executive under any plan or arrangement presently in effect or made available in the future shall be in lieu of the salary or bonus otherwise payable under this Agreement.

**(e) Vacations.** During the Term of Employment, the Executive shall be entitled to \_\_\_\_\_ vacation days in each calendar year, determined in accordance with the Company's vacation plan. The Executive shall also be entitled to all paid holidays given by the Company to its senior executives. Unused vacation days shall not be forfeited once they have been earned and, if still unused at the time of the Executive's termination of employment with the Company, shall be promptly paid to the Executive at their then-current value, based on the Executive's daily salary rate at the time of the Executive's termination of employment.

**(f) Services Furnished.** The Company shall furnish the Executive with office space and such services as are suitable to the Executive's position and adequate for the performance of the Executive's duties during the Term of Employment.

## 5. Confidential Information and Intellectual Property.

**(a)** This Agreement is intended to supplement, and not to supersede, any rights the Company may have in law or equity with respect to the protection of trade secrets or confidential or proprietary information.

**(b)** Other than in the performance of the Executive's duties hereunder, the Executive agrees not to use in any manner or disclose, distribute, publish, communicate or in any way cause to be used, disclosed, distributed, published, or communicated in any way or at any time, either while in the Company's employ or at any time thereafter, to any person not employed by the Company, or not engaged to render services to the Company, any Confidential Information (as defined below) obtained while in the employ of the Company.

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(c) Confidential Information includes any written or unwritten information which relates to and/or is used by the Company or its subsidiaries, affiliates or divisions, including, without limitation: (i) the names, addresses, buying habits and other special information regarding past, present and potential customers, employees and suppliers of the Company; (ii) customer and supplier contracts and transactions or price lists of the Company and suppliers; (iii) methods of distribution; (iv) all agreements, files, books, logs, charts, records, studies, reports, processes, schedules and statistical information; (v) data, figures, projections, estimates, pricing data, customer lists, buying manuals or procedures, distribution manuals or procedures, and other policy and procedure manuals or handbooks; (vi) supplier information, tax records, personnel histories and records, sales information and property information; (vii) information regarding the present or future phases of business; (viii) ideas, inventions, trademarks, business information, know-how, processes, techniques, improvements, designs, redesigns, creations, discoveries, trade secrets, and developments; (ix) all computer software licensed or developed by the Company or its subsidiaries, affiliates or divisions, computer programs, computer-based and web-based training programs, and systems; and (x) finances and financial information. However, Confidential Information will not include information of the Company or its subsidiaries, affiliates or divisions that (1) became or becomes a matter of public knowledge through sources independent of the Executive, (2) has been or is disclosed by the Company or its subsidiaries, affiliates or divisions without restriction on its use, or (3) has been or is required or specifically permitted to be disclosed by law or governmental order or regulation, provided that the disclosure does not exceed the extent of disclosure required by such law, order or regulation. The Executive shall provide prompt written notice of any such order to the Company's CEO or the CEO's designee sufficiently in advance of making any disclosure to permit the Company to contest the order or seek confidentiality protections, as determined in the Company's sole and absolute discretion. The Executive agrees that, if there is any reasonable doubt whether an item is public knowledge, the Executive will not regard the item as public knowledge until and unless the Company's CEO confirms to the Executive that the information is public knowledge.

(d) The provisions of this Section 5 shall not preclude the Executive from disclosing such information to the Executive's professional tax advisor or legal counsel solely to the extent necessary to the rendering of their professional services to the Executive if such individuals agree to keep such information confidential.

(e) Notwithstanding the foregoing, the U.S. Defend Trade Secrets Act of 2016 ("DTSA") provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (iii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

(f) The Executive agrees that upon leaving the Company's employ the Executive will remain reasonably available to answer questions from Company officers regarding the Executive's former duties and responsibilities and the knowledge the Executive obtained in connection therewith.

(g) The Executive agrees that upon leaving the Company's employ the Executive will not communicate directly or indirectly with, or give statements to, any member of the media (including print, television, radio or social media) relating to any matter (including pending or threatened lawsuits or administrative investigations) about which the Executive has knowledge or information (other than knowledge or information that is not Confidential Information) as a result of employment with the Company. The Executive further agrees to notify the CEO or the CEO's designee immediately after being contacted by any member of the media with respect to any matter affected by this section.

(h) The Executive agrees that all information, inventions and discoveries, whether or not patented or patentable, protected by a copyright or copyrightable, or registered as a trademark or eligible to be registered as a trademark, made or conceived by the Executive, either alone or with others, at any time while employed by the Company, which arise out of such employment or is pertinent to any field of business or research in which, during such employment, the Company, its subsidiaries, affiliates or divisions is engaged or (if such is known to or ascertainable by the Executive) is considering engaging ("Intellectual Property") shall (i) be and remain the sole property of the Company and the Executive shall not seek a patent or copyright or trademark protection with respect to such Intellectual Property without the prior consent of an authorized representative of the Company and (ii) be disclosed promptly to an authorized representative of the Company along with all information the Executive possesses with regard to possible applications and uses. Further, at the request of the Company, and without expense or additional compensation to the Executive, the Executive agrees to, during and after the Executive's employment, execute such documents and perform such other acts as the Company deems necessary to obtain, perfect, maintain, protect and enforce patents on such Intellectual Property in a jurisdiction or jurisdictions designated by the Company, and to assign and transfer to the Company or its designee all such Intellectual Property rights and all patent applications and patents relating thereto. The Executive hereby irrevocably grants the Company power of attorney to execute and deliver any such documents on the Executive's behalf in the Executive's name and to do all other lawfully permitted acts to transfer the work product to the Company and further the transfer, issuance, prosecution, and maintenance of all Intellectual Property rights therein, to the full extent permitted by law, if the Executive does not promptly cooperate with the Company's request (without limiting the rights the Company shall have in such circumstances by operation of

law). The power of attorney is coupled with an interest and shall not be affected by the Executive's subsequent incapacity.

(i) The Executive represents and warrants that, as of the Effective Date, there is no Intellectual Property that: (i) has been created by or on behalf of the Executive, and/or (ii) is owned exclusively by the Executive or jointly by the Executive with others or in which the Executive has an interest, and that relate in any way to any of the Company's actual or proposed

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businesses, products, services, or research and development, and which are not assigned to the Company hereunder.

(j) The Executive and the Company agree that the Executive intends all original works of authorship within the purview of the copyright laws of the United States authored or created by the Executive in the course of the Executive's employment with the Company will be works for hire within the meaning of such copyright law.

(k) Upon termination of the Executive's employment, or at any time upon request of the Company, the Executive will (i) promptly return to the Company all Confidential Information and Intellectual Property, in any form, including but not limited to letters, memoranda, reports, notes, notebooks, books of account, drawings, prints, specifications, formulae, data printouts, microfilms, magnetic tapes, disks, recordings, documents, and all copies thereof, and (ii) delete or destroy all copies of any such documents and materials not returned to the Company that remain in the Executive's possession or control, including those stored on any non-Company devices, networks, storage locations, and media in the Executive's possession or control.

(l) Further, nothing in this Agreement shall limit the Executive's right to disclose sexual harassment or sexual assault disputes.

6. **Termination.** The Executive's employment may be terminated during the Term of Employment only as follows:

(a) **Death.** The Executive's employment shall terminate upon the Executive's death.

(b) **Disability.** If, as a result of the Executive's Disability (as defined below), the Executive shall have been absent from the Executive's duties hereunder on a full-time basis for the entire period of six consecutive months, and, within thirty days after written notice of termination is given by the Company (which

may occur before or after the end of such six-month period), the Executive shall not have returned to the performance of the Executive's duties hereunder on a full-time basis, the Executive's employment shall terminate in accordance with Section 7(b)(ii). For purposes of this Agreement, the term "Disability" shall have the same meaning as ascribed to such term under the Company's long-term disability plan in which the Executive is participating; provided that in the absence of such plan (or the absence of the Executive's participation in such plan), Disability shall mean the Executive's inability to substantially perform the Executive's duties hereunder due to a medically determinable physical or mental impairment which has lasted for a period of not less than one hundred twenty (120) consecutive days.

(c) **For Cause.** The Company may terminate the Executive's employment for Cause. For this purpose, "Cause" means the occurrence of any of the following (i) the Executive's repeated failure to substantially perform the Executive's duties hereunder (unless such failure is a result of a Disability as defined in Section 6(b)); (ii) the Executive's theft,

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dishonesty, breach of fiduciary duty for personal profit or falsification of any documents of the Company; (iii) the Executive's material failure to abide by the applicable code(s) of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct) of the Company; (iv) knowing or intentional misconduct by the Executive as a result of which the Company is required to prepare an accounting restatement; (v) the Executive's unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of the Company (including, without limitation, the Executive's improper use or disclosure of confidential or proprietary information of the Company); (vi) any intentional misconduct or illegal or grossly negligent conduct by the Executive which is materially injurious to the Company monetarily or otherwise; (vii) any material breach by the Executive of the provisions of Section 9 [Certain Employment Obligations] of this Agreement; or (viii) the Executive's conviction (including any plea of guilty or nolo contendere) of any criminal act involving fraud, dishonesty, misappropriation, or moral turpitude, or which materially impairs the Executive's ability to perform the Executive's duties with the Company. A termination for Cause shall not take effect unless: (1) the Executive is given written notice by the Company of its intention to terminate the Executive for Cause; (2) the notice specifically identifies the particular act or acts or failure or failures to act which are the basis for such termination; and (3) where practicable, the notice is given within sixty days of the Company's learning of such act or acts or failure or failures to act.

(d) **Without Cause.** The Company may terminate the Executive's employment at any time Without Cause. A termination "Without Cause" is a termination by the Company of the Executive's employment

with the Company for any reasons other than the death or Disability of the Executive or the termination by the Company of the Executive for Cause as described in Section 6(c).

**(e) Termination by the Executive for Good Reason.**

**(i) Termination Not in Connection with a Change in Control.** At any time during the Term of Employment, other than within the period commencing one month prior to and ending twelve months following a Change in Control (as defined below in Section 8(e)(ii)), the Executive may terminate the Executive's employment with the Company for "Good Reason," which shall be deemed to occur if, within sixty days after receipt of written notice to the Company by the Executive of the occurrence of one or more of the following conditions, any of the following conditions have not been cured: (i) a failure by the Company to comply with any material provision of this Agreement (including but not limited to the reduction of the Executive's salary or the target annual bonus opportunity set forth in Section 4(b)); (ii) a significant diminishment in the nature or scope of the authority, power, function, or duty attached to the position which the Executive currently maintains without the express written consent of the Executive; *provided*, that the Executive's employment may be transferred, assigned, or re-assigned to Ross Stores, Inc. or a division, affiliate, or subsidiary of Ross Stores, Inc.; the division, affiliate, or subsidiary with respect to which the Executive is performing services may be reorganized; and the Executive's direct reports or the person or title of the person to whom the Executive reports may be changed; and no such transfer, assignment, re-assignment, reorganization, or change shall constitute "Good Reason" for the Executive's termination of

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employment under this Section 6(e)(i); or (iii) the relocation of the Executive's Principal Place of Employment as described in Section 3 to a location that increases the regular one-way commute distance between the Executive's residence and Principal Place of Employment by more than 25 miles without the Executive's prior written consent. In order to constitute a termination of employment for Good Reason, the Executive must provide written notice to the Company of the existence of the condition giving rise to the Good Reason termination within sixty days of the initial existence of the condition, and in the event such condition is cured by the Company within sixty days from its receipt of such written notice, the termination shall not constitute a termination for Good Reason.

**(ii) Termination in Connection with a Change in Control.** Within the period commencing a month prior to and ending twelve months following a Change in Control, the Executive may terminate the Executive's employment with the Company for "Good Reason," which shall be deemed to occur if, within sixty days after receipt of written notice to the Company by the Executive of the occurrence of one or more

of the following conditions, any of the following conditions have not been cured: (i) a failure by the Company to comply with any provision of this Agreement (including, but not limited to, the reduction of the Executive's salary, the target annual bonus opportunity or any other incentive opportunity, in each case, as of immediately prior to the Change in Control); (ii) a change in title, the nature or scope of the authority, power, function, responsibilities, reporting relationships, or duty attached to the position which the Executive currently maintains without the express written consent of the Executive; (iii) the relocation of the Executive's Principal Place of Employment as described in Section 3 to a location that increases the regular one-way commute distance between the Executive's residence and Principal Place of Employment by more than 25 miles without the Executive's prior written consent; (iv) a change in the benefits to which the Executive is entitled to immediately prior to the Change in Control; or (v) the failure of the Company to assign this Agreement to any successor to the Company. In order to constitute a termination of employment for Good Reason, the Executive must provide written notice to the Company of the existence of the condition giving rise to the Good Reason termination within sixty days of the initial existence of the condition, and in the event such condition is cured by the Company within sixty days from its receipt of such written notice, the termination shall not constitute a termination for Good Reason.

(f) **Voluntary Termination.** The Executive may voluntarily resign from the Executive's employment with the Company at any time (a "Voluntary Termination"). A voluntary resignation from employment by the Executive for Good Reason pursuant to Section 6(e) shall not be deemed a Voluntary Termination.

(g) **Non-Renewal Termination.** If the Company does not provide the Executive an Extension Notice in accordance with Section 1(c), this Agreement shall automatically expire at the end of the then current Term of Employment (a "Non-Renewal Termination").

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## 7. Notice and Effective Date of Termination.

(a) **Notice.** Any termination of the Executive's employment by the Company or by the Executive during the Term of Employment (other than as a result of the death of the Executive, a Non-Renewal Termination described in Section 6(g), or a Voluntary Termination described in Section 6(f)) shall be communicated by written notice of termination to the other party hereto. Such notice shall indicate the specific termination provision in this Agreement relied upon and, except in the case of termination Without Cause described in Section 6(d), shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under that provision.

(b) **Date of Termination.** The date of termination of the Executive's employment shall be:

(i) if the Executive's employment is terminated due to the Executive's death, the date of the Executive's death;

(ii) if the Executive's employment is terminated due to Disability pursuant to Section 6(b), the date of termination shall be the last to occur of the 31st day following delivery of the notice of termination to the Executive by the Company or the end of the consecutive six-month period referred to in Section 6(b);

(iii) if the Executive's employment is terminated by the Executive as a Voluntary Termination, the effective date shall be a date mutually agreed to by the Company and the Executive, or if the Executive's employment is terminated for any other reason by either party (other than Voluntary Termination), the date on which a notice of termination is delivered to the other party or, in the event of the Company's termination of the Executive, such date as the Company may specify in such notice; and

(iv) if the Agreement expires pursuant to a Non-Renewal Termination described in Section 6(g), the parties' employment relationship shall terminate on the last day of the then current Term of Employment without any notice.

## 8. Compensation and Benefits Upon Termination.

(a) **Termination Due To Disability, Without Cause, or For Good Reason.** If the Executive's employment terminates pursuant to Section 6(b) [Disability], Section 6(d) [Without Cause], or Section 6(e)(i) [Termination by Executive for Good Reason Not in Connection with a Change in Control], then, subject to Section 22 [Compliance with Section 409A], in addition to all salary, annual bonuses, expense reimbursements, benefits and accrued vacation days earned by the Executive pursuant to Section 4 through the date of the Executive's termination of employment, the Executive shall be entitled to the compensation and benefits set forth in Sections 8(a)(i) through (vii), provided that within sixty days following the Executive's termination of employment (i) the Executive has executed and delivered to the Company a general release of claims against the Company and its subsidiaries, affiliates, stockholders, directors, officers, employees, agents, successors, and assigns in the current form approved by

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the Company and attached as Exhibit A (provided, however, that the Company may modify such release in Exhibit A from time to time solely as needed to comply with federal, state or local laws in effect at the time such release is to be executed) (the "Release"), and (ii) the Release has become irrevocable:

(i) **Salary.** Commencing on the sixtieth day after the date of the Executive's termination of employment, the Company shall continue to pay to the Executive the Executive's salary, at the rate in effect immediately prior to such termination of employment, through the remainder of the Term of Employment then in effect; provided, however, that any such salary otherwise payable during the 60-day period immediately following the date of such termination of employment shall be paid to the Executive sixty days following such termination of employment.

(ii) **Bonus.** The Company shall continue to pay to the Executive an annual bonus through the remainder of the Term of Employment then in effect; provided, however, that the amount of the annual bonus determined in accordance with this Section 8(a)(ii) for the fiscal year of the Company ("Fiscal Year") in which such Term of Employment ends shall be prorated on the basis of the number of days of such Term of Employment occurring within such Fiscal Year. The amount of each annual bonus payable pursuant to this Section 8(a)(ii), prior to any proration, shall be equal to the annual bonus that the Executive would have earned had no such termination under Section 8(a) occurred, contingent on the relevant annual bonus plan performance goals for the respective year having been obtained. However, in no case shall any such annual bonus, prior to proration, attributable to any Fiscal Year commencing on or after the first day of the Fiscal Year in which the Executive's termination of employment occurs exceed 100% of the Executive's target bonus for the Fiscal Year in which the Executive's termination of employment occurs. Such bonuses shall be paid on the later of the date they would otherwise be paid in accordance with the applicable Company bonus plan or sixty days after the date of the Executive's termination of employment.

(iii) **Stock Options.** Stock options granted to the Executive by the Company and which remain outstanding immediately prior to the date of termination of the Executive's employment, as provided in Section 7(b), shall remain outstanding until and shall immediately become vested in full upon the Release becoming irrevocable.

(iv) **Restricted Stock.** Shares of restricted stock granted to the Executive by the Company, according to the terms of the Ross Stores, Inc. Restricted Stock Agreement, which have not become vested as of the date of termination of the Executive's employment, as provided in Section 7(b), shall immediately become vested on a pro rata basis upon the Release becoming irrevocable. The number of such additional shares of restricted stock that shall become vested as of the date of the Executive's termination of employment shall be that number of additional shares that would have become vested through the date of such termination of employment at the rate(s) determined under the vesting schedule applicable to such shares had such vesting schedule provided for the accrual of vesting on a daily basis (based on a 365 day year). The pro rata amount of shares vesting through the date of termination shall be calculated by multiplying the number of unvested shares scheduled to vest in each respective

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vesting year by the ratio of the number of days from the date of grant through the date of termination and the number of days from the date of grant through the original vesting date of the respective vesting tranche. Any shares of restricted stock remaining unvested after such pro rata vesting shall automatically be reacquired by the Company in accordance with the provisions of the applicable restricted stock agreement, and the Executive shall have no further rights in such unvested portion of the restricted stock. In addition, the Company shall waive any reacquisition or repayment rights for dividends paid on restricted stock prior to the Executive's termination of employment.

(v) **Performance Share Awards.** On the Performance Share Vesting Date (as defined in the Executive's Notice of Grant of Performance Shares and Performance Share Agreement from the Company (collectively the "Performance Share Agreement")) next following the Executive's date of termination of employment, the number of Performance Shares that shall become Vested Performance Shares (as defined in the Performance Share Agreement) shall be determined by multiplying (a) that number of shares of Company Common Stock subject to the Performance Share Agreement that would have become Vested Performance Shares had no such termination occurred; provided, however, in no case shall the number of Performance Shares that become Vested Performance Shares prior to proration exceed 100% of the Target Number of Performance Shares set forth in the Performance Share Agreement by (b) the ratio of the number of full months of the Executive's employment with the Company during the Performance Period (as defined in the Performance Share Agreement) to the number of full months contained in the Performance Period. Vested Common Shares shall be issued in settlement of such Vested Performance Shares on the Settlement Date next following the date of the Executive's termination of employment.

(vi) **Unvested Common Shares Issued in Settlement of Performance Share Awards.** If the Executive terminates employment pursuant to Sections 6(b), 6(d) or 6(e)(i) after the Performance Share Vesting Date, all Unvested Common Shares (as defined in the Performance Share Agreement) issued in settlement of the Performance Share Award shall become vested in full effective as of the date of such termination.

(vii) **Health Care Coverage.** The Company shall continue to provide the Executive with medical, dental, vision and mental health care coverage at or equivalent to the level of coverage that the Executive had at the time of the termination of employment (including coverage for the Executive's eligible dependents to the extent such dependents were covered immediately prior to such termination of employment) for the remainder of the Term of Employment, except coverage for a dependent will end when the dependent is no longer eligible for coverage, if earlier than the Term of Employment end date, provided, however that in the event such coverage may no longer be extended to the Executive following termination of the Executive's employment either by the terms of the Company's health care plans or under then applicable law, the Company shall instead reimburse the Executive for the Executive's cost of substantially equivalent health care coverage available to the Executive under ERISA Section 601 and thereafter and Section 4980B of the Internal Revenue

Code (i.e., COBRA coverage) for a period not to exceed the lesser of (A) 18 months after the termination of the Executive's employment or (B) the remainder of the Term of Employment, and **provided further** that (1)

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any such health care coverage or reimbursement for health care coverage shall cease at such time that the Executive becomes eligible for health care coverage through another employer and (2) any such reimbursement shall be made no later than the last day of the calendar year following the end of the calendar year with respect to which such coverage or reimbursement is provided. The Executive must notify the Company within five business days of becoming eligible for such other coverage and promptly repay the Company any benefits the Executive received in error.

The Company shall have no further obligations to the Executive as a result of termination of employment described in this Section 8(a) except as set forth in Section 13.

(b) **Termination for Cause or Voluntary Termination.** If the Executive's employment terminates pursuant to Section 6(c) [For Cause] or Section 6(f) [Voluntary Termination], the Executive shall be entitled to receive only the salary, annual bonuses, expense reimbursements, benefits, and accrued vacation days earned by the Executive pursuant to Section 4 through the date of the Executive's termination of employment. Annual bonuses are not earned until the date any such bonus is paid in accordance with the terms of the applicable bonus plan. As such, the Executive shall not be entitled to any bonus not paid prior to the date of the Executive's termination of employment, and the Executive shall not be entitled to any prorated bonus payment for the year in which the Executive's employment terminates. Any stock options granted to the Executive by the Company shall continue to vest only through the date on which the Executive's employment terminates, and unless otherwise provided by their terms, any restricted stock, performance share awards, or other equity awards that were granted to the Executive by the Company that remain unvested as of the date on which the Executive's employment terminates shall automatically be forfeited and the Executive shall have no further rights with respect to such awards. The Company shall have no further obligations to the Executive as a result of termination of employment described in this Section 8(b) except as set forth in Section 13.

(c) **Death.** If the Executive's employment terminates pursuant to Section 6(a) [Death], (i) the Executive's designated beneficiary or the Executive's estate shall be entitled to receive only the salary, any unpaid annual bonus for the fiscal year of the Company occurring immediately prior to the fiscal year in which the Executive's death occurred, expense reimbursements, benefits, and accrued vacation earned by the Executive pursuant to Section 4 through the date of the Executive's death; (ii) at the time payable under the applicable Company bonus plan, an annual bonus shall be paid to the Executive's designated beneficiary or the Executive's

estate for the fiscal year of the Executive's death based on the annual bonus that the Executive would have earned under the Company's bonus plan for such fiscal year had the Executive not died, contingent on the relevant annual bonus plan performance goals for said year having been obtained, capped at 100% of the Executive's target bonus for such fiscal year and pro-rated for the number of days the Executive is employed during such fiscal year until the Executive's death; (iii) any shares of restricted stock granted to the Executive by the Company at least 12 months prior to the Executive's date of death that are unvested as of such date shall immediately become fully vested and any shares of restricted stock granted to the Executive by the Company within the 12-month period ending on the Executive's date of death that are unvested as of such date shall automatically be forfeited and the Executive shall have no further

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rights with respect to such restricted stock; and (iv) the Company shall waive any reacquisition or repayment rights for dividends paid on restricted stock prior to the Executive's death.

(i) **Performance Share Awards.** On the Performance Share Vesting Date next following the Executive's date of death, the number of Performance Shares that shall become Vested Performance Shares shall be determined by multiplying (a) that number of shares of Company Common Stock subject to the Performance Share Agreement that would have become Vested Performance Shares had no such termination occurred; provided, however, in no case shall the number of Performance Shares that become Vested Performance Shares prior to proration exceed 100% of the Target Number of Performance Shares set forth in the Performance Share Agreement, by (b) the ratio of the number of full months of the Executive's employment with the Company during the Performance Period (as defined in the Performance Share Agreement) to the number of full months contained in the Performance Period. Vested Common Shares shall be issued in settlement of such Vested Performance Shares on the Settlement Date next following the Executive's date of death.

(ii) **Unvested Common Shares Issued in Settlement of Performance Share Awards.** If the Executive dies after the Performance Share Vesting Date, all Unvested Common Shares issued in settlement of the Performance Share Award shall become vested in full effective as of the date of such termination.

(d) **Non-Renewal Termination.** If the Agreement expires as set forth in Section 6(g) [Non-Renewal Termination], then, subject to Section 22 [Compliance with Section 409A], in addition to all salary, annual bonuses, expense reimbursements, benefits, and accrued vacation days earned by the Executive pursuant to Section 4 through the date of the Executive's termination of employment, the Executive shall be

entitled to the compensation set forth in Sections 8(d)(i) through (v), provided that within sixty days following the Executive's termination of employment (i) the Executive has executed and delivered the Release to the Company, and (ii) the Release has become irrevocable:

(i) **Bonus.** The Company shall pay the Executive an annual bonus for the fiscal year of the Company ("Fiscal Year") in which the date of the Executive's termination of employment occurs, which shall be prorated for the number of days of such Fiscal Year that the Executive is employed by the Company. The amount of such annual bonus, prior to proration, shall be equal to the annual bonus that the Executive would have earned under the Company's bonus plan for the Fiscal Year in which the Executive's termination of employment occurs had the Executive remained in its employment, contingent on the relevant annual bonus plan performance goals for the year in which the Executive terminates having been obtained. However, in no case shall any such annual bonus, prior to proration, attributable to any Fiscal Year commencing on or after the first day of the Fiscal Year in which the Executive's termination of employment occurs exceed 100% of the Executive's target bonus for the Fiscal Year in which the Executive's termination of employment occurs. Such bonus shall be paid on the later of the date they would otherwise be paid in accordance with the applicable Company bonus plan or sixty days after the date of the Executive's termination of employment.

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(ii) **Stock Options.** Stock options granted to the Executive by the Company and which remain outstanding immediately prior to the date of termination of the Executive's employment, as provided in Section 7(b), shall remain outstanding until and shall immediately become vested in full upon the Release becoming irrevocable.

(iii) **Restricted Stock.** Shares of restricted stock granted to the Executive by the Company which have not become vested as of the date of termination of the Executive's employment, as provided in Section 7(b), shall immediately become vested on a pro rata basis upon the Release becoming irrevocable. The number of such additional shares of restricted stock that shall become vested as of the date of the Executive's termination of employment shall be that number of additional shares that would have become vested through the date of such termination of employment at the rate(s) determined under the vesting schedule applicable to such shares had such vesting schedule provided for the accrual of vesting on a daily basis (based on a 365-day year). The pro rata amount of shares vesting through the date of non-renewal shall be calculated by multiplying the number of unvested shares scheduled to vest in each respective vesting year by the ratio of the number of days from the date of grant through the date of non-renewal, and the number of days from the date of grant through the original vesting date of the respective vesting tranche. Any shares of restricted stock

remaining unvested after such pro rata vesting shall automatically be reacquired by the Company in accordance with the provisions of the applicable restricted stock agreement, and the Executive shall have no further rights in such unvested portion of the restricted stock. In addition, the Company shall waive any reacquisition or repayment rights for dividends paid on restricted stock prior to the Executive's termination of employment.

(iv) **Performance Share Awards.** On the Performance Share Vesting Date on or next following the Executive's date of termination of employment, the number of Performance Shares that shall become Vested Performance Shares shall be determined by multiplying (a) that number of shares of Company Common Stock subject to the Performance Share Agreement that would have become Vested Performance Shares had no such termination occurred; provided, however, in no case shall the number of Performance Shares that become Vested Performance Shares prior to proration exceed 100% of the Target Number of Performance Shares set forth in the Performance Share Agreement, by (b) the ratio of the number of full months of the Executive's employment with the Company during the Performance Period (as defined in the Performance Share Agreement) to the number of full months contained in the Performance Period. Vested Common Shares shall be issued in settlement of such Vested Performance Shares on the Settlement Date next following the date of the Executive's termination of employment.

(v) **Unvested Common Shares Issued in Settlement of Performance Share Awards.**

If the Executive terminates employment pursuant to Section 6(g) after the Performance Share Vesting Date, all Unvested Common Shares issued in settlement of the Performance Share Award shall become vested in full effective as of the date of such termination.

(e) **Special Change in Control Provisions.**

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(i) **Termination of Employment in Connection with a Change in Control.** If the Executive's employment is terminated either by the Company Without Cause (as defined in Section 6(d)) or by the Executive for Good Reason (as defined in Section 6(e)(ii)), in either case within the period commencing one month prior to and ending twelve months following a Change in Control, then, subject to Section 22 [Compliance with Section 409A], the Executive shall be entitled to the compensation and benefits set forth in Sections 8(e)(i) (a) through (e) (in addition to any other payments or benefits provided under this Agreement), provided that within sixty days following the Executive's termination of employment (i) the Executive has executed and delivered the Release to the Company, and (ii) the Release has become irrevocable:

a. **Salary.** The Executive shall be entitled to a cash payment equal to 2.99 times the Executive's then-current annual base salary, which shall be paid to the Executive sixty days following such termination of employment. The payment under this Section 8(e)(i)(a) shall take the place of any payment under Section 8(a)(i) and the Executive shall not be entitled to receive a payment under Section 8(a)(i) if the Executive is entitled to a payment under this Section 8(e)(i)(a).

b. **Bonus.** The Executive shall be entitled to a cash payment equal to 2.99 times the Executive's target annual bonus for the Company's fiscal year then in effect on the date termination of employment occurs, which shall be paid to the Executive sixty days following such termination of employment. The payment under this Section 8(e)(i)(b) shall take the place of any payment under Section 8(a)(ii) and the Executive shall not be entitled to receive a payment under Section 8(a)(ii) if the Executive is entitled to a payment under this Section 8(e)(i)(b).

c. **Equity.** All shares of restricted stock granted to the Executive by the Company shall become vested in full upon the termination. Additionally, if the termination occurs prior to the Performance Share Vesting Date, 100% of the Target Number of Performance Shares shall be deemed Vested Performance Shares effective as of the date of the termination. All Unvested Common Shares issued in settlement of the Performance Share Award shall become vested effective as of the date of such termination. Except as set forth in this Section 8(e), the treatment of stock options, performance share awards and all other equity awards granted to the Executive by the Company that remain outstanding immediately prior to the date of such Change in Control shall be determined in accordance with their terms.

d. **Estate Planning.** The Executive shall be entitled to reimbursement of the Executive's estate planning expenses (including attorneys' fees) on the same basis, if any, as to which the Executive was entitled to such reimbursements immediately prior to such termination of employment for the remainder of the Term of Employment then in effect.

e. **Health Care Coverage.** The Company shall continue to provide Executive with medical, dental, vision, and mental health care coverage at or equivalent to the level of coverage which the Executive had at the time of the termination of

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employment (including coverage for the Executive's eligible dependents to the extent such dependents were covered immediately prior to such termination of employment) for the remainder of the Term of Employment, except coverage for dependents will end when dependent is no longer eligible for coverage, if earlier than the

Term of Employment end date; **provided, however** that in the event such coverage may no longer be extended to the Executive following termination of the Executive's employment either by the terms of the Company's health care plans or under then applicable law, the Company shall instead reimburse the Executive for the Executive's cost of substantially equivalent health care coverage available to the Executive under ERISA Section 601 and thereafter and Section 4980B of the Internal Revenue Code (i.e., COBRA coverage) for a period not to exceed 18 months after the termination of the Executive's employment; and **provided further** that (1) any such health care coverage or reimbursement for health care coverage shall cease at such time that the Executive becomes eligible for health care coverage through another employer and (2) any such reimbursement shall be made by the last day of the calendar year following the end of the calendar year with respect to which such coverage or reimbursement is provided. The Executive must notify the Company within five business days of becoming eligible for such other coverage and promptly repay the Company any benefits the Executive received in error.

(ii) **Change in Control Defined.** "Change in Control" means the occurrence of any one or more of the following with respect to the Company:

(1) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act")) acquires during a twelve-month period ending on the date of the most recent acquisition by such person, in one or a series of transactions, "beneficial ownership" (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing thirty-five percent (35%) or more of the total combined voting power of the Company's then-outstanding securities entitled to vote generally in the election of directors; provided, however, that a Change in Control shall not be deemed to have occurred if such degree of beneficial ownership results from any of the following: (A) an acquisition by any person who, on the Effective Date of the then current Equity Incentive Plan, is the beneficial owner of thirty-five percent (35%) or more of such voting power; (B) any acquisition directly from the Company, including, without limitation, pursuant to or in connection with a public offering of securities; (C) any acquisition by the Company; (D) any acquisition by a trustee or other fiduciary under an employee benefit plan of the Company; or (E) any acquisition by an entity owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the voting securities of the Company; or

(2) any of the following events ("Ownership Change Event") or series of related Ownership Change Events (collectively, a "Transaction") : (A) the direct or indirect sale or exchange in a single or series of related transactions by the stockholders of the Company of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities then entitled to vote generally in the election of directors; (B) a merger or consolidation in which the Company is a party; or (C) the sale, exchange, or transfer of all or substantially all of the assets of the

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Company (other than a sale, exchange, or transfer to one or more subsidiaries of the Company), provided that with respect to any such Transaction the stockholders of the Company immediately before the Transaction do not retain immediately after such Transaction direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the outstanding securities entitled to vote generally in the election of directors or, in the Ownership Change Event described in clause (C), the entity to which the assets of the Company were transferred (the "Transferee"), as the case may be; or

(3) a date specified by the Compensation Committee of the Board following approval by the stockholders of a plan of complete liquidation or dissolution of the Company. For purposes of the preceding sentence, indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company or the Transferee, as the case may be, either directly or indirectly or through one or more subsidiary corporations or other business entities. The Committee shall determine whether multiple events described in clauses (1), (2), or (3) are related and to be treated in the aggregate as a single Change in Control, and its determination shall be final, binding and conclusive.

(i) **Excise Tax - Best After-Tax Result.** In the event that any payment or benefit received or to be received by the Executive pursuant to this Agreement or otherwise ("Payments") would (a) constitute a "parachute payment" within the meaning of Section 280G of the Code and (b) but for this section, be subject to the excise tax imposed by Section 4999 of the Code, any successor provisions, or any comparable federal, state, local, or foreign excise tax ("Excise Tax"), then, subject to the provisions of Section 8(e)(iv), such Payments shall be either (1) provided in full pursuant to the terms of this Agreement or any other applicable agreement, or (2) provided as to such lesser extent which would result in no portion of such Payments being subject to the Excise Tax ("Reduced Amount"), whichever of the foregoing amounts, taking into account the applicable federal, state, local, and foreign income, employment and other taxes and the Excise Tax (including, without limitation, any interest or penalties on such taxes), results in the receipt by the Executive, on an after-tax basis, of the greatest amount of payments and benefits provided for hereunder or otherwise, notwithstanding that all or some portion of such Payments may be subject to the Excise Tax. If the Executive's payments or benefits are delivered to a lesser extent in accordance with this clause (2) above, then the Executive's aggregate benefits shall be reduced in the following order: (i) cash severance pay that is exempt from Section 409A; (ii) any other cash severance pay; (iii) reimbursement payments under Section 4(c), above; (iv) any restricted stock; (v) any equity awards other than restricted stock and stock options; and (vi) stock options. Unless the Company and the Executive otherwise agree in writing, any determination required under this Section shall be made by an independent advisor designated by the Company and reasonably acceptable to the Executive ("Independent Advisor"), whose determination shall be conclusive and binding upon the Executive and the Company for all purposes. For purposes of making the calculations required under this Section, Independent Advisor may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code; provided that Independent Advisor shall assume that the Executive pays all taxes at the highest marginal rate.

The Company and the Executive shall furnish to Independent Advisor such information and documents as Independent Advisor may reasonably request in order to make a determination under this Section. The Company shall bear all costs that Independent Advisor may incur in connection with any calculations contemplated by this Section. In the event that this Section 8(e)(iii) applies, then based on the information provided to the Executive and the Company by Independent Advisor, the Executive may, in the Executive's sole discretion and within thirty days of the date on which the Executive is provided with the information prepared by Independent Advisor, determine which and how much of the Payments (including the accelerated vesting of equity compensation awards) to be otherwise received by the Executive shall be eliminated or reduced (as long as after such determination the value (as calculated by Independent Advisor in accordance with the provisions of Sections 280G and 4999 of the Code) of the amounts payable or distributable to the Executive equals the Reduced Amount). If the Internal Revenue Service (the "IRS") determines that any Payment is subject to the Excise Tax, then Section 8(e)(iv) hereof shall apply, and the enforcement of Section 8(e)(iv) shall be the exclusive remedy to the Company.

(ii) **Adjustments.** If, notwithstanding any reduction described in Section 8(e)(iii) (or in the absence of any such reduction), the IRS determines that the Executive is liable for the Excise Tax as a result of the receipt of one or more Payments, then the Executive shall be obligated to surrender or pay back to the Company, within 120 days after a final IRS determination, an amount of such payments or benefits equal to the "Repayment Amount." The Repayment Amount with respect to such Payments shall be the smallest such amount, if any, as shall be required to be surrendered or paid to the Company so that the Executive's net proceeds with respect to such Payments (after taking into account the payment of the excise tax imposed on such Payments) shall be maximized. Notwithstanding the foregoing, the Repayment Amount with respect to such Payments shall be zero if a Repayment Amount of more than zero would not eliminate the Excise Tax imposed on such Payments or if a Repayment Amount of more than zero would not maximize the net amount received by the Executive from the Payments. If the Excise Tax is not eliminated pursuant to this Section, the Executive shall pay the Excise Tax.

(iii) **Acquirer Does Not Assume Performance Share Award.** In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the "Acquirer"), may, without the consent of the Executive, assume or continue in full force and effect the Company's rights and obligations under a Performance Share Award or substitute for the Award a substantially equivalent award for the Acquirer's stock. For purposes of this Section, a Performance Share Award shall be deemed assumed if, following the Change in Control, the Award confers the right to receive, subject to the terms and conditions of the applicable Company incentive plan and this Agreement, for

each Performance Share or Unvested Common Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a holder of a share of Stock on the effective date of the Change in Control was entitled. Notwithstanding any other provision of this Agreement to the contrary, if the Acquirer elects not to assume, continue, or substitute for the outstanding Performance Share Awards in connection with a Change in Control prior to the

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Performance Share Vesting Date, (i) the Target Number of Performance Shares shall become fully vested and such Performance Shares shall be deemed Vested Performance Shares and one Vested Common Share shall be issued to the Executive for each such Vested Performance Share immediately prior to the Change in Control and (ii) any Unvested Common Shares issued in settlement of Performance Share Awards shall become fully vested effective immediately prior to the Change in Control, provided that the Executive's employment with the Company has not terminated immediately prior to the Change in Control. The vesting of Performance Shares and settlement of Awards that were permissible solely by reason of this Section shall be conditioned upon the consummation of the Change in Control.

(iv) **Acquirer Does Not Assume Restricted Stock Award.** In the event of a Change in Control, the Acquirer, may, without the consent of the Executive, assume or continue in full force and effect the Company's rights and obligations under a Restricted Stock Award or substitute for the Award a substantially equivalent award for the Acquirer's stock. For purposes of this Section, a Restricted Stock Award shall be deemed assumed if, following the Change in Control, the Award confers the right to receive, subject to the terms and conditions of the applicable Company incentive plan and this Agreement, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a holder of a share of Stock on the effective date of the Change in Control was entitled. Notwithstanding any other provision of this Agreement to the contrary, if the Acquirer elects not to assume, continue or substitute for the outstanding Stock Award in connection with a Change in Control, all of the Shares shall become vested immediately prior to the Change in Control, provided that the Executive's employment with the Company has not terminated immediately prior to the Change in Control. The vesting of Shares and settlement of Awards that were permissible solely by reason of this Section shall be conditioned upon the consummation of the Change in Control.

## 9. **Certain Employment Obligations.**

(a) **Employee Acknowledgement.** The Company and the Executive acknowledge that (i) the Company has a special interest in and derives significant benefit from the unique skills and experience of the Executive; (ii) as a result of the Executive's service with the Company, the Executive will use and have access to some of the Company's proprietary and valuable Confidential Information during the course of the Executive's

employment; (iii) the Confidential Information has been developed and created by the Company at substantial expense and constitutes valuable proprietary assets of the Company, and the Company will suffer substantial damage and irreparable harm which will be difficult to compute if, during the Term of Employment or thereafter, the Executive should disclose or improperly use such Confidential Information in violation of the provisions of this Agreement; (iv) the Company will suffer substantial damage and irreparable harm which will be difficult to compute if the Executive competes with the Company in violation of this Agreement; (v) the Company will suffer substantial damage which will be difficult to compute if the Executive solicits or interferes with the Company's employees, clients, or customers; (vi) the provisions of this Agreement are reasonable and necessary for the protection of the business of the Company; and (vii) the

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provisions of this Agreement will not preclude the Executive from obtaining other gainful employment or service.

**(b) Non-Compete.**

(i) During the period of the Executive's employment with the Company and for a period of 24 months following the Executive's termination of employment with the Company, the Executive shall not, directly or indirectly, own, manage, control, be employed by, consult with, participate in, or be connected in any manner with the ownership, management, operation, control of, or otherwise become involved with, any Competing Business, without the Company's written consent.

For purposes of this Agreement, a Competing Business shall mean any of the following: (1) any off-price retailer including, without limitation, **Burlington Stores, Inc. and The TJX Companies, Inc.**; (2) **Macy's, Inc.**; and (3) any affiliates, subsidiaries or successors of the businesses identified above.

(ii) Section 9(b)(i) shall not prohibit the Executive from making any investment of 1% or less of the equity securities of any publicly-traded corporation which is considered to be a Competing Business

(c) **Non-Solicitation of Employees.** During the period of the Executive's employment with the Company and for a period of 24 months following the Executive's termination of that employment with the Company, the Executive shall not, without the written permission of the Company or an affected affiliate, directly or indirectly (i) solicit, recruit, attempt to recruit or raid, or have or cause any other person or entity to solicit, recruit, attempt to recruit or raid, or otherwise induce the termination of employment of, any person who is employed by the Company or was employed by the Company during the 6-month period prior to such solicitation, employment, or retainer; (ii) encourage any such person not to devote such person's full business

time to the Company; or (iii) agree to hire or employ any such person. The Executive also shall not use any of the Company's trade secrets to directly or indirectly solicit the employees of the Company. These non-solicitation provisions explicitly cover all forms of oral, written, or electronic communication, including, but not limited to, communications by email, regular mail, express mail, telephone, fax, instant message, and social media, including, but not limited to, Facebook, LinkedIn, Instagram, Twitter, TikTok, and any other social media platform, whether or not in existence at the time of entering into this Agreement. However, it will not be deemed a violation of this Agreement if the Executive merely updates the Executive's LinkedIn profile without engaging in any other substantive communication, by social media or otherwise, that is prohibited by this non-solicitation provision.

(d) **Non-Solicitation of Third Parties.** During the period of the Executive's employment with the Company and for a period of 24 months following the Executive's termination of employment with the Company, the Executive shall not in any way use any of the Company's trade secrets to directly or indirectly solicit or otherwise influence any entity with a business arrangement with the Company, including, without limitation, suppliers, sales

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representatives, lenders, lessors, and lessees, to discontinue, reduce, or otherwise materially or adversely affect such relationship. These non-solicitation provisions explicitly cover all forms of oral, written, or electronic communication, including, but not limited to, communications by email, regular mail, express mail, telephone, fax, instant message, and social media, including, but not limited to, Facebook, LinkedIn, Instagram, Twitter, TikTok, and any other social media platform, whether or not in existence at the time of entering into this Agreement. However, it will not be deemed a violation of this Agreement if the Executive merely updates the Executive's LinkedIn profile without engaging in any other substantive communication, by social media or otherwise, that is prohibited by this non-solicitation provision.

(e) **Non-Disparagement.** The Executive acknowledges and agrees that the Executive will not defame or criticize the services, business, integrity, veracity, or personal or professional reputation of the Company or any of its directors, officers, employees, affiliates, or agents of any of the foregoing in either a professional or personal manner either during the Term of Employment or thereafter.

## 10. Company Remedies for Executive's Breach of Certain Obligations.

(a) The Executive acknowledges and agrees that in the event that the Executive breaches or threatens to breach Sections 5 or 9 of this Agreement, all compensation and benefits otherwise payable pursuant to this Agreement and the vesting and/or exercisability of all stock options, restricted stock,

performance shares, and other forms of equity compensation previously awarded to the Executive, notwithstanding the provisions of any agreement evidencing any such award to the contrary, shall immediately cease.

(b) The Company shall give prompt notice to the Executive of its discovery of a breach by the Executive of Sections 5 or 9 of this Agreement. If it is determined by a vote of not less than two-thirds of the members of the Board that the Executive has breached Sections 5 or 9 of this Agreement and has not cured such breach within ten business days of such notice, then:

(i) the Executive shall forfeit to the Company (A) all stock options, stock appreciation rights, performance shares and other equity compensation awards (other than shares of restricted stock, restricted stock units, common shares issued in settlement of performance share awards, or similar awards) granted to the Executive by the Company which remain outstanding and unexercised or unpaid as of the date of such determination by the Board (the "Breach Determination Date") and (B) all shares of restricted stock, restricted stock units, and common shares issued in settlement of performance share awards and similar awards granted to the Executive by the Company which continue to be held by the Executive as of the Breach Determination Date to the extent that such awards vested during the Forfeiture Period (as defined below); and

(ii) the Executive shall pay to the Company all gains realized by the Executive upon (A) the exercise by or payment in settlement to the Executive on and after the commencement of the Forfeiture Period of stock options, stock appreciation rights, performance

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shares and other equity compensation awards (other than shares of restricted stock, restricted stock units or similar awards) granted to the Executive by the Company and (B) the sale on and after the commencement of the Forfeiture Period of shares or other property received by the Executive pursuant to awards of restricted stock, restricted stock units, or similar awards granted to the Executive by the Company and which vested during the Forfeiture Period.

(c) For purposes of this Section, the gain realized by the Executive upon the exercise or payment in settlement of stock options, stock appreciation rights, performance shares, and other equity compensation awards shall be equal to (A) the closing sale price on the date of exercise or settlement (as reported on the stock exchange or market system constituting the principal market for the shares subject to the applicable award) of the number of vested shares issued to the Executive upon such exercise or settlement, reduced by the purchase price, if any, paid by the Executive to acquire such shares, or (B) if any such award was

settled by payment in cash to the Executive, the gain realized by the Executive shall be equal to the amount of cash paid to the Executive. Further, for purposes of this Section, the gain realized by the Executive upon the sale of shares or other property received by the Executive pursuant to awards of restricted stock, restricted stock units, or similar awards shall be equal to the gross proceeds of such sale realized by the Executive. Gains determined for purposes of this Section shall be determined without regard to any subsequent increase or decrease in the market price of the Company's stock or taxes paid by or withheld from the Executive with respect to such transactions.

(d) For the purposes of this Section, the "Forfeiture Period" shall be the period ending on the Breach Determination Date and beginning on the earlier of (A) the date six months prior to the Breach Determination Date or (B) the business day immediately preceding the date of the Executive's termination of employment with the Company.

(e) The Executive agrees to pay to the Company immediately upon the Breach Determination Date the amount payable by the Executive to the Company pursuant to this Section.

(f) The Executive acknowledges that money will not adequately compensate the Company for the substantial damages that will arise upon the breach or threatened breach of Sections 5 or 9 of this Agreement and that the Company will not have any adequate remedy at law. For this reason, such breach or threatened breach will not be subject to the arbitration clause in Section 19; rather, the Company will be entitled, in addition to other rights and remedies, to specific performance, injunctive relief, and other equitable relief to prevent or restrain such breach or threatened breach. The Company may obtain such relief from an arbitrator pursuant to Section 19 hereof, or by simultaneously seeking arbitration under Section 19 and a temporary injunction from a court pending the outcome of the arbitration. It shall be the Company's sole and exclusive right to elect which approach to use to vindicate its rights. The Executive further agrees that in the event of a breach or threatened breach, the Company shall be entitled to obtain an immediate injunction and restraining order to prevent such breach and/or threatened breach and/or continued breach, without posting a bond or having to prove irreparable harm or damages, and to obtain all costs and expenses, including reasonable attorneys' fees and

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costs. In addition, the existence of any claim or cause of action by the Executive against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the restrictive covenants in this Agreement.

**(g) Recoupment.** The Executive hereby understands and agrees that (i) if the Executive is an "Affected Officer", as defined in the Company's Policy for Recovery of Erroneously Awarded Incentive Compensation, adopted November 15, 2023 ("Recovery Policy"), the Executive shall be subject to the Recovery Policy in addition to the Company's recoupment policy ("Recoupment Policy") and (ii) if the Executive is not an Affected Officer, the Executive shall be subject to the Company's Recoupment Policy. Under the Recoupment Policy applicable to the Company's senior executives, subject to the discretion and approval of the Board, the Company may, to the extent permitted by governing law, require reimbursement of any cash payments and reimbursement and/or cancellation of any Performance Share or Common Shares issued in settlement of a Performance Share to the Executive where all of the following factors are present: (1) the award was predicated upon the achievement of certain financial results that were subsequently the subject of a material restatement, (2) the Board determines that the Executive engaged in fraud or intentional misconduct that was a substantial contributing cause to the need for the restatement, and (3) a lower award would have been made to the Executive based upon the restated financial results. In each instance, the Company may seek to recover the Executive's entire gain received by the Executive within the relevant period, plus a reasonable rate of interest.

**11. Exercise of Stock Options Following Termination.** If the Executive's employment terminates, the Executive (or the Executive's estate) may exercise the Executive's right to purchase any vested stock under the stock options granted to the Executive by the Company as provided in the applicable stock option agreement or Company plan. All such purchases must be made by the Executive in accordance with the applicable stock option plans and agreements between the parties.

**12. Successors; Binding Agreement.** This Agreement and all rights of the Executive hereunder shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amounts would still be payable to the Executive hereunder, all such amounts shall be paid in accordance with the terms of this Agreement and applicable law to the Executive's beneficiary pursuant to a valid written designation of beneficiary, as determined by the Compensation Committee in its discretion, or, if there is no effective written designation of beneficiary by the Executive, to the Executive's estate.

**13. Insurance and Indemnity.** The Company shall, to the extent permitted by law, include the Executive during the Term of Employment under any directors and officers' liability insurance policy maintained for its directors and officers, with coverage at least as favorable to the Executive in amount and each other material respect as the coverage of other officers covered thereby. The Company's obligation to provide insurance and indemnify the Executive shall survive expiration or termination of this Agreement with respect to proceedings or threatened proceedings based on acts or omissions of the Executive occurring during the Executive's

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employment with the Company. Such obligations shall be binding upon the Company's successors and assigns and shall inure to the benefit of the Executive's heirs and personal representatives.

14. **Notice.** For the purposes of this Agreement, notices, demands and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered or (unless otherwise specified) mailed by United States registered mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

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If to the Company:

Ross Stores, Inc.  
5130 Hacienda Drive  
Dublin, CA 94568-7579  
Attention: General Counsel

or to such other address as any party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

15. **Complete Agreement; Modification, Waiver; Entire Agreement.** This Agreement, along with any compensation and benefits summary, stock option, restricted stock, performance share, or other equity compensation award agreements between the parties, represents the complete agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, promises or representations of the parties, including any prior employment agreement or similar agreement between the parties, except those relating to repayment of signing and related bonuses, or relocation expense reimbursements. To the extent that the bonus payment provisions (i.e., post-termination bonus payments) provided in this Agreement differ from the provisions of the Company's incentive bonus plans (currently the Incentive Compensation Plan) or any replacement plans, such bonus payments shall be paid pursuant to the provisions of this Agreement except to the extent expressly prohibited by law. Except as provided by Section 22 [Compliance with Section 409A], no provision of this Agreement may be amended or modified except in a document signed by the Executive and such person as may be designated by the Company. No waiver by the Executive or the Company of any breach of, or lack of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or the same condition or provision at another time. To the extent that this Agreement is in any way deemed to be inconsistent with any prior or contemporaneous compensation and benefits summary, stock option, restricted stock,

performance share, or other equity compensation award agreements between the parties, or term sheet referencing such specific awards, the terms of this Agreement shall control. No agreements or representations, oral or otherwise, with respect to the

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subject matter hereof have been made by either party which are not set forth expressly in this Agreement. This Agreement shall be modified to comply with any federal securities law or rule or any NASDAQ listing rule adopted to comply therewith.

**16. Governing Law - Severability.** The validity, interpretation, construction, performance, and enforcement of this Agreement shall be governed by the laws of the state in which the Executive's principal place of employment described in Section 3 is located without reference to that state's choice of law rules. If any provision of this Agreement shall be held or deemed to be invalid, illegal, or unenforceable in any jurisdiction, for any reason, the invalidity of that provision shall not have the effect of rendering the provision in question unenforceable in any other jurisdiction or in any other case or of rendering any other provisions herein unenforceable, but the invalid provision shall be substituted with a valid provision which most closely approximates the intent and the economic effect of the invalid provision and which would be enforceable to the maximum extent permitted in such jurisdiction or in such case.

**17. Mitigation.** In the event the Executive's employment with the Company terminates for any reason, the Executive shall not be obligated to seek other employment following such termination. However, any amounts due to the Executive under Sections 8(a)(i), 8(a)(ii), 8(a)(vii), 8(e)(i)(a), 8(e)(i)(b), 8(e)(i)(d) or 8(e)(i)(e) (collectively, "Mitigable Severance") shall be offset by any cash remuneration, health care coverage and/or estate planning reimbursements (collectively, "Mitigable Compensation") attributable to any subsequent employment or consulting/independent contractor arrangement that the Executive may obtain during the period of payment of compensation under this Agreement following the termination of the Executive's employment with the Company. For any calendar quarter, the Executive shall not be entitled to any Mitigable Severance unless the Executive certifies in writing to the Company on or before the first day of any such calendar quarter the amount and nature of Mitigable Compensation the Executive expects to receive during such quarter. In addition, the Executive must notify the Company within five business days of any increase in the amount and/or nature of Mitigable Compensation not previously reported in the most recent quarterly certification. The Executive shall repay to the Company any Mitigable Severance the Executive received in error within ten days of the receipt of such Mitigable Severance.

18. **Withholding.** All payments required to be made by the Company hereunder to the Executive or the Executive's estate or beneficiaries shall be subject to the withholding of such amounts as the Company may reasonably determine it should withhold pursuant to any applicable law. To the extent permitted, the Executive may provide all or any part of any necessary withholding by contributing Company stock with value, determined on the date such withholding is due, equal to the number of shares contributed multiplied by the closing price per share as reported on the securities exchange constituting the primary market for the Company's stock on the date preceding the date the withholding is determined.

19. **Arbitration.** Except as otherwise provided by applicable law, the Company and the Executive shall resolve all disputes or claims relating to or arising out of the parties' employment relationship or this Agreement (including, but not limited to, any claims of breach of contract, wrongful termination, discrimination, harassment, retaliation, failure to

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accommodate, or wage and hour violations), pursuant to the Federal Arbitration Act and, as applicable, in accordance with the Company's then-current Dispute Resolution Agreement ("Arbitration Agreement"). The Executive and the Company hereby mutually agree that all such disputes shall be fully, finally, and exclusively resolved by binding arbitration in the city in which the Executive's principal place of employment is located. Notwithstanding the Arbitration Agreement, arbitration shall be conducted by JAMS arbitration services pursuant to its Employment Arbitration Rules and Procedures ("JAMS Arbitration Rules") by an arbitrator mutually agreed upon by the parties hereto or, in the absence of such agreement, by an arbitrator selected in accordance with JAMS' then-current Arbitration Rules. To the extent permitted by law, the Company and the Executive agree that each may file claims against the other only in their individual capacities, and may not file claims as a named plaintiff, or participate as a class member, in any class or collective action against the other. Nothing in this arbitration provision or the Arbitration Agreement shall prevent either the Executive or the Company from seeking interim or temporary injunctive or equitable relief from a court of competent jurisdiction pending arbitration. This provision fully incorporates the Arbitration Agreement provided, however, that in the event of any conflict between this provision and the Arbitration Agreement, this provision shall govern.

If there is termination of the Executive's employment with the Company followed by a dispute as to whether the Executive is entitled to the benefits provided under this Agreement, then, during the period of that dispute the Company shall pay the Executive 50% of the amount specified in Section 8 hereof (except that the Company shall pay 100% of any insurance premiums provided for in Section 8), if, and only if, the Executive agrees in writing that if the dispute is resolved against the Executive, the Executive shall promptly refund to the

Company all such payments received by, or made by the Company on behalf of, the Executive. If the dispute is resolved in the Executive's favor, promptly after resolution of the dispute the Company shall pay the Executive the sum that was withheld during the period of the dispute plus interest at the rate provided in Section 1274(d) of the Code.

20. **Attorney's Fees.** Except as otherwise provided herein, each party shall bear its own attorney's fees and costs incurred in any action or dispute arising out of this Agreement.

21. **Miscellaneous.** No right or interest to, or in, any payments shall be assignable by the Executive; provided, however, that the Executive shall not be precluded from designating in writing one or more beneficiaries to receive any amount that may be payable after the Executive's death and the legal representative of the Executive's estate shall not be precluded from assigning any right hereunder to the person or persons entitled thereto. This Agreement shall be binding upon and shall inure to the benefit of the Executive, the Executive's heirs and legal representatives and, the Company and its successors.

22. **Compliance with Section 409A.** Notwithstanding any other provision of this Agreement to the contrary, the provision, time and manner of payment or distribution of all compensation and benefits provided by this Agreement that constitute nonqualified deferred compensation subject to and not exempted from the requirements of Code Section 409A ("Section 409A Deferred Compensation") shall be subject to, limited by and construed in

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accordance with the requirements of Code Section 409A and all regulations and other guidance promulgated by the Secretary of the Treasury pursuant to such Section (such Section, regulations and other guidance being referred to herein as "Section 409A"), including the following:

(a) **Separation from Service.** Payments and benefits constituting Section 409A Deferred Compensation otherwise payable or provided pursuant to Section 8 upon the Executive's termination of employment shall be paid or provided only at the time of a termination of the Executive's employment that constitutes a Separation from Service. For the purposes of this Agreement, a "Separation from Service" is a separation from service within the meaning of Treasury Regulation Section 1.409A-1(h).

(b) **Six-Month Delay Applicable to Specified Employees.** If, at the time of a Separation from Service of the Executive, the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) (a "Specified Employee"), then any payments and benefits constituting Section 409A Deferred Compensation to

be paid or provided pursuant to Section 8 upon the Separation from Service of the Executive shall be paid or provided commencing on the later of (i) the date that is six months after the date of such Separation from Service or, if earlier, the date of death of the Executive (in either case, the "Delayed Payment Date"), or (ii) the date or dates on which such Section 409A Deferred Compensation would otherwise be paid or provided in accordance with Section 8. All such amounts that would, but for this Section 22(b), become payable prior to the Delayed Payment Date shall be accumulated and paid on the Delayed Payment Date.

(c) **Health Care and Estate Planning Benefits.** In the event that all or any of the health care or estate planning benefits to be provided pursuant to Sections 8(a)(vii); 8(e)(i)(d) or 8(e)(i)(e) as a result of a Participant's Separation from Service constitute Section 409A Deferred Compensation, the Company shall provide for such benefits constituting Section 409A Deferred Compensation in a manner that complies with Section 409A. To the extent necessary to comply with Section 409A, the Company shall determine the health care premium cost necessary to provide such benefits constituting Section 409A Deferred Compensation for the applicable coverage period and shall pay such premium cost which becomes due and payable during the applicable coverage period on the applicable due date for such premiums; provided, however, that if the Executive is a Specified Employee, the Company shall not pay any such premium cost until the Delayed Payment Date. If the Company's payment pursuant to the previous sentence is subject to a Delayed Payment Date, the Executive shall pay the premium cost otherwise payable by the Company prior to the Delayed Payment Date, and on the Delayed Payment Date the Company shall reimburse the Executive for such Company premium cost paid by the Executive and shall pay the balance of the Company's premium cost necessary to provide such benefit coverage for the remainder of the applicable coverage period as and when it becomes due and payable over the applicable period.

(d) **Stock-Based Awards.** The vesting of any stock-based compensation awards which constitute Section 409A Deferred Compensation and are held by the Executive, if the Executive is a Specified Employee, shall be accelerated in accordance with this Agreement to the extent applicable; provided, however, that the payment in settlement of any such awards shall

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occur on the Delayed Payment Date. Any stock based compensation which vests and becomes payable upon a Change in Control in accordance with Section 8(e) shall not be subject to this Section 22(d).

(e) **Change in Control.** Notwithstanding any provision of this Agreement to the contrary, to the extent that any amount constituting Section 409A Deferred Compensation would become payable under this Agreement by reason of a Change in Control, such amount shall become payable only if the event constituting a

Change in Control would also constitute a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A.

(f) **Installments.** The Executive's right to receive any installment payments payable hereunder shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment for purposes of Section 409A.

(g) **Reimbursements.** To the extent that any reimbursements payable to the Executive pursuant to this Agreement are subject to the provisions of Section 409A of the Code, such reimbursements shall be paid to the Executive no later than December 31 of the year following the year in which the cost was incurred; the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year; and the Executive's right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(h) **Rights of the Company; Release of Liability.** It is the mutual intention of the Executive and the Company that the provision of all payments and benefits pursuant to this Agreement be made in compliance with the requirements of Section 409A. To the extent that the provision of any such payment or benefit pursuant to the terms and conditions of this Agreement would fail to comply with the applicable requirements of Section 409A, the Company may, in its sole and absolute discretion and without the consent of the Executive, make such modifications to the timing or manner of providing such payment and/or benefit to the extent it determines necessary or advisable to comply with the requirements of Section 409A; provided, however, that the Company shall not be obligated to make any such modifications. Any such modifications made by the Company shall, to the maximum extent permitted in compliance with the requirements of Section 409A, preserve the aggregate monetary face value of such payments and/or benefits provided by this Agreement in the absence of such modification; provided, however, that the Company shall in no event be obligated to pay any interest or other compensation in respect of any delay in the provision of such payments or benefits in order to comply with the requirements of Section 409A. The Executive acknowledges that (i) the provisions of this Section 22 may result in a delay in the time at which payments would otherwise be made pursuant to this Agreement and (ii) the Company is authorized to amend this Agreement, to void or amend any election made by the Executive under this Agreement and/or to delay the payment of any monies and/or provision of any benefits in such manner as may be determined by the Company, in its discretion, to be necessary or appropriate to comply with Section 409A (including any transition or grandfather rules).

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thereunder) without prior notice to or consent of the Executive. The Executive hereby releases and holds harmless the Company, its directors, officers and stockholders from any and all claims that may arise from or relate to any tax liability, penalties, interest, costs, fees or other liability incurred by the Executive as a result of the application of Code Section 409A.

**23. Future Equity Compensation.** The Executive understands and acknowledges that all awards, if any, of stock options, restricted stock, performance shares, and other forms of equity compensation by the Company are made at the sole discretion of the Board or such other committee or person designated by the Board. The Executive further understands and acknowledges, however, that unless the Executive has executed this Agreement and each successive amendment extending the Term of Employment as may be agreed to by the Company and the Executive, it is the intention of the Board and the Executive that, notwithstanding any continued employment with the Company, (a) the Company shall have no obligation to grant any award of stock options, restricted stock, performance shares, or any other form of equity compensation which might otherwise have been granted to the Executive on or after the intended commencement of the Initial Term or any Extension thereof for which the Executive has failed to sign the Agreement or the applicable Extension amendment and (b) any such award which is nevertheless granted to the Executive after the intended commencement of the Initial Term or any Extension thereof for which the Executive has failed to sign such Agreement or applicable Extension amendment shall not vest unless and until the Executive has executed the Agreement or applicable Extension amendment, notwithstanding the provisions of any agreement evidencing such award to the contrary.

**24. Counsel.** The Executive has been advised of the Executive's right to consult with counsel prior to executing this Agreement.

**IN WITNESS WHEREOF**, the parties have executed this Executive Employment Agreement effective as of the date and year first above written.

**Ross Stores, Inc. and Subsidiaries**

By: Barbara Rentler

Chief Executive Officer

**Executive**

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## CONFIDENTIAL SEPARATION AGREEMENT AND GENERAL RELEASE

This Confidential Separation Agreement and General Release ("Agreement") is entered into by and between \_\_\_\_\_ ("Executive") and Ross Stores, Inc. and its subsidiaries (collectively "Ross" or "the Company"). In consideration for the mutual covenants and undertakings set forth below, Executive and Ross knowingly and voluntarily agree as follows:

1. **Separation.** Executive's employment with Ross terminates or terminated effective \_\_\_\_\_ (the "Separation Date").
2. **Verification of Employment.** Executive agrees to refer prospective employers or others seeking verification of Executive's employment to the Company's third party provider, The Work Number (1-800-367-5690 or <http://www.theworknumber.com>). The Work Number will verify Executive's dates of employment and job title only.
3. **Compensation and Benefits.** Ross shall pay and provide Executive the compensation and benefits set forth in Sections 8(a)(i) through (vii) of the Executive Employment Agreement, dated \_\_\_\_\_ ("Executive Agreement") in accordance with the terms of those Sections and subject to the provisions in Section 17 of the Executive Agreement regarding mitigation.
4. **Release.** In consideration for Ross' promises herein, Executive knowingly and voluntarily releases and forever discharges Ross, and all of its parent corporations, affiliates, subsidiaries, divisions, successors and assignees, as well as the current and former employees, attorneys, officers, directors, and agents thereof of each (collectively referred to throughout the remainder of this Agreement as "Releasees"), of and from any and all claims, judgments, promises, agreements, obligations, damages, losses, costs, expenses (including attorneys' fees), and liabilities of whatever kind and character, known and unknown, which Executive may now have, has ever had, or may in the future have, arising from or in any way connected with any and all matters from the beginning of time to the date hereof, including but not limited to any alleged causes of action for violation of:
  - Title VII of the Civil Rights Act of 1964,
  - the National Labor Relations Act,
  - the Civil Rights Act of 1991
  - Sections 1981 through 1988 of Title 42 of the United States Code,
  - the Employee Retirement Income Security Act of 1974,
  - the Immigration Reform and Control Act,
  - the Americans with Disabilities Act of 1990, the Age Discrimination in Employment Act of 1967,
  - Federal Workers Adjustments and Retraining Notification Act,
  - the Occupational Safety and Health Act,
  - the Sarbanes-Oxley Act of 2002
  - the Equal Pay Act of 1963

- the New York State Civil Rights Act,
- the New York Equal Pay Law
- the New York State Human Rights Law
- the New York State Labor Law, the New York City Administrative Code and Charter, the Delaware Discrimination in Employment Act, the Delaware Whistleblowers' Protection Act, the Delaware Wage Payment and Collection Act, the Delaware Persons With Disabilities Employment Protections Act, and any
- other federal, state or local civil or human rights law, any other local, state or federal law, regulation or ordinance

  

- any public policy, any contract, tort, or common law, and including any claims for costs, attorneys' fees, or other expenses,

Notwithstanding anything set forth in this Agreement, this release of claims excludes and does not apply to any claims that cannot be released under applicable law, such as worker's compensation and unemployment compensation claims.

5. **No Filed Claims.** Executive represents that, prior to Executive's execution of this Agreement, Executive did not file any charge, complaint or lawsuit against any of the Releasees with any court or regulatory agency or in any arbitral forum.
6. **Participation/Communication Rights and Obligations.** Nothing in this Agreement precludes Executive from filing a charge or complaint with, communicating with or providing information or documents to, reporting possible violations of law or regulation to, responding to any inquiry from, providing testimony before, or otherwise participating in an investigation or proceeding by the U.S. Equal Employment Opportunity Commission, the U.S. Securities and Exchange Commission, the U.S. Department of Justice, Congress, any agency Inspector General or other governmental agency or regulatory authority, or from making other disclosures that are protected under the whistleblower provisions of federal, state or local

law or regulation. Executive hereby agrees, however, to waive Executive's right to any monetary or other recovery should any claim released by this Agreement be pursued by or with any of the foregoing government entities or agencies on Executive's behalf, except that Executive is not prohibited from seeking or obtaining a payment or award from a governmental agency for information provided to the governmental agency. Executive is advised that, notwithstanding Executive's confidentiality and non-disclosure obligations set forth in this Agreement, pursuant to the federal Defend Trade Secrets Act ("DTSA"), Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if

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the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

7. **No Other Compensation or Benefits.** Executive affirms that Executive has been paid and/or has received all leave (paid or unpaid), compensation, wages, bonuses, commissions, expense reimbursement, and benefits to which Executive may be entitled and that no other leave (paid or unpaid), compensation, wages, bonuses, commissions, expense reimbursement or benefits are due to Executive, except as provided in this Agreement.
8. **Acknowledgements Regarding Employment Matters.** Executive affirms that Executive has no known workplace injuries or occupational diseases and has been provided and/or has not been denied any leave requested, including any leave under the Family and Medical Leave Act or any other leave authorized by federal or state law. Executive further affirms that Executive has not reported any purported improper, unethical, or illegal conduct or activities to any supervisor, manager, executive, human resources representative, or agent of Ross and has no knowledge of any such improper, unethical, or illegal conduct or activities. Executive additionally affirms that, during the course of employment at Ross, Executive has taken no actions contrary to or inconsistent with Executive's job responsibilities or the best interests of Ross' business.

9. **Restrictive Covenants.** The parties expressly acknowledge that those certain employment obligations set forth in the Executive Agreement, specifically the non-compete provisions in Section 9(b), the non-solicitation of employees provisions in Section 9(c), the non-solicitation of third parties provisions in Section 9(d), and the non-disparagement provisions in Section 9(e) of the Executive Agreement, shall remain in full force and effect for the time period(s) specified in those provisions. In addition, to the extent applicable law considers the reason for termination in determining whether to enforce the employment obligations in Sections 9(b), (c) or (d), Executive's involuntary termination shall be deemed to have been for cause if Ross, in its discretion, terminated Executive's employment due to Executive's poor performance, failure to abide by Ross's code of conduct or other policy, theft, dishonesty, breach of fiduciary duty, unauthorized use or disclosure of Ross's property or confidential information, conviction of a crime, unlawful use of illegal drugs, or other misconduct. Notwithstanding anything set forth in this Agreement or in the Executive Agreement, the employment obligations referenced in this paragraph, and any claim or dispute arising therefrom, shall be governed, interpreted and enforced in accordance with the laws of the State of Delaware (where Ross is incorporated) without regard to its conflict or choice of law provisions.

10. **Return of Documents, Material, Information and Property.** By no later than the Separation Date, Executive agrees to return to Ross all Ross documents (and copies) and other Ross property that Executive has in Executive's possession, including, but not limited to, Ross files, notes, drawings, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (laptop

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computer, cell phone, PDA, flash drives, remote access tokens, etc.), credit cards, entry cards, identification badges and keys, and any materials of any kind that contain or embody any proprietary or confidential information of Ross (and all reproductions thereof), including but not limited to any confidential personnel or personally identifiable information about Ross employees learned in the course and scope of Executive's employment ("Company Property"). Executive represents that Executive has made a diligent search to locate any such documents, property and information, and that Executive has permanently deleted and expunged all Ross information in Executive's possession and from any personal computer, smartphone, tablet, server, cloud or e-mail system. Executive further represents that, other than in the

scope of Executive's employment with Ross and for the benefit of Ross, Executive has not provided any Company Property to any third party and will not do so in the future.

11. **Cooperation.** Executive further agrees to be available as needed and fully cooperate with Ross in defending any anticipated, threatened, or actual litigation that currently exists or that may arise subsequent to the execution of this Agreement. Such cooperation shall include, but is not limited to, meeting with internal Ross employees to discuss and review issues in which Executive was directly or indirectly involved with during Executive's employment with Ross, participating in any investigation conducted by Ross either internally or by outside counsel or consultants, signing declarations or witness statements, preparing for and serving as a witness in a deposition or at trial in any civil or administrative proceeding, reviewing documents, and similar activities that Ross deems necessary. Executive further agrees to be available as needed and cooperate in answering questions regarding any previous or current project Executive worked on while employed by Ross so as to insure a smooth transition of responsibilities and to minimize any adverse consequences of Executive's departure.
12. **Confidentiality.** Executive agrees that this is a private agreement and that Executive will not disclose or discuss the fact that it exists or discuss or disclose its terms with anyone other than Executive's spouse, attorney, and accountant, or as required by law. Further, nothing in this Agreement shall limit the Executive's right to disclose the underlying facts or circumstances of any claims of discrimination, harassment, sexual harassment, or sexual assault, disputes, or retaliation.
13. **Non-Disparagement.** Except as required by law, Executive agrees not to make, publish or issue, or cause to be made, published or issued, any untrue, disparaging or derogatory statements concerning the Company or any Releasee.
14. **Medicare Representation.** Executive warrants that Executive is not a Medicare beneficiary as of the date of this Agreement and, therefore, no conditional payments are required to be made to Medicare.
15. **Tax Code Section 409A.** This Agreement is intended to comply with Section 409A of the Internal Revenue Code and shall be operated in good-faith compliance with Section

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409A and the guidance issued thereunder notwithstanding any provision of this Agreement to the contrary. To the extent that either party believes that any payment to be made hereunder is likely to result in the imposition of the excise taxes applicable under Section 409A of the Internal Revenue Code and the regulations issued thereunder, the parties agree to negotiate in good faith to restructure the timing and form (but not the amount) of any nonconforming payments to the extent necessary to avoid any such excise taxes

16. **Forum Selection.** Any action arising out of this Agreement or an alleged breach of this Agreement shall be brought only in the courts of the County of New York in the State of New York. Unless otherwise ordered by the Court, only the provisions of this Agreement in dispute or alleged to have been breached shall be disclosed in any such action.
17. **Applicable Law.** This Agreement shall be governed, interpreted and enforced in accordance with the laws of the State of Delaware (where Ross is incorporated) without regard to its conflict or choice of law provisions.
18. **Severability.** If any part of this Agreement is found to be invalid or unenforceable, the remaining parts of the Agreement will remain in effect as if no invalid or unenforceable part existed.
19. **Entire Agreement.** This Agreement sets forth the entire agreement between the parties hereto, and fully supersedes all prior agreements or, promises and understandings between the parties, except that the terms set forth in Section 5 (Confidential Information and Intellectual Property), Section 9 (Certain Employment Obligations), Section 10 (Company Remedies for Executive's Breach of Certain Obligations), Section 11 (Exercise of Stock Options Following Termination), Section 13 (Insurance and Indemnity), and Section 17 (Mitigation) of the Executive Agreement shall remain in full force and effect in accordance with its terms. In the event of any inconsistency between the terms of this Agreement and the aforementioned surviving terms of the Employment Agreement, the terms of this Agreement shall prevail. This Agreement may not be modified except in a writing agreed to and signed by both parties, providing however that Ross may modify this form of agreement from time to time solely as needed to comply with federal, state, or local laws in effect at the time this Agreement is to be executed. Executive represents that Executive has not relied on any representations, promises, or agreements of any kind made to Executive in connection with Executive's decision to accept this Agreement except for those set forth in this Agreement.
20. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all counterparts so executed shall constitute one agreement binding on all of the parties hereto. The Agreement may be signed and transmitted electronically, and such signatures shall be binding and deemed originals for purposes of enforcing this Agreement.

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21. **Advice of Counsel.** Executive is advised to discuss this Agreement with an attorney of Executive's choice and acknowledges that Executive has been given ample opportunity to do so and has, in fact, done so.

22. **Knowing and Voluntary.** Executive acknowledges that Executive is entering into this Agreement freely, knowingly and voluntarily, without duress or coercion, and with a full understanding of its terms. Executive further acknowledges that Executive

- (a) Has carefully read and understands this Agreement;
- (b) Is, through this Agreement, releasing Ross from any and all claims Executive may have against it that have arisen prior to or as of the date of this Agreement, including but not limited to, rights or claims arising under the Age Discrimination in Employment Act of 1967;
- (c) Knowingly and voluntarily agrees to all of the terms set forth in this Agreement; and
- (d) Knowingly and voluntarily intends to be legally bound by the terms of this Agreement;

The following subparagraphs shall be applicable only if Executive is forty years of age or older at the time Executive signs this Agreement.

- (e) Executive has been given a full twenty-one (21) days within which to consider the terms of this Agreement and consult with an attorney of Executive's choice and, to the extent Executive executes this Agreement prior to expiration of the full twenty-one (21) days, Executive knowingly and voluntarily waives that period; and
- (f) Executive has a full seven (7) days following the execution of this Agreement to revoke this Agreement (the "Revocation Period") by providing written revocation notice to the Company's General Counsel or such other person as the Company designates. The revocation must be personally delivered or mailed to the General Counsel or such other person as the Company designates at 1372 Broadway New York, NY 10018 and postmarked within seven (7) calendar days of Executive's execution of this Agreement. This Agreement shall not become effective or enforceable until the Revocation Period has expired.

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The parties hereto have knowingly and voluntarily executed this Agreement as of the date set forth below:

Dated: \_\_\_\_\_ By: \_\_\_\_\_

[Executive Name]

Dated: \_\_\_\_\_ By: \_\_\_\_\_

Ross Stores, Inc. and  
Subsidiaries ("Ross")

Dated: \_\_\_\_\_

By: \_\_\_\_\_

[Executive Name]

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Ross Stores, Inc. and Subsidiaries ("Ross")

9

Executive's Initials

Ross' Initials

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## EXHIBIT 15

December 5, 2023 June 11, 2024

The Board of Directors and Stockholders of Ross Stores, Inc.:

5130 Hacienda Drive

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REFINITIV 

Dublin, CA 94568

We are aware that our report dated **December 5, 2023** **June 11, 2024**, on our review of the interim financial information of Ross Stores, Inc. appearing in this Quarterly Report on Form 10-Q for the quarter ended **October 28, 2023** **May 4, 2024**, is incorporated by reference in Registration Statements Nos. 333-115836, 333-151116, 333-210465, and 333-218052 on Form S-8.

Yours truly,

/s/Deloitte & Touche LLP

San Francisco, California

**June 11, 2024**

**EXHIBIT 31.1**

Ross Stores, Inc.

Certification of Chief Executive Officer

Pursuant to Sarbanes-Oxley Act Section 302(a)

I, Barbara Rentler, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ross Stores, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **December 5, 2023** June 11, 2024

/s/Barbara Rentler

Barbara Rentler

Chief Executive Officer

## EXHIBIT 31.2

Ross Stores, Inc.  
Certification of Chief Financial Officer  
Pursuant to Sarbanes-Oxley Act Section 302(a)

I, Adam Orvos, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ross Stores, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 5, 2023 June 11, 2024

/s/Adam Orvos

Adam Orvos

Executive Vice President, Chief Financial Officer

## EXHIBIT 32.1

Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Ross Stores, Inc. (the "Company") on Form 10-Q for the quarter ended **October 28, 2023** **May 4, 2024** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Barbara Rentler, as Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 ("Section 906"), that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **December 5, 2023** **June 11, 2024**

/s/Barbara Rentler

Barbara Rentler

Chief Executive Officer

## EXHIBIT 32.2

Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Ross Stores, Inc. (the "Company") on Form 10-Q for the quarter ended **October 28, 2023** **May 4, 2024** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Adam Orvos, as Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 ("Section 906"), that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **December 5, 2023** **June 11, 2024**

/s/Adam Orvos

Adam Orvos

Executive Vice President, Chief Financial Officer