

**National Vision (Investor Day 2025)**  
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**Corporate Speakers**

- Tamara Gonzalez; National Vision; VP Investor Relations & Communications
- Alex Wilkes; National Vision; Chief Executive Officer
- Joe Vandette; National Vision; Chief Brand & Marketing Officer
- Ana Moeddel; National Vision; Chief Merchandising & Managed Care Office
- Mark Banner; National Vision; President, America's Best
- Priti Patel; National Vision; O.D. Head of Emerging Brands
- Jared Brandman; National Vision; Chief Legal & Strategy Officer
- David Cutler; National Vision; Chief Technology Officer
- Bill Clark; National Vision; Chief People Officer
- Chris Laden; National Vision; Chief Financial Officer

**Participants**

- Kate McShane; Goldman Sachs; Analyst
- Adrienne Yih; Barclays; Analyst
- Michael Lassner; UBS; Analyst
- Anthony Chukumba; Loop Capital Markets; Analyst
- Zachary Fadem; Wells Fargo; Analyst
- Vicky Liu; Bank of America; Analyst
- Simeon Siegel; Guggenheim; Analyst
- Dylan Carden; William Blair; Analyst
- Paul Lejuez; Citi; Analyst
- Matt Koranda; ROTH Capital; Analyst

**PRESENTATION**

Tamara Gonzalez^ Well, good morning everyone. Thank you so much for joining us today. We are thrilled that you were able to be here both in person and on our live webcast. We have quite a full day for you that we hope you'll get a lot out of.

Before we begin, if you would please silence your cell phones, take a minute to do that. We are so glad that you could join us. We have a lot of items to go over first, such as our forward-looking statements here available for your reference on Slide 3. And we will have an agenda here of presenters. At 11:30 we have a 15-minute break. After that, you'll come back in. We'll have our panel discussion, financial overview, and then closing remarks and Q&A at the end of our presentation.

Once the webcast is done, we will have a lunch and management mingle at the very end. And with that, we couldn't be more excited to share with you the transformation we have underway. And here is a quick video highlighting what's to come.

(video playing)

Tamara Gonzalez^ And with that, it is my pleasure to welcome Alex Wilkes, CEO of National Vision.

Alex Wilkes^ Thank you. Thanks, Tamara. And first and foremost, thanks for everyone for joining us this morning. We actually do have a fantastic story to share. I joined National Vision summer of last year. And when I was going through the recruiting process with the board and with Reade, I came into the company, I said, "Look, there's a lot of stuff that needs to evolve in this organization. And here's the playbook that I see we need to execute in order to get back to where this company once was." And these are the things that need to occur. And I got a resounding endorsement from the board, from the management team, and we've been on the path of executing that plan for the last 15 months.

However, you know, there's an interesting thing in this story. Reade is such a cultural phenomenon within the company. And it's hard to describe it. But he literally will high-five every doctor, every store manager, and the organization has a lot of love for that gentleman. So, Reade, thank you for being the cultural champion that you have been. This transformation that we get to talk about would not be possible without you laying the groundwork and making the organization feel great about what we're up to. So, a million thanks.

All right. So, I had this opportunity to join the company with really a playbook in mind of what needed to occur. And what I hope you take away from today is we are executing that playbook. We're boldly reinventing National Vision. We're modernizing almost every single aspect of the company and how we approach the consumer and how we think about marketing and how we think about technology and how we think about our in-store experiences. We're attacking key areas of underdevelopment. And you're going to hear a lot about that today, about areas of underdeveloped products, underdeveloped consumer segments, and underdeveloped experiences that we believe we have a right to win and a clear path to closing those gaps.

We're leveraging a data-driven approach like never before. We know more about our consumer today than we did last year and certainly several years ago. And that's informing a lot of the decisions that we're making around product, around marketing, around in-store experiences, around our staffing, and around our doctor models. We're hyper-focused on operating margin expansion. You know, this was once a company that delivered double-digit operating margin, and we think we have a pathway to get back there. It's a hyper-focus of the management team, and over the last year, we've made significant strides in that direction.

But one of the things I'm most proud of is these folks that are just sitting to my left and to my right and also some of our other team members who are here today. You'll find that we've built a world-class team. These are phenomenal leaders that you're going to get to spend a little bit more time with today and hear about their story as well. So a lot is changing at National Vision. We're changing our strategy. We're changing our approach to the consumer. We've changed a lot of our management team members, but one thing that is not changing is our core mission, which is helping people see their best to live their best.

At our core, we want to deliver exceptional experiences, exceptional value, and exceptional access to care. And we do that across a network of over 1,200 locations with over 13,000 passionate team members with a phenomenal lab distribution network. We own four domestic labs where we manufacture the lenses at the highest quality standards within the category. And ultimately, we deliver over 6 million eye exams per year. That is a lot of health care that we get to deliver to Americans on an annual basis.

We're also one of the largest participants in the optical ecosystem. Our scale economies from a purchasing perspective means that we're either the number one or number two purchaser of lenses, frames in the world. That gives us tremendous scale and tremendous opportunity to launch new products and go to market with new and interesting things.

But even as large as we are, we are still a small component of the overall optical retail category. We're about 3% of optical retail. There's some big other players in the market, but the most significant owner of optical retail share to date is still the independent optometrist. Independent optometry still maintains about a 50% share of the market. So it's a highly fragmented market with an opportunity for us to take share. And it's a growing market. Vision Council estimates that the optical retail market will be worth \$85 billion by 2030. So a nice market with nice growth and really strong tailwinds.

I don't know if folks in this room have kids. I have a 15-year-old, a 12-year-old, and a 9-year-old. Those kids are spending a lot of time on screens. And with that time spent on screens, we're seeing prevalence of myopia, nearsightedness raise. We're seeing consumers who are becoming presbyopic at an earlier age. So all of these things are consumer tailwinds that are driving more and more impact into the category.

Population's aging. Younger kids are spending more time on screens. We have a demonstration of Ray-Ban Meta. So you will hopefully get a chance to experience that product, if not here today in one of our stores. Certainly that's going to be a significant part of the category. So it's a fantastic category with great tailwinds, and we believe we have the strongest foundation to win within the market. So we're starting from a great place.

We have great assets. You know, sometimes you come into roles like this and you have to worry about real estate repositioning and capital structures and different asset allocation strategies. This transformation that we're driving is actually one of the commercial model of the company, and we're doing it from a strong foundation. A foundation that historically has delivered consistent and strong results.

For 19 years, National Vision was a strong mid-single-digit comp performing company, and the model worked. However, consumer preferences evolved. We saw a rise of managed care. You saw a rise of consumers who were demanding more premium products in the category, and we weren't always meeting those needs.

So as a company, we're at an inflection point. We're a company that had to change our model. We had to change our approach to optical and our approach to the consumer. So today you're

going to hear a story of bold reinvention. That's really along three themes. A new leadership team with fresh perspectives that's really changing how we think about the business, how we think about National Vision, how we think about the consumer, and acting with a real sense of urgency to change the trajectory of the company. You'll see how we're rapidly modernizing the business. Again, in almost every aspect of our business model. And you're going to see our clear growth runway on the underdeveloped products, segments, and customer experiences where we have significant opportunity to grow.

So let me spend a minute on the leadership team, the folks that are seated to my left and my right. Tremendous leaders with both retail and optical experience. And over half of them are new in their roles within the last 16 months. When I look at this group of leaders, my colleagues, these are folks that are sharp, driven, and certainly have the right attitude and the right capabilities and the right energy to accomplish what we want to. And by the way, I mean, these three guys, they go to the same barber. How lucky am I to spend time with these handsome folks? And then, you know, so it's funny, actually, I'm looking at these guys. You have the marketing commercial people on the left, and you have like the accountant and the technology and the lawyers on the right. They didn't even decide to sit like this, but, you know, I guess you gravitate towards your people or whatever it is, right?

So anyway, fantastic leaders. I couldn't be more thrilled to get to work with these guys on a daily basis. And if you can't tell, we actually have a lot of fun doing what we're doing along the way. So the story of National Vision is we were an analog one-size-fits-all replicator. As a company, we had a bunch of manual processes, and they worked, but they weren't necessarily the most efficient and smartest way to go forward. We were super focused on a price-sensitive cash-pay customer. That's what this company was actually founded and based on. We had a one-size-fits-all approach to marketing. I think some of you have heard me say this in the past. We bought a bunch of linear. We bought a bunch of search, and we put the same message out in those channels.

We had an outdated digital experience. And for a company that captures almost 3.5 million people online every year that book their eye exams on AmericasBest.com, what I said before is booking an eye exam on AmericasBest.com was less committal than making a dinner reservation on OpenTable. So we had the opportunity to create a more joyful, better online experience for those consumers who not only book appointments, but also want to shop online. And we had a very functional but limited product assortment. Our assortment was geared towards that cash-pay consumer, and we always worked to keep those prices incredibly, incredibly low.

But as we evolve, we're becoming more data-driven. We're becoming a more dynamic company. We have an expanded view of the customer that we're going to share a lot more about today, and specifically, not just our historic consumer, but also the consumer that we're working to attract and retain go forward. We're moving to a dynamic marketing organization powered by world-class CRM capabilities and a new approach to creative and media.

We're working on an e-commerce transformation to update our e-com capabilities, to make our online experience more joyful. As the number one entry point to our brand, our consumers deserve to have a fantastic online experience with us. And last but certainly not least, we're

taking a much more sophisticated approach to pricing and assortment than what we've ever done in the past. And those early actions that we've taken on price and assortment have a long runway, and as I'll share here in a little bit, we think substantial more opportunity.

So we've developed a strategic framework that's guiding our work, that's guiding our prioritization, and we really think about this in terms of four vectors to grow the company. The first is around underdeveloped consumers, the managed care customer, the progressive wear, and the Outside Rx consumer. Underdeveloped products, we are underdeveloped in almost every aspect of premiumization within the optical category, lens coatings, transitions, progressive lenses, and more premium frames. We have the ability to enhance the customer experience through segmentation, by creating more joyful in-store and online experiences, and by doing a better job of integrating e-commerce and CRM so that we have one single view of the customer.

And even with 1,200 points of distribution, we have significant opportunity for new store growth in white space. And we certainly have opportunity for cost optimization.

Chris Laden, our CFO, is going to spend a bit more time diving deep into specifically our point of view on cost and where we have opportunity in the specific areas that we have attacked this year and that are going to bear fruit in the future years.

Okay. The following three slides might be the most important takeaways for this group today. Our opportunity to drive value comes from really two significant places, where we are underdeveloped on consumer type and where we're underdeveloped on products. We significantly under-indexed the market on managed care consumers. And it's about 40% of our mix today. The category sits at 70. The Outside Rx customer, that's the customer that gets their prescription from an outside doctor and then has that prescription filled within a specific retail location. That business is in the teens for us. It's about 50% of the optical retail category.

And progressive wearers, we've made some traction there. It's about in the 20th percent of our mix, but the category sits closer to 40. So there's a lot of room for us to go with these very valuable segments. And on underdeveloped products and our reflective coatings, transitions, advanced materials, we under-index significantly on all three of those. One of my favorite fun facts is that if we increase penetration 1% across all three of those elements, we would generate \$40 million of incremental revenue for the company. And given the size of our underdevelopment, we actually think that is substantial low-hanging fruit.

So let me unpack the customer mix data points a little bit, because I think this could be surprising to some. Our entry-level bundle and our self-paid customer that we spent so much of our time, energy on over the years to attract and grow is worth somewhere between 1.4% and 4% -- four times less profit than some of these more valuable consumer segments that we are now seeking. And we know we have a right to win, because we've already been winning with these consumer types.

This is a significant opportunity. I think if we were to take a straw poll amongst our analysts and investors and said, "Hey, do you think the progressive wearer is a percent or a multiple times more valuable from a profitability standpoint?" We would probably hear somewhere in the

percent range, right? But the fact that the progressive wearer is four times more valuable from a profit perspective than our entry-bundle-level customer, I think that gives some really good perspective on as we think about the construct of our traffic overall, why we are so hyper-focused on these three segments of managed care, Outside Rx, and progressives, because of the outsized profit contribution that they can have compared to who our historical target was.

And as we begin to make pricing adjustments and assortment adjustments, we have plenty of room to go versus the category from an average transaction perspective. This might also surprise you that we, with an exam, sit between one and a half to three times under the category from an average transaction value perspective.

Our strategy isn't to close the gap in its entirety. We will maintain our position as the destination for value within the category, the obvious destination for value within the category. But because we under index so significantly, we do know we have room to chip away against that under development from an average revenue per customer perspective.

So what you're going to hear from us throughout the day is we believe we have a right to win as an organization. We're expanding with our high value customers that we are already gaining. It's not like we are attracting a whole new customer cohort to our stores.

We're winning with these customers today, but now we're starting to distort a bit more of our attention, our marketing power, our assortment power against serving these customers better. We have a significant opportunity in underdeveloped areas of both consumer and product. We will leverage our extensive store footprint stronger and better than what we have in the past. And as a company and our brands, we have category leading brand awareness.

Just this third quarter, with the launch of our new America's Best campaign, we actually took the number one spot with an optical retail for unaided customer awareness. And I'm so I'm super proud of the work that the marketing organization has done to capture that spot.

And with one of the largest employed optometrist networks on the planet, we have a fantastic partnership and asset with our doctors to ensure we're driving consistency and quality of care to the six million plus patient interactions we have on an annual basis. And our early traction is showing and the results have already started to accumulate.

Year to date, we've driven one hundred and twenty basis points of operating margin improvement as we put this strategy into play and our comps are back in the mid-single digit range. I couldn't be prouder of this organization and this team for what we've done so far.

So today you're hearing the story of a bold reinvention of our company led by the right team. And we have significant long term opportunity for growth by serving the under indexed consumers and by focusing on the underdeveloped product segments that historically have necessarily been a focus for the organization.

So with that, it's my great pleasure to introduce Joe Vandette, our chief brand and marketing officer who led all of the fantastic work around both the National Vision Rebrand and the America's Best Branding and Repositioning. So, Joe, welcome.

Joe Vandette^ Thanks, Alex. Hello, everyone. There I am. All right. I, as he said, I am Joe Vendette. I lead marketing and I also lead our go to market brand strategy. You know, I joined National Vision three and a half years ago, excited to join a successful, mature organization. Reid probably sold me on the 19 years of consistent results. Super excited. But where we are today is actually a marketer's dream. Why? Because we have the advantage of starting from such a strong foundation. Alex said it. Number one brand awareness in the category. I, too, am super proud of my team for achieving that goal.

But we are enthusiastically operating with the heartbeat of a startup company. Why? Because we have so much untapped potential and opportunity to modernize. What we're working on right now is the most exciting thing a marketer could do. And it all begins with the customer.

Importantly, and more than ever before, we are using consumer insights and data to drive our strategy. A clear picture of who our customers are ensures we delight them across this transformation. You know, Alex did a poll. I think I'll do a poll, too. You know, I bet if I polled the room, you would say our consumer is or was low income, cost conscious. That's who we targeted. But as we have evolved, so, too, has our customer. We actually have a consumer base that mirrors broad U.S. demographics.

If you direct your attention to the chart on the left, we actually over-index on middle income consumers. Again, we were out there saying one message, targeting one consumer set, but what we attracted was something else. On the right-hand side, age demographics right in line with the U.S. So they don't skew younger, older. We are right down the middle in terms of 18 to 65. This is an important unlock as we introduce more premium services and assortment, which we'll hear a little bit more about today.

To be clear, this is a reset of our expectations for which consumers we can win. Our appeal is broader and stronger than ever before. That knowledge, plus a clear view of those underdeveloped product segments and consumer segments, gives us a real clear path forward to winning. Customers and patients like the pragmatic buyer who appreciates value regardless of their income level. Style leaders who have their own prescription in hand or want more premium products. Wellness shoppers looking for great clinical experiences or have more advanced needs. We have a significant runway with all of these customer segments.

Growth will come by evolving our marketing to attract them now that we know we can win them. So going from an analog replicator, shouting the same message at the top of our lungs to everyone in the United States, to taking that volume and that share of voice and targeting these customers more specifically is the plan. Messages that will convey the type of experiences that we are building in our stores and in our offices. And again, my colleagues will take you through some of those as we go through today's presentation.

Regardless of which brand we are talking about, there are key moments in the customer journey where we need to create experiences that matter and are tailored to winning these customer segments. These moments that matter will make the customer come back. Winning those moments that matter will make them love us.

At America's Best, that could be a best in class clinical experience. But at Eyeglass World, that might be a stylish pair of frames that unlocks the customer's personal style. It means delighting consumers wherever and however they choose to shop. And that means in-store or online. As Alex mentioned, we have three and a half million visits to AmericasBest.com to book exams. That's strong online traffic, a strong base that starts their journey with us in a digital manner.

But now we're investing in that digital experience, right, to turn those visitors into customers, to engage them in between their purchase cycle and drive loyalty. We just launched a new CRM system. Our first customer journeys, specifically targeting these customer segments with messages that are meaningful to them, have begun. We still have a long runway to go, but we're very proud to have done that late this summer. Soon, we will launch a new digital experience online connected to the CRM experience we built. Same platform, same partner, same goal, to tailor our messaging to ensure consumers get what they want from us, when they want from us, where they want it.

We have new partners like VML, Adobe, and Accenture that are helping us along this journey. We are now operating with the most advanced technologies available with the most innovative partners in the market. But advancements in our capabilities, not enough. We need to ensure that our brands resonate with these consumer groups and this expanded view of our customer. We are reinventing our brands to meet this moment. This summer, both the National Vision and America's Best Brands were refreshed, strong signals of who we are becoming. Looking forward, Eyeglass World and Vista will undergo evolutions of their own. Let's start by touching on our revised corporate brand.

As you saw in our opening video, which always gets me hyped up, and as you see around you today, this is the new National Vision design. And it's an announcement outside to who we are becoming, but it's also rallying our internal teams. We are now more focused, more dynamic, sharper. I think everyone here would agree, everyone's really rallied around this new design, and we all want the same swag that Alex is wearing today. But we didn't stop there. We did it at America's Best, too.

At America's Best, we launched a new brand design and a new creative platform, and the goal was to resonate with consumers in a new, fresh and distinctive way. This new campaign, Every Eye Deserves Better, sets us up as a champion of the consumer in our industry with real energetic people at its center. By allowing all to see themselves as America's Best consumers, we can drive more awareness, more traffic and more advocacy from those consumers regarding our brands. Let's take a look at how we got to where we got.

(video playing)

Joe Vandette^ We are just getting started. We've stayed true to our heritage. You can probably see there's a little owl in the A.B. He hasn't gone away entirely. Takes more of a brand guide position now as opposed to being our spokesman. We're letting people speak for our brand, people that are really enjoying their lives because of what we do for them. It has been an absolute dream to work on this rebrand, and it's a dream that I don't have to wake up from. Because we're going to do it again. Next up and happening now is work on Eyeglass World's Evolution. And I think Priti will talk a little bit later about some of the directions we're heading, just as Mark's going to talk a little later about the experiences we're building around Every Eye Deserves Better.

As always, it will begin with our consumer as we do this work. Right. And the outcomes that we're aiming to attract those additional segments and to create brand designs and marketing plans and online experiences will be based on those consumer insights.

To summarize, I hope you get a sense of the excitement I have for my job. The incredible progress we've made unlocking customer growth by understanding who they are, how we're maximizing our marketing approach, partners, technology and design to attract those segments and the incredible opportunity ahead.

Next up, to talk about how we are evolving our assortment to capture this expanded view of our customer, is our chief merchandising and managed care officer, Ana Moeddel.

Ana Moeddel And thank you all for being us, being here with us today. I am Ana Moeddel and I lead our merchandising and managed care teams. I'm one of the newer members of the team, about two months in, but I can honestly say this is already shaping up to be one of the most exciting chapters of my career.

I have always loved how the optical industry combines innovation and purpose. And throughout my career, I've been lucky to experience both. What drew me to NVI, however, is also the size of the opportunity and the fact that here at NVI, we're not just talking about change. We're in it. We're doing it every day. That mix of ambition and momentum is what energizes me. And I'm really excited today to share with you how we're channeling that energy into our plans for merchandising and managed care. Plans that have been built on same insights that Joe just talked about.

In my short time here at NVI, one thing became very clear very quickly. We have so much untapped potential. And that's an opportunity, an opportunity to really shape the next chapter of growth for NVI. To capture this opportunity, we'll have to pivot. We'll have to evolve our assortment mix. We'll have to strengthen our managed care capabilities. That will allow us to better align our products with our customer base while staying true to what makes us special, which is delivering great quality and accessibility at a great value. And the best part is our teams are ready. They're energized. They're talented and already leaning in to making it all happen.

Let's take a quick look back before we look ahead. You've already heard from Alex and Joe that historically we focused on one segment of customers and we've optimized both our product and programs to that customer segment. Over time, though, due to our strong value proposition and

brand recognition, we've seen the managed care customers become a much larger part of our customer base. The challenge is that our product did not evolve at the same pace with our customer. And that is exactly where our opportunity lies.

And it's time to pivot. It's time to meet this segment where they are. Serving the managed vision care customer means helping them maximize their benefits. And that means offering them more premium products that allow them to take advantage and get the best value out of the plans that they have on their managed care benefits.

The good news is our early shifts are working and they're delivering already great results. But how big is this opportunity? Our ambition is for 50% of our revenue to come from managed vision care customer orders. Today we're closer to 40%, which means that we have the significant runway ahead of us. And we believe we have a clear path to getting there and getting ourselves much more in line with our category.

And here's the thing. We are confident we can win with this customer segment. The industry has seen significant growth in managed care. Today about 70% of consumers report having some sort of managed vision care benefits. That's a big market and we are well positioned to serve it. First, our customer-centric approach. Everything we do starts and ends with a customer. Second, our national scale. We have reach, we have consistency, and we have resources that most of our competitors cannot match. And third, our evolving product assortment. We are now aligning our product with insurance benefits so we can allow these customers to get the best value their plans allow.

But how exactly will we get there? You've heard this from both Joe and Alex and even myself, but historically we've focused on one segment of customer, the price sensitive cash paying consumer. And our assortment reflected that. That focus helped us grow but left us underdeveloped versus the category in premium or branded frames and premium lenses and contact lenses. And that stopped us from being able to capture the full potential of the ticket that we can get from this customer segment.

You have heard us talk about quick wins with pricing, but to evolve the ticket further, we really need to evolve the mix. And that will not only improve our ticket, but it will also drive traffic because we'll be offering customers what they're looking for. As at the end of 2024, about 20% of our frame board in our stores was frames above \$99. At the end of this year, that percentage is moving to 40%. And we have room to grow it even further.

Over time, we'll become more localized. We'll be tailoring our assortment to very specific market customer needs. And last but not least, we do think there is significant opportunity in lenses and contact lenses. Now we're very much in the early stages of this evolution. Every frame on our board has a purpose. And our updated visual merchandising makes it easier for customers to find what they're looking for.

When it comes to lenses and contact lenses, we have not yet scratched the surface. But it is very clear that we're underdeveloped versus the category in both of these segments. So let's dig a little deeper into the lenses. For those of you who wear glasses, these terms may seem familiar.

I will try to give a brief explanation anyway. When it comes to lenses, I'd like to highlight three areas of opportunities, among lots of others. First, anti-reflective coatings. These are glare-free coatings that allow both looks and vision to be glare-free. We are about half penetrated in this category of coatings versus the industry. Second, advanced materials. These are materials like polycarbonate and high-index plastic. They are thinner, lighter, and more impact-resistant. A bit better progress versus the category, but still a significant opportunity to get us more in line with the category.

And third, transitions lenses. These are lenses that are clear indoors, become darker when you go outside, and back clear indoors. Again, we're half penetrated versus the category. These are not niche upgrades. Consumers these days expect these upgrades. They're looking for them. By offering and selling more like the category, we're really putting our customer first. And we have significant opportunity to grow without pushing away our value-driven consumer. As we make these changes, we're being very intentional and data-driven. This past year, we've turned lots of dials, and our early progress is exciting. Our conversion is healthy. Our NPS scores are rising. So our consumers are telling us that we're on the right path.

And the best part is, we're just getting started. But let me share with you a few examples of what this progress looks like in action. This past year, we focused on frames, and we've made quite a few shifts. We've launched luxury brands like Jimmy Choo and Boss and Versace and Burberry. And the results are, just after a few months, very much in line with industry expectations on these brands. These are big milestones, and it shows us that our customers are really embracing our new offerings.

We've also launched Raven Meta AI glasses, and they are overachieving our expectations. Again, significant. Our customers are responding really well to innovation. In other words, our early moves are significant, telling that our customers really, really appreciate where we're going. We've also taken steps to modernize our pricing, starting with America's Best. That means saying goodbye to the 0.95 price points in our bundles. This may sound simple, but it's a meaningful change, because cleaner, rounder pricing helps our customers understand our offering better, compare their options, and find what they're looking for. It also creates a more modern and cohesive brand experience, reinforcing our value.

To sum this up, we have a tremendous opportunity with product, and we have the strategies, the teams, and the plans in place to achieve it. Even better, our customers are telling us that we are on the right path. I truly could not be more excited about what's to come. We're at the beginning of a longer journey, but this is shaping the next chapter of growth for NVI.

Now I'd like to hand it over to Mark Banner, the president of America's Best, who is helping bring these changes to life and leading our field teams at America's Best, making sure that every customer that comes through our door receives the product, the service, and the experience they've come to expect from us.

Welcome, Mark.

Mark Banner^ I'd like to start off by saying that Joe and Ana are fantastic partners, and I couldn't have a better team as we go forward and work on this transformation.

So my name is Mark Banner, and I am the president of America's Best. I have the privilege to lead our 10,000-plus front-line retail team members, as well as the 2,400 doctors of optometry in our optometry network. The service and customer experience that our front-line teams deliver is critical to bringing Alex's vision to life.

And I've got to say, our front-line teams are passionate, they're mission-driven, and they're excited about the future. I've been in retail for over 30 years, beginning my career as a consultative salesperson on the sales floor and then leading successful customer experience transformations at two large brands. And I've got to tell you, this is one of the most exciting times in retail in the industry, as well as in the optical industry.

We know more about our customers than ever before, and our customers expect brands to personalize their experiences to meet their own individual needs. And it's important as we think about leveraging the data and the advancements in technology that we're also thinking about the important human-to-human connections that we know lead to those lasting lifetime relationships. We believe in America's Best that we have the opportunity to significantly increase the lifetime value of all of our customers as we focus on delivering a world-changing experience for them.

I joined NVI about 16 months ago, just about the time that Alex did. And it was an exciting time to join because, as Alex shared, the mandate for transformation was clear. It's one thing to join a company that says they want to change. It's another thing to join a company at that critical moment where they acknowledge that not only is change necessary, but they're willing to start the change. Joining at that critical moment between the realization of the need of transformation and the actualization of the transformation is an exciting time to join. And then over time, we put an amazing team together. This is the team that I'm excited to transform America's Best with. And we're doing it all on behalf of our customers and patients.

Here at America's Best, we believe that Every Eye Deserves Better. As you heard Joe share, this is a marketing campaign that we launched in Q3. And we're very pleased with our early consumer results. But as importantly, Every Eye Deserves Better is resonating strongly with our front-line teams on both the retail side and the clinical side. Every Eye Deserves Better is our brand promise. It's the ethos through which we're running the business. We stand all of our decisions up against. Does this bring Every Eye Deserves Better to life? And as America's Best, we are the largest brand at NVI. We're the forefront of the transformation with over 1,050 stores, 10,000 retail team members, 2,400 affiliated doctors. And we have momentum at our back as the transformation is really getting rolling.

And this all starts from our perspective with delivering an outstanding customer experience. Without the right experience for our customers and patients, we won't be able to sell the exciting new merchandise that Ana is bringing or serve in multiple ways the customers that Joe is sending to us.

So we really thought about this across three different dynamics. We had to get the culture right. We had to get the behaviors right. And we had to make sure that we had the right digital tools to improve the experiences. You heard Alex share that we're moving from analog replicator to segmented digital innovator. And in America's Best, this transformation began in the back half of last year. As we said, we are going to move from a transactional lowest price to consultative best value.

Well, why does that matter? Let me unpack a few examples that I'll talk about on some of these segments that we've been thinking about. Because we were operations first as opposed to customer first, if a customer came into the store with an Outside Rx, what we've branded as bring your own prescription, because our teams were focused on operating specifically just to get someone into a doctor examination room and then get them out and get that flow fast. Our teams didn't know what to do with someone when they came in. They started with every transaction with a question, what time is your appointment? Are you here to see the doctor? \

And today we start with welcome to America's Best. And the teams find out their reason for joining us and what the customer's names and individual needs are. And through that lens, we've been able to quickly, oh, you have your own prescription with you. We'd love to help you today and we have lots of different styles that we think would meet your needs.

Let's talk about progressive customers or anti-glare reflective. Because we were focused on lowest price, if someone came into our stores, our teams were always focused on what's the absolute lowest price that we could find for you as opposed to determining what are your individual needs. And let me give you a couple options and educate you along the journey. Since we've begun to do that, we're seeing significant acceleration in the penetration of things like progressives and anti-glare. And that's all driven by behavior changes in our frontline teams.

And then on managed vision care, again, because we were operations focused, focused on that cash pay customer, it was really hard and complex for our teams to find out what are the managed vision care plans that this particular customer might have. So we're in pilot right now on digital tools that will make it a lot easier for us to find and match the customers' eye managed vision care plan to them, allowing our teams to focus on building, again, those important human to human interactions.

And while we're moving fast, we're also being very thoughtful about doing it in a sustainable manner. We have a clear North Star vision that is tightly aligned with where National Vision as a whole is going. And it's really important to remember that America's Best remains committed to being a value player in the industry. It's important for us to remain and keep our position as both attainable and accessible for eye care and eyewear for our patients and customers. And with over a thousand stores, you can see exceptionally executed.

It's important that we're able to do this exceptionally well across all of our stores. And in order to do that, we know that we have to make it simple and easy. And here's the great thing. We actually have heard and our data shows that that's what our customers are looking for. Patients want a simple and easy experience and simple and easy does not mean a low quality eye exam.

As a matter of fact, simple and easy actually gives our doctors the time to build the relationships with their patients and find out what's important to them.

And we also want our team, entire team, focus on our customers and patients emotional reason for purchasing. And that's where the line comes in. We want to make sure that you look, see and feel your best. Look your best. Did we find the right pair of frames for you that matches your personality? And did we help guide you to that? Are we helping you see your best? Because our doctors gave you a high quality eye exam and the right prescription. And then our retail team members find the right lens and enhancements for you and how you live your life every day. And we know if we do that well and our customers and patients feel listened to and cared for that they will leave feeling their best.

We believe that there's not very many people in the optical industry that are focused on the emotional reasons for buying. And this is definitely a place that America's Best can win.

And we have significant runway. You think about the four growth factors that you've heard us talk about. We have actions underway in all four of these and are already beginning to see results. So starting with underdeveloped customers. This starts with the shifting the mindsets of our teams so they understand who's already coming into our stores and what are they interested in purchasing. And then putting those behaviors that I've already unpacked a little bit in place.

And then you think about underdeveloped products. Well, as you heard on a share, it starts with making sure that we have the right merchandise in our stores to meet the needs and expectations of the customers that are already coming in. And then step two, we'll begin to segment our merchandising by each individual store based on the customers that they have. And then enhancing our customer and patient experience. Again, everything that we're doing is focused on our customers and patients first. And ensuring that our teams have the digital tools so they can spend their time building great customer relationships and spend less time doing non value added tasks. And of course, we view new store growth as an important driver of our short term and our long term growth strategy.

Now this is a lot of change. So you may ask yourself, well, how are our frontline teams doing managing this change? I've led a couple different customer experience transformations and I know winning the hearts and minds of the frontline is the most important part of being successful in a transformation. So what you're seeing here is we actually brought all of our frontline leaders together at the beginning of this and we said, hey, we've done things the same way a long time. We've got an exciting, compelling vision for the future. How are you feeling about it? And this is the real time word cloud on what they said. Not unexpected things like I'm nervous. This is some uncertainty.

And so what I want you to know is that we're eyes wide open on change is not something that just happens. You've got to bring your frontline teams along. What we started with then is saying, let's paint a compelling vision for you on where we are going. And once we did that, we had to make sure that we created the right environment and system for our teams to embrace the change.

So it starts with mindset. The first thing that we did was introduce this idea of growth mindset, which I'm sure that you're all aware of. Many of our team members were living in a fixed mindset and we had to teach them what does it mean to lead with a growth mindset? We had to educate them on who's already coming into our stores and how do we serve them best?

And then we had to think about our teams, being sure we had clear expectations of what we wanted them to do and where they were spending their time. Had you come into one of our stores a year ago, you would have seen our managers. Actually, you probably wouldn't see our managers because they would have been sitting in an office, filling out checklists and sending all sorts of forms into their teams. Lots of auditing.

If you came into one of our stores today, hopefully what you'll see is you'll see our store managers out on the floor, training their team members, interacting with customers, making sure that everyone's needs are met. And then we had to put the right mechanisms in place. So for our district managers, they used to hit three or four stores a day with a checklist of things that they would fill out. Now you'll see our district managers hit one store a day, focused on training and development with all of their team members.

We also had to think about KPIs. When I joined, we had 27 pages on our production report that our teams were held accountable for. We actually had a definition book that had to tell you what all they are. And we've simplified that to the most important one-page worth of things that we need our teams focused on.

And then behaviors. Behaviors, something I can hear our frontline team members say or we can see them do. What are the behaviors that lead to success? One of the things that we just started putting in place last quarter that we're really excited about is the idea of a doctor to retail handoff.

And so now, in the past, what you would see, because we were operations focused, our doctors would leave, they'd walk over, there was a metal file here, they would drop the patient's chart in it, and they would walk back and grab the next patient. And the retail team member would walk up, and they would grab it out, and there was no interaction between that doctor and the patient.

Well, here's the thing. The most important part in a purchase from a patient and perspective is the doctor's recommendation. People want to buy what the doctors tell them they need. Makes a lot of sense, right? And so we said, we've got to pause and make sure that there's a clean handoff. And so this isn't just on the retail side. This is also on the doctor side. We had to convince our doctors, which was easy to do, by the way, to say, hey, you're spending a lot of time with your patients, and we want them to see their best.

They will purchase what you think is right for them. By the way, our doctors aren't selling, just to be clear. They're just letting the patients know, based on what I found out about you, this is the right product for you. And we're seeing tremendous success with that in a short period of time. And if you look in the center here, you'll see feedback loop. One of the ways we were able to get so much done so fast is we're listening to our frontline teams. One of my favorite sayings is that good ideas can come from anywhere and be implemented everywhere.

And so what we've done is we've brought groups of store managers and district managers and salespeople and doctors in, and we've asked them the most important question that any leader can ask, "What can I do to make your job easier?" And we heard from them all sorts of things, many of which were easy to put in place. And by the way, most of them were aligned with providing a great customer and patient experience.

And so as we were rolling these things out, you could share with our teams, "Hey, these are ideas that we're hearing from you." And that accelerated the speed at which our teams were willing to transform. By the way, there's all sorts of nuggets you can get out there. So we now have these voice of the field calls every month. And then once a quarter, we bring a live group in and we listen to them, right? That also helps us understand what are best practices one place that we can implement someplace else.

And as you can see, we got our group of leaders together and we asked them the exact same question again. Again, this is real time, word bubble. We said, "How are you feeling about the transformation now?" And now you're seeing words like growth, evolution, opportunity, progress, innovation, needed, necessary. And so our teams are excited about the future, but they're excited because we're listening to them and they're seeing the results show up. And that's so important as well. You can't just ask them to do something. You have to make sure it's something that's measurable and that it's in the right interest of our customers and patients.

And my favorite part is our patients and customers are telling us that it's working. Our NPS scores have continually risen year over year. And actually this is the first month that we're comparing the transformation from last year. And it's great to see that even on top of last year's great results, our customer's telling we're getting even better. So some of my favorite quotes here as you'll see, "The folks radiate a level of warmth and professionalism that's praiseworthy." That's that emotional connection, warmth. "The staff explained progressive lens to me and I'm finally able to see. No other eye care facility has ever done that."

Again, if you go back and you think about transactional lowest price to consultative best value, I wonder a year ago would we have heard this from our teams, right? Taking the time to explain what's the difference between a progressive lens and a standard bifocal. As a matter of fact, we actually have OptiCam over here in our AB experience. I really recommend you all go over there and see it because it does a great job of showing what this means. And then I've been coming here for a while now and I love how they remember you and are always so helpful and friendly.

Again, one of the first things that we did and it seems so simple, but it's so game changing for any type of experiences. Can you get and use your customer's name? Just that one simple, let me find out your name and use it throughout the presentation builds a great connection, which of course leads to loyalty and loyalty leads to more frequent purchases, which significantly drives the lifetime value of each customer that comes into one of our stores.

So I love it when they talk about the fact that we're remembering them. So actually we're talking about, this year we put in place, we want our customers to remember, I'm sorry, we want to remember our customers. That was a key piece.

And then as we look towards next year, our rallying cry is, and we want our customers to remember us as an individual in what our names are because the experience we're giving is that differentiated. And as we look towards the future, we're excited about where we're going. We're going to continue to double down on behavior changes. So we know it's one of the simplest things that you can do.

And what I love about this picture is, is what you're noticing, it seems like it's so simple because you've got one of our sales associates talking with one of our customers at the frame board. Why is this so game changing? Because we were operationally focused before. Had you come into one of our stores a year ago, what you would have seen is, that sales associate, she probably would have been sitting at a desk and asking the customer to browse frames on their own because they were focused on doing all of the paperwork and doing the hard work to find out what's the right insurance plan.

And just standing up and saying, well let me come over here and help guide you and find the right set of frames for you, can be really, really game changing because now you're not just a place that you're pulling a piece of glasses off a wall, you actually have an expert there that's helping guide you on your journey.

And then empowering smarter associates. Again, this comes in many different places. We want to make sure that things like demonstrating merchandise or telling features and benefits, that can be done through video way more effectively than it can be done from a person having a conversation with you. Again, please check out our AB experience over here. You'll get to see the new merchandise that's out, but you'll also get to see OptiCam, which is now deployed as of this month in all of our America's Best and Eyeglass World stores.

And it really does three things. Number one, it can simply and easily get to what your price should be. That allows our team members to give every customer multiple quotes. If lowest price is what's important to you, we still have that because that's who we are. But if finding the right solution for you so you can see your best and we can meet your needs, here's what that solution is. And we're finding more and more customers are of course choosing the solution that allows their vision to be the best for them.

The other thing that it can do is it shows videos on what does it look like if you're wearing a progressive lens and how do you actually interact with that? What does AR anti-reflection do for you when you're driving at night? And you can simply slide it. And by the way, I encourage you to pick this up so you can see how easy it is to use yourself. You can use that yourself and our patients can see, wow, this is the experience that I'm going to get that's different.

So this isn't just about an add-on to sell you more. It's you make the choice that's best for you. We just want to make sure that you're well-informed and educated on the choices that are out

there for you. And then of course, making sure that we can take things that are operationally driven, like how do I actually match up your eye insurance?

What you find is that if you ask most people, man on the street, they know what their health insurance is, but almost everyone's eye insurance is through a different provider. And very few people when they come in actually know who their eye insurance provider is, through their managed vision care provider is. So having a quick and easy way for our teams to look that up, again, frees up their time to focus on building those important relationships.

And then strengthening our ways of working. We'll continue to be committed to investing in training with our teams. For example, next year we'll be launching a communications platform, which will simplify our communication with the frontline, as well as us to measure effectively our sales tasks versus our non-selling tasks.

And then modernizing and shaping our care journey. Today we're doing it through behaviors and digital tools, and we're loving what we're seeing. Tomorrow, as you heard Joe say, we'll have a new e-commerce platform out, and we'll begin to have a stronger, more effective online presence to complement our already strong in-store presence. And in the future, we're envisioning a connected experience, where customers can shop online, and when they come into the store, we'll already have your three favorite frames pulled out for you, maybe with a couple other recommendations. We can take what the doctor recommended for you, and make sure that that's shown to you and waiting for you when you leave the eye exam.

And we're also committed to Every Eye Deserves Better. And how do we bring this to life? Like Joe shared, we launched this marketing campaign in Q3, and we've already touched every one of our 1,050 plus stores in a very cost-effective way, by putting Every Eye Deserves Better into each one of our stores. Things like window clings and small signages. And what we're really excited about is we've been able to bring this to life without having to undergo a massive, massive store remodel program. There's small changes we can make to bring this to life in all of our stores.

And speaking of real estate, we still view real estate as an important part of our growth future. You know, as Chris and Alex have shared, in the short term, we expect to open around 30 stores a year while we reinvest into high return, high growth initiatives, things like e-commerce and digital. And then we expect to return to our more traditional 60 plus growth pattern starting in 2028. We also are in the middle of a new store design project with WD Partners, focused on, again, bridging clinical and digital and retail all together, envisioning that connected commerce world of the future, and making sure that we can bring to life for our teams and for our customers, Every Eye Deserves Better. We anticipate our first new store to launch in the back half of Q2 next year.

I'm excited about the future of AB and believe that the new store design we have, coupled with the tremendous opportunities for store growth, will lead to sustainable long-term growth.

And now let's watch one of our new commercials focused on these eyes and bringing Every Eye Deserves Better to life.

(video playing)

Mark Banner^ So we love that. As Joe said, real people with real experiences. So again, here at America's Best, we believe that each and Every Eye Deserves Better. And with our frontline teams, we're challenging to bring that to life through Better Begins With You. How can you commit every day to be better on behalf of our customers and our patients?

We also know that our experience is not just a retail experience. It's also a clinical experience. And what's really important to think about is if you think about the industry, most people you go see a doctor in the back room and you come out and you see a retail associate in the front room. But customers and patients, they don't actually bifurcate that in their mind. They think about it as this was a single America's Best experience. So how can we make sure that we connect those two things really, really seamlessly? And that's a place that we believe America's Best has a chance to win.

I would say this, you've heard the term, we're just getting started so many times. And as I think about where America's Best is today, number one, we're early in our journey, but we love what we're seeing. Two, we're excited about the future and the possibilities that exist. And three, we have a long runway for growth, both with our existing customers, as well as attracting new customers to the brand.

And right now, I'd actually like to invite Dr. Priti Patel, our former chief medical officer and current head of emerging brands onto the stage. And we can share with you a little bit about how we bridge the clinical and retail experience for our customers and patients.

Priti Patel^ Thank you, Mark, and thank you guys. All right, so I actually want to start with my journey and how I joined Optometry. It was actually in the exam lane, seeing patients, providing the great care for patients coming in. And I quickly realized that I can make a bigger impact shaping the experience for customers and patients across the country. So the natural next step was really to join National Vision, whose sole mission was providing accessible eyewear and eye care.

So I'm really thrilled to be leading the transformation for emerging brands and for Eyeglass World. And I'll tell you, Mark, I personally know how important the doctor and our doctor network is in our overall experience.

Mark Banner^ Yes, for sure. And I got to tell you, Dr. Patel is an amazing, amazing partner. We worked together when she was chief medical officer, and I'm just so excited that together we lead our brands and let the customers feel so good.

Priti Patel^ Yes, it's really fun.

Mark Banner^ As Priti said, we have over 2,400 doctors in our network. And I think you've heard us share that several times. That is a key competitive advantage for National Vision. And

the way we deliver care, National Vision was at the forefront of tele-optometry, ensuring that we provide access to as many patients as possible.

Priti Patel^ Yes, you know, through the pandemic, National Vision had a big challenge to ensure we had enough doctor capacity to meet the large patient demand coming out of the pandemic. And I'll tell you, the organization not only met that challenge, they transformed the challenge. We launched a remote care platform that allowed optometrists to practice in their homes how they see fit. And actually for patients, this was a huge unlock for access of care. We were able to have the patients be seen in their community and also in rural communities where there may not be optometrists readily available. So I'd say, Mark, we had a win both on the doctor side and the patient side with remote.

Mark Banner^ Exactly, and members of my own family have had remote exams. It is a little different, but once you get used to it, and actually if you think about it, if you're getting your eye exam, you actually have right in front of you one versus two. You hear the doctor the same way.

Priti Patel^ And you see them.

Mark Banner^ For sure, there you go, and you see them on screen. You know, as leaders in fields that are talking to customers and patients, the most important place for us to be is actually out in our stores and out in our doctor's offices, spending time with the people that are interacting with our customers and patients every day.

And one thing that was really eye-opening to me is spending time with our doctors is that our doctors provide more than just a prescription for eyeglasses. You know, you think about that's the main reason that most patients come to see us. They want a prescription to purchase a pair of eyeglasses, but our doctors provide so much more than that. And it was eye-opening to me to learn that our doctors actually provide full eye health.

Priti Patel^ Yes, I mean, typically a patient comes into an Eyeglass World or America's Best to get an updated prescription, but I'll tell you, on a weekly basis, our optometrists are diagnosing not only sight-threatening conditions, but life-threatening conditions, such as diabetes in the eye, hypertension in the eye, even ocular tumors. And so I would say the doctors are able to provide a comprehensive exam, and the technology that we provide really helps that entire experience.

Mark Banner^ Absolutely. We've talked a lot about, you know, customer experience advancements and how we're changing this to consultant. And I got to say that also is happening with our doctors. National Vision has always been committed to quality patient care. The pivot we made with our frontline doctors this year was we want them to be focused on quality patient outcomes.

Now, if you think about it, you can't provide a quality patient outcome without delivering quality patient care. So quality patient care is still at the heart of that, but that is a transformation. Quality patient care was operationally focused. Quality patient outcome says you need to listen to the patient, find out what is important to you, to them. Make sure that they understand the

recommendation and prescription that you're giving them. And make sure when they leave the office, they understand the steps they need to take so they can see their best.

And some of the quotes we've heard, because again, we're hearing this from our patients, things like, "The doctor who did my eye exam was wonderful. "He explained everything about my eyesight to me that I never knew before I visited America's Best." It's not just providing the care, it's making sure that the patient understands what is being explained to them so they can action upon it after they leave.

My doctor that did my exam was the most informative doctor that I ever had. If a doctor gives a fantastic eye exam and they don't explain it to the patient, that exam is almost wasted. Versus if the doctor takes the time to explain to them what's happening in their eyes, the patient's much more likely to action on it, leading to better quality vision for them. And my favorite here again was, The doctor was personal, kind, and thorough, and answered all my questions. Doctors that build a connection with their patients make a difference in their lives. We're so proud of our doctor network and everything that they provide to our patients. And we couldn't do it without them.

And we've had a lot of exciting transformation going on in the company. And Priti, I know there's a lot of transformation going on in emerging brands as well.

Priti Patel^ Yes, there is. Thank you, Mark, and congratulations on the outstanding work at America's Best. All right.

So we're going to talk about Eyeglass World right now. So I'm super excited, as I said, to lead the emerging brands in Eyeglass World into this transformation. So I'm going to jump right in here.

So let me talk about our emerging brand strategy and how we're looking at emerging brands. We're now pulling our Eyeglass World brand and our Vista Optical, which is Fred Meyer and Military, under one umbrella. This actually allows us to focus on these brands, resource, and invest strategically to allow even our smaller brands to grow.

As you heard from Joe earlier, Eyeglass World is next in our brand evolution. We've just kicked off important work around brand positioning to allow focus for the Eyeglass World brand. This not only helps us in terms of any category trends that may come up, but it also sets up the brand for long-term growth.

Since stepping into the role earlier this year, the focus has been on really strengthening the brand, and it starts with our store associates. You heard Mark talk about all of the amazing work going on at America's Best with our store associates. It's no different at Eyeglass World. We've given the teams a vision, a purpose, really energized our front lines to get behind the brand. We've also focused on operational discipline, doubling down on retail best practices, focusing on the KPIs that matter to National Vision and more importantly, our customer.

We also made the strategic decision to transition 42% of our Eyeglass World locations to an employed OD model. And I'll tell you, we're already seeing the benefits of this decision, both from a patient experience, as well as our store associates. And then lastly, we're focusing our demand drivers. You heard Ana and Joe talk about the amazing work that their teams are doing, both on the merchandising and marketing sides, which will help our Eyeglass World continue to grow.

We recognize, and I recognize, that Eyeglass World is an important asset for National Vision, especially in areas like Florida, where our brand recognition is particularly strong. We've rallied the troops, we have a clear vision, as I've stated, and we're already seeing positive momentum with our comp trajectory moving in the right direction. I'm incredibly proud of the team and what they've done this year.

Again, the brand will start with customer insights. That's where this all begins, with data-driven insights that will help the brand in terms of growth. From that, we'll tailor our products and our experiences to really meet that brand positioning. Our goal is to launch a refreshed brand by mid-2026, which we're all very, very excited to happen.

And then finally, as we look at National Vision's four growth vectors, for Eyeglass World, it's very clear. It starts with our brand positioning and our messaging, becoming more relevant in this crowded optical market. Making sure that we're meeting our customers' needs. Having that perfect pair of lenses and frames as they leave our stores.

And then lastly, delivering a memorable experience, not just any experience, a memorable experience when they exit an Eyeglass World. And as you see our foundation become stronger, you'll start to see us pursue unit growth opportunities in a more focused and targeted way. And all of these investments isn't just about keeping up with the pace. It's actually building deeper, more long-standing relationships with our customers.

So I hope you heard today from me a clear vision for our future and a clear path forward. Thank you so much for your time.

I will turn it over to Tamara.

Tamara Gonzalez^ Thank you. All right. Well, we have a 15-minute break now, so we'll meet back here. All right. About 11.35? All right. Thank you.

(BREAK)

Tamara Gonzalez^ All right, everyone, welcome back. We're excited to get started. I'm going to hand it over to Alex Wilkes, who is our moderator for our panel discussion.

Alex Wilkes^ So far, you've heard a bit of our story and how it's rooted in data and our notions of the consumer transformation, how we're thinking about it. But I get the pleasure of also working with these three fantastic guys on a daily basis. You have Jared Brandman, who's our chief strategy officer and our general counsel, a role that he took on both of those positions

within the last year, David Cutler, our chief technology officer, and Bill Clark, our chief people officer. And these three guys play a really, really important role in our transformation as well.

Jared, as he's leading strategic planning for the organization and continuously thinking about the risk within the company, as you've heard from everyone on the day so far, technology is playing an ever more important part of our organization and how it enables our transformational experience. And of course, our 14,000 people, it's a tremendous amount of change management that needs to be led. And that's all in Bill's hands.

So let's spend a little bit of time talking about-- let me look at my cards here. See, look at that. Jared, let's start with you.

So Jared, you do have this exciting new job of both combined legal and strategy officer. So talk a little bit about that. Now that unique role plays into our company.

Jared Brandman^ Great. Well, thanks, Alex. And it's great to be with everybody here today. As Alex mentioned, I'm the chief legal and strategy officer here at National Vision. And I've been here since the IPO. One of the things before I get going, I just wanted to maybe hit a couple of things that Alex mentioned earlier on in his opening remarks. The first one is, as you think about the equation for delivering the commercial transformation that we've talked about, it's no coincidence here that the equation means strategy plus people and culture plus technology.

This bald thing, the bald thing's optional. I just want to make that clear. I know it came up. It may come up more. But just to be clear, I do think that's really important. The other thing that Alex mentioned-- and again, since I've been here since the IPO, there's been a ton of change. Alex mentioned one important thing that isn't changing that I do want to just reinforce, which is our mission.

Each and every day, we get to wake up working for a company knowing that we are in existence to help people, to help people see, to see their best, to live their best. And that is and has been and will be an important noble cause that guides us as we're moving forward. That said, there's been a good amount of change since the transition.

But as I look around, I'm confident in saying this. I've never seen this company more focused, more disciplined, more strategically aligned, and working together closely as we're looking to deliver growth and achieve our goals.

And as I think about the strategy role, that's a big part of what it really is. It's cliché, but it is true. Strategy doesn't work if it's just words on a page. It really is about translating ambition into execution. For us, it's about executing our transformation with focus, with intentionality, with a data-driven approach, and taking a multi-year planning approach to achieving our strategic plans.

As you've heard from Alex already, and from Ana, and from Joe, and from Mark, and from Priti, there's truly so many exciting things about our strategic journey. We are a company that is well-

positioned in a growing industry. We've got a great foundation with our brands, with our store footprint. We've got a great team.

With our brands, with our store footprint, with our doctor network, we're being laser-focused as we're driving growth through our four growth vectors, where we have a pretty significant, maybe massive opportunity as we're thinking about products, underdeveloped products, and our underdeveloped consumer segments.

And we're being super intentional as we're rapidly modernizing the company, which, again, takes both strategy, technology, and people, and strong culture. And probably most important of all, and I hope that you see it both on the panel as you're talking with all of us today, that we are doing this, working super closely as a team, and having some fun along the way.

Alex Wilkes^ Actually, working with Jared is-- it truly is a delight. I mean, he's a lawyer. He's - - you know, take the good and the bad with that. But honestly, one of the sharpest legal minds I've had a chance to work with, a phenomenal teammate, and one of the most strategic thinkers I've encountered, which is why it was a natural move for him to take on this added responsibility.

A lot of the work you're seeing, how we think about the business, how we're structuring our operating rhythm, all comes from Jared, and Jared's team as well.

Jared Brandman^ Thanks, Alex.

Alex Wilkes^ Thanks, Jared. Thanks. All right, so Dave has been here three months. Almost three months, right? So Dave, early observations, three months in.

David Cutler^ Well, probably a little bit of context first. So I've known Alex now for, what's it, been 20 years? We were young. Somehow you've aged a lot better than I have. We worked together at a consulting company, spent about three years in Minneapolis working side by side. So a great deal of respect for Alex. We've stayed in touch.

And when he gave me a call several months ago to talk about the role here at National Vision and CTO, I was at Sloan Consulting. I've been there for 17 years, helping companies through transformations. I was more than happy to give him some advice, consulting, maybe even sell him a little bit of work. But he shared the vision we have here at National Vision. He shared the mission, the idea about transforming not just ourselves, but transforming the industry. It really hooked me. And so I listened, paid attention, got a chance to meet a lot of the rest of the executive team and a lot of the folks.

And the common thing I saw was repeated over and over was that focus on the transformation, focus on the mission, focus on the vision. And I've been super excited to be here. I've learned a ton about the platform and really excited about what we're building. It's not perfect. We've got some work to do. But I don't think you would have hired me if it was going to be easy. You needed some help.

Alex Wilkes^ Thanks for taking my call. So what surprised you?

David Cutler^ What surprised me, it's a good question. I think what has surprised me, I've had a chance through my nearly 30 years of career in consulting to work with some amazing leadership teams, amazing companies, and had a chance to kind of see how they work.

I've been through many different transformations. And what I've seen is that the companies that have a connected, integrated vision with a leadership team that are all rallied around that are the most successful. And I see that here. That has been, I don't want to say surprising, but it's been encouraging and it's gotten me excited.

But it's also just the little things. I showed up on day one and Joe was standing there and introduced himself, like let me walk you around. We had a corporate fun run. And Jared tracked me down and said, hey, let me talk to you about kind of our legal team and what we do and how we can work together and what we can do.

We all sit in an open area in the center of our floor. We don't have offices, we kind of want to be accessible. Bill sits next to me and he just waves at everybody that walks by and says hi, and he's totally genuine in doing it. It's those little things. And the lack of ego, I think that's what surprised me the most, is the fact it's an amazing team. I've worked with world-class executive teams before and this is a world-class executive team. It's amazing to be part of it.

Jared Brandman^ It's been great welcoming, Dave. He's been immediately an awesome addition to the team, no doubt about it.

Alex Wilkes^ So 30 seconds on this fun run business. So we host this annual fun run in Atlanta with a bunch of other businesses sponsored by Kaiser. National Vision had the largest turnout of any corporation in Atlanta at this year's fun run.

Now, the story that no one else knows is Jared is also a pretty fantastic athlete. He plays soccer for like, he plays in one of the leagues that goes to like two in the morning on Monday and Tuesday nights. And I know Jared's also a runner. So I called Libby on Jared's team, I said, hey, what do you think Jared's splits are? And she gave me a number, I'm like, that's going to be hard to beat because I'm a little competitive. So I show up to this thing--

David Cutler^ It's just 5K, by the way.

Alex Wilkes^ It is a fun run. So I show up to this thing, I'm like, you know, trying to get in the zone and Jared's like, yes, I twisted my ankle playing soccer, I'm not going to run this thing. But I had a number in mind and these two walked and I ended up with like a leg injury that I was hobbling around with the next week.

David Cutler^ He did beat us, even though he walked.

Alex Wilkes^ These guys were walking. Anyway, it was a great experience. Dave, welcome to the team. And again, in all sincerity, thank you for taking my call.

So none of what we're doing, though, really works without the engagement of the team and our army of 14,000 embracing what we're doing. So, Bill, talk a little bit about the change management approach within the company.

Bill Clark^ Yes, thanks, Alex. I'm really excited about all the change that's happening in the organization and there is a lot of change happening in the organization. But the great thing is, no single person is really leading this change. We all are. It's the entire leadership team working together, being very intentional, and it's us empowering the leaders that we work with every day to lead their teams.

And so it's not a single individual. And so it's really great to see this come about. And it's set up with all the things that Jared talked about, you know, better plans, you know, path forward. And I love what Mark talked about earlier also because we're able to take those different expectations and build training and, you know, behavior guides and all of the right things that we need to do to ensure that all of our frontline leaders understand what success looks like because they all really want to serve our patients and cultures, or sorry, our patients and customers. That hasn't changed with all of the things that we've done.

We still have that strong foundation of our associate base, you know, very strongly wanting to serve the communities within where they live and work. And so that's been a great foundation as we put all of this new change in place in a very disciplined way. And I do love the fact that we're ensuring that all of our leaders across the organization are aligned. And we've been intentional about that by putting, you know, different leadership behaviors in place and teaching and training those throughout the organization.

Alex Wilkes^ Well, let's take a minute on that. Last year, right around this time, we, as a senior leadership team, we developed our five leadership expectations that subsequently have been rolled out to the rest of the team and have really taken hold within the organization. Spend maybe a few minutes on that as well.

Bill Clark^ Yes, absolutely. It was great because we had the what set aside. What we're going to work on, you know, how we're going to transform the organization, a lot of great initiatives in place. What we had to really spend some time on is how are we going to engage the company? How are we going to ensure that, you know, it is all of our leaders working together to bring the change about?

And so we did, we spent some time, we put together five leadership behaviors, and I'll go through them. The first was putting National Vision first, or is putting National Vision first. And so this was around ensuring that all of our leaders were owners of the organization. And, you know, they were putting the company first, and which is a little bit different than maybe we would have worked before, where maybe we were just, you know, trying to make sure that, you know, that things were nice versus ensuring that the company, we owned that relationship.

Alex Wilkes^ Yes, I'd say, right, we were a very nice, large player in the optical ecosystem, but we weren't necessarily always leveraging that size and scale to always get the best for our company.

Bill Clark^ Back to your earlier slide around the scale that we have.

The next is being customer and patient obsessed. Just ensuring that everybody across, all our leaders across the organization understand what that means. And we heard Ana talk about it, and Joe talk about it, and Mark talk about it. We begin and end with a customer and patient in mind, with all that we do, and we've got to ensure that that continues.

The third is curiosity and staying curious. Asking the next question, pushing a little further. Not just, you know, managing the status quo. And we reward and we talk about, as our teams and our leaders are curious in whatever business that they're leading, and we reward it in the moment. And it's being great.

We use this a lot in our everyday vernacular. The third is acting with urgency. We've got, when we're transforming at the rate that we are, we've got to move fast. You know, if things aren't working, we pivot fast. And I think that's really important as we're working in this kind of startup mode that we're in. And the last, but definitely not least, is the behavior around sweating every nickel.

I think it's Chris's favorite. And, yes, he'll talk about that a little bit more, and how we're sweating nickels left and right in the business. But we're focusing the team on expense control, while still investing in the things that we need to invest in. So it's really getting the most out of those dollars.

Jared Brandman^ One of the things I was surprised about David when he joined is that, in addition to just being really good in IT, he also was good at alliteration. And I was just thinking about it, Bill, as you were talking, like, I think there's a few things, like I'm going to do it in Fs here, right? I think it's about -- where's it going? It's going to be okay, it's on a webcast. It's about focus, fast, and fun. And I think focus, I think, is a really important element here, right? That certainly, I hope you see, right, in how we're delivering the transformation.

Another piece, because I know the community, this group doesn't really always get to see, like, tactically how companies bring things to life like this. You know, I did want to just mention some, you know, a way in which Bill and I are working closely together. And again, it's bringing strategy to life, right? From ambition to execution, is we've been intentional in establishing a strategic transformation office, right? And that is a, like, it's a governance cross-functional group that is designed to ensure that we're staying focused and that we're driving forward on these strategic initiatives.

You know, think about all the change that we've been talking about today. We're talking about managing, you know, 30-plus important strategic initiatives and ensuring that we're hitting our marks, we're measuring against our KPIs, we're being nimble, we're assessing risks, you know, and that we're layering these initiatives to ensure that we are going to be delivering this consistent, long-term, you know, growth, right, which is so super important.

And again, it's a, you know, beyond just that, it's a great way to bring the organization along, right? To be reinforcing these behaviors, and in many ways to help up-skill the organization to ensure we're being able to deliver.

Focused, fast, and fun.

David Cutler^ We need one for, we need one for Chris.

Jared Brandman^ I love that. And fiscally, I like that. I was thinking about one for Mark and Priti also, where we're talking about the brands. You know, we are being led by our consumers. You're going to have to go with me here. We're being led with our consumers so that they can talk to their friends and family and they're all going to come to our stores. Wow, that's like six Fs.

Bill Clark^ Maybe I'll jump in. So we do have a lot of change coming throughout the, or going on throughout the organization and more to come. One of the great reinforcement mechanisms that we have in place is, you know, we measure and we talk to our associates. Mark talked about all of the listening groups that we have, but we also do an annual experience survey. And, you know, we publish those results the next summer, but we had record participation this year, which was phenomenal.

And we saw great linkage. Our associates and our doctors were connected to the things that we're doing. They were seeing, based on their survey results, they can link what they do every day to our strategies and what we're trying to accomplish. And I think that's really great. And we did see an overall increase in our scores, which was also just icing on the cake.

Alex Wilkes^ Yes, and the discipline you guys spoke of, it can't be understated. And just in practical terms, what that means is, this leadership team in our Strategic Transformation Office spends a couple hours every Friday focused on the initiatives, what we need to do as leaders to remove any obstacles, what do we need to do to speed those along, what do we need to do to pivot, and we're incredibly disciplined within that rhythm. So it's a wonderful structure for our organization to ensure that we stay on track to ultimately the financial goals that all of those things ladder up to.

So guys, we're almost out of time, but I do have a quick speed dating question for all three of you guys.

We're sitting on the stage five years from now. What's on your mind and what are we saying then?

Jared Brandman^ All right, great. Well, I guess first I'm going to say, of course, given everything that we've talked about today, we are being laser focused in all the important things that are happening now. But if you force us to fast forward five years from now, I think there's a couple of things that I would just highlight quickly. One, you heard Ana talk about it earlier today around the smart glasses realm. I think five years from now, we'll be in a much more

mature smart glasses and wearable moment where I think we'll have a great place to play and a leadership opportunity there.

You've heard Priti and Mark talk about a little bit earlier, right? It's more than just an eye exam, and I do think healthcare through the eye and medical technology advancements are going to be pretty important. We're going to see a lot of change between now and the next five years. And of course, we're always staying tracking and watching things closely in the industry, whether that's partnerships and other transactional things. And undoubtedly, there'll be more to talk about in five years on that front too. That's what I got.

David Cutler^ Good, I like that list. I guess as a technology guy, like no self-respecting technology guy could be in a room like this and not say AI is going to be key. And AI is fundamental. We talk about how technology is the foundation for a lot of what we're doing. I like to say we are customer-focused, we are data-driven, but we're technology-enabled. And AI is a key element of that. But you said five years.

So I think in five years, we're going to see a very interesting change in the way that we are conducting commerce in general. We can see it already with what ChatGPT is doing by doing transactions within the actual dialogues.

I think we're going to see an expansion of that. We're going to see agent-to-agent commerce. We're going to see agent-enabled commerce, agentic commerce. There's going to be a whole different way in which people are interacting with us, they're interacting with each other, and they're interacting with those that they're buying from. And I believe that National Vision is going to be a key player in that.

The work that we're doing, that Joe's doing and team's doing around our new e-commerce site. We're setting ourselves up technologically, but also from a customer expectation to be leading in that sector. So I think maybe even four or five years from now, but we'll see a huge transition in how people are buying, and National Vision will be helping drive a lot of that.

Bill Clark^ That's great. I just can't wait to see how we evolve our remote hybrid exam model and what that looks like in five years. I think that's going to be phenomenal. Much to what you were talking about, Dave, the organization and technological advancements that we have and how that comes to play in how we work and how teams get work accomplished. And then we've had a great history of associates and doctors building careers at National Vision, and I can't wait to see how that continues to progress. And meeting and hanging out with all those folks that have been with us for so long and build wonderful careers here.

Alex Wilkes^ Great. Thanks, guys. Really appreciate everything you're doing to drive this company forward. And couldn't appreciate more the efforts and how much fun it is to work with you guys on a daily basis. So many, many thanks. All righty.

All right, no one wants to hear from the finance guy, right? You guys good? All right, just kidding.

It is actually my pleasure now to introduce our CFO, Chris Laden. Chris and I have also had the privilege of working together in the past. He has brought an incredible discipline to the organization. For a finance guy, he's funny, he's energetic. Most importantly, he knows his stuff and we are in a phenomenal place with you leading our finance function. Thanks, Chris. - Thanks, Alex.

Chris Laden^ Hello, everybody. Oh, look at that. Cheers for the finance guy. So I don't think anyone's going to accuse us of being scripted in our panel discussion, which is great. As Alex said, my name is Chris Laden and I have the privilege of serving as National Vision's Chief Financial Officer.

I actually had the opportunity to work with Alex for about five years in the optical industry prior to joining National Vision. And when I heard he came over here, I was eagerly awaiting a phone call because I've always had the utmost respect for what National Vision stood for from its mission, its story, and its market position. So fast forward less than a year, how lucky am I to be up here on stage with you all talking about our long-term financial ambitions?

So if there's four things I want you guys to take away from our conversation today, it's this. First, as you heard me say since I've joined National Vision, operating margin expansion is a primary focus for this management team. We've got significant opportunities in growing top line and profitability, and we're going to bring these opportunities to life through disciplined investments phased over time. And we're going to maintain a strong balance sheet and preserve liquidity to make sure that we can support these growth initiatives while actively mitigating our risks.

As we unpack this further, let me quickly start by recapping some of the key messages you heard from all of our speakers today and why they give us confidence in the future of National Vision.

So as you heard Alex start off with, we operate in a highly fragmented growing industry, and we frankly have a right to win with our great base of assets, including our over 1,200 locations, four domestic laboratories, and great brands. Joe and Ana walked us through our new branding and merchandising strategies, which demonstrate the tailwinds that we have with our targeted consumer segments.

Mark and Priti highlighted our elevated focus on customer care, providing superior, scalable customer experiences and exam experiences. And these strategic levers will all work together to help us unlock the revenue potential in our four growth vectors.

So you guys have seen this slide a lot today, and I'm going to show it one more time because it is critically important to understanding our unique position for growth. What's exciting to consider is that you think through these growth vectors, most of them apply to growing our two key retail KPIs, both average ticket and growing traffic.

For example, the better that we can attract the Outside Rx consumer, it not only helps us grow customer count, but these consumers tend to spend more than our current average cash pay customers today, also driving average ticket. Likewise, by introducing more premium frames,

that appeals to a broader consumer set. So not only are we increasing average ticket, but we're also putting ourselves in the consideration set for consumers that previously may not have chosen to purchase with the National Vision brand.

We designed these transformation levers to create value not just for our consumers, but for our business and our investors. And we're going to execute these levers with a strong focus on cost optimization, which we'll go into more detail shortly. Together, we believe that these will grow long-term sales, improve profitability, and I know that's why you're here today.

So let's dig into our long-term sales projections a bit further.

As we look out through 2030, we believe we can produce predictable and consistent revenue growth in the high single digits. The strategies behind our foundational improvements and growth vectors will deliver comparable store sales in the mid-single digit range. And this together with new stores, will help us hit that high single digit target range.

As we think about our new store opportunities, let me take a moment to remind everyone where we operate today. So we operate in 38 states in Puerto Rico. As you can see from this chart, we tend to have higher presence in states like Florida, my hometown, Georgia, Texas, and California. But even in these states, we believe that we have ample opportunity for fill-ins.

That's why you heard Mark say earlier that we plan on growing approximately 30 new stores in 2026 and 2027. And then to reaccelerate our new store growth from 2028 through 2030 to about 60 stores per year. Ultimately, we're looking to grow about 240 new stores over the next five years.

As we think about new store economics, we're really excited about the opportunity that our growth strategies has towards improving payback. Our new store formats and modernized branding will better resonate with consumers. Our new merchandising and selling strategies will better delight customers and ultimately drive higher average ticket while we still maintain ourselves at an obvious destination for value. In states that allow it, remote care is part of our core operating model and will continue to drive efficiencies there. And of course, our focus on keeping costs down will help improve not just new store, but also home office economics.

So let's drill into that a bit further.

As you heard Alex and I say in our earnings calls throughout the year, we've already taken out \$10 million of SG&A in 2025. And we said that we were interrogating every line of indirect spend as part of a broader enterprise-wide cost-out initiative. We're happy to report that by the end of Q4, we will begin the implementation of cost-out initiatives worth \$20 million of annualized spend. About half of which we expect to materialize in 2026.

The nature of these savings will materialize through renegotiated pricing with our key strategic vendors, optimized consumption in our stores and home office, and frankly, just better improvements in our working capital management. From a category perspective, we've reviewed partnerships and spending categories ranging from logistics to insurance, technology to

marketing, banking to store supplies. We reviewed spend as critical as our core software platforms, to items as detailed as what kind of paper are we ordering in our stores. And we are highly confident that we can execute against all of these cost-out initiatives.

So what does this mean for us in the short term and long term? Our 2026 planning scenario currently assumes net revenue growth in the high single-digit range driven by mid-single-digit comps and another 100 basis points of operating margin expansion. Our comp sales profile will likely look similar to 2025 with growth in average ticket through consumer adoption of more premium frames and lenses, as well as the impact of price increases.

Our planning scenario assumes that we continue to grow traffic in our target consumer segments that will be at least partially offset by softness in lower consumer segments. Our planning scenario assumes that we open 30 new stores in 2026, and we continue to balance capital investments between new store growth and ongoing investments in modernizing the business.

As we look beyond 2026, assuming no deterioration in the macroeconomic environment, our profitability algorithm remains quite simple for the next five years. On average, we plan to grow net revenue in the high single-digit range while proving meaningful operating margin expansion in the 50 to 150 basis point range, restoring our operating margin rate to proven historical norms. We will continue to remain focused on disciplined cost management, ensuring that we gain leverage in our key spend categories while we continue to reinvest in the strategies that are ultimately going to fuel our growth vectors.

While we grow, we are committed to maintaining a strong balance sheet and preserving liquidity. Over the last two years, we've reduced our net leverage ratio from 2.2 to 1.1 times by paying down over \$200 million in debt and growing EBITDA. Going forward, our goal is to keep our leverage ratio around one, assuming no material change in market conditions.

From a capital allocation perspective, over the next two years, we expect it to look quite similar to 2025. We will balance investments in our organic growth initiatives with those in new stores, ultimately unlocking higher investor returns. As we reaccelerate store growth in 2028 and beyond, we'll also be generating very healthy free cash flows, which is going to provide us with optionality for new ways to allocate capital and maximize shareholder returns.

In any given year over the next five years, we expect to reinvest approximately 4% to 5% of our net revenues into capital expenditures. In any given year, 1% to 2% will be invested in store maintenance, refresh, and remodels. As Mark mentioned earlier, we are being purposeful in our new store design efforts to minimize the investment required to bring elements of the new store design to our existing fleet. The remaining 3% to 4% of CapEx in any given year will go towards our organic growth initiatives and new store growth.

So as I wrap this section, the obvious question is what gives this team the confidence that we can achieve these lofty long-term financial ambitions? And my very simple answer is because we are already doing it. Year to date through Q3, we've increased net revenue 7.1% while expanding operating margin by 120 basis points. We have confidence that we can continue this momentum into 2026 and beyond.

So I hope this context helps you understand why we're so excited about the future of National Vision. We're in the midst of a transformation that is energizing this management team, our store associates, and our associates at our home office. And I truly believe that there is no one better equipped to lead this transformation than our CEO and my friend, Alex Wilkes. So Alex, with that moderate amount of brown nosing, I'll invite you back on stage and invite you for closing remarks.

Alex Wilkes^ Thanks, Chris.

Also, another guy that I could not have been more pleased answered my call when I called him. Quick true story, I actually called Chris. I said, "Hey, Chris, I have this idea for you." He said, "Hey, you know, I'm actually pretty happy." And so it wasn't quite as he portrayed it on a couple phone calls later. I was able to convince Chris to join us as our CFO. And again, Chris, you've just done a fantastic job getting us disciplined, getting us organized, and really setting the stage for our growth. So thank you so much.

All right, so I hope what you take away from today is the following. First and foremost, we have the right team to drive this transformation. We have sophisticated thinkers, team players, optical legends, marketing geniuses, people leaders, technology leaders, and collectively we know exactly what we need to do to drive growth within this company. We have an absolutely clear game plan on how to deliver the growth. We know exactly where our opportunities lie from an underdevelopment perspective, both from a product and a consumer side. We know the improvements that we still need to make to the consumer experience. And importantly, we know exactly what we need to attack from a cost perspective. That work is already well underway.

We spent the entirety of 25 understanding, as Chris mentioned, where we had opportunity to reduce cost. I love that example of interrogating the paper that goes to our stores, but we've looked at everything. Policies related to mileage, how many printers a store could have, how many printers we should have in the office, how many calendars a store manager, the answer is one, should be allowed to order. So this is the level of discipline and focus we're bringing to the organization. I'm confident in this team. I'm confident in our strategy.

Again, I think we know exactly the value and the relative value of what we can go after over the next several years to drive both comps and to drive our traffic. Importantly though, for us, it's the character of that traffic.

I want to go back to one of the slides I shared with this group earlier. The relative value and profit contribution of the managed care, progressive, and outside customer versus the historical norm that we have targeted being not a percentage, but a multiple in terms of profit contribution to the company. So when we talk about our evolution, focusing on those customer types, that is why we are so hyper-focused on it.

Going back to what Ana shared around our product evolution, just a 1% change in the premium products of anti-reflective coatings, transitions, premium lens materials, generates \$40 million of incremental revenue to the company. And we're so significantly under-indexed versus the

category. On a very sensitive and frankly, adjustable and easy sellable product that consumers are dying for. We just need to do a better job of serving those products up.

So I hope everyone here has gotten a real good sense for what we are trying to accomplish and what we will accomplish as a company. We're boldly reinventing National Vision. We're modernizing every aspect of the company. We're attacking all the underdeveloped areas of product and consumer. We're taking a much more data-driven and analytical approach to the business than we might have historically. We're hyper-focused on operating margin expansion. And Bill talked to our leadership behaviors. Sweating every nickel is something we expect of our teammates.

And last, but most importantly, we have built the right team to deliver long-term shareholder value. So with that, this is just the beginning. There's lots more to come from our organization and you can expect significant growth from this team go forward over the long term.

So with that, it's my pleasure to take questions from the audience and myself, Chris, and the entire leadership team is at your disposal for what might be on your minds.

And I think Tamara's going to play.

Tamara Gonzalez^ Well, just a little bit. We're going to pass the mics around. If you would please state your name and your question when you get the mic. And that's it.

## QUESTIONS AND ANSWERS

Alex Wilkes^ Okay, I'll start with Kate.

Kate McShane^ Thank you, Kate McShane from Goldman Sachs. I wanted to ask two questions. First, just how we should be thinking about the makeup of the comp you wrote, that you put out today for fiscal year '26 between ticket and traffic. And then just with regards to store growth, is there any detail that you could share about mature markets versus new markets and how that cadence changes through 2030 and any additional information on the 42% of the Eyeglass World locations that are going to employee owned?

Alex Wilkes^ Got it. Let me quickly just talk about a little bit of our ticket and traffic dynamic that I think is important context. I think, Chris, if you can delve in us in the specifics. Again, as we think about evolving our ticket, it is also a function of the mix of our customer type. So our ticket is actually composed of three functions. It's price, it's mix and assortment evolution, but it's also customer mix evolution within that that's driving it, again, based on this notion of the relative value of those managed care outsider acts and progressive wares.

So for us, it's actually as important to think about the mix of customer type versus just the absolute traffic number. But Chris, if you want to touch a little bit on the composition of--

Chris Laden^ Yes, Alex, I think that's spot on. I think from a core traffic versus ticket perspective, you'd say it's 2026 will likely look pretty similar to what we've seen here today,

2025, which is relatively flat overall traffic with the majority of our comp coming from mix. But to Alex's point, we are growing traffic. We're just growing traffic specifically in the targeted customer segments that we know are going to produce more value for the company. So as you think about where we've allocated our resources historically, right, we've got this huge ball of resources that we've historically pointed towards cash pay, typically low-income consumers.

We're not walking away from that consumer, but as we repropotion the messaging, the investments we're making towards attracting customers, we're naturally going to see some softness in that consumer segment that historically got close to 100% of our attention. When we start drawing in more managed care Outside Rx, progressive consumers.

So on the net, you might see traffic that's not growing at a material level, but kind of when you peel back the onion, we're actually seeing double-digit traffic growth in the key consumer segments with some partial offsets in some of our lower-value segments.

Alex Wilkes^ And again, it can't be understated that those more valuable consumers are worth a multiple in terms of profit contribution than the historical segment that we've targeted. Kate, I'm sorry, would you remind, your question, Eyeglass World.

Kate McShane^ The Eyeglass World accounts about 42% of locations going to an employee-owned model. Can you talk about that decision and maybe that means, and then just the store growth in the charters.

Alex Wilkes^ Great, I'll take the Eyeglass World one if you take the store growth. So Eyeglass World had a bifurcated doctor model. A fair number of stores were where we had employed doctors and then a very large portion where there was a subleased doctor relationship. And as Priti and I were talking about the Eyeglass World strategy, getting to a consistent operating model with the doctor was necessary in order for us to kind of start to build upon the brand, right? It gave us a stronger foundation to jump off from. Ensuring that we could deliver consistency and experience. Ensuring that we could deliver consistency in price because an interesting thing happens in the world of subleased doctors. The doctors actually set their price wherever they want to set the price and that can actually become an impediment to traffic growth.

The other thing is the subleased doctors, they get to individually decide which managed care panels they participate on and which ones they do not. When you move to an employed model, you have a far greater consistency of the experience and that was a necessary step and the first necessary step that we felt we had to take in order to start reinvesting in Eyeglass World and accelerating our growth within the brand. And again, one quarter in, we're super, super pleased with the results.

Chris Laden^ Yes, as we think about the geographies of our new store growth, let's say over the last few years, we've been focused on growing in states that allow for a remote doctor model to work. I think it's still a key focus area for us because boy, does it help when you think about some of the challenges this industry went through post 2020 and National Vision did a great job of pivoting quickly of how do you solve the supply constraint. So I think we'll continue to stay

focused on states that allow remote care, but I do think we've really been focused on fill-in opportunities around existing stores. It wouldn't surprise me if we went into some new markets in 2026.

Alex Wilkes^ Sure. Great, can we go, I'll go from this row to the next one.

So, Adrienne.

Adrienne Yih^ Thank you very much. Adrienne Yih from Barclays. Along those same lines, it seems like the organization's moving extraordinarily fast. The customer's uptake is very fast. But one of the longest kind of horizon events is your store-based infrastructure. So let's call it 1,200 some odd stores. They were historically targeting that 80% world. 10-year leases. How are you kind of changing those, elevating the markets? And there should be some very low-hanging fruit as you come up into higher demos and MSAs. So just wondering how that transition's going to be happening and what the opportunity for the multiples of return on that. Thank you.

Alex Wilkes^ So on real estate, real estate portfolio, our overall real estate portfolio, we actually find is located pretty much in the places we want to be. The vast majority of our real estate are in regional power centers, anchored by a TJ Maxx or a Target, and aligned to the customer demo that we generally are winning with and want to continue to win with. Absolutely, we do have some outlier locations in the kind of local strip mall, but generally speaking, we don't believe we have a real estate positioning challenge in executing our strategy.

As Mark spoke of earlier, we are looking at ways, we have hired a design agency to help us design our store of the future, and part of their brief is to also say, all right, what are the elements we can take from that store of the future in a very cost-effective way, bring those to scale within our existing 1,200 locations?

So in the capital algorithm that Chris provided is consideration for taking those elements and bringing it at scale to the rest of the fleet.

Chris Laden^ Yes, the only thing I'd add is, in Q4 of last year, we announced that we had a series of closures that were going to be planned at least expiration through 2026. Part of the analysis was not just store profitability, but is this store positioned where we want to be in the future? So as we look at some of the things we've announced then, I believe it was around a dozen stores a year from '24 through '26. That was kind of contemplated as part of the equation, as well, which is, are these ultimately the stores and locations we need in order to be successful as we move forward?

Adrienne Yih^ Can you just remind us, where is your four wall at peak, or when you were, historically, where is it today, and where can it go in the future?

Chris Laden^ Yes, so I don't think we've disclosed four wall economics specifically. What I'd say is, as you look at the enterprise level operating margin historically in the low double digits, we've seen inflation in both the store economics and in the home office, as we think about the

\$20 million we discussed earlier today. Those are not exclusively four wall savings opportunities. I'd say it's pretty well balanced between where we can see just cost out from a store footprint perspective and what we're seeing in the home office.

Alex Wilkes^ Great. Go left to right. Sorry. Michael.

Michael Lassner^ Good afternoon, it's Michael Lassner from UBS. Thank you for laying out such a compelling story today. If there are some vulnerabilities, it might be, as you serve a more affluent and higher income consumer, inevitably that customer's also going to have higher expectations. So how do you need to invest in order to ensure that you're meeting that higher expectation of that higher income consumer?

And second, the point at which you made about weaning off some of the legacy traffic and growing the new demographic traffic makes sense, but at what point should outsiders hold you accountable for growing traffic in totality? Because that will be the ultimate measure of success of the strategy and execution. Thank you.

Alex Wilkes^ Okay. In terms of investment on selling experience, next year, and I'll actually have Mark share a little bit more here as well. Next year, we are budgeting and planning for an extended store manager week where we'll have our store manager organization together to more fully activate them in terms of their expectations for creating those experiences.

Mark, do you want to spend a minute on that?

Mark Banner^ Yes, sure. I mean, I think you heard me say pretty consistently, we know we have to elevate our in-store experience. And so it really does start with behaviors, which means we have to get our teams together.

So actually, last year, for the very first time, we had all of our brands together, all of our store managers together. The energy was incredible, but it wasn't just a party. It was an investment in them. It was a train the trainer. And so there was this behavior piece.

But you're also now starting to see, and if you check out OptiCam on the iPads, and you heard Dave say, we now have iPads in every single one of our stores. Well, look, just having an iPad doesn't make the experience better. It's the content that's on that iPad. But if you think about our ability to now showcase the different types of merchandise that we want to show and the enhancements, our teams are really, really grabbing onto that in an extremely, extremely powerful way.

And probably the place that we were most underdeveloped on is actually on our e-commerce platform. And Joe spoke about that. And that's coming online at the beginning of next year. And that should help us elevate the experience quite a bit.

And last thing I would say is, remember, these are customers that are already coming into our store. So we are having the customer come in. We just hadn't optimized our experience for them. So elevating our merchandising, having the right merchandise that they want to see,

making sure that we've changed the experience to where we're building a relationship with them, those are really the keys.

And if I think about a premium experience versus call it maybe an entry experience, it's do I feel that I'm being treated as an individual? Do I feel that somebody's there listening to me? Do they know my name? Do they know me the next time I come in? Do they know me no matter where I show up from an integrated commerce perspective? And that's where we're making our investments.

Chris Laden^ Yes, if you think through the nature of the question through capital investments, if you look at what we're doing in 2025, we've reduced the capital going to new store growth pretty significantly, but our total capital guide for the year isn't materially different than what we spent in prior years.

So going back to your point, we're still continuing to invest in the business, but we're investing in infrastructural items like the OptiCam platform with iPads, like the new Adobe CRM platform, our new ERP that we launched in the Q1, early Q2, as well as upfront investments in things like the new e-commerce website that'll come out likely in the next year range.

So it's the right question, which is we're really rebalancing the proportion of assets going against new store growth and those infrastructural investments. As we start to get some of that foundation built, it's only going to help us to reaccelerate new store growth and payback when we then double down on new store growth in 2028 and beyond.

Alex Wilkes^ And again, on the topic of traffic, we undertook the brand reinvention, the rebrand architecture, the new campaign, how we're thinking about our media investment, our investment in a CRM to be more personalized. All of those are pointed at driving traffic.

That being said, historically, when you're growing 70 to 80 stores a year, your traffic ramp and your traffic number looks a little bit different than when you're growing 30, right? Because you're not getting that compounding effect of the new store or the relatively new store fleet as you were previously.

So for us, traffic is absolutely a focus. But again, driving the right type of profitable, accretive traffic, in my mind, is the first thing over the aggregate traffic number. Everything we're doing is intended to drive traffic. Highest brand consideration within the optical retail channel, post-rebrand of America's Best Q3, certainly a component of driving positive traffic. But I would expect a more significant traffic inflection to come upon the reacceleration of store growth during that era of our transformation.

Yes, Anthony.

Anthony Chukumba^ Hi, so Anthony Chukumba, Loop Capital Markets. So I have two questions. First off, you talked about opening 30 stores a year over the next few years, and then accelerating that to 60 stores. And I was just wondering if, just at a high level, what the breakdown would be between America's Best versus like Eyeglass World. And the second thing,

there was a lot of conversation about this fund run. So Alex, what was your time with the fun run?

Alex Wilkes^ So it looks like we might be out of time for questions. So question one, the vast majority are going to be America's Best, at least in the next year or two. As Priti talked about, we are in the early stages of Eyeglass World reinvention with outside partners helping us from both a brand and a store design perspective. And we also have to answer some fundamental questions about like what role does the in-store lab play longer term. So we are planning on opening some Eyeglass World stores in the very, very near future. But scale I think is probably a little bit further down the pathway.

The second question. So I had a target in mind, which was to run like the 5K. I'm not a great runner, but I wanted to do it in like a 8/30 split. And I hit that mark. So I was just over, I think like 25, 26 minutes, somewhere in that range. Which you know, for a guy this physique, it's not shabby.

Chris Laden^ He is the, he is the fastest CEO we have.

Alex Wilkes^ And someone afterwards said, someone said afterwards, by the way, it is a fun run. This didn't have to be a competition. I'm like, oh, well then why give me the bet? So thanks for that. Go ahead.

Zachary Fadem^ Hi, Zach Fadem, Wells Fargo. So it seems like you're guiding us to about a double digit operating margin five years from now. Can you talk about just the path in terms of gross margin, SG&A, what's the contribution from things like remote medicine? What does the cost structure look like? Can you kind of bridge us from point A to point B?

Chris Laden^ Yes, look, I think the majority of the expansion we're going to see is in SG&A. As we're making evolutions to our premium frames and lenses, some of those decisions are going to be taken that might actually be gross margin dilutive. Obviously, we'll have some that are accretive as well, but our primary focus is to drive more gross margin dollars, which will ultimately help the bottom line. So we don't need any incremental SG&A to go support selling more premium products to our existing consumer base.

So as I think about the five year outlook, I'd say gross margin expansion is not our primary focus. I expect to see the majority of it come through SG&A.

Alex Wilkes^ Yes.

Vicky Liu^ Hi, Vicky Liu from Bank of America. We've heard about the segmenting merchandising in each store based on the customer base in that area. Curious what the percentage of merchandise will be unique to the store, and what the timeline of the segmented merchandising will be.

Alex Wilkes^ Yes, so Ana, if you could go ahead and take that. The question was timeline of segmentation about what the percentage of the segmented merchandise and about what percent do you think would be unique.

Ana Moedell^ So we're in the very early stages of really understanding that customer and how that segmentation will work in the future. I can't give you a percentage one way or the other. I can tell you that we are keeping a very close eye to that customer, looking at the data, and we'll make decisions that will match our product to who our customer is.

Chris Laden^ Ana, in the first phase of segmentation, how many different store segments do you think we'll have?

Ana Moedell^ That we are thinking that we expect four or five store segments to start with, and maybe the second part of the next year. So matching product in those four to five segments.

Alex Wilkes^ And we have been in conversations with some of our partners regarding some more premiums slash luxury brands that previously we would not have been able to get access to, but we're talking about those in the direction of they would be in a couple hundred stores where it absolutely is a no-brainer and makes sense.

But that's also, I think, a new thought for National Vision that in previous years, we would not have been in a position where our kind of brand was to have conversations with some of the fashion houses that we are today about even carrying those products and call it a couple hundred stores. So those are things that are on the table at the moment.

Simeon Siegel^ Thanks. Hey, guys. Simeon Siegel at Guggenheim. So you've mentioned the multiples often, right? And that seems really powerful. So I guess, number one, just very simply, why is that customer such a better customer from a profitability perspective? I don't know if it's specifically price. I think you said transactions, so it would be frequency. So if you can go there. And then why aren't they shopping you now?

So as you think about, like, I see the reasons why they're going to, but why aren't they yet? And then you talked about the increased awareness, which is fantastic. Did you see an -- was it with them? Where has it been growing? And are you seeing an increase in sales penetration as that awareness grows?

Alex Wilkes^ Yes, let me take your second of your third questions first. The short answer is, we actually already are winning those customers. We're just under-indexed. As Chris talked about, we had spent our entire organizational engine chasing the cash pay, lower income consumer. Yet, we were actually winning the managed care customers, to the point that it's already 40% of our mix. We're under-indexed, but we were winning those customers. We're winning the progressive customers.

Mark spoke of the Outside Rx customer. Frankly, that, I think, was a bit of an unintended consequence of our model. When you spend \$150 million a year on linear media saying, two pair of eyewear and an eye exam costs X, for those customers that already have that eye exam,

they don't think that you're a brand for them, because they don't want to go through the eye exam again.

And there's this unintended consequence or this belief that the consumer has that if I shop at America's Best, I have to go back through. And as Mark said, we kind of actually operated that way. So we were winning with these customers, but we had so pointed all of our organizational resources against one specific thing that we weren't maximizing for those.

So as we start to move into a different direction, and we actually target our consumers, that's why we believe we will win, because we actually already are, without even trying or doing it well today.

The second point on -- sorry, that was question two.

Chris Laden^ So the first part of the question was the -- help us understand, unpack why is the profitability at such a high level.

Alex Wilkes^ Thanks, Chris. By the way, just for the analysts in the room, on like earnings day, there's like people that write the questions on the board. So you just -- we don't remember that stuff. Like you look at someone like has a job to write it on the board, so you can click it off. Like no one remembers that stuff. All right. So what -- apparently Chris does.

All right. So why are some of those customers more valuable? The way managed care plans are constructed in particular, they're actually built in a way to motivate consumers to move towards more premium lens options and all the lens add-ons. So that's where those things really start to stack up.

The way a plan might work is you get \$130 to \$170 frame allowance, but your managed care provider has also negotiated the cost of anti-reflective lenses on your behalf. So it conveys value to that managed care customer that no matter where we price it, they're basically paying a negotiated rate for that AR coding, the transitions coding, or more premium material. So they feel like they have to take advantage of those options because in a way, they're paying for it in their premium and their paychecks.

So the managed care consumer through the construct of their plan is actually motivated to move into these higher product categories already. That's why that customer is so valuable. The progressive consumer, just a base progressive lens design begins to move you up in terms of lens cost. But then those consumers, they're not going to spend the type of money on a progressive lens without protecting it with a better anti-reflective coating. Because not only does a better anti-reflective coating give you better cosmetics on the lens, it actually gives you better durability from a scratch resistance perspective as well.

So it's a little bit of a momentum and velocity game on lenses. Like the more you spend on the base lens, consumers are predisposed then to start adding things on to either enhance or protect it because they've already invested a substantial amount in the base transaction.

Chris, anything else you'd --

Chris Laden^ Yes, I think on the Outside Rx consumer, there was a reason they chose not to purchase at the point of exam, which is either we didn't find the product that we liked in the stores, or holy cow, that's really expensive. I'm going to go somewhere else. In both of those categories, we've got a strategy to win. We're now introducing more premium frames that will better resonate with those consumers.

On the latter, we still offer tremendous value for like-for-like frames and lenses than a lot of the competition. So they might be spending more than our current average cash pay consumer. But we've got a huge right to win. With those consumers, that would also help raise our weighted average ticket.

Dylan Carden^ Thanks. So if you think about the success you've had to date, and you were to talk or speak to the balance between success, doing a better job selling to the existing core, versus new customer acquisition, how would you weight those two?

Alex Wilkes^ Yes, I think it's probably about 50/50. I think we've done some really smart mechanical things so far in our assortment, in our pricing structure. And I think we talked about taking some more of those decisions as we look into '26. Ana talked about evolving our price points, the modernization, dropping the decimal points, going to 95. But it's not just about moving to 95.

Our entire pricing algorithm in the store starts from that point. So it makes it way, way simpler for the consumer to navigate. So I think that's had a huge impact. And I think it shows in our MPS scores.

In terms of the behavioral changes in the stores, we still have a long way to go. But the work that Mark and Priti are doing is exceptional. Getting our store associates recalibrated from the historical norms that they were trained for 20 plus years, that their job was to help consumers come into our store and leave having spent as little as possible. That's what they were calibrated on. And Mark and Priti are doing a phenomenal job recalibrating expectations to something different. But it takes a long time to get 14,000 people along that same way.

So again, it's more than just my gut. I mean, we do have some data points I would suggest. It's about 50/50, the mechanical changes, and then the expectations and behavioral stuff flowing through.

Dylan Carden^ Great, and then Alex. The comments around returning to historical levels from an op margin standpoint. I mean, maybe we don't have these numbers, but it looks like, again, you have the guides for sort of call it 9, 10% op margin eventually if you do run through that math, which is double what you've done historically. I mean, and then it sort of bleeds into the conversation about the better payback on these stores. Is it really just that you're comping on a base with a higher overall ticket? So the leverage point is better in the model now? Or how do you kind of think about the profitability versus what, at least the numbers we have historically?

Chris Laden^ Yes, I think there's two areas for opportunity. I think the flow through on the higher average ticket will certainly be better as we're taking, even in a world of flat traffic and trading, higher value traffic for lower value traffic, we're going to see more gross margin dollars flow through, ultimately helping operating margin.

The second is, if you think about it, we'll have three years in a row from 2025 through 2027 of \$10 million of incremental annualized SG&A out of the business. That's what we've identified so far, right? We are not stopping, and this team is not satisfied that the cost infrastructure that we have today is what it needs to be to go forward.

There are certain areas we'll have to make more investments, but we certainly believe there's more operating leverage throughout the business. So it's really just a matter of sequencing then, what's the next round of cost outlook like, potentially in the latter years in the five-year period.

Alex Wilkes^ Yes, Dylan, sorry, one more thing real quick on your point on price and ticket evolution. It is so important and critical for us that the category from 2020 through 2025 expanded price somewhere in the range of 20 to 25%, and National Vision expanded somewhere around 6% during that same time period. So of course we saw compression in the P&L because we weren't evolving, even keeping pace with the category, right? So now we have this chasm of 1 1/2 to 3X average transaction.

Again, it can't be overstated. We're not intending to close the gap to category, but as we start to take incremental steps up in that direction, the mixed evolution, the pricing, it absolutely does help us from a marginality perspective at an accelerated pace.

Dylan Carden^ Can I sneak one more in? Just remote, you know, how, you know, where is remote in these numbers and the outlook? You know, I think there was some hope that it would be a real margin driver, you know, cutting down on dead share time, you know. Yes, anything you can say on remote, please.

Alex Wilkes^ So remote is in our, certainly a component. We could not achieve our revenue algorithm without remote as a capability. So as we think about our ambition of high single-digit revenue growth, mid-single-digit comps over the, through the 2030 time horizon, remote is an enabler to get there because of the challenges that still exist around docker capacity that I think, as an organization, we've done a fantastic job solving for.

So remote is an enabler of that. As Chris said, though, we're not satisfied with what we're going to accomplish from a margin perspective until we unlock hybrid remote. That could be something, it's not currently in our guide, but we do believe that there is an opportunity there. But we've always said it's something that we have to be extraordinarily thoughtful in how we progress, right? The change management associated with the hybrid world, which hybrid is the unlock to leverage on doctor labor.

So we are, we have about 100 doctors currently trained in operating in a remote hybrid mode of practice. And we're capturing learnings from that.

Chris Laden^ That's in the same, in the same breath that we say, remote is part of our core operating model in the states that allow it today. Hybrid is on the very early testing phases of how do you build, not just the technology solution, that's actually not the most challenging part of it. How do you build the incentives, the behaviors around the doctors to participate in a way that's meaningful,

Alex Wilkes^ Great, yes.

Paul Lejuez^ Thanks guys, thanks. Paul Lejuez, Citi. On your quest to attract this higher income consumer, where do you think you're pulling from? Is the low hanging fruit more of the independents, the mom and pops? Do you have your eyes set on certain chains? And how does your marketing tie in to where you think that customer's going to come from?

Alex Wilkes^ Yes, I mean, ultimately, we do believe it's coming disproportionately from the independent channel. It's a channel that hasn't evolved necessarily from a product capability, infrastructure, joyfulness of experience perspective in a very, very, very long time.

So we do think we're going to disproportionately win from those channels, especially around those three customer segments, right? Those three segments, Outside Rx, progressives, and managed care consumers historically have been more ingrained in the independent optometrist channel. But as they start to shift, or as they're not evolving, as they're not making the changes to their model to be more modern, to be fresher, to be more joyful, we think we have a disproportionate ability to win with those consumers.

Chris Laden^ And to clarify a point that Joe made earlier, when you look at the income demographics of who we're attracting today, we're actually already over-indexing in middle-income consumers. What we're not optimized for yet is how we're not actually meeting them where they're at in terms of the products and services that they want to buy. So part of the equation is how do you better attract new traffic in these target cohorts?

The other part of the equation, and frankly, the part of the equation that's been more impactful for us in terms of quick wins in 2025 has been how do you take the folks that are already coming through your stores and better serve them through consultative selling techniques through having the right product available, introducing new technologies like OptiCam that helps the consumer better understand some of the benefits of the more premium products and services that you're offering.

So it's a really interesting and exciting position to be in, which is we don't necessarily have to go and attract a ton of new traffic from a volume perspective to drive the average ticket outcomes that we're looking for. It's really just better serving the folks that are already walking through the door.

Matt Koranda^ Hey guys, thanks for the great day here. Matt Koranda with ROTH Capital. I guess two things. I wanted to hear a little bit more about the deployment of Optikam and what that's done in terms of attach rates for some of the premium lenses that you talked about, because

you're still under index there. So just curious about sort of the trajectory of how that improves over time.

Alex Wilkes^ So Optikam deployment, how many locations? And then I'll take the AR one.

Chris Laden^ As of November, we are now in every single America's Best store and every single Eyeglass World store. So it's fully deployed. We started deploying it in August and then scaled it out one region at a time throughout the country and got learnings along the way.

Alex Wilkes^ And part to your question on anti-reflective in particular, part of our average ticket growth, a significant part of our average ticket growth this year was actually, came from attachment rate of anti-reflective growing.

Matt Koranda^ Okay, great. And then just in the long-term targets, I noticed you guys said about 50% of sales from managed care, but it looks like, in terms of the category, 70% of consumers report having managed care benefits to spend. So why the mismatch there and is there upside opportunity to that 50% over time?

Alex Wilkes^ Yes, I mean, I think there's some managed care plans that we don't see necessarily an obvious path towards a network relationship with, and therefore we're setting our next milestone at 50% of our mix coming from managed care. If some of those opportunities were to ever open up, of course it could be north of that. But we'd have to see an obvious pathway to accomplish that.

So, but getting to 50% of our business with those that we participate in currently, we do think is absolutely achievable.

All right, okay. Wow. So are we done? Or are there any other questions among the group? So if you haven't had a chance to already, the things we talked about today, you can actually see come to life on your right side, my left side of the room.

So we have our Optikam demos available. If you spend time with our frames, you can see a little bit of a before and after, and it's a fairly visceral experience when you see just even our limited assortment of before frames to what we're moving to help bring that to life. We have a fantastic group of National Vision teammates.

And again, I just want to take a moment to thank everyone else who's here besides our senior leadership team that made today come to life. They're all sitting at the back of the room. But they're also here to give demos, to answer questions, and spend a little bit more time with this group.

Chris Laden^ You know, one of the things we didn't do is introduce the person who ultimately crafted this entire experience for everyone. So Tamara Gonzalez, Head of IR and Communications. Thank you for pulling this together.

