



2020 Target Corporate
Responsibility Report



The Big Picture

At the start of 2020, Target's years-long investments were delivering growth and a durable business model. The proof has been how we have adapted to one of the most challenging years in recent times. Together, as the world has battled the COVID-19 pandemic and taken up the fight for social justice, Target has been primed to rapidly support and sustainably serve our guests, team members and communities. From delivering a trusted and efficient online experience to important investments in company and community inclusivity and equity, we're using our strong foundation to live our purpose and bring joy.

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About This Report

Scope

Target's 2020 Corporate Responsibility (CR) Report was published in September 2020 and reflects activities and initiatives for our fiscal year 2019 (February 3, 2019–February 1, 2020), as well as certain subsequent events and initiatives that occurred after the end of fiscal year 2019 and prior to publication—including the COVID-19 pandemic and the murder of George Floyd and subsequent movement for social justice and racial equity across the U.S. All quantitative company data, unless otherwise stated, reflect fiscal year 2019. Unless noted, the goals and other data in the report reflect our U.S. operations.

Our last report, the [2019 Target Corporate Responsibility Report](#), was published in September 2019.

Report Structure

The structure of this report follows our corporate value chain: Supply Chain, Operations and Products and Guests. We are reporting against our most material issues, identified during our 2018–2019 [materiality](#) and [stakeholder engagement](#) process. For the purposes of this report, we use the [GRI Standards' definition of materiality](#), which is different than the definition used for filings with the SEC. Issues deemed material for the purposes of this report may not be considered material for SEC reporting purposes.

This report has been written for a broad range of stakeholders, including but not limited to our team members, guests, suppliers, investors and nonprofits. We have also produced an ESG Appendix where investors and raters and rankers—as well as other interested parties—can find comprehensive data updates on our performance against our goals and material issues, as well as our responses to GRI, SASB and TCFD, and alignment to the UN SDGs, where applicable. The Appendix also contains information on certain material topics not included in the report, such as ethics, data privacy and information security.

Forward-Looking Statements

This report contains forward-looking statements, which are based on our current assumptions and expectations. These statements are typically accompanied by the words "expect," "may," "could," "believe," "would," "might," "anticipates" or similar words. The principal forward-looking statements in this report include our sustainability goals, commitments and programs; our business plans, initiatives and objectives; our assumptions and expectations; the scope and impact of corporate responsibility risks and opportunities; and standards and expectations of third parties. All such forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements contained in the

Private Securities Litigation Reform Act of 1995, as amended. Although we believe there is a reasonable basis for the forward-looking statements, our actual results could be materially different. The most important factors that could cause our actual results to differ from our forward-looking statements are set forth in our description of risk factors included in Part I, Item 1A, Risk Factors of our [Form 10-K](#) for the fiscal year ended February 1, 2020, and in Part II, Item 1A, Risk Factors of our [Form 10-Q](#) for the fiscal quarter ended May 2, 2020, which should be read in conjunction with the forward-looking statements in this report. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update any forward-looking statement.

We welcome your feedback on this report. For more information or to provide comments, please contact us at: CorporateResponsibility@Target.com.

Key

Throughout this report, we disclose our progress against goals, which we illustrate with the icons below. The icons reflect relative progress toward completing the goal.

 We're just getting started.

 We're making progress.

 We've achieved our goal.

A Message From Our Chairman and CEO

Coming into 2020, we were ready for a good year. Many of our strategic initiatives were reaching scale right on schedule. Guided by the power of our purpose and values, our team was adapting well to new ways of operating and better serving our guests. The significant investments we'd made over the years were now paying off with steadily better business results. In short, we had achieved our goal of creating a durable business model, meant to perform well in any economic environment.

None of us knew at the start of the year how crucial those advantages would be. But as I look at how the year has unfolded, it's clear that the strength of our business—and the talent and character of our team—has allowed us to adapt to the things we never could've planned for.

The effects of the COVID-19 pandemic and the outrage and heartbreak of racial inequities weigh heavily on all of us, personally and professionally. But as a team, we've come together and committed to meeting this pain with purpose.

Our guests and communities need us now more than ever before. In rallying to meet their needs, I think Target has become a stronger, more meaningful and fundamentally better company.

As COVID-19 hit the United States this spring, we faced a lot of challenges simply to run our business, and we did more than just keep our doors open.

We overhauled how we operate to make Target easier and safer to shop, as guests turned to us for food and essentials, as well as for supplies to create home offices and home classrooms.

We invested in our team by increasing pay and expanding well-being benefits so team members would have everything they need to care for themselves and their families.

And we quickly invested \$10 million toward pandemic response efforts, with an emphasis on supporting organizations that reach vulnerable populations and underserved communities.

Then, at the end of May, the murder of George Floyd by a police officer just a few miles from our downtown Minneapolis headquarters forced us to take a hard look at what Target stands for.

We've been on a 15-year journey to build and refine Target's diversity and inclusion strategy. While this work had helped us make substantial progress in a number of areas, many team members and guests made it clear to me that we needed to use the full power of the Target brand to support a broad-based movement against systemic racism in all of its forms.

We began by committing to rebuild our stores damaged in the protests and listening to our communities to help ensure these stores don't just reopen, but are a force for lasting good in the neighborhoods they serve.

We also invested \$10 million to help communities rebuild from this summer's protests and support groups fighting for social justice and racial equity.

And, in August, we launched the Racial Equity Action and Change (REACH) Committee. This group of Target leaders is tasked with guiding us as we work to help Black team members grow and advance in their careers at Target, welcome Black guests into our stores, combat

racial inequities in our communities, and advocate for civic engagement and public policy that addresses systemic racism, safety and police reform, economic and educational opportunity, and access to fair and safe voting.

Our country faces unprecedented challenges that have fundamentally changed what it means to be a "good corporate citizen." There are no easy answers or quick solutions. Our value is defined by more than just the earnings we report to Wall Street or the money we donate to philanthropic causes.

Ultimately, we will be judged by the actions we take for our guests, our team and our community—every day.

The Target team embraces this—because we know we can make a difference. With partners in our communities, we can meet this moment and help build a stronger, more prosperous and more equitable future for all.

Sincerely,



Chairman and CEO



Brian Cornell
Chairman and CEO

Q&A With Our Vice President of Corporate Responsibility & President of the Target Foundation

In 2020, life as we know it changed, from a global pandemic to worldwide calls for racial equity and social justice. It's also been your first year in this role, leading Target's sustainability strategy and philanthropic efforts. What an extremely challenging time to start leading a new team. Can you talk about that experience?

It's definitely been an intense start, but in these challenging times, I've been so gratified to witness the compassion, the drive and the commitment from our Target team members to the important causes of our time, particularly finding meaningful solutions to the systemic racism experienced by Black, Indigenous and People of Color (BIPOC) communities.

We live in a time where issues are interconnected: systemic inequality, climate change and now the COVID-19 pandemic. Specifically, the pandemic hit regions and people in different ways, and Target responded rapidly to be there for them all. But it also became clear over time that COVID-19 was having a disproportionate effect on Black people and other people of color. The same is true of another issue Target cares deeply about—climate change. We cannot ignore that so many of the issues that already matter to Target—both social and environmental—have ties to systemic inequality and bias. I'm passionate about finding holistic approaches to ending systemic racism, reducing the environmental impact of our enterprise and the advancement of a culture that places people and the planet at the heart of what we do.

To us, being sustainable encompasses the calls for racial equity and social justice in our hometown—the Twin Cities of Minneapolis and St. Paul—and across the country. Target has spent the past few years transforming how we grow, and how we embed and measure diversity and inclusion across our company. This is not new work for our team. We've enhanced inclusion acumen training, added a series of new goals designed to drive meaningful progress faster and continued to build up our portfolio of diverse suppliers to create economic opportunity for all. The voices and actions of our team members give me hope that Target will play an important role in healing and helping support awareness and action around racial equity and social justice. We have a long way to go but I know that we are up to the challenge of listening, learning and co-creating with our community to build a better world. We want to help all families, and I mean all families, discover the joy of everyday life.

Thinking about the past year and the beginning of 2020, what were the biggest achievements?

There is so much to be proud of as I think about our work throughout 2019 and the first half of 2020.

First, in late March, we announced Target and the Target Foundation's most comprehensive single relief commitment to assist our team members and organizations as they deal with the challenges of the COVID-19 pandemic. This included grants to numerous partners deploying emergency resources like food, financial support and child care, and others taking care of the

most vulnerable. And we continue to focus on collaborative partnerships to maximize our impact for the most adversely affected and underrepresented communities, while also providing economic opportunities to help build the long-term resiliency of our team and communities to withstand and thrive in the future.

Second, in terms of social justice, Target and the [Target Foundation](#) are making financial investments in support of long-standing partners like [National Urban League](#), the [African American Leadership Forum](#) and others. We're contributing 10,000 hours of pro bono consulting services for BIPOC-owned small businesses, and continuing to give rapid relief to communities—providing essentials like baby formula, diapers and medicine to those most in need. Further, through our [Target Circle](#) loyalty program, we offer guests the option to direct Target funds to local nonprofits, including organizations supporting social justice. This is just the beginning of a multi-phase, long-term, team-centered approach to racial equity.

As for our ongoing sustainability efforts, we've met and exceeded a number of key goals, while driving innovations. For example, we now have solar rooftops at over 500 stores and distribution centers, which puts us on track to achieve our 100% renewable electricity goals by 2030.

We are also partnering with our suppliers to help them implement emissions-reduction projects in their operations, which will help reduce our Scope 3 emissions and fulfill our climate goals and commitment to the Science Based Targets initiative.



Amanda Nusz
Vice President of Corporate Responsibility
& President of the Target Foundation

In waste, we have achieved our 2020 goal ahead of schedule and diverted 78% of the waste from our stores from landfill, including construction waste from store builds and remodels. And we're playing our part in [Beyond the Bag](#), a project looking for alternatives to single-use plastic shopping bags.

In 2020, we took another important step in our enterprise human rights journey by publishing our new [Human Rights Statement](#), created to align with [ILO Core Conventions](#) and the [Universal Declaration of Human Rights](#). The statement reflects the work we have done over the years to engage with and support our key stakeholder groups, including guests, team members, our supply chain and our communities. As we are all seeing now with unfolding events, this foundation in human rights is so important and more needed than ever before as the driving force behind all of our work.

Why do you think it matters for Target to be a more sustainable and responsible business?

We are one of the largest retailers in the U.S. That gives us the kind of size and scale where we can impact people all over the world. We want that impact to be positive—to be something that drives a healthier environment and a more equitable world.

We design and embed sustainability into all facets of our business to best serve our internal and external stakeholders. We know our supply chain

and products are connected to natural resources, and that our business model is linked to materials, so we have ambitious responsible sourcing goals, among many others. The materials we choose and how we use them are all part of how we're embedding circular design principles across Target, which is an incredibly important area of our work.

We're on a journey to reimagine not just how our products and services are designed, but what their impact is while they're being used by our guests, and how we can provide our guests with end-of-use solutions so that they can feel good about what they're buying. As well as being sustainably designed and made, our products must be inclusive and affordable and reflect our guests' expectations.

But I want us to continue to think about our CR strategy from a deeply human perspective, and to ensure we're connecting with all our stakeholders. Keeping tuned in to their concerns helps our business address the right issues today and tomorrow in a timely, effective and targeted way. That's where our purpose drives us. Ultimately our purpose is to bring joy to all families, and that doesn't just apply to our guests—that means our team members, our communities and the workers across our global supply chain. We can have a meaningful impact on the lives of everyone we interact with, and it is up to us to ensure that we do.

I am excited to build upon our legacy as a responsible and community-minded business and write a new chapter on how we bring "joy to all families."

As you think of the work that's ahead, what gives you the most hope, what motivates you?

Intentions matter, but outcomes matter more. In the coming months and years, I want to see us working across our business to continue examining our practices and operating model to ensure they live up to our expectations for diversity and inclusion. We all have a role in actively addressing inequities through our supply chain, hiring strategies and the people we serve. We'll help to strengthen the systems and organizations that drive shared prosperity, investing in partners that help reshape economic and social structures in our communities.

Ahead of us lies a long journey of listening and learning, working in partnership and standing side by side in solidarity with our Black team members. We will commit to solutions to systemic racism, determined by diverse and unified Target team members, to build ladders for success that are available to everyone.

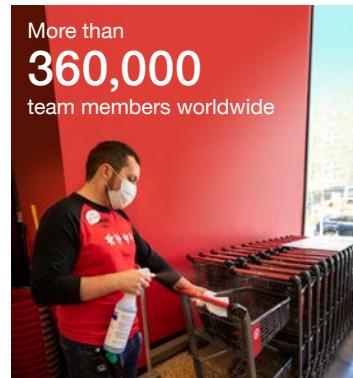
I'm also really excited about the time we've been spending developing our new, company-wide sustainability strategy focused on the intersection of people, planet and business. In the process of developing this next chapter of sustainability, we engaged with over 75 internal subject matter experts, consulted with external industry experts, and learned from consumers to refine where we focus our efforts. We will continue to build on our strong foundation of sustainable operations and we have identified areas where Target can lead, including products and brands, waste-free solutions and experiences, and our team, communities and workers. We look forward to sharing more soon.

Who We Are

To help all families discover the joy of everyday life—that's Target's purpose and there are countless ways we live it.

As one of the largest U.S. retailers, we use our scale and scope to design, source and sell quality products that delight our guests. We are committed to providing inclusive and sustainable choices that support the needs of our guests, align with their values and uplift and protect the people, communities and ecosystems all along our value chain. As we work to meet these commitments, we are guided by a strategy that is an expression of our purpose and values of inclusivity, optimism, connection, inspiration and drive, as well as ethics and delivering a great experience for our guests.

No matter how our guests choose to shop with us—whether in-store, through our digital channels or both—we aim to make their experience easy and inspiring, at an only-at-Target value. We have stores in all 50 U.S. states and the District of Columbia, with team members who reflect our communities and are passionate about bringing joy to our guests, day in and day out. We work together as a team and stand together with our communities, in good times and hard times, striving to always be a source of convenience, continuity and joy.



More than
360,000
team members worldwide



\$225 million
in cash and in-kind
donations in 2019



Nearly 1,900
stores



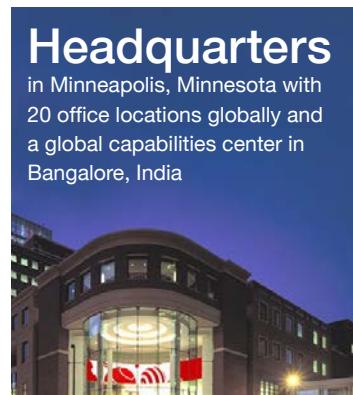
30 million+
guests a week



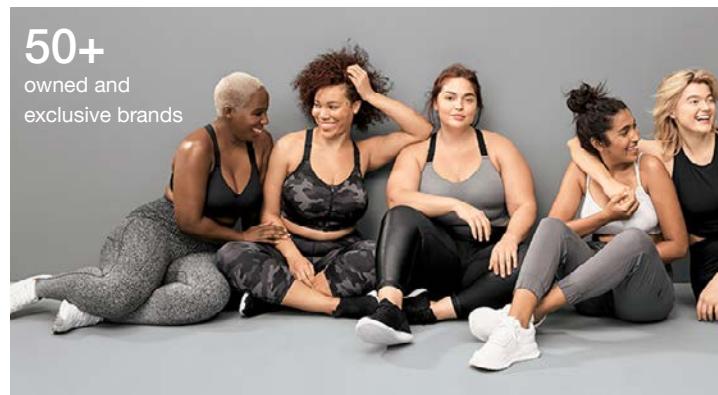
42
distribution
centers in
the U.S.



\$77,130 million
total 2019 sales



Headquarters
in Minneapolis, Minnesota with
20 office locations globally and
a global capabilities center in
Bangalore, India



50+
owned and
exclusive brands

Noteworthy Awards and Rankings 2020

DiversityInc

[Top 50 Companies for Diversity](#)

No. 13 Overall

No. 10 Top Companies for Board of Directors

No. 10 Top Companies for Philanthropy

Target was named one of the Best Places to Work for People with Disabilities by Disability:IN, the leading nonprofit resource for business disability inclusion.

Fast Company

[The World's Most Innovative Companies](#)

No. 2 in Beauty

Fortune

[The World's Most Admired Companies](#)

No. 22

[Best Workplaces for Millennials](#)
No. 10 Large Company

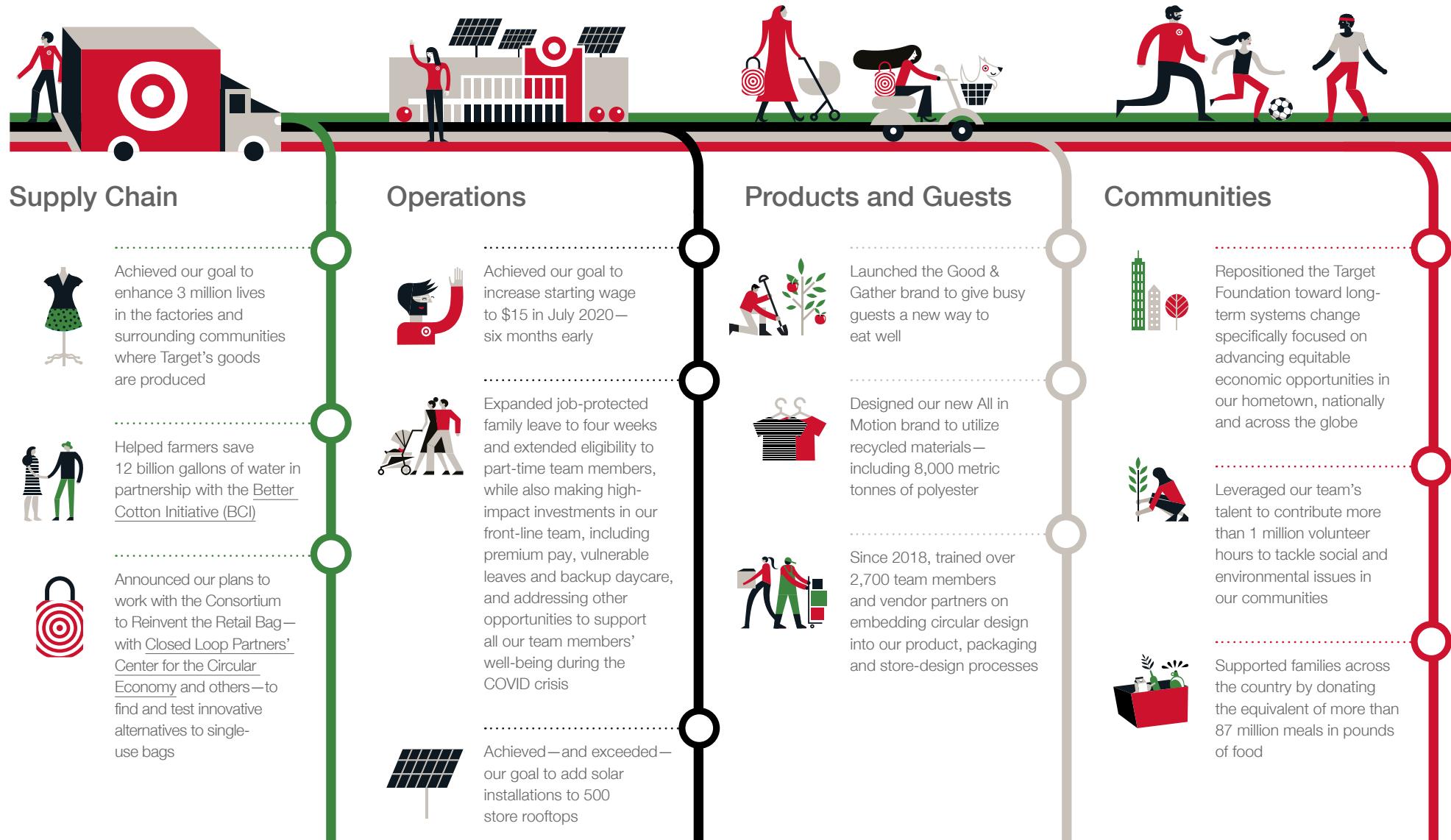
Great Place to Work
Target is 2020 Great Place to Work Certified™

Retail & Hospitality Information Sharing & Analysis Center (ISAC)

Target won **Cybersecurity Team of the Year** for three years in a row from the [Retail & Hospitality Information Sharing & Analysis Center \(RH-ISAC\)](#)

Year in Review

Our Greatest Achievements



Our Response to COVID-19

As families across the country—and around the world—began to feel the impact of the COVID-19 pandemic, Target moved swiftly to meet extraordinary challenges.

Our priority has always been the safety of our team and our guests. In addition to offering contactless order pickup and home delivery, we took a number of steps in support of our team and guests, with increased safety measures and operational changes, and we'll continue to do all we can to help navigate these uncertain times.

Hygiene & masks: All our team members are required to wear a mask/face covering. We give our front-line team members high-quality disposable face masks and gloves to wear at work and encourage them to continue healthy hygiene habits like frequent hand-washing. We also provide masks for Shipt Shoppers, vendors and contract service providers while they work in our stores.

Cleaning & disinfecting: In our stores and distribution centers, we undertake a stringent, two-pronged approach to cleaning and disinfecting high-touch areas to help reduce the risk of spreading illnesses.

Social distancing & guest metering: To ensure social distancing is maintained, we actively monitor and meter guest traffic in our stores, and use floor decals to encourage everyone to remain six feet apart. We're also staggering rest breaks and meal periods, and limiting the number of team members unloading trucks. Beginning in August 2020, we also require all guests to wear masks while shopping in stores. For guests without a mask, team members will provide disposable masks free of charge.

Health checklist & thermometers: To make it easier for teams to monitor their health at home, we've made a health checklist available, as well as offering a free thermometer upon request. Our priority is taking care of our team members and supporting them as they serve the millions of guests who count on Target to deliver the food, medicine and essentials they need.

Plexiglass partitions: Plexiglass partitions have been installed at all registers, providing a safer environment for guest interactions.

Dedicated shopping hours & quantity limits: Our dedicated shopping hours for vulnerable guests and team members—and purchase quantity limits on high-demand items—ensure everyone has access to the essential items they need right now.



Team member benefits: The safety and well-being of our people is always our priority. In the uncertainty of the pandemic, we've seen our team members go above and beyond to continue providing incredible service to guests and their communities. We recognize their commitment and match it with our own: to invest in their health and support them when their health is compromised.

We will invest nearly \$1 billion more this year in the well-being, health and safety of team members than we did in 2019, including increased wages, paid leaves, bonus payouts and relief fund contributions. The measures included a temporary \$2-an-hour wage increase for all front-line team members, plus free, safe and reliable backup care for their families. We also paid out a one-time bonus to our front-line hourly team members for their efforts throughout the coronavirus pandemic. In addition, Target's Team Member LifeResources (TMLR) is available 24/7 to all team members, dependents and any member of the household to help with a variety of issues. Additionally, to support our team through this unprecedented time, Target is offering all U.S.-based team members free access to additional online resources, like [Daylight](#) and [Sleepio](#), that support their mental, emotional and physical health. As circumstances during the pandemic evolve, so will the ways we back our teams. We will continue to evaluate and add to our offerings to ensure we are supporting them in the ways they need most.

Community support: As talk of "the new normal" grows, we're seeing that the pandemic's impacts will last for some time. Target and the [Target Foundation](#) announced a [\\$10 million donation](#) for team members and communities that need extra resources now and in the coming months. This relief effort will address critical needs—locally, nationally and globally.

- \$1 million is for our [Target Team Member Giving Fund](#), helping team members manage financial hardships and other impacts. Target is also matching up to an additional \$1 million in contributions from fellow team members.
- \$5 million is to assist state and local community foundations supporting nonprofit organizations.
- \$3 million is supporting national nonprofits such as [Feeding America](#).
- \$1 million is directed toward [UNICEF](#) and other global organizations.
- In our supply chain communities, we partnered with [CARE](#) in Indonesia and Bangladesh to provide cash for work and cash voucher assistance to members of their women's Empowerment, Knowledge and Transformative Action (EKATA) groups. This initiative aims to mitigate the immediate socioeconomic impacts of the pandemic.

We have also made it easy for our [Target Circle](#) members to help direct Target's giving by offering new options focused on COVID-19 relief efforts—such as the [Center for Disaster Philanthropy](#)—in addition to local community nonprofits.

In our home state of Minnesota, the Target team stepped up to provide care and resources in neighborhoods where our team and guests live and work. Among these initiatives was the [SAFE Retail toolkit](#), a package of helpful operational resources to help businesses reopen. Team members created the materials using learnings and insights from Target's own pandemic-response efforts.

In addition, our supply chain and technology experts helped Minnesota officials manage the high demand for personal protective equipment (PPE) by working with them for weeks on inventory, processing, storage and efficient dispatch.

We are humbled by the commitment and effort of every Target team member and are proud that [Forbes](#) and [JUST Capital](#) ranked Target No. 2 on their Corporate Responders list for our commitment to keep every guest and Target team member safe.

Related Link

 Read the latest updates on Target's coronavirus information hub



Taking Action to Advance Social Justice & Racial Equity

From the beginning, we have operated with love and opportunity for all. Diversity and inclusion are at the core of our culture, and for the last 15 years, we've worked to build a diverse workforce as we strive to give everyone access to the same opportunities and build teams that represent our guests. And we've been on a journey to embed equity and advance justice within our company and communities—through developing a diverse, supportive workplace built on inclusivity to supporting suppliers and entrepreneurs that represent our guests and communities.

In 2020, a tragedy in our hometown amplified just how imperative this work is. On May 25, 2020, **George Floyd**—a Black man—was killed by police in Minneapolis, Minnesota. His death sparked global calls for social justice and racial equity.



In Minneapolis, we are a community in pain, but that pain is not unique to the Twin Cities—it extends across America. The murder of George Floyd has unleashed the pent-up pain of years, as have the killings of **Ahmaud Arbery**, **Breonna Taylor** and others. We say their names and hold a too-long list of others in our hearts. As a Target team, we've huddled, we've consoled, we've witnessed horrific scenes similar to what continues to play out, and we've wept that not enough is changing. And as a team we've vowed to face pain with purpose.

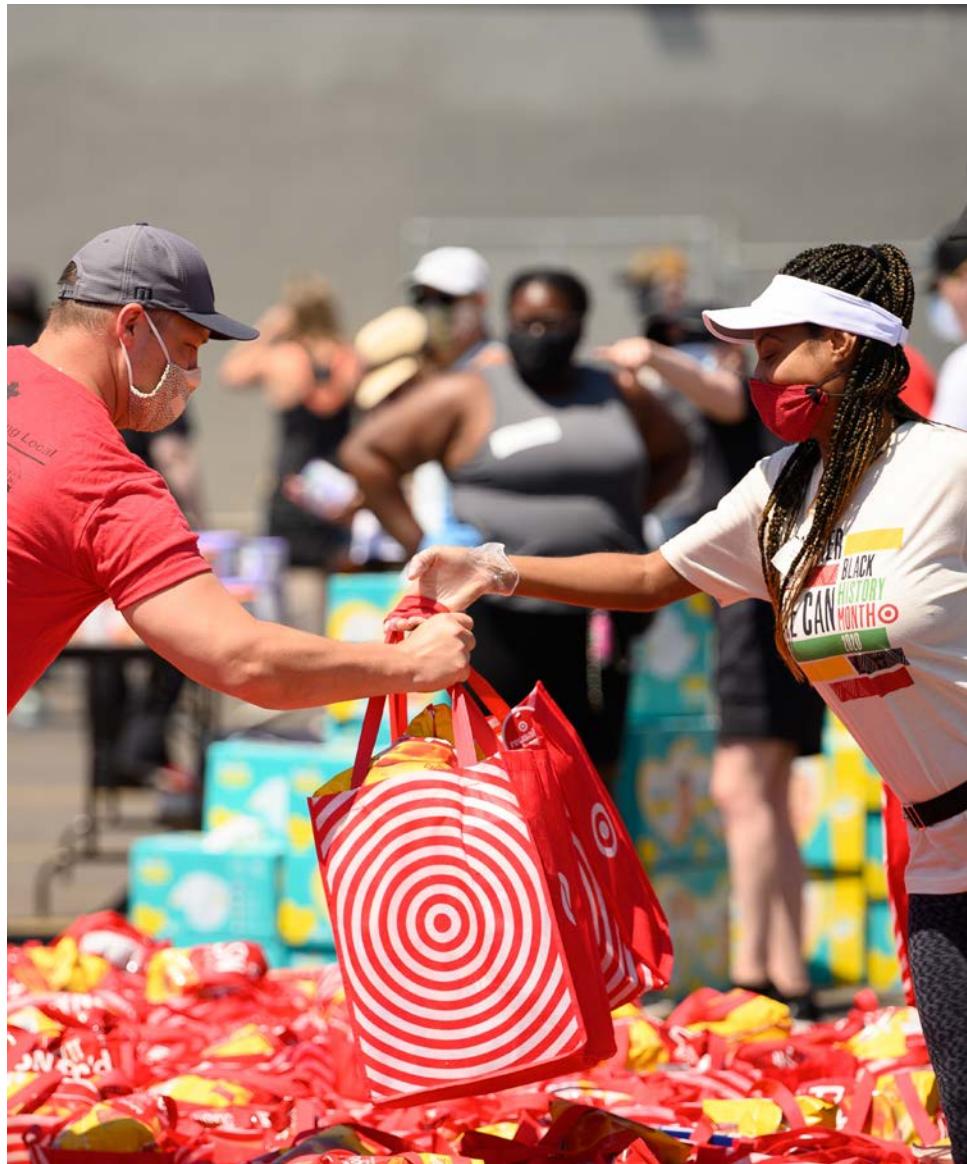
We stand against racism and stand with Black families, communities and our team members. But we understand that we need more than words to move forward. We need action.

As we face an inflection point in Minneapolis and across the country, we're listening to our team, guests and communities. And we're committing our size, scale and resources to help heal, foster and create solutions in the service of social justice and racial equity—both inside and outside our company.

We've formed a REACH Committee that will listen to—and work with—our Black team members, guests, community leaders and industry partners to help guide Target in taking bold, intentional and transparent actions toward being a company that helps drive social justice. To create the most impact across our business, REACH is aligned around four key areas of focus: Team, Guests, Communities and Civic Engagement & Public Policy. The committee will set specific, measurable goals to define success across this work and regularly report on our progress.

In addition, with the Target Foundation, we announced a \$10 million investment in community recovery and rebuilding efforts, as well as social justice efforts, to support long-standing partners such as the National Urban League and the African American Leadership Forum in addition to new partners. And we'll provide in-kind donations and contributions to local nonprofits and national partnerships to create long-term change, while also developing new partnerships in the Minneapolis-St. Paul area and across the country.

We have long promoted diverse suppliers as part of our strategy to create economic opportunity and embed diversity and inclusion across our businesses. Now, we will provide 10,000 hours of pro bono consulting services for BIPOC-owned small businesses in the Twin Cities, helping with rebuilding efforts.



Through working with local nonprofit organizations, the Target Foundation will amplify investments in BIPOC-owned businesses and entrepreneurs, along with efforts to promote equity in the areas of housing, asset-building and workforce development.

We also want to go beyond economic and business support and to empower reflection and solidarity. From now on, we will be recognizing Juneteenth—the oldest nationally celebrated commemoration of the ending of slavery in the United States—as an official annual company holiday.

We will also prioritize the rebuilding and reopening of our store located at 2500 E. Lake Street in Minneapolis—preserving approximately 200 local jobs—with the goal of opening in late 2020. The project's general contractor is Nawal Noor, who is the founder and owner of Noor Companies. She is also the first East African developer and general contractor in Minnesota. This aligns with our long-standing work with ConstructReach, a collaboration that grew from a need we identified to grow workforce development and a diverse supplier base within the construction industry. We provide funds and expertise at the program's board level, driving a focus to grow diversity in construction, and these funds will support long-standing partners.

While we continue to invest in efforts to dismantle systemic racism outside of our own four walls at Target, we also recognize how crucial it is for us to consistently address it within them. Over the past few years, we have been providing inclusion acumen training across the business to combat bias and make our workplace welcoming and

supportive for all team members. We also have a new set of commitments designed to strengthen how we grow and track diversity and inclusion across our team and business.

These behind-the-scenes efforts translate into what we hope is a more inclusive shopping experience for our Black guests that goes beyond our annual celebration of Black History Month. Actively engaging and listening to our BIPOC suppliers and team members means that more guests can find quality, affordable products that truly fit their needs and a shopping experience that sparks joy. It means Target is standing behind our ethos of democratizing great design for all.

In the weeks and months ahead, our teams are committed to listening and learning from our communities and nonprofit partners to better understand how Target can support their longer-term needs. The necessary work that lies ahead for our country means that “business as usual” and “life as usual” will continue to be impossible. It requires all of us to dig deeper to understand how we can contribute—individually and collectively. Together, we can end racial injustice.

Related Links

[Read more about our ongoing work to advance social justice here](#)

See Also

- [CR Report: Diversity and Inclusion](#)
- [CR Report: Design for All](#)
- [CR Report: Economic Opportunity](#)

Our CR Strategy

Being a good corporate citizen is part of our DNA. In 1918, George D. Dayton created the Dayton Foundation with a \$1 million endowment and a purpose to aid in promoting the welfare of mankind anywhere in the world. By 1946, the Dayton Company, Target's predecessor, established the practice of giving 5% of pre-tax profits back to the community. Fast forward to today, and Target stands not only on a rich legacy, but also a strong foundation of sustainable programs that support our company's purpose: to help all families discover the joy of everyday life.

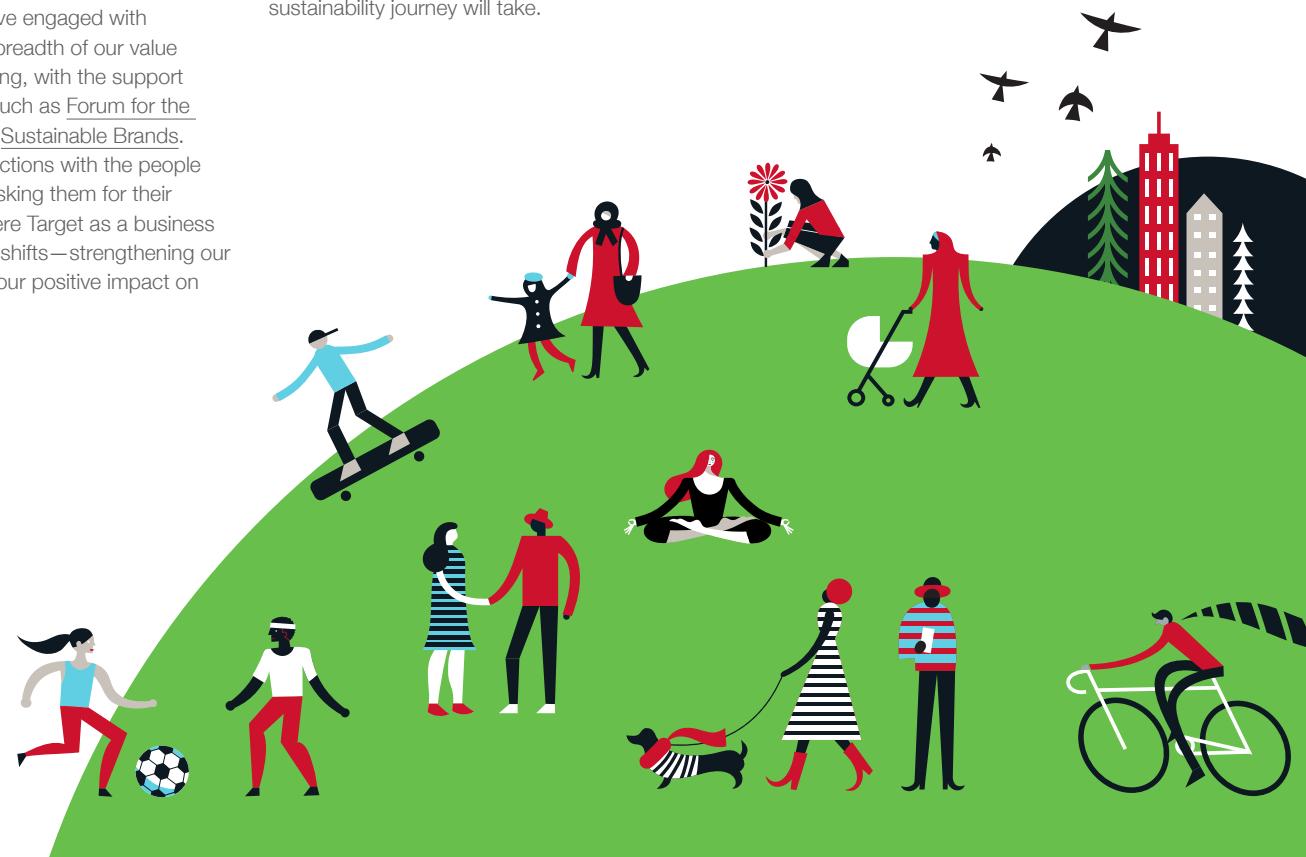
What's Ahead

As 2020 has shown us, change is underway, shaped by the enormous challenges of COVID-19, climate change, racial inequities and more. Change brings opportunities to leverage our size, scale and strengths for good. We do not have all the answers and cannot achieve our goals alone. But we are committed to working together in a collaborative way to achieve continuous improvement and to be transparent about what we learn. We are eager to continue on this path and are inspired to join our guests and other important stakeholders on this journey.

Throughout 2020, we have engaged with stakeholders across the breadth of our value chain, listening and learning, with the support of key external partners such as [Forum for the Future](#), [BSR](#), [BBMG](#) and [Sustainable Brands](#). We've made deep connections with the people that matter most to us, asking them for their support in identifying where Target as a business can make transformative shifts—strengthening our resilience while ensuring our positive impact on people and planet.

The result is a uniquely Target vision of sustainability, fueling a new strategic direction, shaped by what matters now and in the future. This strategy will build on our heritage of democratizing design and wellness; we want everybody to benefit from sustainability. For example, we aim to: provide sustainable and inclusive products that are affordable and accessible; design innovative, sustainable solutions to address waste; and leverage our assets to create economic opportunity and more equitable communities.

We cannot wait to share the new path our sustainability journey will take.



Materiality and Stakeholder Engagement

Our materiality process drives how we engage internally and externally, invest our resources and adapt our strategy on environmental, social, economic and governance topics across our value chain.

In recent years we have witnessed dramatic changes around the world, to which we continually adapt our work to meet new challenges and drive meaningful progress on our social and environmental priorities.

We believe that solutions are only possible through collaboration, and that systemic change is built on deep, ongoing engagement with the people our work impacts. From the people who manufacture the products we sell and the team members who welcome our guests, to the communities we work in, we engage with a diverse group of stakeholders around the world and use their valued perspectives to inform our approach to systemic change. Through these partnerships, we are building a sustainable, equitable future—together.

Civil Society Organizations

How We Engage

- Community dialogues
- Interactions through community partnerships and volunteerism
- Participation in conferences and forums
- Partnerships to advance shared priorities
- Philanthropic investments
- Select topical engagement
- Strategic partnerships and consultation on material issues

Topics

- Animal welfare
- Climate and energy
- Community engagement
- Diversity and inclusion
- Environmental impacts
- Equitable economic opportunity
- Human rights and labor practices
- Materials and packaging
- Philanthropy
- Safety, preparedness and response
- Social justice and racial equity
- Supply chain management

Our Response

Continue our iterative learning process through engagement and partnership to guide our strategy—including goal-setting—on our most material environmental and social topics

Focus financial, human and in-kind support in communities to work to improve the livelihoods of people across the United States, India and in our sourcing communities



Guests

How We Engage

- A Bullseye View website and newsletter
- Face-to-face interactions in our stores
- Focus groups
- Guest Services direct interactions
- In-store marketing
- Online polling
- Receipt-to-online guest satisfaction surveys
- Social media monitoring and engagement
- Target Circle loyalty program

Topics

- Community engagement
- Diverse and inclusive marketing and merchandise
- Health and safety
- Materials and packaging
- Social justice and racial equity
- Supply chain management
- Sustainable and inclusive products

Our Response

Elevate and expand how we share our inclusivity and sustainability work in stores and through our digital channels

Increase visibility of and access to inclusive and sustainable products

Offer our guests the opportunity to direct our giving funds locally



Government Officials & Influencers of Both Parties

How We Engage

- Letters and written or verbal testimony
- Meetings with local team members and company leaders
- Trade associations and policy-based organizations

Topics

- Community engagement
- Data security and privacy
- Employment and labor
- Health and safety
- Health care
- Product safety
- Sustainability
- Taxes
- Trade

Our Response

Enterprise-wide intake and assessment of salient policy issues

Advocate at all levels of government—including with policymakers and legislators—to help shape constructive policy solutions that impact our team members, business, guests, industry and communities





Investors

How We Engage

- Annual meeting of shareholders
- Financial community meeting
- Participation in conferences and forums
- Quarterly earnings conference calls
- Regular calls and in-person meetings
- Topical calls as requested

Topics

- Business continuity planning
- Corporate governance
- Environmental impacts
- Executive compensation
- Human capital management
- Human rights and labor practices
- Materials and packaging
- Supply chain management

Our Response

Increase transparency of social and environmental strategy and associated investments, including expanding key data disclosures

Team Members

How We Engage

- Annual survey and weekly pulse questions
- Bias training and inclusion acumen resources
- Daily team member email
- Employee resource groups, diversity action committees and affinity networks
- Executive leadership emails and videos
- Focus groups and listening sessions
- Integrity Hotline
- Personal and professional development and trainings
- Volunteerism during the work day

Topics

- Competitive wages and benefits
- Diverse and inclusive workforce
- Environmental and social impacts
- Learning, development and growth
- Philanthropy
- Safety and disaster preparedness
- Team Member Giving Fund
- Worker safety, health and wellness

Our Response

Give our team members equitable opportunities to grow professionally in their careers, take care of themselves, each other and their families, and make a positive impact on our guests and our local communities



Vendors

How We Engage

- All vendors**
- Annual meetings
 - External partner website
 - Trainings and workshops
 - Vendor Code of Conduct

Owned-brand vendors

- Annual assessment
- Annual owned-brand vendor meeting
- Capability building
- Standards of Vendor Engagement (SOVE)

Topics

- Environmental impacts
- Human rights and labor practices
- Materials and packaging
- Net-positive manufacturing
- Supplier diversity
- Supply chain management
- Transparency and disclosure

Our Response

Driving shared value through shared values with engagement, capacity building, investments and incentives for sustainable supply chain practices toward diverse and net-positive manufacturing



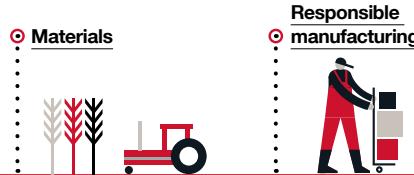
Key Partners

- 1863 Ventures
- African American Leadership Forum
- American Apparel & Footwear Association
- American Indian College Fund
- Apparel Impact Institute
- Better Cotton Initiative
- Better Work
- BSR
- CARE International
- Catalyst
- Center for Economic Inclusion
- Ceres
- Chemical Footprint Project
- Chief Executives for Corporate Purpose
- Closed Loop Partners' Center for the Circular Economy
- Co-Impact
- Consumer Goods Forum
- Ellen MacArthur Foundation
- Executive Leadership Council
- Fair Labor Association
- Fashion for Good
- Feeding America
- Financial Health Network
- Global Fashion Agenda
- GoodWeave
- Hispanic Association on Corporate Responsibility
- Institute of Public and Environmental Affairs
- Leadership Education for Asian Pacifics
- National Museum of African American History and Culture
- National Organization on Disability
- National Retail Federation
- National Urban League
- Nest
- Nirapon
- Operation Gratitude
- Renewable Energy Buyers Alliance
- Retail Industry Leaders Association
- Social & Labor Convergence Program
- St. Jude Children's Research Hospital
- Sustainable Apparel Coalition
- Textile Exchange
- Toy Industry Association
- Verité
- Water.org
- World Resources Institute
- Zero Discharge of Hazardous Chemicals Programme

Our value chain is how we bring our business to life and put our values into our products and services—from making to selling. This value chain includes a supply chain spanning 49 countries, operations across all 50 states, and products and services for over 30 million guests.

Supply Chain ▶

Behind our owned and exclusive brands are responsibly sourced materials and people whose rights are protected and whose aspirations are nurtured.



Operations ▶

What makes Target different are the team members who make our guests' shopping experience special and the welcoming stores that reflect the communities they serve.



Products and Guests ▶

No matter who they are, we're proud that Target is a place where our guests will find products and brands that fit their needs, lifestyles and values.

Our assortment includes quality, inclusive and sustainable products and services that guests feel secure using



Helping guests make sustainable choices



See Also

ESG Appendix: Glossary

Supply Chain





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Making Cleaner Choices Across Our Business

Sourcing With Purpose

Our purpose? To help all families discover the joy of everyday life. For us, much of that joy is in the values behind our quality products that make life better for guests.

We work to promote and protect the rights of the people across our supply chain, from the materials we source to the manufacturers we contract for our owned and exclusive brands. We use our influence over these brands (which account for about a third of our overall sales) to raise the bar across our industry. This includes working with diverse suppliers, enabling greater economic opportunity and supporting social equity for communities where we operate. The ways we're reducing the environmental impact of our owned-brand products are built into our processes, where we're embedding circular design principles from the drawing board that will carry positive impact into the homes of our guests. At Target, we don't just sell goods and provide services—we offer choices that are building the future we—and our guests—want to see; building a supply chain that supports our values so that our products reflect them, too.

How We Source Products

The Value of Values

From the very first stages of product design, we're thinking about how to responsibly find and select the materials we need.

We choose our suppliers and materials with care, and we are continually looking for opportunities to make our products more sustainable.

From working with local partners and seeking internationally recognized certifications to investing in innovation and leveraging industry collaborations, we prioritize sustainability and transparency, helping our guests make choices they can trust.

Sourcing responsibly is a journey, with new best practices being developed every day. We're excited by the challenge and always ready to learn—and lead.

Understanding Brands at Target

- National brands: brands we sell, but do not own
- Owned brands: brands we own, source and sell
- Exclusive brands: brands we do not own, but are the only retailer licensed to sell

[📍 Find out more here](#)



Materials

Responsible Sourcing & Sustainability

Target strives to source materials that are better for people and the planet.

Our Approach

Whether we are seeking to use more recycled polyester or more sustainable cotton, forest products and ingredients, our sourcing teams, suppliers and designers are aligned with our values and empowered to drive progress on our commitments. Our guests' needs play a part in helping us choose which products we focus our sustainability and sourcing efforts on and whether we leverage our impact through our owned brands or national brands.

This is supported by providing [circular design training](#) for teams across the enterprise to reinforce how material choice impacts a product's total footprint.

We have published commitments for [cotton](#), [animal welfare](#), [forest products](#), [palm oil](#) and [seafood](#). Reporting on our progress toward these commitments keeps us accountable and transparent. We are also a proud member of multiple external partnerships that are focused on driving innovation and transparency around how key resources are grown, sourced and produced.

Goals

Coffee

By 2022, 100% of Target's Archer Farms and Good & Gather coffee in both bags and pods will be certified sustainable according to the Fair Trade USA standard or an equivalent

28.6% of stock-keeping units (SKUs)

[In Progress](#)



Cotton

Source 100% sustainable cotton for our owned-and exclusive-brand products by 2022

Over 83,000 metric tonnes of BCI and U.S. LEADS cotton

[In Progress](#)



Forest Products

Source all owned-brand paper-based retail packaging from sustainably managed forests by 2022

51% by weight

[In Progress](#)



Roll out implementation of our forest products policy among our relevant owned brands: Up&Up, Pillowfort and Cat & Jack by 2020; Threshold and Smith & Hawken by 2022

Percentage of SKUs that conform to Target's forest products policy:

99% – Spritz

38% – Up&Up, Pillowfort, Cat & Jack

0% – Threshold, Smith & Hawken

[In Progress](#)



Pursue viscose-apparel garment supply chains that are free of ancient and endangered forests, endangered species and controversial sources by 2020

In Progress



Animal Welfare

Transition to only cage-free shell eggs, pending available supply, by 2025

51% of sales

[In Progress](#)



Eliminate the use of sow gestation crates by 2022

[In Progress](#)



Palm Oil

All palm oil, palm kernel oil and their derivatives in Target's owned-brand food, household cleaning, personal care, baby care, beauty, cosmetics and candle products will be certified by [Roundtable on Sustainable Palm Oil \(RSPO\)](#) or an equivalent standard with a Mass Balance, Segregated or Identity Preserved supply chain certification by the end of 2022. Target also aims to increase the portion of Segregated and Identity Preserved palm oil used in its products over time.

1% of volume certified Segregated

45% of volume certified Mass Balance

54% covered by credits

[In Progress](#)



Target aims to trace its palm oil supply chain to the mill level by the end of 2022

New Goal



Where We Are Now

We're proud to report great progress against several of our goals.

In palm oil, we achieved 79% traceability to the importer level in 2019. We are now partnering with Proforest and importers to achieve traceability to the mill level by the end of 2022. In addition, 54% of our palm oil volume is covered by RSPO credits. Through purchasing independent smallholder credits, 47% of our credits supported the production of certified sustainable palm oil produced by independent smallholders. We also have 45% of our palm oil volume Mass Balance certified.

We have increased the amount of responsible CanopyStyle rayon used in our products. Two large suppliers—representing 8.8% of our overall apparel spend and 29.4% of Cat & Jack specifically—committed to meeting the CanopyStyle requirements. In addition, Up&Up has added Forest Stewardship Council-certified pencils to its portfolio. This is in response to our ongoing commitments to source all of the wood, paper, paper-based packaging and wood-based fiber used in Target's owned-brand products from forests that are well managed and certified—and whenever possible, to use post-consumer recycled materials.

We have also made significant progress in sourcing sustainable paper retail packaging, rising from 14% in 2017 to 51% this year, largely through direct negotiations and agreements with packaging suppliers.

In coffee, we are working toward our goal to have our Archer Farms brand certified to meet [Fair Trade USA](#) or equivalent standards and to begin to move it to our Good & Gather portfolio by late 2020. This is part of our work to meet our Sustainable Coffee Challenge commitments.

And, as of mid-2020, 16 of our owned and exclusive brands had products that used recycled polyester, sourced from approximately 17 suppliers, including Repreve. This is how we're addressing our ongoing commitment to replace conventional polyester with polyester made from recycled plastic in owned- and exclusive-brand apparel, accessories and home products. In addition, from its inception, our new brand [All in Motion](#) was developed with the intent of using recycled polyester, accounting for over 8,000 metric tonnes of our recycled polyester consumption.

What's Next

As an Associate Member of Field to Market: The Alliance for Sustainable Agriculture, Target is engaged in supporting solutions for sustainability and continuous improvement in U.S. commodity agriculture. In 2019, we co-funded a project—the Cotton Incorporated, U.S. Cotton Trust Protocol, Target, and Agrible [Texas Panhandle Cotton Sustainability Project](#)—to support cotton producers in West Texas, which works to create a platform that enables participating growers and value chain members to gain and share valuable insights about the sustainability impacts of their decisions. To build on this work, in 2020 we launched a five-year partnership with [The Nature Conservancy](#), [McDonald's](#) and [Cargill](#) to co-fund a project focused on soil health. The aim

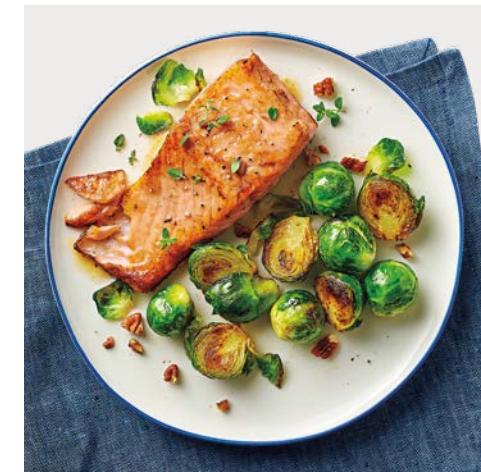
is to support regenerative agriculture and reduce our supply chain's carbon footprint in Nebraska. We're excited about what we hope to achieve as a result of these collaborative efforts.

To support our forest products commitments, we are currently working with the [Sustainable Packaging Coalition](#) and the American Forest Foundation on developing a responsible sourcing platform called [Forests in Focus](#). Launching this fall, the platform will help to identify risks in forest product supply chains and will also provide an opportunity for the supply chain to engage with forest owners.

Target is also taking part in another project with the American Forest Foundation focused on identifying [small landowners](#) in the Carolinas and bringing them into forest-certification systems. It will grow the availability of responsibly sourced forest products by addressing the largest gap in uncertified materials—small landowners.

As part of our commitment to sourcing 100% of our fresh and frozen seafood sustainably, we are working on enhancing labor standards in the seafood supply chain. We are finalizing an update to our seafood commitment that includes new worker protections, and have partnered with Verité to conduct in-depth foreign contract worker assessments at all Tier 1 seafood-processing factories that employ foreign contract workers.

We are also broadening the scope of our responsible material sourcing programs beyond our major inputs. For example, we funded a project to analyze the costs associated with rubber farming and converting land to more efficient rubber production while connecting the supply of rubber wood to our supply chain.



Learn More

- Explore our approach to creating [sustainable products](#) and steps we're taking to offer guests better choices.
- Read about our approach to [social compliance and labor protections](#) in our supply chains.
- To help guests make informed choices, we seek certification for some products and display [sustainability certifications](#) on our products and online.

Related Links

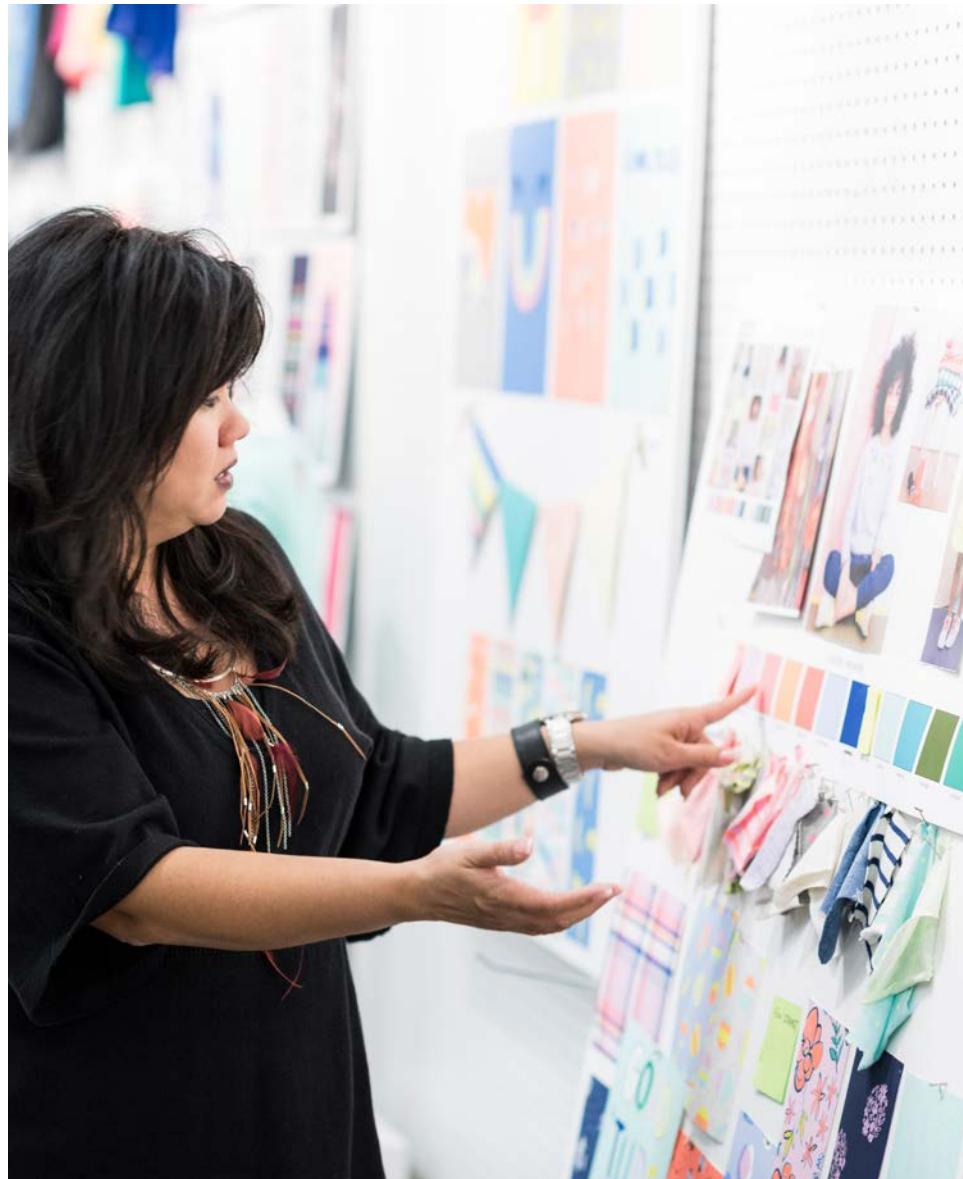
- 📍 [Code of Ethics](#)
- 📍 [Conflict Minerals Policy](#)
- 📍 [Conflict Minerals Report](#)
- 📍 [Annual Report/10-K](#)

See Also

- 📘 [ESG Appendix: Material and Resource Use](#)

Responsible Products

Raising the Bar for a Better Supply Chain



We constantly look for opportunities to improve our standards and processes, and use our work with regulators (where relevant), manufacturers, industry organizations and other retailers globally to lead the way for our industry.

Our Approach

We believe in sourcing from responsible manufacturers. To us that means putting people and their rights at the center of a supply chain that creates quality products with a smaller environmental footprint.

Target has long been committed to protecting the human rights of workers in our supply chain, from our participation as a founding member of [Nirapon](#) in Bangladesh to our more recently formalized [Human Rights Statement](#). It commits Target to using our scale to create a positive impact for human rights, not just in our operations and for our own team members but along our supply chain too.

We expect suppliers that produce Target's owned and exclusive brands, as well as those that produce nationally branded products for which Target is the importer of record, to participate in [Target's Responsible Sourcing Program](#). This includes complying with Target's [Standards of Vendor Engagement](#) and all applicable national and local laws, as well as participating in our responsible sourcing audit process.

We train our suppliers on Target policies that help support compliance, including health and safety requirements, environmental management and responsible hiring practices. We also engage our supply chain on initiatives that will help them use resources more efficiently and reduce the environmental impact of their operations.

And from enhancing human rights to improving facility safety and environmental performance, we're working to ensure that Target's presence in global supply chains is a force for good that enhances the lives of the people behind our products.

See Also

- ESG Appendix: Environmental Responsibility in the Supply Chain



Human Rights in Manufacturing

Safeguarding People in Our Supply Chain

From our supply chain to our stores, we believe everyone deserves to be treated with dignity and respect. We're using our scale to protect individual human rights across our business.

Our Approach

Target's large global supply chain gives us the reach and influence to help protect and uphold the human rights of people across our value chain. We care about human rights everywhere, but focus most of our efforts on where we can have the strongest impact—our team members and our owned-brand supply chain.

In 2020, we took another important step in our enterprise human rights journey by publishing our new [Human Rights Statement](#), drafted to align with [ILO Core Conventions](#) and the [Universal Declaration of Human Rights](#). The statement reflects the work we have done over the years to engage with and support our key stakeholder groups, including guests, team members, our supply chain and our communities. It also features links to Target's Integrity Hotline so anyone can anonymously report concerns or violations.

We also have an ongoing commitment to monitor for indicators of forced labor throughout our supply chain, taking swift action to address indicators, if discovered. We continually work to enhance [worker well-being](#), often through high-impact partnerships that seek to address issues that are locally relevant.

Where We Are Now

We verify compliance with our policies through factory vetting, on-site assessments, corrective action plan development, capability building and training. When egregious human rights violations are found, we work with third-party experts to develop, execute and oversee remediation programs. Find out more about our audit processes [here](#).

Target's Responsible Sourcing Advisory Program (RSAP) supports key suppliers in evolving their approach toward continuous improvement. RSAP—established in partnership with Better Work—provides soft skills training that helps workers and management solve problems collaboratively. When everyone works together, collaboration turns ideas into actions. To date, RSAP has engaged 40 factories in 5 countries, training 410 supervisors and reaching over 37,000 workers, resulting in a 3% increase in worker satisfaction with working conditions and a 2% increase in worker engagement.

"At Target we recognize that the actions that we take can make a big impact. We believe that to drive sustainable, systemic improvements in any sector, collaboration is necessary to enable the tipping point to drive lasting change. This includes supporting the development and adoption of industry tools such as the Social & Labor Convergence Program as part of an ecosystem that is rooted in improving worker lives and driving continuous improvement."

Bill Foudy

President Owned Brand Sourcing and Development

What's Next

We believe that the greatest accelerators of industry change are collaboration and alignment. We will continue to use [Sustainable Apparel Coalition's Facility Environmental Module \(FEM\)](#) and the [Social & Labor Convergence Program](#) tool as well as collaborating with [Better Work](#) to measure supply chain performance and drive continuous improvement across our global manufacturing footprint.



Target wants to help protect the human rights of supply chain workers, their families and communities. Access to clean, safe water is a human right and through our ongoing partnership with [Water.org](#) we have helped mobilize over \$69 million in capital that is directly helping families in India, Bangladesh and Indonesia affordably access clean, drinkable water and sanitation in their homes. This work is improving the lives of over 1 million people.

Learn More

- To support localized responses to COVID-19 in our supply chain communities, we partnered with [CARE](#) as they pivoted programming in Indonesia and Bangladesh to provide cash for work and cash voucher assistance to members of their Empowerment, Knowledge and Transformative Action (EKATA) groups. This initiative aims to mitigate the immediate socioeconomic impacts of the pandemic.
- Additionally, [CARE](#) is providing gender-based violence awareness services and delivering appropriate PPE to community members.

Related Links

- 📍 [Code of Ethics](#)
- 📍 [SOVE \(Standards of Vendor Engagement\)](#)
- 📍 [Vendor Code of Conduct](#)
- 📍 [Conflict Minerals Report](#)
- 📍 [Labor & Human Rights Policies](#)
- 📍 [Global Factory List](#)

See Also

- 📘 [ESG Appendix: Human Rights](#)

Eliminating Forced and Underaged Labor

Combating Unacceptable Practices Globally

Forced and underaged labor have no place at Target. Together with our vendors, NGO partners and industry experts, we're dedicated to preventing, identifying and swiftly remediating these abuses—if found—in our global manufacturing supply chains.

Our Approach

Despite our long-standing Responsible Sourcing Program, we understand that forced and underaged labor continues to exist in the global economy. That's why we take a multi-pronged approach to prevent, detect and remediate forced and underaged labor—if found—within our supply chains.

Our prevention activities include ongoing global risk assessments to keep a pulse on forced labor hot spots around the world. Our analysis considers data from a variety of sources, such as the U.S. Department of Labor's List of Goods Produced by Child Labor or Forced Labor and the U.S. Department of State's Trafficking in Persons Report.

Additionally, we are working with partners like the [International Justice Mission](#) at the community level to empower job seekers so that they can better protect themselves from potential abuse. Two examples of that work are the [Safe Migration Program](#) and [Grassroots Prevention Campaign](#) in India.

Where We Are Now

Target is a proud member of the [Leadership Group for Responsible Recruitment](#)—an initiative of the [Institute for Human Rights and Business](#)—where we utilize our collective influence, voice and size to push for improved recruitment systems globally. In 2017, we committed to the [Employer Pays Principle](#) and since then we have been working diligently with our suppliers to embed responsible recruitment policies and practices within their operations. This work has helped to return significant sums to workers around the world through reimbursement of recruitment expenses. More importantly, we are working toward ensuring that workers pay no fees to secure jobs from the start.

Eliminating forced and underaged labor demands sophisticated identification techniques as well as collaborative remediation. We are proud to have contributed to the work resulting in the [Ethical Recruitment in the Garment Industry](#) case study published by [Impactt](#). We will continue to advance collective remediation efforts with our industry peers.

Target is also a member of the [Center for Child Rights and Corporate Social Responsibility \(CCR CSR\) Working Group](#), which is advancing industry efforts to eliminate underaged labor. In instances when underaged workers are identified, Target works with CCR CSR to assess and address the non-compliance as well as provide long-term support to the affected individuals, so that they do not return to supply chain work while underage. Find out more about CCR CSR's process [here](#).

In response to our deep commitment to upholding human rights and ever-evolving policies, addressing guest concerns and preventing discrimination, we made an update in 2020 to prohibit the use of all forms of incarcerated labor in our supply chain. In the past, we allowed vendors to use legal work release programs in the U.S., with participants voluntarily working and getting paid market-competitive wages. These programs were rarely used by our vendors, and we are proud to have strengthened the policy.

What's Next

Looking ahead, we plan to deepen our investment into preventative efforts within factories, at the community level and with other key stakeholders along the workers' journey, including labor agents. We've already partnered with [Verité](#) to scale their [CUMULUS](#) platform, which conducts labor agent mapping to enable labor agent capacity-building initiatives.

We will also be looking to advance our engagement in countries that traditionally "send" labor, as well as exploring opportunities to test out technology solutions to reach workers further back in the supply chain.

See Also

- [ESG Appendix: Supply Chain](#)
- [ESG Appendix: Material and Resource Use](#)

Worker Well-Being in the Supply Chain

Supporting Safer Workspaces and Enhancing Worker Livelihoods

We care about the people behind our products and we know that workers along the supply chain face unique challenges. We work closely with strategic partners to help keep them safe and enhance their lives.

Our Approach

We aim to elevate workplace safety for supply chain workers and support greater overall well-being for them. To do this, we engage with strategic partners that have the knowledge and reach to address the issues that matter most to supply chain workers.

Target continues to enhance the safety of workers in the supply chains through engagement with two key initiatives: [Nirapon](#) and the [Life and Building Safety Initiative \(LABS\)](#). Nirapon is a locally managed organization devoted to overseeing the ongoing safety monitoring, training and helpline efforts of the Bangladesh apparel factories from which Nirapon members source. LABS, a collaboration between global apparel and footwear brands and retailers, is tasked with creating and implementing a shared standard to prevent structural, electrical and fire safety issues. In 2019, LABS successfully rolled out in India and Vietnam.

Goal

Enhance the lives of 3 million people in the factories and surrounding communities where Target's goods are produced by 2020

3.2 million lives enhanced as of May 2020

Achieved



Where We Are Now

In May 2020, Target achieved our goal to enhance the lives of 3 million people in the factories and surrounding communities where Target's goods are produced. Even though we reached our goal early, Target will continue to engage with key partners and prioritize efforts to enhance the well-being of supply chain workers.

Target also invested \$4.5 million in a three-year commitment to [CARE's Dignified Work Initiative](#). The project supports women's empowerment and well-being in Bangladesh, Indonesia and Vietnam. Female factory workers form [Empowerment, Knowledge, and Transformative Action \(EKATA\)](#) groups that provide training, facilitate access to social services and act as an information resource for other workers. Groups also identify and highlight barriers to their rights and campaign for change. To date, Target's impact has reached over 1 million people through the CARE partnership. Target is proud to have supported CARE's efforts to influence revisions to the Vietnam Labor Code, creating alignment between labor law provisions on sexual harassment prevention and the [ILO Convention on Eliminating Violence and Harassment in the World of Work](#). These labor code revisions were approved by the National Assembly in November 2019.



The Power of Sight

Through our partnership with [VisionSpring](#), we provide eye care screenings and eyeglasses to workers in our manufacturing supply chain so they can earn, learn and be safe. In 2019, we expanded Target's partnership with VisionSpring to our Bangladesh supply chain. To date, Target's support has helped VisionSpring assist over 156,000 people through its services.

What's Next

In late 2019, Target launched a partnership with [OneSky](#) for all children. OneSky works in China, where a changing economic landscape has caused an estimated 9 million young children to be left behind in rural villages while their parents work in distant cities. Missing consistent interactions with their parents means a significant percentage of left-behind children suffer from depression, anxiety, malnutrition and/or stunted growth. Throughout 2020, OneSky is rolling out resources and training to support migrant parents and their children and, through its Village Model, is empowering and training caregivers and civil society to promote more positive outcomes for children in need.

Learn More

● [LABS](#) is a collaboration between global apparel and footwear brands and retailers, and is creating and implementing a shared standard to prevent structural, electrical and fire safety issues. In 2019, LABS successfully rolled out in India and Vietnam.

See Also

▶ [ESG Appendix: Environmental Responsibility in the Supply Chain](#)

Economic Opportunity

Growing Prosperity for All Through Supplier Diversity

We're building supply chains that unleash economic opportunity and prosperity for all and reflect the guests we serve.

Our Approach

For decades, we've invested in building strong relationships with diverse suppliers and underrepresented businesses. Together, as we create a broader, more inclusive assortment at Target, we're also supporting economic development and strengthening the communities we serve. While we continue to make meaningful progress, we're committed to partnering with even more diverse suppliers to bring our guests the most relevant products—and continue to use Target's scale and influence to help drive meaningful change across the retail industry. We continue to invest in businesses that are:

- Women-owned
- BIPOC-owned
- LGBTQ+-owned
- Veteran-owned
- Disability-owned

To help us develop diverse supplier relationships, we partner with multiple national groups and more to further our initiatives, including the [National Minority Supplier Development Council](#), the [Women's Business Enterprise National Council \(WBENC\)](#), the [National LGBT Chamber of Commerce](#), the [United States Hispanic Chamber of Commerce](#), the [US Pan Asian American Chamber of Commerce](#) and the [National Veteran-Owned Business Association](#). These valued collaborations are key to fostering community and economic development while also enhancing our ability to deliver shareholder value.

Supporting Entrepreneurs With the Target Accelerators Program

Talent exists everywhere and at Target, we've made it our business to nurture it. One way we do it is through our entrepreneurial [Accelerators programs](#) that provide stipends, mentoring and experiences for those looking to launch and grow businesses. By harnessing our role to accelerate economic development, we generate entrepreneurial opportunities for diverse suppliers. We believe the next generation of innovators, change-makers and leaders see the world differently and recognize alternative solutions that can grow business and strengthen society.

To give a boost to the next generation of entrepreneurs, we launched our Target Incubator,

And each partner, in their own way, helps us champion inclusion within our assortment and far beyond. That includes the products we carry to services like construction, facilities maintenance and more that keep our stores, distribution centers, headquarters locations and other sites running smoothly.

Where We Are Now

In 2019, we launched a new on-site Supplier Diversity Summit where we looked to provide incentives for diverse businesses to become certified, and offered opportunities to give them tools that are not available to non-certified businesses. The summit brought in 10 companies from around the country to participate in an in-depth learning experience. Target's Diversity & Inclusion team also partnered with our Marketing department to nominate different brands for consideration for future campaigns.

aimed at helping those with "better for people" or "better for the planet" ideas. Eight companies were selected to participate in the 2020 program at our Minneapolis headquarters for an eight-week course to learn all about the world of retail. Due to COVID-19, Target shifted our program to 11 weeks of virtual programming. Throughout the program, participants networked with like-minded entrepreneurs and developed skills in negotiations, branding, pitching and more. They also had access to Target's resources and mentors to help them as they continue to grow their business, and showcased their final pitches at the Capstone event.

Accelerators



What's Next

Our Supplier Diversity team is working on a partnership program with the WBENC for [Women Owned in Retail](#) to help connect women-owned businesses with major corporations to facilitate business opportunities. In addition, we continue to serve on numerous boards and committees for nonprofits that support racial equity work.

We will also formalize an internal mentor program, focused on Target properties, that will bring together BIPOC-owned businesses with our business areas to help to teach those businesses how to work with Target. The goal is to convert those businesses to active Target suppliers. We will bring our first group through in 2020.

Learn More

- Despite the onset of COVID-19, Target supported the [Entrepreneur Virtual Summit](#) to help keep Black-owned businesses connected to available capital, insights and resources.
- Through strong partnerships with diverse suppliers and underrepresented businesses, we are creating broader, [more inclusive assortments](#) at Target.

See Also

- ESG Appendix: Supplier Diversity

Climate and Energy

Building an Efficient & Resilient Supply Chain



With our most ambitious goals to date, we're working across our operations and supply chain to create a cleaner global environment for our Target guests and team members.

Our Approach

Climate change is a complex issue that impacts us all, but there are solutions—if we are bold and act fast. At Target we're doing our part by implementing measures to improve energy efficiency across our operations and supply chain and reduce our greenhouse gas (GHG) emissions.

In early 2019, we took our next leap forward with new goals designed to build on our previous ambitions. This time we are addressing emissions across our entire value chain.

Most of our GHG emissions (94%) come from our value chain activities (i.e. Scope 3 emissions). Of those, 53% come from our purchased goods and services, and the remaining 47% come from the use of sold products, transportation and other activities. To curb Scope 3 emissions, we help our suppliers to reduce the impacts resulting from raw material use, manufacturing and transportation of our products. We work with industry partners like Apparel Impact Institute to create better tools and more efficient processes.

In December 2019, Supply Chain Dive awarded Target the 2019 Sustainability Plan of the Year, in recognition of our leadership in setting carbon-reduction goals for the entire supply chain.

Goals

Reduce our absolute Scope 3 Retail Purchased Goods and Services GHG emissions by 30% below 2017 baseline levels by 2030

2.1% reduction¹

In Progress



Ensure that 80% of our retail and non-retail suppliers by spend will set science-based reduction targets on their Scope 1 and 2 emissions² by 2023

17%

In Progress



¹ This 2019 reduction does not account for supplier-reported reductions through CDP Supply Chain and Higg FEM as data was not available at time of publication. We plan to report this progress at the beginning of 2021.
² Find out more about GHG emissions Scopes [here](#).



Where We Are Now

Since we rolled out our Climate Supplier Engagement program in 2017, a total of 17% of our suppliers have set their own climate goals in line with science. A further 6% have committed to setting a goal in the next two years. We will continue to leverage both the [CDP Supply Chain Climate Survey](#) and the Sustainable Apparel Coalition's [Higg Index FEM](#) to track supplier goals and emissions in our supply chain.

We work closely with our owned-brand manufacturing facilities to implement projects to reduce climate impacts and improve energy efficiency. In collaboration with the International Finance Corporation's [Vietnam Improvement Program](#) between 2018 and 2019, we worked with 25 factories that accounted for total energy savings of 63,800 MWh per year, a 24% improvement against the baseline. Among them, four cut and sew apparel factories located in North Vietnam will install solar panels to further reduce their carbon footprint. Similarly, we have also worked with Apparel Impact Institute's [Clean by Design](#) program to achieve 12% savings against the baseline, with total energy savings of 273,600 MWh per year, and reductions in GHG emissions by more than 111,000 metric tonnes of CO₂e (mtCO₂e) by 30 textile suppliers in China and Taiwan between 2018 and 2019. As part of our partnership, we expanded our work to India and are engaging a total of 27 textile mills globally on energy- and water-efficiency initiatives.



In addition, to better understand our Scope 3 impacts and develop our goals, we have worked with Anthesis on a full Scope 3 GHG inventory and hotspot analysis of our most relevant product categories. In 2019, we saw a 2.1% reduction in our Scope 3 Retail Purchased Goods and Services emissions, compared to our 2017 baseline, and a 1.5% reduction in overall Scope 3 emissions. This 2019 reduction does not account for reductions reported by suppliers through CDP Supply Chain and Higg FEM because the figures were not available at time of publication. We plan to report this progress after the end of our 2020 fiscal year.

What's Next

We are sharpening our focus on supplier engagement and working with stakeholders at different points of our value chain to achieve our goals. We are excited to partner with our suppliers and help enable 80% of our retail and non-retail suppliers by spend to set science-based reduction targets on their Scope 1 and 2 emissions by 2023.

We're applying learnings from our own efforts procuring renewable energy for [our operations](#) to help our suppliers along this journey.

To help further reduce our supply chain emissions, we focus on how to drive sustainable agriculture.

Along with several other companies, we are partnering with [Practical Farmers of Iowa](#) and [Sustainable Food Lab](#) on a project focused on [Small Grains in the Corn Belt](#) and on how using small grains and cover crops can help farmers decrease their use of pesticides and advance regenerative agricultural practices.

Furthering our work with Anthesis, we are examining the drivers behind the agricultural section of our footprint and developing strategies and initiatives to reduce on-farm and field emissions, from cottons to grains and other key crops. In addition, we will evaluate other categories, including furniture, toys and homeware, to identify efficiencies in specific product categories.

Related Links

- [Climate Policy](#)
- [Supply-Chain Sustainability](#)
- [Sustainable Operations](#)
- [2020 CDP Climate Change Response](#)

See Also

- [ESG Appendix: Climate and Energy](#)

Water

Accounting for Every Drop

As a company that sources products from manufacturing factories, we are sensitive to our potential impact on local water supplies where we source, and work toward achieving maximum efficiency.

Our Approach

We invest in global and domestic watersheds where we know we have the greatest impact and which are the most water stressed according to our latest water risk assessments.

We also support material-specific programs like the Better Cotton Initiative (BCI), which provides tools, training and tracking to help our cotton growers protect the environment and care for the health and well-being of farming communities. This includes measures to ensure water is used efficiently. BCI uses global averages of its field level results, measuring Better Cotton against conventional cotton, to provide annual metrics to brands and retailers based on their uptake of BCI cotton. Using those numbers, and in partnership with BCI, in 2019 an estimated 12 billion gallons of water were saved thanks to our sourcing of Better Cotton.

We are collaborating with suppliers on farm-level initiatives to improve soil health and reduce agricultural runoff in the Mississippi River basin. We are also supporting the future development of small grains and cover crops grown in rotation with corn and soybeans.

We also periodically conduct water risk assessments. Our last assessment took place in 2017, and we have one planned for 2020.

Goals

.....
Improve water efficiency in textile dyeing and finishing factories located in priority watersheds by 15% by 2022

In Progress



.....
By 2025, all owned-brand apparel textile factories will comply with the Zero Discharge of Hazardous Chemicals (ZDHC) progressive-level wastewater standards

In Progress



.....
Design 100% of garment-washed owned-brand apparel utilizing water-saving design principles by 2025

61% of denim SKUs

42% of non-denim SKUs

In Progress



Where We Are Now

Target is a partner in the [Vietnam Improvement Program](#), which is helping implement environmental advancements for factories in Vietnam. We are also part of the [Apparel Impact Institute's Clean By Design program](#), which focuses on enhancing process efficiency to improve the environment. In the 2018–2019



program, a total of 30 fabric mills in China and Taiwan participated, achieving an average of 20% water savings annually, which is equivalent to over 3.5 million cubic meters of water. In 2019, we expanded our work to India. At the end of 2019, 68 textile wet-processing factories and 37 Tier 1 assembly facilities in priority watersheds we work with were covered by these two programs.

One of our most significant uses of water is through agriculture supply chains and we work with key partners to help us understand and track our use and to direct our efforts where we can improve. The WWF's [AgWater Challenge](#) and Ceres' [Connect the Drops](#) are two initiatives that help us achieve our ambitions by supporting improved sourcing solutions, and by working with peers to connect legislators and corporations to address pressing issues in water-stressed regions.

What's Next

We began implementing our [Zero Discharge of Hazardous Chemicals \(ZDHC\) commitments](#) with strategic apparel suppliers in October 2019 and are looking to scale up to broader apparel during 2020. The goal is to have suppliers meet these requirements—or have a roadmap to meeting them—by the end of 2020. We will also continue to explore and participate in additional initiatives that will help us meet our water goals.

See Also

- ESG Appendix: Water
- CR Report: Properties—Water

Chemicals

Making Cleaner Choices Across Our Business

Our guests care about what goes in, on and around their bodies, and so do we. They trust us to deliver products that are better for them, their families, their communities and our shared planet.

Our Approach

We introduced our first set of goals in 2017, aiming them at addressing unwanted chemicals with the biggest potential health impact, and factoring in their prevalence within our products. The goals also prioritize products guests tell us are most important to them—like the ones that go in, on and around their bodies.

For this work, we not only have aspirational goals for reducing chemicals that we don't yet have suitable substitutes for, but we also know that some chemicals can and should be removed entirely.

For our essentials businesses (beauty, personal care, baby care, household cleaning formulated items), we use an [Unwanted Chemicals List \(UCL\)](#) to send clear market signals that we seek reduction of unwanted chemicals from products, but not at the risk of regrettable substitutions.

For the formulated products UCL, we use a third party to check for the presence of these unwanted chemicals within product ingredients. Where they are present, we seek to work alongside product manufacturers to find suitable formulation changes. Because our product mix in these categories has many national brands, this work applies to all products, not just our owned-brand assortment.

In the case of textiles businesses, we have primarily focused on our owned-brand supply chain, where we have greater influence over what goes into the product as well as the process. Chemicals identified for removal are included in our textiles [Restricted Substances List \(RSL\)](#). In the case of our textiles RSL, testing is required to show compliance, and if a product is not compliant, we will not sell it. For textile products, we also restrict chemicals used at factory level by using a [Manufacturing Restricted Substance List \(MRSList\)](#). We joined and became a member of ZDHC in 2018 and adopted their MRSList for our textile products.



As we've applied our strategy to products sold in our assortment and used in our operations, we also use our scale and chemicals strategy to help accelerate change and transparency across the industry, so that it's easy for consumers to make informed choices. That includes investing in innovative new green chemistry ideas and sharing our chemical lists and guidance publicly. We believe that taking steps to transform our industry will play an important role in advancing safety for supply chain workers, too.

Goals

Improve textile products by removing added flame retardants that are potential carcinogens or pose harm to guests, workers or communities by 2022

In Progress



Improve textile products by removing added perfluorinated compounds (PFCs) from products by 2022

In Progress



By the end of 2020, implement an RSL for textiles used in all owned-brand products

Achieved



By the end of 2020, implement an MRSL for textiles used in all owned-brand products

In Progress



Achieve transparency for all ingredients, including generics such as fragrance, in beauty, baby care, personal care and household cleaning formulated products by 2020

35% of SKUs

In Progress



Improve beauty, baby care, personal care and household cleaning product categories by formulating without phthalates, propylparaben, butylparaben, formaldehyde, formaldehyde donors or nonylphenol ethoxylates (NPEs) by 2020

47% of SKUs

In Progress



Invest up to \$5 million in green chemistry innovation by 2022

\$3.7 million invested as of 2019

In Progress



Where We Are Now

We have implemented an MRSL with our strategic apparel suppliers and will scale up to broader apparel and accessories suppliers in scope by the end of 2020. The goal is to have our suppliers meet our MRSL requirements—or have a plan for doing so—by the end of 2020.

PFCs are typically found in textiles in stain- and water-resistant coatings. In 2019 we made significant progress toward this goal. For owned-brand textiles, we were able to remove PFCs from our apparel products. As we make progress on removing PFCs from additional categories, we are expanding the scope of chemistry that we are evaluating to a broader class of chemistry that PFCs are a part of: perfluroinated alkyl substances (PFAS).

We participate in multiple industry-wide collaborations. For example, we are part of the [Green Chemistry and Commerce Council \(GC3\) Retailer Leadership Council](#), and in 2019 helped develop a statement outlining chemical functions and priority product categories where innovation in safer alternatives is needed. The Council also created a road map to encourage better transparency in supply chains around the chemicals used in consumer products.

Target also receives an annual [Mind the Store](#) scorecard to help consumers understand how Target's chemical use compares to our peers and make informed choices for their families. In the [latest rankings](#), Target was second out of 43 retailers, scoring an A.

What's Next

We continue to invest in innovation for greener chemistry through awarding single- and multi-year grants. Read more about how we're supporting scientists and enabling better alternatives for our industry and beyond [here](#). We hope to see the results of these investments grow over the next few years.

Target teamed up with brands including Burton Snowboards, Columbia, MEC, REI, Patagonia and Outdoor Industry Association's [Sustainability Working Group](#) to create a comprehensive and industry-aligned [Chemicals Management Guide](#). The guide is a powerful training resource that makes it easier for brands to guide, train and drive chemical-management improvement with their manufacturing partners. In 2019, the guide was recognized with an [award](#) from the Outdoor Industry Association.

See Also

ESG Appendix: Chemicals

CR Report: Properties—Chemicals



Operations



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Evolving Chemical Use Across Our Business

Creating Joy With Every Connection

We want everything about Target to spark joy. That means investing in every aspect of our operations to ensure the way we work aligns with our values and the values of our guests.

Our operations cover our team members, our communities and our properties.

We are committed to driving diversity and inclusion in our workforce, providing training and development opportunities and enhancing the health and well-being of our team members. We actively work to enhance the economic health, racial equity and social justice of our communities. And we are dedicated to reducing the environmental impact of our stores, from the energy they use to the waste they generate.

Team

The Target Team Member Experience

We invest in our team by giving them opportunities to grow professionally, take care of themselves, their families and each other, and make a difference in their communities.

Our Approach

At Target, our team is our most important asset. Everything we aspire to do and be as a company builds on the central role our team members play in our strategy, their dedication to our purpose and the connection they create with our guests and communities. And that's why we're continually investing in them.

The most important investments we make are in our team. We're committed to every one of our 360,000 team members worldwide and fostering an engaged, diverse, inclusive, purpose-driven culture to ensure they have equal opportunities to build meaningful careers and experience success at all levels. We provide competitive compensation and benefits that enhance team members' financial security, supportive benefits for all kinds of families and significant resources for better well-being and mental health. We enable our team members to grow to their fullest personal and professional potential by focusing our efforts on three pillars:

- **Care:** We support team members with opportunities to learn as well as earn. We empower team members to do great work. And we support them on their journey, finding new growth opportunities and challenges, wherever that may lead

- **Care:** At Target, we care about our team and invest in keeping them safe. We also believe that "taking care" means investing in the whole self, both at and outside of work. We are dedicated to enhancing the well-being of our team and their families

- **Community:** We're committed to acting as one team, not just within our Target family, but also across every community that we serve. We do it to encourage the best in each other, and because we believe that everyone has something to contribute

These pillars guide the choices we make in our offerings, policies and practices, and how we market them internally and externally. We also bring them to life through our people-centered purpose to create inclusive working and shopping experiences that reflect the diversity of our team members and guests.

Since the 1970s, we have assessed team perceptions annually through surveys like the Best Team Survey, a large-scale census of team health and culture. This survey has been used to measure key drivers of engagement and empowers change through feedback sessions and action planning. Full-time and part-time team members and interns participate in the sessions. Pulse surveys are used to check progress and to assess locations that need extra support.

TeamVoice is a survey we conduct via a weekly email sent to a random sample of team members across our stores, distribution centers and headquarters. The flexibility of the survey allows us to pinpoint specific topics we want rapid feedback on. For example, TeamVoice was recently used to reach all team members that have typically worked in a headquarters site to learn about



their experience working remotely during the pandemic, and to get their opinions on returning to the office when appropriate.

The surveys are one of our greatest listening tools, and we believe listening keeps us agile and responsive to how we can better serve the teams that serve our guests. We are actively working on enhancements that would increase the reach and frequency to our total population of team members.

What's Next

At a time when every retailer is facing increased uncertainty and unforeseen challenges, we have chosen to continue investing in our business, and particularly in our team. Day after day, our team members show up for the families who turn to Target for essentials. As they keep up that

courageous work, Target continues to invest in their health, financial and mental well-being. And we will continue to evolve our benefits to ensure we're meeting their needs now, into the future and across all life stages.

In addition, in 2020 we began establishing a new internal dashboard to monitor various aspects of our employment performance. It will track employment brand perception via several external sites, internal and external reviews related to our Career, Care, Community internal employment brand pillars, and other talent-acquisition metrics. In 2020, we will focus on establishing a baseline to ensure our attention is in the right places.

See Also

ESG Appendix: Team Members

Talent Recruitment and Retention

Building the Best Team

Our team brings our purpose to life for our guests, curating great shopping experiences and nurturing our deep connection to communities. Their energy and resilience keep us at the forefront of meeting the changing needs of our guests and business year after year. As the marketplace becomes more competitive, recruiting and investing in the right people is what sets Target apart.

Our Approach

We offer a compelling work environment with meaningful experiences and abundant growth and career development opportunities. We've developed a culture of learning and invest more than seven million payroll hours into training our team members each year. This includes extensive programs that help our team build skills at all levels, including specialized skill development, leadership opportunities, coaching and mentoring.

Our investment in building the best team runs deep and is an important role that all leaders of people play, with support from an array of HR partners, programs and resources. Leaders across the company are expected to plan and

build robust and diverse talent pipelines—balancing the recruitment of external hires with internal promotions and new experiences.

Target uses a variety of recruiting resources to ensure we source from diverse talent pools, including our relationship with the [National Black MBA Association and Management Leadership for Tomorrow](#). Our focused strategy on historically Black colleges and universities (HBCUs) includes a Target HBCU alumni group for team members, development sessions to invest in current students and active campus recruiting for entry-level positions for specific businesses like our Technology Leadership Program (TLP), as well as Store Leadership (Executive Team Leader/ETL) positions.

Where We Are Now

We conduct a formal performance review annually that focuses on what outcomes each team member achieved relative to their goals, and how they achieved those outcomes.

In 2019, all eligible team members received a formal performance review from their team leader.¹

To inspire and build the diverse workforce of the future, we created Target Lab, an immersive professional development experience that provides meaningful interactions, speakers, workshops, activities, product showcases and networking—all while highlighting Target as a great place to work. Attendees receive resume tips, brief career consultations and professional head shots along with guidance around how to



present their best selves. These were previously in-person events, but in 2020, due to COVID-19, we quickly pivoted to offering these experiences virtually at no cost to attendees.

What's Next

We are continually investing in our team members' experiences by listening with empathy and putting their needs at the center so that when decisions

are made they are in the best interest of our team and our business. This includes focusing on programs, benefits and ongoing investments in [training opportunities for team members](#) at every level of the company.

See Also

[ESG Appendix: Team Members](#)

¹ All team members are eligible for performance reviews except:
• Those on leave of absence for more than 305 days
• Those hired in the fourth quarter of the year under review
• Interns

Compensation and Benefits

Rewarding the People Who Make Target

We care for every single team member and are dedicated to enhancing the well-being of our team and their families.

Our Approach

We regularly evaluate our compensation and benefits offerings for our team members. During this extraordinary moment we're all navigating together, investments in our team have been among the most important we've made over the last few years. We believe "taking care" means investing in the whole self, both at and outside of work. The health and safety of our team members is our top priority. We're committed to providing team members with the resources they need to take care of themselves and their families. As an employer, we know we play a critical role in enhancing their well-being through the benefits we provide.

Our benefits support the overall well-being of team members, from their financial security to their mental and physical health, and support for their families. A curated range of programs inspire and help team members to manage and enhance their health and well-being. This includes 24/7 access to trained clinicians through Team Member LifeResources, fitness and wellness product discounts—such as fruits and vegetables, activewear and tobacco-cessation products. These help team members save approximately \$10 million annually on supporting their and their families' health. Our credit unions, education assistance and 401(k) options also help our team members build long-term financial stability.



Goals

Pay all team members a minimum hourly wage of at least \$15 by the end of 2020

Achieved as of July 2020



Where We Are Now

To further invest in our team, we committed to an industry-leading \$15 minimum hourly wage, which we achieved in July 2020. This is supplemented by flexible scheduling that balances team members' availability with our business needs.

We also believe in paying team members equitably, and our latest pay audit of U.S. team members confirms that we are living up to our value. Accounting for factors such as position, tenure and location, Target pays team members equitably, regardless of gender, race or ethnicity. We work toward continued equity by providing bias training and tools to the team members responsible for hiring and compensation, and we also do not ask potential hires about their prior salaries.

Target is also offering access to free 24/7 virtual health care visits for all U.S.-based team members through the end of the year—regardless of whether they're on a Target health insurance plan. The benefit provides text-first virtual health care visits for team members to securely text, share images or video chat with a doctor via the CirrusMD app for many types of health concerns or questions.

This was also the first time we introduced bonuses for 20,000 hourly store team leads.

As a response to the impact of the coronavirus outbreak, Target Credit Union offered financial relief including:

- **Income Disruption Loans** interest free up to 90 days
- **Transferred Auto Loans** receive \$200 cash rebate and no payment for 90 days
- **No-fee cash advance** on credit cards + skip a payment
- **Deferred payments** on auto, personal and other loans for 90 days

Read more about how we're supporting our team members throughout this time on the Our Response to COVID-19 page



Well-being benefits include Sleepio, a digital program scientifically proven to improve sleep that gives team members tips and support after a brief sleep assessment. Daylight is a personalized mobile app aimed at guiding users through proven strategies to reduce worry and anxiety. As a result of the coronavirus outbreak, eligibility for Daylight and Sleepio was made available to all Target team members in 2020.

For health care, we have added a concierge service for team members enrolled in our UnitedHealthcare (UHC) plans. There, dedicated advocates help team members understand treatment options or get connected to condition support programs such as cancer, maternity or infertility support, answer questions and help them decide whether to visit a doctor, urgent care clinic or convenience care clinic.

Mental health resources provided by Target include five free sessions with a licensed mental health professional through Team Member LifeResources for team members and members of their households. We also work with Optum to provide a substance use helpline, regardless of coverage.

Our family benefits are focused on supporting our team members' life priorities and even help team members grow their families. In 2019, we doubled how much we'll reimburse team members paying fees for adoption or surrogacy, offering up to \$10,000 in financial relief to help families navigate these long, complex and expensive processes with peace of mind.

In June 2019, we expanded job-protected family leave (including parental leave) to four weeks and offered this benefit to part-time team members too. We're also proud to report that 92% of team members returned after parental leave.

We also extended our affordable backup care benefit from headquarters teams to eligible team members at all stores and distribution centers. The program includes an industry-leading allowance of 20 days of in-center child care or in-home child and elder care for each dependent, to help manage life's unexpected moments.

What's Next

In the wake of the challenges presented in 2020, we will continue to focus on the mental health and physical well-being of our teams through resources like Bullseye Health Spot, along with new ways to support all our team members through CirrusMD.

- The Target Credit Union's Life.Money.You. website gives team members access to products and services to improve member financial well-being and savings

See Also

- ESG Appendix: Employment

Diversity and Inclusion

Celebrating the Power of Difference

At Target, our team rallies around a single purpose: to help all families discover the joy of everyday life. It's a people-centered purpose that directly connects to how our company champions a more inclusive society through our own work environment.

Our Approach

We ground our approach in listening and partnering with valued stakeholders and internal teams so that we can continually learn and improve. We share responsibility for diversity and inclusion across the organization, including a dedicated Diversity & Inclusion team that orchestrates our strategy, and Diversity Action Committees in each business unit to keep us accountable and actively help us work toward parity. In addition, we have Employee Resource Groups (ERGs) that support inclusion acumen efforts.

We bring our diversity commitment to life through a four-part strategy we have developed that focuses on creating an inclusive guest experience and an inclusive work environment, advancing workforce diversity and championing societal impact. For example, we:

- Offer inclusive product assortments such as our Cat & Jack adaptive apparel
- Define inclusion acumen as being personally curious, having immersive experiences, and topical training
- Continue goal setting to advance workforce diversity
- Maintain collaborations such as The Alliance for Board Diversity to increase our societal impact

Where We Are Now

Helping employees immerse themselves in Target and connect to their talents and thrive is a key driver of how we invest in our team members. Developing teams where employees feel heard, respected and included is a core value and is also fundamental to creating an inclusive guest experience. So we invest heavily in developing inclusive behaviors at a leadership level. We provide a myriad of training options, many with e-learning components to enable leaders and team members to develop at a pace that works with their schedule. These modules include significant conscious- and unconscious-bias training to help us reach our diversity and inclusion goals and drive real change.



These investments in dialogue and training also serve our guests and communities. We want our guests and team members to feel safe, welcomed, valued and respected every time they walk through our doors. During 2019, we trained 270,000 hourly store team members on Creating an Inclusive Guest Experience.

To measure our performance, we are disaggregating our data to identify patterns that can be hidden in aggregate data. By focusing on subpopulations, we can direct resources where they're most needed.

Target was a founding member of the Retail Industry Leaders Association (RILA) Diversity & Inclusion Leaders Council, and through that work helped to establish a clear framework for companies to assess their diversity and inclusion maturity on an index that RILA now utilizes for members.

What's Next

While we are pleased with the progress we have made to date on our 2019–2021 goals, there is still important work to do. As we look to the future, we have developed a new set of commitments for our business. Over the next three years, we will continue to listen to our team, start to share our disaggregated data internally and externally as an accelerant to our commitments, broaden our external partnerships and further integrate diversity, equity and inclusion across all parts of our business. As a first step forward, we're planning to increase representation of Black team members across the company by 20% by 2023 by sharpening our focus on advancement, retention and hiring.



"I'm proud of what Target is bringing to the table in efforts to stand with Black families and embed racial equity—I'm proud of this team. The influence we can have on the broader U.S. culture shouldn't be underestimated, and the role we can play for each other can't be overstated. We remain unified in our commitments to support a more inclusive and equitable world for all."

Kiera Fernandez
Chief Diversity & Inclusion Officer

Our 2019–2021 Team Goals

Increase representation of people of color to at or above the qualified applicant pool

+5.4% in people of color in salaried positions²

In Progress



Increase representation of women of color

+7.3% in women of color in salaried positions²

In Progress



Increase gender equity in representation

+4.1% in women at senior levels²

In Progress



Reduce the rate of turnover for people of color and narrow the gap to white turnover

-3.5% in turnover of people of color²

In Progress



Increase promotional rate of people of color from entry level to midlevel to at or above internal talent pool representation

About one in three promotions to midlevel positions was earned by a person of color

In Progress



Increase promotional rate of female team members from midlevel to senior leadership to at or above internal talent pool representation

Almost half of promotions to senior leadership were earned by women

In Progress



Maintain favorability among people of color on diversity and inclusion-related engagement survey questions and narrow the gap to white responses

Maintained high favorability, with very small gaps

In Progress



Achieve favorability among people of color on inclusive leadership-related engagement survey questions and narrow the gap to white responses

Maintained high favorability, with very small gaps

In Progress



Learn More

- Find out how Target's work around inclusive employment is changing lives like [Jonaah Violet's](#).
- Learn about our 2019 Black History Month Campaign [Black Beyond Measure](#), which featured our team members alongside Black entrepreneurs and suppliers. You can also read more about it in our [Products and Guests](#) section.
- While Pride Month looked different in 2020 for a lot of reasons, we knew our guests and team members were still looking for ways to honor the month, and Target helped them [#TakePride](#) together.
- We support providing opportunities for [U.S. military veterans](#) and—as a member of the [Veteran Jobs Mission](#)—Target has joined other companies pledging to collectively hire 1 million U.S. military veterans by 2020.
- Learn how we're creating a workplace where Black team members can build [meaningful careers](#) and have success at every level.

Related Links

- 📍 Find out more about our workforce diversity in our [Workforce Diversity Report](#).
- 📍 Find out more about our work to diversify our business in [supplier diversity](#), [marketing](#) and [products](#).

See Also

- 📘 ESG Appendix: Diversity and Inclusion
- 📘 CR Report: Economic Opportunity
- 📘 CR Report: Design Messaging Guests Can Trust
- 📘 CR Report: Design for All

Learning and Development

Supporting Growth and Aspirations

We believe that leadership and learning are inclusive and ongoing endeavors—everyone participates and you’re never done—and that when team members connect experiences to aspirations, it helps fuel our purpose and potential.

Our Approach

Our team is our most important asset. Target invests in our teams' careers at multiple stages and levels. We are committed to building a learning culture that supports moments that matter, builds critical skills and develops great leaders. Through immersive experiences, onboarding, functional training, coaching and mentorship, peer learning, leadership programs and tuition reimbursement, we have crafted a learning environment that empowers our teams to do their best work and serve our guests.

Where We Are Now

Target invests in leadership across our business—whether team members are leading themselves or a large segment of our team or business. Our purpose, values and guest-first mindset are core to who we are and are brought to life in our learning moments.

We know how important it is to our team members to grow their skills, which we unlock with on-demand learning content and tuition-reimbursement programs.

We also believe most growth comes through on-the-job experiences. Alongside meaningful work, we continue to focus on increasing talent mobility through enterprise rotational programs and an internal talent marketplace. This allows team members to learn and contribute across different areas of the business. In line with this approach, in 2019, Target launched Workday Learning as our new learning platform to further digitize and scale learning for *all* team members.

We also invested \$125 million in training our front-line team members to support a guest-focused shopping experience. And 270,000 hourly store team members received “Creating an Inclusive Guest Experience” training.

We continue to invest heavily in leadership development and have created immersive development experiences for all midlevel and senior leaders to grow in the areas of change agility, cross-functional collaboration, inclusion, coaching and team member development.

What's Next

Throughout 2020 and 2021, Target is rolling out access to an enterprise-wide learning license called Skillsoft, which hosts 20,000-plus industry-leading resources. The content spans everything from time management to coding, and from inclusion to leadership.



Target will also continue to invest in immersive, peer-to-peer learning experiences, implementing more virtual leadership development offerings expanding rotational programs and scaling ways for teams to learn from each other.

To accelerate our diversity and inclusion efforts, Target will advance our focus on inclusion through training and providing on-demand resources focused on creating an inclusive environment.

Learn More

- Our team of 4,000-plus engineers commits 50 days each year to building skills and exploring new ideas and tools to see how they might help us create better experiences for our guests and improve Target's operations.

See Also:

- ESG Appendix: Learning and Development

In 2020, we quickly developed adaptive leadership learning moments, resources and tools to support and strengthen leaders' capabilities to lead themselves and their teams during unprecedented challenges. The portfolio of development resources—including crisis coaching and energy management—focuses on differentiated skills such as resilience, inclusion, empathy, communication, and prioritization. While this content was in response to the COVID-19 crisis, the topics will remain relevant, as our business and world are ever evolving. Since the launch in late April, we've seen more than 125,000 site visits from team members across the enterprise.

Workplace Health and Safety

Protecting People



At Target, we look out for each other. We all play our part to protect the safety of team members, guests, vendors, visitors and contractors.

Our Approach

The way we approach health encompasses both physical safety and personal health. We want to maintain a safe and secure work environment for everyone that comes into our stores, distribution centers and offices. That means everyone at Target commits to being a safety advocate and to following laws, safety procedures and the Occupational Safety and Health Administration standards.

Upholding health and safety partly relies on maintaining consistent operating routines in our workplaces—something that has been more challenging during the pandemic. We are continually assessing and applying these routines with guidance from the Centers for Disease Control and Prevention.

Target's goal is to prevent occupational incidents, injuries and illnesses and to comply with safety and health standards. We have specific safety programs designed to eliminate or reduce hazards at our locations. This includes administering a comprehensive and continuous occupational injury- and illness-prevention program and training for team members.

We expect team members to closely follow our health and safety programs and procedures. We require the use of PPE where applicable and the immediate reporting of incidents, injuries and near misses. We also encourage an environment where team members can talk to their leaders if they become aware of a safety hazard or unsafe behavior.

Best practices have been rapidly evolving since the start of the COVID-19 pandemic, but no matter the situation, we will continue our long-standing commitment to prioritizing the health and safety of our people.

Where We Are Now

Well-Being

For years, Target has stood for well-being for our team members. We're as present for our team members as we are for our guests. We offer quality and affordable coverage, and our dedicated call center connects people with the resources they need.

In March 2020 we rolled out dozens of safety, social distancing and cleaning measures to protect our team during the COVID-19 pandemic, in accordance with guidance from the Centers for Disease Control and Prevention. This included providing high-quality, disposable face masks and gloves, plexiglass shields in check lanes and health-check materials including thermometers.

Our continued health literacy campaign, started in 2018, aims to empower team members with basic information on health insurance, so they can be better-informed care users. Medical plan-enrolled team members who take the course earn dollars for their Health Reimbursement Account Plan or Health Savings Account Plan.

What's Next

To help our team members and guests enjoy a safer Thanksgiving during the COVID-19 pandemic, we will close our stores for the holiday. We will also keep our holiday deals running before and after Thanksgiving to prevent crowds and safeguard guests and team members.

For the foreseeable future, we will require guests and anyone entering our stores to wear masks. We will provide disposable masks at the entrance of our stores for those who do not have them.

We will keep watching the situation and adapting where necessary, always keeping health, safety and well-being as our focus.

See Also

- ▶ ESG Appendix: Workplace Health and Safety
- ▶ ESG Appendix: Benefits

Communities

Accelerating Opportunity

Our Approach

Community has always been at the core of who we are. The communities where we live and work sustain businesses, employees and families. We recognize our success is intrinsically linked to their health and vitality, and so our intent is to accelerate opportunities across our business to contribute to their resilience and prosperity.

Given the breadth of our operations, our work spans the spectrum from hyper-local to global. In addition—rooted in our values of optimism, inclusivity and connection—our philanthropic efforts are systemic and responsive.

Taking a strategic and holistic approach, we apply the assets, capabilities and resources that make us successful as a business to our investments in our communities—everything from philanthropic giving to local community engagement and volunteerism. We focus our investments on transformational and catalytic programs and partners that are helping to reshape economic and social systems, while also being there to respond and provide relief in times of crisis and need.

With nearly 1,900 stores across the U.S. and approximately 360,000 team members, we have an extraordinary opportunity to support and strengthen our communities through our actions. Since 1946, we have given 5% of our profits to communities, which today equates to millions of dollars a week in cash and product donations. Drawing on Target's strengths, including our team members, store footprint, global reach and partners, we aim to address some of the world's toughest social and environmental challenges facing our communities and deliver an even greater impact.



Goals

Volunteer 1 million hours annually

1,064,215 hours

Achieved



Build 100 new soccer play spaces by 2020

65

In Progress



Where We Are Now

Philanthropy

When it comes to our philanthropic efforts, we support a wide range of local, national and global organizations. While some of our efforts focus on addressing and improving opportunities that exist today, others seek to create change that will produce opportunities in the future. And through it all, we are listening to and learning from our communities and nonprofit partners to better understand how Target can support their long-term needs.

In every community where we operate, we strive to be responsive and locally relevant.

For example:

- Our stores and distribution center leaders across the U.S. are empowered to fund local initiatives, nonprofits and organizations that are addressing critical needs in their neighborhoods through our Community Engagement Funds and GiftCard donations.
- When a disaster strikes, we're on the scene quickly, providing supplies, volunteers and distribution networks through relief organizations. For example, in 2019 Target donated \$150,000 to nonprofits helping communities across California recover from devastating wildfires, including the California Community Foundation, California Fire Foundation and the Redwood Empire Food Bank.

We align the assets and capabilities of our business to serve communities through a variety of tactics that leverage our size and scale as one of the country's largest retailers. Examples of our efforts include:

- Target joined the Dougherty Family College team in 2018, to help underrepresented students with financial need kick-start their college education and land their first professional job. Through grants and wraparound services for the 300 students who will ultimately attend the college, the program is breaking down the barriers to higher education that many students face. This, in turn, helps to build a pipeline of qualified professionals from diverse backgrounds.
- Homelessness is an issue our team members care about deeply in the Oakland area, so Target is supporting a pilot program in California developed by Oakland Mayor Schaaf to temporarily rehome members of the homeless



community in informal encampments. These Community Cabins offer warmth, shelter, electricity, a secure location to store belongings and on-site wraparound services. The fifth site, which Target is supporting in collaboration with Sutter Health and the Oakland Metropolitan Chamber of Commerce, will provide housing to over 70 people.

Target Foundation

The Target Foundation deploys its resources toward systemic challenges. Our approach seeks to create change that will shift systems to produce the kind of economic opportunity desired in the future: more sustainable, more equitable and located in communities around the globe where there simply are not yet enough opportunities. The result is support across a range of sectors, implementing a range of models and strategies addressing a variety of systemic issues. Examples of our efforts include:

- We partnered with the Financial Health Network, a national nonprofit that works with diverse

organizations across sectors to improve the financial health of consumers, employees, and communities, with a focus on low-to-moderate-income and vulnerable households. We are investing in their work to help employers better understand and improve the financial health of their workforce, particularly low-income employees.

• Globally, we are listening to, learning from, and building relationships with partners in Central America, South Asia and Southeast Asia to better understand local issues. We've teamed up with Ashoka, leveraging their global network of social entrepreneurs to better understand what helps to create access to—and remove barriers to—sustainable livelihoods in communities around the world.

In addition, the Foundation is committed to upholding equity and inclusion in its work and prioritizes support for organizations whose leadership reflects the communities in which they serve.

Community Engagement & Volunteerism

We want to ensure that Target can be responsive and relevant to every community in which we operate. Through local community engagement and volunteerism, our stores and distribution center teams across the country support local programs and organizations that bring joy to families and address critical needs in their communities.

To maximize our efforts, we collaborate with local organizations and nonprofits. Through these associations, we can gather greater insights into community issues and support solutions developed by the people who best understand the local needs.

And across all 50 states and globally, Target volunteers continue our long tradition of contributing to efforts to foster resilient communities. For the sixth consecutive year, Target volunteers contributed more than 1 million hours of service through thousands of organizations in the communities where they live and work, to support causes they're passionate about.

Our teams also engage in pro-bono volunteerism as a way to share their unique skills and talents by using them to address unmet needs within the broader community. In addition to our recent commitment to provide 10,000 hours of pro-bono consulting services for Black-owned small businesses—and also those owned by Indigenous people and People of Color—in the Twin Cities, our headquarters-based Legal team also continues to lend their expertise to organizations such as Wills for Heroes and the Immigrant Law Center of Minnesota. In 2020, the Law team is focusing on affordable housing and homeless, including hosting and mentoring a Fellow from the Equal Justice Works initiative as they complete a project in the Twin Cities.

Decades of Care

Target has been supporting St. Jude Children's Research Hospital's mission to find cures and save children for over two decades. This partnership began back in 1996 when we designed and built a long-term residential facility where families can stay free of charge while their children undergo treatment at the hospital. Target House, which officially opened in 1999, has been a home away from home for over 5,000 families to date. Our team members are also dedicated supporters of St. Jude. From knitting quilts for patients to participating in the St. Jude Walk/Run across the country, team members are proud to help the hospital in any way they can.



Engaging Our Guests

We are teaming up with our guests to help enrich our shared communities across the country, by providing them with opportunities to support national and local nonprofits, including those helping with COVID-19 relief and addressing social justice. Through our [Target Circle](#) loyalty program, members can have a say in how funds are allocated, directing them to causes such as food banks, pet shelters, youth programs and more. Guests have already cast over 58 million votes, and Target donated \$5.5 million in the first nine months of the program. Over 600 nonprofits from across the country are now featured each quarter.

In addition, thanks to the help of the thousands of attendees last holiday season, Target donated more than \$920,000 to Toys for Tots as part of our 2019 Wonderland! limited-time experience. When guests shared their holiday wish, Target made a donation on their behalf to help more families experience joy during the holiday season.

The Target Foundation

Over 100 years ago, the [Target Foundation](#) (originally the Dayton Foundation) was established to give back to and empower our hometown community. As a wholly independent entity, the Foundation has a distinct role to play as one of our many philanthropic assets, working toward long-term solutions across an ecosystem of complex and interconnected economic issues. Our mission is to enable systems that empower people and communities to pursue joy in everyday life.

In 2019, the Foundation evolved and expanded its support to address the growing urgency in our hometown, across the country and globally to help address widening socioeconomic gaps. We are investing in leaders, organizations, coalitions and networks that expand economic opportunity equitably, enabling marginalized communities to determine their own futures. We are focused on making a difference in the following areas:

- **Hometown:** advancing racial equity and shared prosperity in the Twin Cities of Minneapolis and St. Paul
- **National:** equitably advancing financial security and economic opportunity for marginalized individuals in a rapidly changing economy
- **Global:** improving economic opportunities for families in emerging economies to sustain themselves and their communities long term

In 2019, the Foundation provided funding to approximately 70 nonprofits who are working to advance equitable economic opportunities. For example, we invested in [Build Wealth MN](#), an organization whose mission is to strengthen underserved communities by empowering families to build sustainable social and economic wealth.

Going forward, the Foundation will continue to identify and invest in programs and partners that are challenging existing economic and social systems.

Looking Out for Each Other During COVID-19

In light of the [COVID-19 pandemic](#), we adapted our 2020 plans across all our philanthropic work to respond to our partners' needs in real time and help provide stability through the provision of incremental and flexible support. This included supporting them in redirecting their most recent grant funds from specific capacity-building projects to general operating, uniquely addressing their needs for virtual program support and extending their grant timeline by months at a time. In addition, the Target Foundation developed an incremental one-time flexible grant for all our Foundation global partners and added two new partners to our national portfolio, focusing on providing funds to low-income families.

What's Next

We are proud of all we do for our communities, but we know there is more to do.

In collaboration with our [REACH committee](#), we'll specifically focus on fueling the economic, social and structural vitality of Black communities across the country, looking also at where we can help our business become even more supportive within Black communities.

Similarly, we have immense pride for our hometown, and we know there is a lot of work to be done to achieve [racial equity](#) in the Twin Cities and the state of Minnesota. In addition to our 10,000 hours of pro bono services, an essential part of this work will be elevating the voices of those most impacted by systemic racism and learning from—and partnering with—Black communities on solutions and programs.

See Also

- [ESG Appendix: Communities](#)

Properties—Climate and Energy

Bright Ideas for Better Buildings

For nearly 60 years we have been bringing joy to generations of families—and we want to bring it to generations more. We're working with local partners and industry experts to create sustainable stores that use energy efficiently and reduce our footprint.

Our Approach

Target supports the scientific consensus that the climate is changing. To help combat the impacts of climate change, we continue to implement improvements that reduce our GHG emissions and increase the energy efficiency of our operations. Our buildings play a big role in helping us achieve our ambitions.

Over time, our focus has shifted from large suburban shopping malls built on undeveloped land to adapting existing buildings to conserve resources and fit into unique communities. At the same time, we have expanded our focus on water—reducing its use in stores, distribution centers and headquarters—especially in high-risk watersheds. We have also embedded responsible chemical management across the business and continue to explore opportunities to reduce the waste we generate.



By making our stores more sustainable and specific to our communities, we're building a better future for everyone.

To cut our climate impacts, we developed a comprehensive set of goals and corresponding initiatives that go beyond our own energy use. We have already reduced the GHGs from our operations by 10% in two years. We aim to build on this and achieve even more meaningful reductions within the next 10 years through significant investments in our store infrastructure and by supporting clean energy adoption on the electric grid. And we use partnerships and industry expertise—from the Renewable Energy Buyers Alliance to Tesla—to embed efficiency at every level of our properties operations from how we design or remodel stores to supporting electric vehicle (EV) infrastructure.

Goals

Reduce our absolute Scope 1 and 2 GHG emissions by 30% below 2017 baseline levels by 2030

10.5% reduction (Scope 1 & 2)

In Progress



Source 100% renewable electricity³ for our global operations by 2030 and 60% by 2025

27%⁴

In Progress



Add solar rooftop panels to 500 of our stores and distribution centers by 2020

516 panels at year-end

Achieved



Expand our EV program to more than 600 parking spaces with charging stations at more than 100 sites across more than 20 states by 2020

527 spaces at 74 sites in 16 states

In Progress



Where We Are Now

More than 1,500 of our buildings have earned ENERGY STAR status—the U.S. Environmental Protection Agency (EPA)'s certification of energy efficiency—and we have been recognized five years in a row as Partner of the Year with Sustained Excellence.

In November 2019, we reached the goal we set in 2015 to put solar panels on the rooftops of 500 stores and distribution centers when we installed panels at our store in Napa, California. As of the end of the year, we have installed panels at 16 additional sites. These panels have added more than 259 megawatts (MW) of renewable energy across our buildings—enough to power approximately 49,000 homes in the U.S.—and each project has the capacity to offset between 15% and 40% of a property's annual electricity needs. Some of our stores generate the solar energy in support of broader clean energy programs and policies in their locations, and in those cases, we do not retain the renewable energy credits.

We're not only looking at our properties though—we're also investing in the use of renewables in communities where we operate. In 2019, we announced our latest renewable power purchase agreements with the Lonetree Wind Project in Illinois (79 MW) and the Sand Fork Solar project in Texas (89 MW). And several of Target's contracted renewable energy projects began producing clean energy in 2019. In January 2019, Target's share of Xcel Energy's Colorado Renewable*Connect program began generating solar power. In August the Solomon Forks Wind Farm in Kansas reached commercial operation, contributing 100 MW of wind power to Target's clean energy portfolio. And in December Georgia Power's Commercial & Industrial Renewable Energy Development Initiative program began producing clean energy for Target and other participating customers.

³ Renewable electricity includes renewable energy credits from Target's on-site and off-site projects, as well as electricity that we receive from renewable energy generation serving the electric grids where Target factories are located. Data sources include: Target's 2019 fiscal year electricity consumption data, Target's 2019 renewable energy credits, and the U.S. Energy Information Administration's Annual Energy Outlook (January 2020) data on renewable energy generation in the U.S.

⁴ Target is now 27% powered by renewable electricity with:

- 10% coming from Target Projects; and
- 17% coming from the utility grid.

We've reduced GHG emissions from our own operations (Scope 1 and 2) by 10.5% from 2017.



Another way we're helping communities fight climate change is through our [EV program](#). We know many of our guests want to make the switch to EVs but worry about the convenience of finding places to charge. Target began installing EV-charging stations in 2012 with the help of ChargePoint. In 2017 and 2018, we teamed up with Tesla, Electrify America and ChargePoint to offer level 2 and DC fast charging to meet the evolving needs of EV drivers. Our goal is to provide 600 EV parking spaces at over 100 sites across more than 20 states by 2020. At the end of 2019, we had 527 spaces at 74 sites in 16 states.

And when it comes to design, while we recognize that it is easier to build a sustainable store from the ground up, our teams across Target Properties are leveraging circular design principles to make our existing buildings more sustainable. Our efforts around adaptive reuse of existing buildings offer opportunities to reduce our impact while adding more unique touches to neighborhood stores. Our renovations to date have included a [former FBI building](#), a [retro bowling alley](#) for our new store in [Portland](#) and a [former theater in Brooklyn](#). We also work to support our local communities in alliance with [ConstructReach](#) workforce development program which is helping to build a diverse supplier base in the construction industry.

Noteworthy Awards

Environmental Protection Agency (EPA) 2020 Green Power Leadership Award for Direct Project Engagement

[2019 and 2020 ENERGY STAR Partner of the Year](#)

Solar Energy Industries Association (SEIA) recognition as the #1 U.S. Corporate Onsite Installer for the fourth year in a row

[DOE Interior Lighting Campaign 2019 Awards](#)

- Exemplary Retail, Food Service, or Grocery Sector Recognition
- Innovative Category Recognition—Other Integrated Systems and Lighting

What's Next

Our internal Sustainable Building Council is charged with developing model stores to showcase innovations in sustainable design, materials and technologies. The team completed a series of sustainable updates at our Mission Viejo, California store that included adding natural daylighting, localized landscaping and low-flow irrigation, stormwater treatment and filtration systems, outdoor dark-sky friendly LED lighting and EV charging, carpool and Clean Air Vehicle parking. They were completed in summer 2020 and Mission Viejo will act as a leading example of a sustainable site.

Learn More

Target was awarded the 2019 “[Best of the Best](#)” award for store certification excellence by the [EPA’s GreenChill refrigerant management partnership](#). To date, Target has certified 38 stores to GreenChill standards and installed over 10,300 hydrofluorocarbon (HFC)-free units in our stores, accounting for approximately 51% of our operations’ refrigerants in stand-alone cases.

See Also

 [ESG Appendix: Climate and Energy](#)

“Our properties are a big part of our sustainability story. It starts with how we design and remodel stores, and continues every day as we strive to find ways to make our stores run more efficiently and provide extra value to our communities—from using renewable energy to donating millions of meals and eliminating food waste.”

John Leisen

Vice President, Target Property Management

Properties—Water

Managing Our Use

Water is a crucial part of our operations, helping us create clean, welcoming stores and workplaces for guests and team members. From our restrooms to our landscaping, we're maximizing how we efficiently use and manage this vital resource.

Our Approach

Two years ago we introduced our [freshwater stewardship approach](#), which included a goal to reduce water usage across our stores, distribution centers and headquarter locations and sought to understand our position on water quality within U.S. building operations.

Our water risk assessments identified California watersheds as high risk, so we have an ongoing commitment to continuously promote sustainable water management in the state and have joined the [California Water Action Collaborative \(CWAC\)](#) and Ceres' [Connect the Drops](#) campaign. Additionally, Target will continue to operate and maintain best practices in managing stormwater and the quality of water leaving our sites.

Goals

Reduce absolute water withdrawal in stores, distribution centers and headquarter locations by 15% below 2010 baseline by 2025

14.5% reduction

In Progress



Where We Are Now

We are continuing to focus our water conservation efforts on irrigation efficiency, interior use efficiency for our restrooms and food services areas, and partnering on initiatives with local municipalities, and have reduced our overall withdrawal by 14.5% from our 2010 baseline.

As water quality is ever changing in regions nationwide, Target will continue to operate and maintain best practices in managing stormwater and the quality of water leaving our sites. We will do this by building local collaborations with watershed managers to improve green infrastructure and refining our salt-application practices at stores in snowy states to reduce the amount of chloride entering local water bodies. In areas where salt is used to address high snowfall and ice melt, water quality is a concern because one teaspoon of salt can pollute five gallons of water. In response, Target launched a [refreshed training program](#) for our stores, distribution centers and headquarters facilities that experience snow events. The training materials are based on techniques developed by the Minnesota Pollution Control Agency and include salt effectiveness guides, proper application techniques and correct disposal methods.

What's Next

Building on Target's participation in the CWAC Santa Ana River Watershed Project, we are embarking on a leadership role in Southern California with [Pacific Institute](#), a leading international NGO focused on water. The initial project identified how to set context-based water targets at the facility level (such as setting water-use targets for stores and distribution centers within the watershed) and prioritized actions and investments that address the key water challenges in the region. The next phase will involve collective action to increase water supply reliability, increase the climate resilience of water systems, and protect and restore freshwater ecosystems.

Related Links

- 📍 [Our Water Quality Work](#)
- 📍 [2020 CDP Water Security Response](#)

See Also

- 📘 [ESG Appendix: Water](#)
- 📘 [ESG Appendix: Environmental Responsibility in the Supply Chain](#)



Properties—Waste

Understanding—and Eliminating—Store Waste

From our packaging to the food we sell, we are constantly finding new ways to cut down on the waste generated in our stores.

Our Approach

To bolster our support for a circular economy, in 2019 we kicked off an enterprise waste footprint project. The goal was to connect current work and additional efforts to build a comprehensive waste ambition for Target across our value chain and to continue to learn and explore zero waste in our operations.

To develop the ambition, we conducted a two-pronged research study that mapped our entire value chain's waste footprint—identifying where we could make meaningful changes—and explored guests' and team members' relationships with waste to identify key attitudes, motivations and barriers and ensure that we position them at the center of our strategy.

Goals

Reduce food waste within our own operations by 50% by 2025

In Progress



Where We Are Now

We are looking closely at the different types of waste generated in our stores. In terms of food waste, we are in the process of establishing a baseline which we can use to measure our progress. While working to confirm a measurable baseline, we're moving full speed ahead to reduce food waste using the store tools and technology we already have to promote donating food. In 2019, we donated 104.9 million pounds of food, which is equivalent to 87.4 million meals—a nearly 18% increase from 2018. For foods that cannot be donated, where possible, we have implemented—and continue to implement—organics or composting programs.

In addition, we're carefully looking at our replenishment strategy so that we don't hold more food than we think we will sell, and we stock what is relevant to a particular store and the guests it serves. This work relies on improving our inventory accuracy through forecasting, ordering tools, merchandising solutions and offering guests discounts on food close to expiration.

In June 2019, we added 40% recycled content to our single-use plastic retail bag as part of our work to reduce the impact of plastics. In 2019, 60.2% of construction waste was diverted and we diverted 77.5% of our operational waste from landfill.

We have also applied sustainability principles to guest-facing events and internal team meetings. Since each project is different, a new sustainability plan is designed per event. When planning, we require our agency partners and vendors to adhere to sustainability guidelines, and assign sustainability resources and experts on-site to support them. We strive for zero-waste events by developing robust post-event donation plans and creating and storing evergreen assets that can be used across multiple events. The Events team also participated in Second Harvest Heartland's "Meal Connect" program to redistribute leftover warm meals to the community.

What's Next

This year we took a deep dive into our food merchandising and assortments. Pilots were created for assortments, fixtures, space allocations, store volumes and ordering accuracy. Based on the results, we plan to roll out and expand into successful categories based on transition timing.

With the help of multiple external suppliers and innovation from our design teams, we are also running a pilot for a closed-loop cardboard program using corrugated cardboard from our warehouses and stores to reduce the need for new wood pulp. The aim is for the corrugated cardboard that is created to come through our supply chain and then go back to the paper manufacturer where they prepare it for recycling, enabling a circular supply chain. The work is ongoing, and we look forward to taking the learnings from the pilot to drive significant reductions in the future.

See Also

ESG Appendix: Waste and Circular Economy

Properties—Chemicals

Evolving Chemical Use Across Our Business



Our Approach

Target's ambitious Chemicals Policy primarily covers the products we make and source, but the spirit of responsible chemical management is embedded across our business. We actively look for ways we can cut chemical use in the way we manage and run our facilities.

Where We Are Now

As part of our efforts to help support local bee populations, Target has a Neonicotinoid Management Plan to track vendors' use of neonics on our properties. Our aim is to have an in-depth understanding of where neonics are used on Target properties to develop better risk management options and best practices around managing their use in the future.

We also revamped our salt-application training at stores that experience snow- or ice-related events during the winter. By updating the training, we helped ensure that team members were applying salt correctly, reducing negative impact to local water bodies.

In the areas where we store and produce food in our stores and distribution centers, the selection of new chemicals is carefully considered to align with our Chemicals Policy. We responsibly manage inventory and usage throughout the supply chain, using data and on-site visits to verify appropriate purchasing, calibration of equipment and team member understanding for the responsible application of chemicals used to clean our facilities. This helps us prevent overpurchasing and misuse of these chemicals, doing our part for responsible chemical management.

What's Next

Later this year, Target will transition to phenol-free receipt paper for our stores. There is growing concern—backed by studies—around the negative health effects of handling BPA (bisphenol A) and BPS (bisphenol S), chemicals found in standard thermal receipt paper. By switching to a phenol-free receipt paper Target will be taking a significant step in proactively ensuring the ongoing safety and health of our team members and guests. By end of year 2020, Target expects to fully convert to phenol-free receipt paper for use in all standard and mobile-device checkout lanes.

See Also

- CR Report: Chemicals
- ESG Appendix: Chemicals

Products and Guests





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Responsible Marketing for Informed Decisions

Products and Guests

We have a vision of an inclusive future where we bring joy to every guest by offering the products they need. We use guest needs to choose which brands we offer, learning what they love and exploring whether an owned brand or a national brand helps us serve them better. What guests need can rapidly evolve—no matter how carefully we plan—but it's our job to listen, learn and adapt.

From wellness icons that help guests identify important product features for them and the planet to offering in-store recycling and exploring ways to reduce packaging, we aim to fulfill guests' values and help drive awareness and demand for sustainable products and services across our portfolio. We're incorporating sustainability into our owned brands and partnering with national brands to amplify the role they play throughout our business. To do this, we start with our guests. Before we begin to design, we're thinking about how to meet their needs and spark joy. We have 44 owned brands and a wide range of national brands that give us the scope to embed our sustainability vision. We continually check that our product assortment is accessible, inclusive and aligned with our ambition and with our ethos of being a mass retailer for all families.

And we believe that we have the opportunity to design a sustainable future, with products that are better for our guests, our planet, and our communities—and that we can use circular product-design principles to get us there.



Design for Circularity

Our Journey of Innovation

We believe that a sustainable future will be circular—where the focus is on eliminating waste and trying to keep resources and products in use for longer. To achieve that, circular design is critical—not just for the products Target makes and sells, but for our supply chain, our properties and all our ways of working.

Our Approach

At Target, designing sustainable products means being thoughtful about the materials we choose and how we think at the design stage about durability, repairability and a product's end of life.

We need to make those decisions today to design for a more circular present and future—both to answer a guest need for transparent quality products and to help Target be part of shaping tomorrow's business models.

As we continue to encourage and embed circular design principles into our everyday work, we are giving our teams the tools they need to make responsible sourcing and design decisions. We provide dedicated circular design training for teams, covering the importance of material choice and designing for durability, repairability and recyclability.

We are also exploring how we can make our products and services circular, understanding we play a critical role in providing more of these products to our guests at an accessible price.

We believe circular design will keep us competitive, driving us to continually innovate in the design and production of our owned brands.

Goals

Design all Target owned-brand apparel for functional durability to last the life cycle of the product by 2020¹

In Progress



Invest \$1 million in textile-recycling technologies by 2020

\$1,002,810 as of May 2020

Achieved



Create more demand for recycled packaging by creating three new end markets for recycled materials by 2020

3 new end markets created

Achieved



Putting Circular Principles Into Fashion

Because material choice is our most prioritized circular design principle, we have worked on a tool to help our teams make material choices in the design process that align with our circular ambition. The Circular Design Calculator enables team members to calculate GHG emissions, along with other factors like water usage, when choosing materials. This allows teams to consider circular design principles and how they intersect with our work around climate and water. The tool is useful for our owned-brand product designers as well as packaging-, store- and fixture-design partners. We are currently testing the tool with 40 team members, with the aim of adapting it based on user feedback and assessing what future program expansion could look like. Similarly, our Home and Apparel designers also have access to the Higg Materials Sustainability Index scoring tool, which helps them understand the GHG-emission impacts of different textiles and fabric materials.

¹ Goal developed by Target to support our commitment to the Global Fashion Agenda 2020 Circular Fashion System Commitment in which Target is a signatory brand. Target has embedded this goal as a principle in our design work, and we track it through multiple internal metrics such as returns and complaints. However, we will not be reporting on it in the future.

Where We Are Now

Educating our team members is key to embedding circular design across Target. We want to empower our team—even if “designer” isn’t their job title—to make design decisions that will enable Target to work in a circular system.

To date, we have trained nearly 1,700 internal team members—across areas including merchandising, product design, properties, marketing and supply chain—on circular design principles. We have also trained almost 1,200 owned-brand vendors on circular design and enabled them to serve as ambassadors to train their own teams.

In May 2020, we achieved our goal to invest \$1 million in textile-recycling technology—much of it funding early-stage innovators or pilot projects. For example, for the past four years Target has supported [Evrnu](#), a company working to chemically recycle fabrics. While the project is still scaling, we’re pleased to report that in 2019 we received our first official fabric sample—in Target red!

Target has created three new end markets since 2017, including using our plastic shopping bags to make plastic park furniture as part of our youth soccer grants program, using post-consumer recycled (PCR) plastic in HDPE and PET bottles for our Everspring brand, and using PCR plastic in our plastic shopping bags.

Packaging also offers a significant opportunity to operate to a circular model. We are focused on eliminating, reducing and finding alternatives for plastics in our products, packaging and operations. We are also using packaging as an opportunity to make recycling simpler for guests, by continuing to use the How2Recycle label on our owned-brand packaging.

We have an ongoing commitment to replace conventional polyester with polyester made from recycled plastic in Target owned-brand apparel, accessories and home products. In 2019, our reverse logistics team started working with two textile recyclers, and we have so far developed the test cases and success metrics we aim to use to establish more collaborations. We aim to execute tests throughout 2020. We also became a funder and supporter of the [Fashion for Good Advanced Recycling](#) project, which will pre-competitively bring together peer companies to help invest, test and scale chemical recycling options with the most promising innovators in the space.

“We want to help take the circular economy mainstream, and we believe we can do that because Target’s size and scope means that every decision adds up to a really powerful impact. We have been embedding a circular mindset across Target, training our designers and our vendors on material choice and on designing for durability, repairability, and recyclability.”

Julie Guggemos

Senior Vice President & Chief Design Officer

What's Next

In 2020, we will launch Target’s Circular Design Guide, a web-based training hub for team members to learn about circular design and how it impacts their daily work. The interactive resource will include videos, tools and case studies, which we also plan to incorporate into onboarding.

Learn More

- Find out how our ongoing participation in [Fashion for Good](#) keeps our teams at the cutting edge of sustainable fashion innovation.

See Also

- [ESG Appendix: Laying the Groundwork for Circularity](#)



Design for All

Offering Inclusive and Accessible Products and Experiences

We are at our best when all guests see themselves reflected in our offerings and feel welcomed, included and joyful when they shop with us.



Our Approach

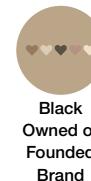
It is important that every dimension of our guests is reflected across our entire business. We believe our guests should be able to walk into Target and see their needs reflected in our offerings. We implement ongoing training for teams on how to stay connected to the varied needs of our guests, which gives them the autonomy to design new products. This enables designers through brands like Pillowfort, Auden, All in Motion and more to create functional, desirable products that support all abilities and body positivity.

Where We Are Now

In 2019, Target introduced adaptive Halloween costumes for children, with options such as a pirate ship and a princess carriage for children in wheelchairs. The costumes quickly sold out, and we added new lines in 2020, including adult costumes.

In the Universal Thread denim line, we rolled out adaptive jeans designed for adults in wheelchairs, with features such as a higher rise in the back. We also have a line of sensory-friendly kids' furniture items in our Pillowfort brand with items all kids can enjoy—including hideaway tents, super-soft cocooning seats and crash pads.

Target has introduced Aira to create an inclusive shopping experience for blind and low-vision guests. Via an app, the tool connects guests with trained agents who act as interpreters. It is now available free of charge in all Target stores across the U.S.



In the wake of George Floyd's murder and the growing conversation around social justice and racial equity, we noticed more guests were searching for Black-owned and Black-founded brands, which Target has featured

for years. To make it easier for our guests to find and support these amazing brands, we made it easier to identify relevant products across our assortment. One way we did this was by adding a new icon in the "details" section of our products pages.

Continuing to develop inclusion acumen among our teams is helping our team members create inclusive products and services for our guests. We support this through providing immersive experiences for team members such as Humanize My Hoodie workshops, which focus on eliminating bias based on factors such as clothing.

Meeting Guest Needs With Our Diverse Suppliers

Beyond the products we design ourselves, we also sell thousands of thoughtfully curated items to give typically underserved guests the shopping experience they deserve. Our Multicultural Merchandising team works to reflect the diversity of our guests in the assortment we offer, and our guests have responded—with over half a billion dollars in annual sales and 8.3% year-over-year growth in beauty & cosmetics, food and dolls designed for diverse audiences. To create products our diverse guests can see

Inclusion You Can See

In 2020, we released our first documentary film in collaboration with Hulu: Design for All. Produced by RadicalMedia, it focuses on how three individuals' lives—and the lives of those around them—were changed through accessible design. It celebrates a milestone moment for our brand. Watch the film.

themselves in, we turn to suppliers that reflect the communities we serve. And we work hand-in-hand with our suppliers every step of the way on the assortment of products we proudly offer our guests. One example is The Honey Pot, a Black-owned, plant-based feminine care brand, founded by Beatrice "Bea" Dixon. Target's Merchandising & Supplier Diversity team partnered with The Honey Pot to develop packaging that would pop on shelves. Target shared Bea's business journey through a national campaign to inspire other Black women to become entrepreneurs, and we're honored to be working with Bea and her incredible brand.

We also have more than 1,000 products that meet the unique beauty needs of our guests, with something for a wide variety of skin tones, skin care needs and hair types. We carry many Black-founded brands and offer products specifically for Black guests, from textured haircare items to Black Girl Sunscreen.



For Black History Month 2020, we showcased founders [Maya Smith](#), [Rochelle Graham-Campbell](#), [Lisa Price](#) and [Melissa Butler](#) on over 200 end-of-aisle displays. At [CURLFEST](#) 2019, we also featured both large and small brands, and hosted a brand panel with founders Melissa Butler, Shontay Lundy, and [Dr. Camille Howard-Verovic](#).

Target's African American Business Council, which includes more than 1,000 team members, was the driving force behind creating the assortment five years ago and continues to advise our teams on the collection. The team also spent months planning and creating meaningful events at our Minneapolis headquarters to help educate and engage team members, as well as celebrate our vendors.

Good & Gather

In September 2019, we launched our new owned brand: [Good & Gather](#). The concept behind Good & Gather is simple: "great food, made for real life." Products sold under the brand are made without artificial flavors, synthetic colors, artificial sweeteners or high-fructose corn syrup. Some Good & Gather products were specially formulated to meet these standards, while others never contained these ingredients.

Target's aim with Good & Gather—our most ambitious food undertaking yet—is to offer convenient, affordable options that do not cut corners on quality or taste. Our expectations are so high for our Good & Gather products that they come with a money-back guarantee.

What's Next

Target listens to guests, applying their feedback to develop products that meet their physical and emotional needs. We are currently developing extended sizing for our All in Motion sportswear line, and will extend this to outerwear in the fall. We are also researching adaptive clothing opportunities with the aim of producing more clothing designed for more people.

Learn More

- Target helps every guest feel amazing in their own skin through our inclusive collections of [swimwear](#), [intimates](#) and [sleepwear](#).
- See how we've embedded body positivity and inclusivity in our [All in Motion](#) activewear range.
- Explore our new [13-piece swim collection](#) designed for guests who have undergone mastectomies.
- Learn how we're working to create an environment where Black guests [feel welcome](#) and see themselves represented throughout their experience with Target.

See Also

- ▶ ESG Appendix: Product Design

Design for Environmental Impact

Crafted With Conscience

We are working across our portfolio of owned and national brands to reduce the environmental impact of the products we sell.

Our Approach

We believe operating a sustainable business and using resources responsibly will allow us to serve our guests for generations to come. Key to our efforts are the valuable partnerships we nurture that make impact at scale possible.

Goals

Add the How2Recycle label to all owned-brand packaging by 2020 (where space allows)

3,941 SKUs

In Progress



Support the Recycling Partnership's mission to improve how more than 25% of the U.S. population recycles by 2020

37%

Achieved



Where We Are Now

Our Partnerships

Target is a member of the [Ellen MacArthur Foundation](#) and is taking part in the [New Plastics Economy \(NPE\) Global Commitment](#) by looking at plastics elimination, alternatives to petroleum, and reuse, recycling and composting across all packaging. We have a series of five ambitions designed to help us drive progress on the NPE:

- Work toward making owned-brand packaging with 20% PCR content by 2025
- Work to eliminate expanded polystyrene from our owned-brand packaging by 2022
- Work toward elimination of the following problematic plastics in owned-brand packaging: polystyrene, PVC, PVDC and carbon black
- Explore at least five reuse programs that work to reduce or eliminate single-use plastic and—where possible—pilot by 2025
- Work toward designing 100% of owned-brand packaging to be recyclable, compostable or reusable by 2025

Currently, 70% of the reverse-stream material that comes back to Target is in apparel and home.

We also joined the [Materials Recovery for the Future](#) project in 2017 because we believe that flexible packaging is the fastest-growing packaging materials segment—and that this partnership can help make it recyclable at curbside. The successful project helped prove that you can teach consumers to collect, sort and recycle this type of packaging. The next step is to find end markets for the material, so we have a business case for recycling.



Packaging

We know consumers are concerned about packaging impacts, and so are we. We believe in driving positive systems changes through pre-competitive collaboration across the supply chain. We want to use data to inform our decisions and understand the holistic impact of packaging changes. Target's cross-functional working group on PCR content is working to increase the percentage of PCR in our owned-brand packaging to 20% by 2025. In 2019, Target utilized over 594,000 lbs of PCR resin (PET & HDPE) to produce bottles in our Everspring household cleaning brand.

How2Recycle

Our guests value packaging that makes recycling simple. For that reason, we continue to work to apply the How2Recycle label to our owned-brand packaging, including our Food and Beverage and our Essentials and Beauty packaging. We are working toward applying it to our style brands' packaging.

Reverse Logistics

Target has long been aware of the opportunity for a more robust reverse-supply-and-salvage program. To ensure that we extend the life and maximize the value of recovered products, we conducted a pilot with 10 stores in 2019 to explore key questions in this area, mainly around the technology required and how to add value. The pilot showed that our current system is a good start, but that including a simple sorting system at store level—along with the support of third-party technology—would help us make significant progress on our reverse supply chain system.

What's Next

Target has started to plan for the next generation of reverse logistics network capabilities, at store level and for new vendors. We have been able to create programs to redirect the following product categories:

- Headphones
- Speakers
- Home theater products
- Wireless tablets and watches
- Cameras
- Cell phones

This work—along with the data and experience being acquired from existing and new high-value-salvage programs—will be used to shape Target's long-term strategy on how to maximize the value and product life of its salvage.

To reduce waste from our store remodel programs, we recycled over 14,000 tons of metal from fixtures in 2019 and have had a sustainable, closed-loop hanger reuse program since 1994. In 2019, we reused approximately 151 million plastic hangers in our stores. We continue to evaluate additional recycling streams and processes to reduce waste further.

Related Links

- 📍 Chemicals Policy
- 📍 Green Chemistry & Safer Alternatives
- Innovation Grant Recipients
- 📍 Textiles RSL and MRSI Implementation Guide
- 📍 Unwanted Chemical List
- 📍 Sustainable Products Implementation Guide

See Also

- 📘 ESG Appendix: Chemicals
- 📘 ESG Appendix: Environmental Responsibility in the Supply Chain
- 📘 ESG Appendix: Waste and Circular Economy



Design for Guest Ease

Empowering More Sustainable Choices

Our Approach

Making responsible choices just feels good, and we know our guests want to make choices that are better for their families, for their communities and for our planet. We want to give our guests the power to make those meaningful choices, and to make it really easy too.

Guests value different aspects of a sustainable product, and that impacts their purchasing choices. For some guests, it's the certifications a product carries—from Fair Trade to GoodWeave to the Global Organic Textile Standard (GOTS). We participate in a range of certification programs and display accreditation clearly to help guests choose.

Other guests seek more recycled content in what they buy or better ways to dispose of products at the end of their useful life. For those guests, we're putting more recycled content into beloved brands like All in Motion and we run a takeback service for child car seats.

Where We Are Now

During 2019, we focused on marketing different products from a sustainability perspective, such as Okabashi shoes, which were our first fully circular product available in all stores. We then expanded the offering in 2020 to include more shoe styles for both men and women both in-store and online.

We continued to implement our wellness icons, including Target Clean, helping guests easily identify products that align with their values, whether they're shopping in person or on our website.

From mid-2019, we began manufacturing a single-use point-of-sale bag made with 40% recycled content. We are currently working toward including 20% PCR material in these bags.

What's Next

In July 2020, Target announced its plans to work with Closed Loop Partners' Center for the Circular Economy, CVS Health, Walmart and other retailers on the Beyond the Bag initiative, which is aiming to reinvent the single-use plastic retail bag. The goal is to identify, test and implement viable design solutions that serve the purpose of the current retail bag in a way that's better for people and the planet. The first year of this multi-year, multi-retail-sector collaboration will focus on gathering insights, stakeholder engagement and finding innovators.

See Also

- ESG Appendix: Chemicals
- ESG Appendix: Guests

How Our Guests Evaluate Sustainable Options at Target



Recycled Content

Guests want more recycled content in what they buy or better ways to dispose of products at the end of their useful life. We run takeback services for items like child car seats and we're also putting more recycled content into beloved brands like All in Motion.



Simplified Searches

Giving guests the detail they need at a glance. Want more plant-based ingredients in your baby's essential products and no parabens in your beauty choices? Our leading Chemicals Policy and the transparency expectations it sets do the heavy lifting, so guests don't have to.



Certifications a Product Carries

From Fair Trade to GoodWeave to GOTS. We participate in a range of certification programs and display accreditation clearly to help guests choose.



Design Messaging Guests Can Trust

Responsible Marketing for Informed Decisions

We love creating inspiring campaigns that people remember—but what we love even more is that our advertising is clear, responsible and accurate.

Our Approach

Being truthful and ethical is who we are and what we believe in. Our marketing must reflect those values. We commit to promotions, advertising and guest communications that provide guests with accurate information and follow the law. We do not have a single marketing policy, but have marketing criteria and regulations across multiple business policies. When it comes to our advertising, our swimwear campaigns celebrate women of all sizes, body types and skin tones, free of airbrushing. Our intimates and sleepwear brands, like Auden, are also focused on body positivity, inclusiveness and celebrating all body types. And for more than 25 years, we have included people with all different abilities in our advertising as a reflection of our guests and the communities that we serve.



Where We Are Now

In addition to our Inclusive Merchandising Council, which vets product categories such as graphic tees, in 2019 we launched our Inclusive Marketing Council, which is helping us grow our inclusivity acumen. This acts as a cross-functional group that offers a diverse point of view and a crucial source of guidance on multiple cultural perspectives and input. The Council has an escalation committee that connects into Target's risk and reputation processes.

We have also run several inclusive marketing campaigns during the year, including for our intimates brand Auden, which promotes body positivity. Our Black Beyond Measure

campaign for 2020 Black History Month was also well received and celebrated several Black entrepreneurs and role models.

What's Next

We understand the impact that we can have and aim to use our scale and influence for good—**inclusivity** is one of Target's core values and we believe in marketing that is representative of all types of people. We will continue to live out these values with the marketing content that we produce.

See Also

ESG Appendix: Responsible Marketing





2020 Target
ESG Appendix



About This Appendix

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

This Appendix was published in September 2020 in conjunction with Target's Corporate Responsibility Report and reflects activities and initiatives for our fiscal year 2019 (February 3, 2019–February 1, 2020), as well as certain subsequent events and initiatives that occurred after the end of fiscal year 2019 and prior to publication. All quantitative data, unless otherwise stated, reflect fiscal year 2019.

Reporting Standards

This ESG Appendix has been written to provide—where possible and relevant—the environmental, social and governance (ESG) data commonly sought by investors and rating bodies. To that end, this report references the following ESG reporting frameworks:

- [Global Reporting Initiative \(GRI\) Standards](#)
- [Sustainable Accounting Standards Board \(SASB\) Standards for Multiline and Specialty Retailers & Distributors and other relevant industries](#)
- [Task Force on Climate-related Financial Disclosures \(TCFD\)](#)
- [United Nations Sustainable Development Goals \(UN SDGs\)](#)

Forward-Looking Statements

This report contains forward-looking statements about our business plans, initiatives and objectives, which are based on our current assumptions and expectations. These business plans, initiatives and objectives may change based on subsequent developments. These statements are typically accompanied by the words "expect," "may," "could," "believe," "would," "might," "anticipates" or similar words. The principal forward-looking statements in this report include our sustainability goals, commitments and programs; our business plans, initiatives and objectives; our assumptions and expectations; the scope and impact of corporate responsibility risks and opportunities; and standards and expectations of third parties. All such forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, as amended. Although we believe there is a reasonable basis for the forward-looking statements, our actual results could be materially different. The most important factors that could cause our actual results to differ from our forward-looking statements are set forth in our description of risk factors included in Part I, Item 1A, Risk Factors of our [Form 10-K](#) for the fiscal year ended February 1, 2020, and in Part II, Item 1A, Risk Factors of our [Form 10-Q](#) for the fiscal quarter ended May 2, 2020, which should be read in conjunction with the forward-looking statements in this report. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update any forward-looking statement.

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ESG

Environment

As one of the largest retailers in the U.S., we have an impact on people all over the world, and we want that impact to be positive. People are at the heart of our company, and while we are passionate about helping them thrive today, we don't want to compromise the ability of future generations to do the same.

Climate change, drought, deforestation, waste and resource scarcity highlight the need to transform the way we approach business. We know that our products, supply chain and business model depend on limited natural resources and materials, and we are committed to addressing our environmental impacts so that we can continue to serve our guests for generations to come.

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Frameworks reported on:

SASB | GRI | TCFD

Our work contributes to these SDGs



Climate and Energy

Management Approach

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#) | [TCFD](#)

Climate change is one of the most urgent issues of our time. It impacts the lives of our team members, guests and communities, as well as our stores in every U.S. state, distribution centers across the U.S. and our global supply chain. Below, we summarize our approach, which is aligned to the four core elements recommended by the [TCFD](#).

Governance

The Corporate Responsibility, Properties and Responsible Sourcing & Sustainability teams coordinate Target's climate change strategy, identify key initiative areas, assess risks and opportunities, and implement the company's response.

For information about the role of Target's Board of Directors and its committees in governing corporate responsibility efforts, see [ESG Appendix p. 92](#).

Strategy

Through ambitious climate and energy programs and partnerships, we are advancing our efforts to reduce our—and our supply chain's—greenhouse gas (GHG) emissions. We continue to invest in energy efficiency and renewable energy for our direct operations, including LED lighting, solar panels on our facilities, and contracts for off-site renewable energy. Our efforts have been recognized externally, including through certifications and awards. Target has over 1,500 [ENERGY STAR-certified](#) facilities and 38 stores certified to U.S. Environmental Protection Agency (EPA) GreenChill standards. We were recognized as an [ENERGY STAR Partner of the Year](#) in 2020, for the fifth consecutive year, and received the 2019 "[Best of the Best](#)" award for store certification excellence by the EPA's GreenChill refrigerant management partnership.

As the majority—around 94%—of our GHG emissions are in the value chain, we support our suppliers in implementing emissions-reduction projects. As a significant component of our carbon footprint, apparel is one area where we have established Target-led programs to reduce emissions. We also continue to prioritize the work led by the UN Climate Change (UNFCCC) [Fashion Industry Charter for Climate Action](#).

As part of our broader climate efforts, we partnered with industry expert [Anthesis](#) to validate our new targets and ensure they meet the rigorous requirements of the [Science Based Targets initiative \(SBTi\)](#). Since approval, we have continued to refine our methodology to help us account for supplier- and product-level emissions, using these data to identify the most impactful actions.

We are also tracking energy and carbon regulation and related proposals at the U.S. federal and state levels and in other key regions of our supply chain to identify opportunities to expand our energy commitments and those of our suppliers.

Risk Management

Target has operational control of a variety of commercial properties, including headquarter offices, distribution centers, data centers, and off-site warehouses. The operations of these facilities contribute to Target's direct and indirect emissions (Scope 1 and 2) through their use of electricity, natural gas, propane, mobile and stationary fuels, steam, chilled water, and refrigerants, while our extensive value chain contributes to our Scope 3 emissions through the manufacturing and distribution of products, business travel, guests using our products and other indirect sources.¹

Changing prices for electricity and other fuels could significantly impact our business. With 1,868 stores in the U.S., 42 distribution centers, and products spanning multiple categories, we rely heavily on a complex supply chain and logistics network.

We have built a highly energy-efficient portfolio of stores by continually adopting new technologies and operating procedures. In addition, we have team members dedicated to identifying financing and rebate opportunities, which has allowed for increased investment in energy efficiency.

Examples of initiatives to address Scope 3 emissions within our manufacturing supply chain include the [Clean by Design](#) program conducted in partnership with the [Apparel Impact Institute](#) and the Vietnam Improvement Program in partnership with International Finance Corporation.

¹ The scope of the risks and opportunities considered includes—but is not limited to—changes in regulation (company and asset level), policy (company and asset level), building codes (asset level), guest behavior (company level), reputation (company level), impact to carbon reduction goal (company level) and extreme weather conditions (asset level).

Metrics and Targets

Target has committed to reduce absolute Scope 1 and 2 emissions and Scope 3 emissions from Retail Purchased Goods and Services by 30% below our 2017 baseline by 2030, and that by the end of 2023, suppliers representing the top 80% of our retail and non-retail spend will have set science-based Scope 1 and 2 targets. We received SBTi approval for these goals in 2019.

After establishing our baseline footprint, in 2019 we focused on planning and implementing product and supplier emissions-reduction initiatives. We also refreshed the underlying business-, emissions- and supplier-level data sources, and refined the accounting methodology for reporting year-over-year changes.

Our primary climate-data-capturing tools include the [CDP Supply Chain survey](#) and the [Higg Facility Environmental Module \(FEM\)](#). We use the CDP Supply Chain survey to capture data at the supplier level to track progress against both Scope 3 targets. We request retail (owned- and national-brand) and non-retail suppliers that fall within the top 80% of our spend to respond to this survey. In addition, we collect climate data at the factory level—using the Higg FEM—from factories that produce our owned-brand products or national-brand products where Target is the importer of record (excluding FDA- and USDA-regulated factories), as well as Tier 2 fabric, trim and packaging suppliers.

Beginning in 2020, we are providing our suppliers additional support to set their own targets, implement emissions-reduction projects and improve reporting. As of the end of 2019, suppliers equating to 17% of our total spend had already set science-based targets.

Related Links

- 📍 Climate Policy
- 📍 2020 CDP Climate Change Response
- 📍 Climate on our Website

See Also

- 📘 CR Report: Properties—Climate and Energy
- 📘 CR Report: Supply Chain—Climate and Energy
- 📘 GRI 302 energy data, p. 104
- 📘 GRI 305 climate data, p. 108
- 📘 ESG Appendix: Governance

Energy Consumption²

Metric	2019	2018	2017	Framework
Total energy consumption (GJ)*	20,040,246	20,472,495	20,415,745	SASB CG-MR-130a.1. (1)
Energy intensity ratio (U.S. electricity) (kWh/SF)*	13.42	13.90	14.69	GRI 302-1
Percentage of total energy that is renewable and for which we retire RECs*	7%	4%	4%	SASB CG-MR-130a.1. (3)
Total electricity consumption (GJ)*	14,566,142	15,041,760	15,843,542	GRI 302-1
Percentage of total energy consumed that is grid electricity*	65%	69%	74%	SASB CG-MR-130a.1. (2)
Percentage of electricity consumption that is renewable ³	27%	22%	n/a	Target goal (2025: 60% 2030: 100%)
Covered by Target RECs	10%	6%	5%	
Grid-renewable portion	17%	16%	n/a	
Number of stores and distribution centers with solar roofs	516	470	436	Target goal (2020: 500)
Number of electric-vehicle-charging spaces	527	200	n/a	Target goal (2020: 600)
Number of sites with electric-vehicle-charging stations	74	26	n/a	Target goal (2020: 100)

* Data have been independently verified, or calculated using independently verified data.

² The scope of these data is U.S. domestic operations only, but international offices account for less than 1% of our overall electricity consumption.

³ Renewable Electricity includes renewable energy credits from Target's on-site and off-site projects, as well as electricity that we receive from renewable energy generation serving the electric grids where Target facilities are located. Data sources include: Target's 2019 fiscal year electricity consumption data, Target's 2019 renewable energy credits, and the U.S. Energy Information Administration's Annual Energy Outlook (January 2020) data on renewable energy generation in the U.S.

Scope 1 & 2 Emissions⁴

Metric	2019	2018	2017	Framework
Scope 1 GHG emissions (mtCO ₂ e)*	752,552	755,484	706,176	GRI 305-1 TCFD
Scope 2 GHG emissions (mtCO ₂ e)*				GRI 305-2 TCFD
Market based	1,545,898	1,782,934	1,861,703	TCFD
Location based	1,680,682	1,836,105	1,936,817	
Scope 1 & 2 GHG emissions (mtCO ₂ e)*				
Market based	2,298,450	2,538,418	2,567,980	
Location based	2,433,234	2,591,588	2,642,994	
Change in Scope 1 & 2 emissions from 2017 baseline (market based)*	-10.5%	-1.1%	n/a	TCFD Target goal (2030: -30%)
GHG emissions intensity (Scope 1 & 2, market based) (mtCO ₂ e/SF)*	0.00763	0.00845	0.00857	GRI 305-4
Corporate emissions rate for EPA-applicable refrigeration systems (greater than 50 lbs)	15%	14%	12%	GreenChill Partnership
Pounds of ODS R-22 refrigerant removed and replaced with lower-global warming potential (GWP) alternatives	27,243	62,825	56,000	GreenChill Partnership

Scope 3 Emissions

Metric	2019	2018	2017	Framework
Scope 3 GHG emissions (mtCO ₂ e)	52,049,000	52,720,000	52,857,000	GRI 305-3 TCFD
1 – Purchased goods and services	27,389,000	27,276,000	27,923,000	
2 – Capital goods	743,000	1,007,000	999,000	
3 – Fuel- and energy-related activities	509,000	523,000	581,000	
4 – Upstream transportation and distribution	1,655,000	1,676,000	1,466,000	
5 – Waste generated in operations	271,000	224,000	204,000	
6 – Business travel	22,000	23,000	21,000	
7 – Employee commuting	585,000	567,000	526,000	
8 – Upstream leased assets	Not relevant	Not relevant	Not relevant	
9 – Downstream transportation and distribution	5,672,000	5,666,000	5,245,000	
10 – Processing of sold products	Not relevant	Not relevant	Not relevant	
11 – Use of sold products	12,897,000	13,485,000	13,488,000	
12 – End-of-life treatment of sold products	2,306,000	2,273,000	2,404,000	
13 – Downstream leased assets	Not relevant	Not relevant	Not relevant	
14 – Franchises	Not relevant	Not relevant	Not relevant	
15 – Investments	Not relevant	Not relevant	Not relevant	
Change in Scope 3 emissions from 2017 baseline				TCFD
Retail Purchased Goods and Services	-2.1%	-2.7%	n/a	Target goal (2030: -30%)
Total Scope 3 emissions	-1.5%	-0.3%	n/a	
Percentage of suppliers, by spend, having set science-based reduction targets for Scope 1 & 2 GHG emissions	17%	n/a	n/a	Target goal (2023: 80%)
Quantity of emissions from commercial air business travel (mtCO ₂ e)*	17,511	17,684	13,230	GRI 305-3

* Data have been independently verified, or calculated using independently verified data.

⁴ The scope of these data is U.S. domestic operations only, but international offices account for less than 1% of our overall electricity consumption.

Waste and Circular Economy

Management Approach

SASB CG-MR-410a.3 | SASB FB-FR-150a.1

GRI 103-1 | GRI 103-2 | GRI 103-3

Target is committed to using our size and influence to reduce waste, focusing on products and packaging, construction waste, store fixtures (including signage and mannequins), campaign-shoot sets and events.

Reducing Waste

We seek to establish a zero-waste culture: our Waste Minimization team is TRUE Zero Waste certified. Our waste-minimization strategy, executed by our passionate team members, includes efforts to reduce unsaleable items through improved processes and fixtures, and to increase donations. We also seek to design out waste, such as reducing plastic packaging and eliminating polybags in apparel shipments.

Our waste stream audit program, which conducted 25 audits in 2019, helps us better understand what we send to landfill. In 2019, we launched a waste footprint project to study our value chain and our guests' and team members' interactions with and attitudes to waste. This project is helping us identify interventions for further waste reduction, including through reverse logistics and systems designed to extend product life and maximize salvage value.

Laying the Groundwork for Circularity

Waste can also be a valuable resource. Our aspiration to develop a comprehensive circular strategy builds on extensive work Target has already undertaken: a series of enterprise-wide design principles are now helping us as we work with suppliers and other stakeholders to integrate circularity into every part of our business, including product innovation, packaging considerations and store design. We are also exploring ways to recover material at product end of life and are working with partners on the necessary technology and infrastructure to support a circular economy.

We have a range of initiatives to recover value from waste, such as our long-standing hanger reuse program and partnerships with a paper mill to return corrugated cardboard to our Packaging teams for recycling. We have also sought to increase demand for recycled content, including through sourcing recycled polyester. Our Properties team has been recycling eligible roof membrane from reroofing projects since 2007, amounting to approximately 3,250 tons of material to date.

In July 2020, we announced our plans to work with the pre-competitive Consortium to Reinvent the Retail Bag—which will innovate, test and scale new solutions to provide sustainable alternatives to single-use retail bags—with Closed Loop Partners' Center for the Circular Economy.

Percentage of operational waste diverted from landfill

2018: 76%

2019: 78%

Percentage of construction waste diverted from landfill

2018: 65%

2019: 60%

Number of team members trained on circular design since 2018

2018: 266

2019: 1,632

Partnerships

Partnerships are essential to our waste-reduction and circular economy strategies.

These include:

- Anthesis and BBMG: consulting on Scope 3 GHG emissions-reduction progress and enterprise waste strategy
- Association of Plastic Recyclers: promoting demand for post-consumer recycled content
- CircularID™ Protocol: advancing the circular economy by connecting products with data essential for circularity
- EcoSet: reusing and recycling items from campaign shoots and special events
- Ellen MacArthur Foundation: developing business models for a circular economy
- Feeding America and Second Harvest Heartland: distributing food donations
- How2Recycle: adding recycling labels to owned-brand packaging
- Materials Recovery for the Future: collaborating with P&G, Dow, PepsiCo and others to make flexible packaging recyclable
- The Consumer Goods Forum: driving reductions in food waste
- The Recycling Partnership: expanding access to recycling in the U.S.

See Also

- CR Report: Design for Circular Economy
- CR Report: Design for Environmental Impact

Responsible Disposal of Waste

Metric	2019	2018	2017	Framework
Percentage of operational waste diverted from landfill	78%	76%	74%	
Number of Target locations with organics recycling	343	328	98	
Percentage of construction waste diverted from landfill	60%	65%	n/a	
Construction material diverted from landfill (tons)	5,871	11,887	n/a	
Total weight of non-hazardous operational waste (tons)	966,362	960,912	‡	GRI 306-2
Total weight of non-hazardous operational waste disposed of by reuse (tons)	175,879	173,027	‡	GRI 306-2
plastic hangers ⁵	4,996	11,981	10,940	
donations	52,442	44,588	38,150	
salvage	118,441	116,458	93,633	
Total weight of non-hazardous operational waste disposed of by recycling (tons)	568,407	550,319	‡	GRI 306-2
cardboard	514,564	492,547	485,765	
plastic bags and shrink wrap	10,282	9,921	8,477	
plastic, glass and aluminum cans and bottles	4,480	4,063	3,414	
electronics	2,859	1,475	2,063	
metal	14,921	17,565	15,696	
paper	3,121	3,090	5,418	
used cooking oil	168	212	199	
other	18,012	21,446	‡	
Total weight of non-hazardous operational waste disposed of by composting (tons)	5,345	3,250	2,007	GRI 306-2
Total weight of non-hazardous operational waste disposed of by recovery , including energy recovery (tons)	1	5	‡	GRI 306-2
Total weight of non-hazardous operational waste disposed of by incineration (mass burn) (tons)	151	489	‡	GRI 306-2
Total weight of non-hazardous operational waste disposed of by landfill (tons)	216,546	233,748	239,100	GRI 306-2
Total weight of non-hazardous operational waste disposed of by other means (tons)	33	74	‡	GRI 306-2
material release and container recycling (i.e. helium)	0	22	‡	
wastewater treatment	33	52	‡	

‡ The marked numbers are not available for 2017 due to differences in how we tracked waste categories.

⁵ The 2019 figure for plastic hangers is an undercount, due to data-tracking difficulties while changing vendors.

Metric	2019	2018	2017	Framework
Total weight of hazardous operational waste (tons)	1,219	1,737	‡	GRI 306-2
Total weight of hazardous operational waste disposed of by recycling (tons)	12	117	‡	GRI 306-2
Total weight of hazardous operational waste disposed of by recovery including energy recovery (tons)	3	47	‡	GRI 306-2
Total weight of hazardous operational waste disposed of by incineration (mass burn) (tons)	1,191	1,547	‡	GRI 306-2
Total weight of hazardous operational waste disposed of by landfill (tons)	n/a	2	‡	GRI 306-2
Total weight of hazardous operational waste disposed of by other means (tons)	12	24	‡	GRI 306-2
material release and container recycling (i.e. helium)	0	2	‡	
wastewater treatment	12	22	‡	
Number and volume of recorded spills	None	One: 15 gallons of hydraulic oil	None	GRI 306-3
Total weight of hazardous waste that was transported (tons)	1,219	1,737	‡	GRI 306-4
Percentage of hazardous waste shipped internationally	0%	0%	0%	GRI 306-4

Laying the Groundwork for Circularity

Metric	2019	2018	2017	Framework
Number of team members trained on circular design since 2018	1,632	266	n/a	
Recycled polyester used (metric tonnes)	34,800	20,000	18,200	GRI 301-2
Apparel & Accessories	20,300	7,000	6,400	
Home & Hardline	14,500	13,000	11,800	
Amount invested in textile-recycling technologies since 2018 (USD)	\$937,810	\$278,700	n/a	Target goal (2020: \$1 million)
Number of new end markets for recycled materials created since 2017	3	1	n/a	Target goal (2020: 3)
Annual amount of waste recycled from car seat recycling program (million pounds)	7.0	4.8	2.6	GRI 301-3
Number of SKUs with the How2Recycle label	3,941	3,103	1,876	
Number of SKUs evaluated but found not to have space for the How2Recycle label	2,146	1,971	1,971	

Chemicals

Management Approach

[SASB CG-MR-410a.2](#) | [SASB CG-AA-250a.1](#)

[SASB CG-HP-250a.3](#) | [GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

As described in our [chemicals strategy](#), we are committed to using our scale and expertise to drive transparency, progressive chemical management and green chemistry innovation across our value chain. One of our goals is to achieve transparency for all intentionally added ingredients—including generics such as fragrance—in beauty, baby care, personal care and household cleaning formulated products by the end of 2020 for both owned and national brands.

We set our goals using a hazard-based approach and focus on carcinogenic, endocrine-disrupting and bioaccumulative aquatic toxins found in our products.

Our [Restricted Substances List \(RSL\)](#) applies to owned-brand clothing and non-clothing textiles. In-scope products manufactured after January 1, 2020 must meet our RSL. To assess compliance, we incorporate RSL validation into our owned-brand Multistage Testing Program, taking a risk-based testing approach. For our [Unwanted Chemicals List \(UCL\)](#), which applies to all brands of formulated beauty, personal care, baby care and household cleaning products, we work with [UL Insights](#) to check for the presence of (or screen) unwanted chemicals in ingredients. Find out more about [chemicals](#) on our website.

Chemicals

Metric	2019	2018	2017	Framework
Percentage of SKUs in beauty, baby care, personal care and household cleaning formulated products to which we have access to screen ingredients	76%	76%	38%	
Percentage of SKUs in beauty, baby care, personal care and household cleaning formulated products with transparency for all ingredients, including generics such as fragrance	35%	22%	6%	Target goal (2020: 100%)
Percentage of SKUs in beauty, baby care, personal care and household cleaning product categories formulated without phthalates, propylparaben, butylparaben, formaldehyde, formaldehyde donors or nonylphenol ethoxylates (NPEs)	47%	44%	7%	Target goal (2020: 100%)
Amount invested in green chemistry innovation since 2017 (USD)	\$3,741,522	\$2,494,660	\$802,440	Target goal (2022: \$5 million)

Our [Target Clean icon](#) is designed to help guests find products without commonly undesirable chemicals and incentivizes suppliers in formulated essentials categories where Target Clean criteria are aligned to the UCL and transparency goals.

In 2019, we reviewed opportunities among children's product categories. As a result, we are seeking to expand our selection of car seats without flame retardants and hosted a dialogue with our toy suppliers at the NY Toy Fair to identify common challenges and opportunities.

Partnerships are key to moving this work forward. We became a member of [Zero Discharge of Hazardous Chemicals \(ZDHC\)](#) in 2018 and adopted their MRSList for our owned-brand textiles; we also collaborated with ZDHC in developing the newest version of their Manufacturing Restricted Substance List (MRSList). We are also part of the [GC3 Retailer Leadership Council](#), through which we helped develop a statement in 2019 that outlines chemical functions and priority product categories where innovation in safer alternatives is needed.

Related Links

- 📍 [Chemicals Policy](#)
- 📍 [Textiles RSL/MRSList](#)
- 📍 [Formulated Products Unwanted Chemicals List \(UCL\)](#)
- 📍 [Target Clean icon](#)
- 📍 [Chemicals on our Website](#)

See Also

- ➡ [CR Report: Chemicals](#)
- ➡ [CR Report: Design for Environmental Impact](#)

Material and Resource Use

Management Approach

SASB CG-AA-440a.1 | SASB CG-MR-410a.3
 SASB FB-FR-430a.3 | GRI 103-1 | GRI 103-2 | GRI 103-3

The Earth's natural resources provide us with essential raw materials for our products. To help our suppliers source responsibly while minimizing harm to the planet and supporting communities, we have developed sustainable sourcing policies and programs for cotton, forest products and palm oil, while committing to more sustainably sourcing polyester, animal and coffee products.

Deforestation

Forests provide essential raw materials for many of our products and much of our packaging. However, they also host irreplaceable ecosystems that mitigate climate change, foster habitat and biodiversity and offer livelihoods for communities. We are committed to aiding in the global effort to end deforestation and forest degradation, and we work with vendors, suppliers and other stakeholders to implement our Responsible Sourcing Policy for Forest Products.

As a first step in our transition to responsibly sourced forest fibers, we are focusing on three areas: paper-based materials, furniture and décor, and rayon used in apparel. We are also shifting to sustainable retail packaging for our owned brands.

Since forestry supply chains are often long and complex, we use chain-of-custody certifications wherever possible to ensure we source from well-managed forests, preferring Forest Stewardship Council standards. We are also piloting our own due diligence program because of the limited availability and prohibitive cost of certified raw materials.

Biodiversity

We seek to protect biodiversity, primarily through responsibly sourcing materials for our owned-brand products. We recognize that forests are not the only ecosystem under threat and are working to identify how and where conversion of other types of natural habitat, like grasslands and savannahs, touches our supply chain. Our work includes:

- Participating in the U.S. Roundtable for Sustainable Beef (USRSB) to help identify conversion of natural habit
- Collaborations with Practical Farmers of Iowa, The Nature Conservancy and Sustainable Food Lab to protect and promote biodiversity and soil health
- Working with FishWise to promote sustainably farmed and caught seafood
- Managing the use of neonicotinoid pesticides on Target properties to promote biodiversity and protect pollinators

As an Associate Member of Field to Market: The Alliance for Sustainable Agriculture, Target is engaged in supporting solutions for sustainability and continuous improvement in U.S. commodity agriculture. During 2020, we have been partnering with The Nature Conservancy, McDonald's and Cargill to co-fund a project focused on soil health. The aim is to support regenerative agriculture and reduce our supply chain's carbon footprint in Nebraska.

Deforestation

Metric	2019	2018	2017	Framework
Percentage of owned-brand paper-based packaging sourced from sustainably managed forests	51%	14%	14%	SASB CG-AA-440a.2
Percentage of SKUs that conform to Target's forest products policy in:				Target goal
Spritz	99%	99%	10%	(2018: 100%)
Up&Up, Pillowfort and Cat & Jack	38%	36%	0%	(2020: 100%)
Threshold and Smith & Hawken	0%	0%	0%	(2022: 100%)

Palm Oil

Metric	2019	2018 ⁶	2017 ⁶	Framework
Amount of palm oil sourced (metric tonnes)	4,526	2,214	2,519	SASB CG-HP-430a.1
Percentage of sourced palm oil certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains	100%	100%	37%	SASB CG-HP-430a.1
Identity Preserved	0%	0%	0%	SASB CG-AA-440a.2
Segregated	1%	1%	1%	CG-AA-440a.2
Mass Balance	45%	37%	6%	Target goal
Book & Claim	54%	62%	30%	
Percentage of palm volume traced to the importer	79%	84%	79%	

Palm Oil

Palm plantations are a significant source of deforestation. We are committed to using palm oil that meets the Roundtable on Sustainable Palm Oil (RSPO) standards or an equivalent.

In 2019, we expanded our palm oil commitment to include additional categories and more ambitious targets. With our partner, Proforest, we work with suppliers to trace and sustainably source palm oil used in our owned-brand food, personal care, household cleaning, baby care,

beauty, cosmetics and candle products. By the end of 2022, we aim to achieve traceability to the mill level and use physically certified (Mass Balance, Segregated, or Identity Preserved) palm oil. In 2019, about half of our PalmTrace credits were sourced from independent smallholders, helping to support their sustainability efforts.

Cotton

Cotton is an important raw material for Target; its farming is also critical to the economic well-being of communities around the world. Guided by our Sustainable Sourcing Policy for Cotton Products, we are leveraging our scale to drive positive change by committing to source 100% sustainable cotton for our owned- and exclusive-brand products by 2022.

Our strategic partnership with the Better Cotton Initiative (BCI) is one way we do this. BCI Farmers are trained to use water efficiently and reduce their use of the most harmful chemicals, and they commit to respecting worker rights and well-being. We also purchase Cotton LEADS-certified product. The program—jointly founded by the Australian and U.S. cotton industries—addresses environmental impacts on land and soil, biodiversity, and carbon footprint, as well as accountability throughout the supply chain. Recycled cotton is a preferred source, but the available supply remains quite limited.

As an Associate Member of Field to Market: The Alliance for Sustainable Agriculture, we are engaged in supporting solutions for sustainability and continuous improvement in U.S. commodity agriculture. In 2019, we co-funded a project—the Cotton Incorporated, U.S. Cotton Trust Protocol, Target, and Agrible Texas Panhandle Cotton Sustainability Project—to support cotton producers in West Texas.

Apart from the environmental impact of cotton, forced labor is an ongoing concern in the cotton fields of Uzbekistan, Turkmenistan and China's Xinjiang province. We do not accept products

containing Uzbek, Turkmen or Xinjiang cotton. Additionally, because of the global concerns that Uzbek cotton is frequently utilized to manufacture textile products in Bangladesh, we do not accept products that contain cotton or cotton-blended fabric that was knit or woven in Bangladesh or cotton or cotton-blended sweater yarn produced in Bangladesh unless the fabric/yarn supplier is pre-approved by Target and successfully demonstrates compliance through a traceability assessment.

Animal Welfare

Our Food Animal Welfare & Antibiotics Policies set out the standards and principles that we expect meat, dairy and deli vendors to follow. They are grounded in our belief that every animal deserves humane treatment throughout its life. We do not support the use of routine, nontherapeutic antimicrobials—including antibiotics—to promote growth. We expect our suppliers and their producers to phase out this practice and only use antimicrobials when medically necessary.

Coffee

We have joined the Sustainable Coffee Challenge, committing to source coffee certified to the Fair Trade USA standard or an equivalent for Archer Farms and Good & Gather coffee in both bags and pods by 2022.⁷

Seafood

All of our fresh and frozen seafood is rated green or yellow by Seafood Watch, certified by the Marine Stewardship Council, Aquaculture

Cotton

Metric	2019	2018	2017	Framework
Cotton from sustainable cotton standards (metric tonnes)				SASB CG-AA-440a.2
BCI	79,776	22,592	4,478	
U.S. Cotton LEADS	3,600	4,600	n/a	Target goal (2022: 100%)

Animal Welfare

Metric	2019	2018	2017	Framework
Percentage of shell eggs sold from cage-free sources (by revenue) ⁸	51%	40%	n/a	SASB FB-FR-430a.2
				Target goal (2025: 100%)

Coffee

Metric	2019	2018	2017	Framework
Percentage of SKUs of Archer Farms and Good & Gather coffee in bags or pods certified by Fair Trade USA	29%	28%	24%	SASB CG-AA-440a.2
				Target goal (2022: 100%)

Seafood

Metric	2019	2018	2017	Framework
Percentage by weight of fresh and frozen seafood meeting our Sustainable Seafood Policy ⁹	100%	100%	100%	SASB CG-AA-440a.2

Stewardship Council, or Best Aquaculture Practices, or sourced from a credible time-bound improvement process. In 2020, we are adding six products certified by the Marine Stewardship Council to our shelf-stable tuna assortment. Target partners closely with FishWise, a nonprofit seafood sustainability consultancy, to monitor and continually improve the sustainability of our seafood assortment.

Related Links

- 📍 [Responsible Sourcing Policy for Forest Products](#)
- 📍 [Palm Oil Commitment](#)
- 📍 [Sustainable Sourcing Policy for Cotton Products](#)
- 📍 [Animal Welfare & Antibiotics Policies](#)
- 📍 [Sustainable Seafood Policy](#)
- 📍 [2020 CDP Forests Response](#)
- 📍 [Deforestation on our Website](#)

See Also

- 📘 [CR Report: Materials](#)

⁷ Archer Farms brand coffee is transitioning to Good & Gather in 2020. All Good & Gather coffee in bags and pods will be Fair Trade Certified.

⁸ Includes owned and national brands.

⁹ Includes owned and national brands. Does not include sushi or shelf-stable tuna.

Water

Management Approach

SASB CG-HP-140a.2 | GRI 103-1 | GRI 103-2 | GRI 103-3

Clean, drinkable water and sanitation are human rights—yet clean water sources are disappearing at an alarming rate. We recognize the tension between protecting water and needing it to operate our business.

Through our [freshwater stewardship commitment](#), we seek to improve water quality, optimize water efficiency and increase access to clean water. Our framework incorporates our existing water-management aspirations as well as our work in climate change, chemicals management and sustainable resource use. This allows us to make thoughtful resource-allocation decisions and measure progress.

Reduction in water withdrawal in stores, distribution centers and headquarters locations from 2010 baseline (Goal: 15% by 2025)

2017: 9.9%



2018: 13.5%



2019: 14.5%



Our areas of focus include food and fiber (such as cotton) in our raw material supply chain; textile and apparel factories in priority watersheds in our manufacturing supply chain; and irrigation and stormwater flows in our direct operations. We rely on key partnerships—in which Target often has a high level of involvement and engagement—to better direct our efforts and reduce our impact. These include the WWF [AgWater Challenge](#) and Ceres' [Connect the Drops](#) to support improved sourcing solutions and connect legislators and corporations to address pressing issues in water-stressed regions.

In textile and apparel production, we have worked to design out hazardous chemicals (including through our collaboration with [ZDHC](#)), incorporate water-saving design principles and improve the water management of factories in our supply chain. The latter effort has involved close partnerships such as with the Apparel Impact Institute's [Clean by Design](#) program in China, Taiwan and India, and the International Finance Corporation's Vietnam Improvement Program. At the end of 2019, 68 textile wet-processing factories and 37 Tier 1 assembly factories in priority watersheds where we work were covered by these two programs.

Recognizing the importance of access to water and sanitation in the communities we source from, we also work with [Water.org](#) to support communities in need in India, Bangladesh and Indonesia—impacting 1 million people to date—and have mobilized over \$69 million in capital for microfinance loan disbursement.

Water Use in the Supply Chain

Metric	2019	2018	2017	Framework
Percentage of SKUs of garment-washed owned-brand apparel utilizing water-saving design principles	49%	n/a	n/a	Target goal (2025: 100%)
Denim	61%	n/a	n/a	
Non-denim	42%	36%	14%	

Water Use in Our Operations

Metric	2019	2018	2017	Framework
Water withdrawal				GRI 303-3
Total water withdrawn (ML)	10,986	11,107	11,572	
Percentage from municipal water utilities	>99%	>99%	>99%	
Percentage of withdrawal in regions with high or extremely high baseline water stress	50%	51%	n/a	SASB CG-HP-140a.1
Change in water withdrawal at stores, distribution centers and HQ locations from 2010 baseline	-14.5%	-13.5%	-9.9%	Target goal (2025: -15%)

Through our domestic [operational water quality](#) pillar, we're improving our water use efficiency, building local partnerships with watershed managers to develop green infrastructure, and refining our salt-application practices at stores in snow states to reduce the amount of chloride entering local water bodies.

Related Links

- 📍 2020 CDP Water Security Response
- 📍 Human Rights Statement
- 📍 Water on our Website

See Also

- ▶ CR Report: Supply Chain—Water
- ▶ CR Report: Properties—Water

Environmental Responsibility in the Supply Chain

Management Approach

SASB CG-AA-430b.32 | SASB FB-FR-430a.3

GRI 103-1 | GRI 103-2 | GRI 103-3

Target was the first major retailer to publish a list of Tier 1 factories and the first U.S. retailer to publish a list of our Tier 2 apparel wet-processing factories. As part of our efforts to improve transparency and visibility in our supply chain, we continue to engage and collaborate with external stakeholders and vendor partners.

We outline our standards for suppliers' environmental practices in our Standards of Vendor Engagement. Suppliers must maintain legally required environmental permits and environmental management and monitoring systems that accurately track their impacts. Beyond these basic requirements, we also work with select suppliers directly and through collaborations to improve water and energy efficiency and wastewater management.

Our Responsible Sourcing strategy is grounded in our commitment to supply chain transparency and our embrace of opportunities to drive positive change. One way we do both is by sharing our supplier factory list and data with the Institute of Public & Environmental Affairs (IPE) Green Supply Chain Map. IPE's Map provides real-time performance data and historical trend information related to air-pollution emissions and wastewater discharge for thousands of major Chinese manufacturing factories.

Environmental Responsibility in the Supply Chain

Metric	2019	2018	2017	Framework
Percentage of supplier factories that have completed the Higg FEM assessment				SASB CG-AA-430a.2
Tier 1 apparel factories	78%	n/a	n/a	
Tier 2 fabric mills, packaging factories and trim factories	48%	n/a	n/a	GRI 308-2
Percentage of audits with acceptable environmental results				
China	81%	71%	74%	GRI 308-2
Southeast Asia	89%	90%	76%	
The Americas	99%	96%	89%	GRI 308-2
India, Bangladesh, Pakistan, Egypt and Turkey	94%	88%	62%	
Other	85%	89%	87%	GRI 308-1
Average number of environmental issues per audit				
China	1.5	2.0	2.8	GRI 308-2
Southeast Asia	1.7	1.4	1.4	
The Americas	1.0	0.8	0.5	GRI 308-1
India, Bangladesh, Pakistan, Egypt and Turkey	2.0	2.6	2.6	
Other	1.6	1.3	1.4	
Percentage of new suppliers screened using environmental criteria	100%	100%	100%	GRI 308-1

We also support the Open Apparel Registry (OAR)—an open-source tool that maps garment factories worldwide. It creates a unique ID for each apparel or footwear factory to facilitate collaboration and data sharing. Quarterly, we publish lists of Tier 1 apparel and accessories factories and Tier 2 apparel factories that produce owned-brand products to the OAR platform.

Related Links

- 📍 Global Factory List
- 📍 Vendor Code of Conduct
- 📍 Supply-Chain Sustainability on our Website

See Also

- ➡ ESG Appendix: Social Responsibility in the Supply Chain
- ➡ CR Report: Properties—Water

ESG

Social

At Target, people matter. Putting the needs of people and communities at the heart of how we work will help families find joy in everyday life and create a better tomorrow.

Our team members are the heart of the Target brand, so we continue to invest in them and in good jobs that allow them to thrive. We create opportunities to grow in their careers, enhance their health and well-being, help them take care of themselves and their families, and provide compensation and benefits that support financial security.

We are also committed to diversity and inclusion in our workforce and providing an environment where our talented team can truly be themselves. Inclusivity extends to the products, services and experiences we offer our guests: they must meet guests' diverse needs, regardless of dimensions of difference, such as size, skin tone or ability.

We know we can impact the human rights of our team members, guests and workers in the supply chain, as well as people in the communities in which we operate. We are committed to respecting human rights throughout our operations and aim to improve the livelihoods of workers throughout our global manufacturing supply chain.

As a good neighbor and global partner, we have always been deeply connected to the communities we are lucky enough to be a part of. By giving a portion of our profits and investing in initiatives in the places where we live and work, we create more sustainable communities for future generations of guests and team members. And when disaster strikes, we are ready to volunteer and help our communities rebuild.

In This Section

- 75 Human Rights
- 76 Team Members
- 82 Supply Chain
- 86 Guests
- 90 Communities

Frameworks reported on:

SASB | GRI

Our work contributes to these SDGs



Human Rights

Management Approach

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

All team members have a shared responsibility to respect human rights, and we recognize that we can impact the human rights of our team members, guests and workers in the supply chain, as well as people in the communities in which we operate.

In line with the [Universal Declaration of Human Rights](#), [UN Guiding Principles on Business and Human Rights](#), and the [International Labour Organization's fundamental Conventions](#), we are committed to respecting human rights and seeking to avoid adverse human rights impacts throughout our operations. We are continually working to do better, but if there are adverse impacts, our aim is to provide access to effective remedy. For more information, please see our [Human Rights Statement](#).

In early 2019, we completed a human rights impact assessment (HRIA) that helped identify salient human rights issues in our business and operations and guided the specific issues addressed in our Human Rights Statement. We are continuing to leverage the results of our HRIA to evolve our enterprise human rights work.

Our Vice President of Corporate Responsibility has executive oversight, but day-to-day implementation of our human rights commitments is led by numerous teams embedded throughout the company.

For information about the role of Target's Board of Directors and its committees in governing corporate responsibility efforts, see [ESG Appendix p. 92](#). Oversight of certain aspects of human rights is part of that governance role. For example, the Risk & Compliance Committee has oversight over operating, business, compliance and ethics risks, including workplace conduct, and the Human Resources & Compensation Committee has oversight over compensation policies and practices, and organizational talent and development.

Related Links

[Human Rights Statement](#)

See Also

- [ESG Appendix: Team Members](#)
- [ESG Appendix: Supply Chain](#)
- [ESG Appendix: Environmental Responsibility in the Supply Chain](#)
- [CR Report: Responsible Products](#)
- [CR Report: Human Rights in Manufacturing](#)
- [CR Report: Eliminating Forced and Underaged Labor](#)
- [CR Report: Worker Well-Being in the Supply Chain](#)

Team Members

Our aspirations build on the central role our team members play in our strategy, their dedication to our purpose and the connection they create with our guests and communities.

In the best of times, our team brings incredible energy and empathy to our work, and in harder times they bring those qualities plus extraordinary resilience and agility to keep Target on the forefront of meeting the changing needs of our guests and our business.

We care about our team members and believe “taking care” means investing in the whole self, both at and outside of work. We are dedicated to enhancing the well-being of our team and their families, and we support team members with opportunities to learn as well as earn.

As 2020 has so often reminded us, it is important to acknowledge each of our team members as a whole person with many intersections between work and life, and we are here for our team members—as they are here for us.

Employment

Management Approach

GRI 103-1 **GRI 103-2** **GRI 103-3**

The most important investments we make are in our team. These investments help ensure that team members can build meaningful careers, take care of themselves and their families, and contribute to building our communities through their work inside and outside of Target.

Target is proud to support our team members with market-competitive wages across our stores, distribution centers and headquarters offices. In 2017 we publicly committed to reach a minimum hourly wage of \$15 per hour across our U.S. team by the end of 2020, and we fulfilled that commitment in July 2020.

Target strives to ensure that our team members benefit from equitable experiences and compensation. For example, we prohibit questions about prior salary when recruiting new team members, have removed questions related to criminal history in initial applications, and regularly conduct pay audits. We also give training and tools to hiring managers to help them reduce the risk of bias in their work and compensation decisions.

Our latest audit of the U.S. team confirmed that we pay our team members equitably, regardless of gender, race or ethnicity when relevant factors such as position, tenure and location are considered. We are committed to sustaining these results.

We have a pay-for-performance philosophy, and are committed to providing fair and competitive compensation so we can recruit and retain a high-performing, diverse and engaged team.

All eligible team members participate in a formal performance review once a year. Additionally, all leaders received annual training on performance and pay processes to ensure a uniform approach in assessing, reviewing and rewarding talent.

We have also regularly asked our team members how we’re doing through both annual and more frequent surveys, and have recently established an internal dashboard to track perceptions in the employment marketplace.

A key component of Target’s ability to attract team members is our ability to offer a variety of schedules to meet the needs of our diverse population. Hourly team members establish the hours they are available to work, and Target builds schedules around their availability. Target posts store schedules at least 10 days in advance. We allow store team members to trade and pick up shifts at their store location, and we don’t do on-call scheduling at our stores. Team members are generally scheduled no more than 5 days a week unless they request extra hours, and we provide 10 hours between shifts. We offer flexibility to help accommodate team member commitments outside of work for family or childcare reasons, balancing a school schedule, or an emergency (e.g. taking every Monday off to care for a sick relative for a period of time). Where job duties allow, we offer job sharing or reduced or condensed work weeks to accommodate requests for more flexible working schedules.

We offer competitive benefits packages to our team members, whether they’re in part-time, full-time or salaried positions. Launched in 2019, Target’s new paid family leave policy provides four weeks of paid, job-protected leave for eligible part-time, full-time and salaried team members

to welcome a new child to the family (on top of six to eight weeks for giving birth) or care for an immediate family member. Our affordable backup care benefit includes an industry-leading 20 days per dependent of in-center child care or in-home child or elder care, and our response to COVID-19 has included waiving copays and increasing the numbers of days available.

We also offer benefits to support team members’ mental and financial well-being, including education assistance, credit union membership, 401(k) options (with a 5% match), 24/7 access to trained mental health clinicians, merchandise discounts and the Team Member Giving Fund. The Team Member Giving Fund helps colleagues who are facing financial hardship after a natural disaster or unforeseen personal events. The fund was partially used to support team members affected by the COVID-19 pandemic.

Target’s employment practices do not involve the use of mandatory arbitration provisions that would limit an employee’s ability to seek relief for employment-related claims through a court action.

Related Links

-  Benefits on our Website
-  Coronavirus Hub

See also

-  CR Report: Team
-  CR Report: Talent Recruitment and Retention
-  CR Report: Compensation and Benefits

Employment

Metric	2019	2018	2017	Framework
Number of team members	368,000	360,000	345,000	
Average hourly wage of store and distribution center team members (USD) ¹	\$14.48	n/a	n/a	SASB CG-MR-310a.1
Percentage of store and distribution center team members earning locally applicable minimum wage	14% ²	n/a	n/a	SASB CG-MR-310a.1
Percentage of active workforce under collective bargaining agreements	0%	0%	0%	SASB FB-FR-310a.2

Benefits

Metric	2019	2018	2017	Framework
Number of team members eligible for a 401(k)	228,375	221,565	222,705	GRI 401-2
Number of team members participating in our 401(k) plan	115,384	111,729	104,587	GRI 401-2
Number of team members receiving full employer match in a 401(k)	88,234	81,745	74,711	GRI 401-2
Average team member percentage contribution to 401(k)s (for those who contribute, not including the 5% company match)	5.9%	5.7%	5.5%	GRI 401-2
Number of team members receiving tuition reimbursement	1,823	1,975	2,116	GRI 401-2
Number of people using Team Member LifeResources	108,986	n/a	n/a	GRI 401-2
Number of team members enrolled in Target Credit Union	19,616	19,333	17,257	GRI 401-2
Amount saved by team members using our wellness discount (USD)	\$10.6 million	\$10.2 million	\$9.9 million	GRI 401-2

¹ Average wage of all hourly team members as of FY19 year-end; excludes overtime and benefits; includes full- and part-time team members.

² In localities with \$13 or higher minimum wage.

Diversity and Inclusion

Management Approach

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

Diversity and inclusion are key to our business strategy. To remain relevant to our guests, we must have their perspectives represented. Our dimensions of difference are one of our greatest strengths, and we are working to build an inclusive environment in which everyone feels welcomed, valued, respected and free to be themselves.

We track our progress as a company in three key areas:

- Representation: equitably recruiting, retaining and advancing a talented team that reflects the qualified applicant pools within the communities we serve
- Inclusive Experience: delivering an equitable experience for all team members and driving inclusive leadership and individual behavior
- Business: continuing to invest in diverse suppliers, assortments relevant to multicultural guests and marketing messages relevant to diverse audiences

We have a deep focus on bringing more women and underrepresented people into business areas such as technology and supply chain. Our Engineering Manager Immersion Program (eMIP), which provides on-the-job leadership training for groups typically underrepresented in the technology, data and engineering fields, is one such program.

To inspire the diverse workforce of the future, we created Target Lab, an immersive professional development experience offering meaningful interactions, speakers, workshops, activities, product showcases and networking while highlighting Target as a great place to work. We have also established relationships with

credible partners that further help us connect to diverse candidates.

Delivering an inclusive experience is everyone's responsibility. Training in inclusion acumen—the practice of creating an inclusive environment—is delivered to the company through stand-alone courses and integrated modules.

Each business unit has its own diversity and inclusion goals, aligned to our overall and public-facing goals, which are supported by our Diversity Action Committees throughout the organization. Our Employee Resource Groups (ERGs) amplify diverse voices, including through hosting diverse supplier events and providing input on products and marketing.

Target has a comprehensive disability toolkit designed to assist HR partners and leaders to effectively ensure inclusion for team members with disabilities. In addition, we partner and collaborate with the National Organization on Disability and take part in their Disability Employment Tracker to benchmark our practices and policies.

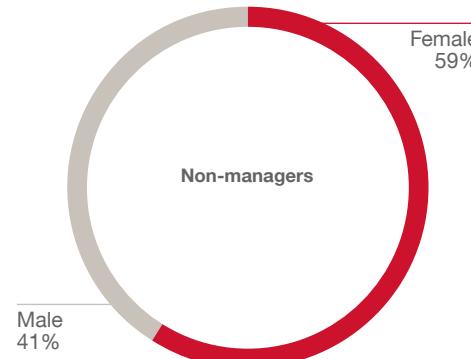
Related Links

- 📍 [Racial Equity Action and Change](#)
- 📍 [Human Rights Statement](#)
- 📍 [Code of Ethics](#)
- 📍 [Workforce Diversity Report](#)
- 📍 [Diversity & Inclusion on our Website](#)

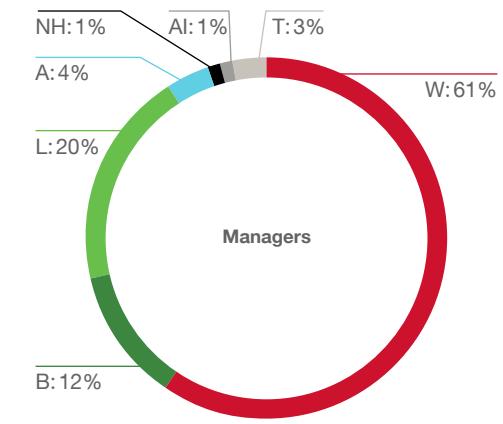
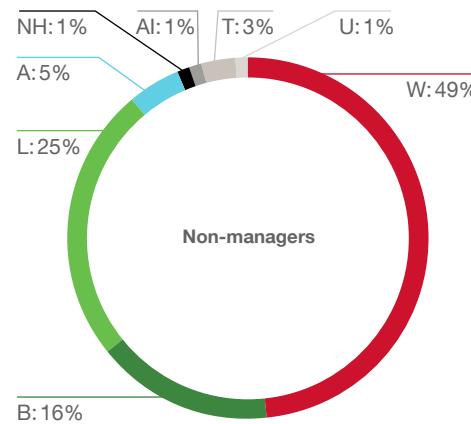
See Also

- ↳ [ESG Appendix: Supplier Diversity](#)
- ↳ [ESG Appendix: Product Design](#)
- ↳ [ESG Appendix: Responsible Marketing](#)
- ↳ [CR Report: Economic Opportunity](#)
- ↳ [CR Report: Design for All](#)
- ↳ [CR Report: Team](#)
- ↳ [CR Report: Diversity and Inclusion](#)
- ↳ [CR Report: Design Messaging Guests Can Trust](#)

Workforce composition by gender (global)



Workforce composition by racial/ethnic group (U.S.)



W White B Black/African American L Latinx A Asian NH Native Hawaiian/Pacific Islander
 AI American Indian/Alaska Native T Two or more U Unknown

Diversity and Inclusion

Metric	2019	2018	2017	Scope	Framework	Metric	2019	2018	2017	Scope	Framework
Percentage of women in our global workforce				Global CG-MR-330a.1	SASB GRI 405-1	Percentage Black/African American in U.S. workforce				U.S. CG-MR-330a.1	SASB GRI 405-1
Total workforce	58%	n/a	n/a			U.S. workforce	15%	n/a	n/a		
Managers	53%	51%	52%			Managers	12%	n/a	n/a		
Non-managers	59%	n/a	n/a			Non-managers	16%	n/a	n/a		
Officers	40%	n/a	n/a			Officers	5%	n/a	n/a		
Leadership team	42%	42%	36%			Leadership team	8%	n/a	n/a		
Board of Directors	31%	31%	36%			Board of Directors	15%	n/a	n/a		
Percentage of people of color in our U.S. workforce				U.S. CG-MR-330a.1	SASB GRI 405-1	Percentage Hispanic/Latinx in U.S. workforce				U.S. CG-MR-330a.1	SASB GRI 405-1
U.S. workforce	49%	48%	47%			U.S. workforce	25%	n/a	n/a		
Managers	39%	35%	33%			Managers	20%	n/a	n/a		
Non-managers	51%	n/a	n/a			Non-managers	25%	n/a	n/a		
Officers	28%	n/a	n/a			Officers	11%	n/a	n/a		
Leadership team	25%	33%	36%			Leadership team	8%	n/a	n/a		
Board of Directors	46%	46%	45%			Board of Directors	31%	n/a	n/a		
Percentage American Indian/Alaska Native in U.S. workforce				U.S. CG-MR-330a.1	SASB GRI 405-1	Percentage Native Hawaiian/Pacific Islander in U.S. workforce				U.S. CG-MR-330a.1	SASB GRI 405-1
U.S. workforce	<1%	n/a	n/a			U.S. workforce	<1%	n/a	n/a		
Managers	<1%	n/a	n/a			Managers	<1%	n/a	n/a		
Non-managers	<1%	n/a	n/a			Non-managers	<1%	n/a	n/a		
Officers	<1%	n/a	n/a			Officers	<1%	n/a	n/a		
Leadership team	<1%	n/a	n/a			Leadership team	<1%	n/a	n/a		
Board of Directors	<1%	n/a	n/a			Board of Directors	<1%	n/a	n/a		
Percentage Asian in U.S. workforce				U.S. CG-MR-330a.1	SASB GRI 405-1	Percentage multiracial in U.S. workforce				U.S. CG-MR-330a.1	SASB GRI 405-1
U.S. workforce	5%	n/a	n/a			U.S. workforce	3%	n/a	n/a		
Managers	4%	n/a	n/a			Managers	3%	n/a	n/a		
Non-managers	5%	n/a	n/a			Non-managers	3%	n/a	n/a		
Officers	10%	n/a	n/a			Officers	1%	n/a	n/a		
Leadership team	8%	n/a	n/a			Leadership team	<1%	n/a	n/a		
Board of Directors	<1%	n/a	n/a			Board of Directors	<1%	n/a	n/a		

Learning and Development

Management Approach

GRI 103-1 | GRI 103-2 | GRI 103-3

Learning and development is fundamental to Target's continued strength. We are committed to building a learning culture that invests in moments that matter, builds critical skills and develops great leaders.

We invest in our team members' careers at every stage and level. Beginning with onboarding, Target provides training that reinforces the importance of our purpose, values and guest-first mindset. We know how important it is for teams to grow their skills, so we invest in building critical skills in our guest-facing areas.

We aim to provide meaningful work experiences—through rotational programs, job postings and talent-sharing opportunities—so our teams can learn different areas of the business. We also support continuing education, provide access to industry-leading, on-demand learning content and certifications, and offer benefits that help eligible team members pay for job-related courses at accredited tech schools, colleges and/or universities, as well as helping to pay costs associated with obtaining a General Educational Development (GED).

Everyone at Target should work for a great leader. Through our leadership programs, more than 1,500 leaders in 2019 were able to build their capabilities in topics including self-development, developing culture, seeking feedback, change agility, collaboration, inclusion and team member development. Mentors, coaches, teams and peers also play a critical role in how we grow and learn.

We set goals and track metrics to indicate the success of our learning and development programs and use our team member surveys to understand sentiment on training, development and career growth. Where possible, we also use business metrics to understand our return on investment.

Career development resources include:

- A consistent approach to assessing, reviewing and rewarding talent through formal annual performance reviews, as well as ongoing development conversations throughout the year
- A commitment to posting all positions at Director level and below for HQ positions
- Experience-based learning through opportunities such as stretch assignments, business councils, leadership labs and volunteer events that highlight career options and opportunities for growth

Learning and Development

Metric	2019	2018	2017	Framework
Average hours of training per team member (including onboarding and compliance) (hours) ³	22	n/a	n/a	GRI 404-1
Percentage of team members receiving training during the fiscal year				GRI 404-2
Excluding onboarding & compliance	65%	n/a	n/a	
Including onboarding & compliance	97%	n/a	n/a	
Select training programs (hours)				GRI 404-2
Onboarding (Target Welcome)	1,688,352	1,248,000	18,673	
Diversity & inclusion	350,426	170,000	21,000	
Leadership development	74,148	n/a	n/a	
Percentage of eligible team members who received an annual performance review ⁴	100%	100%	n/a	GRI 404-3
Number of team members receiving regular performance reviews ⁴	311,000	277,000	n/a	GRI 404-3

- To increase talent mobility at Target, we provide an internal talent marketplace for short-term assignments that allow team members to explore areas of interest. Additionally, enterprise rotational programs across HQ, stores, and distribution (piloted in 2019, with expansion planned for 2021) allow team members to experience different areas of the business and grow through meaningful work experiences.
- On-demand, curated learning resources that are delivered to the team via Workday Learning and the Skillsoft learning catalog

See Also

- CR Report: Team
- CR Report: Learning and Development

³ Average hours figure refers to our nonexempt (or hourly) guest-facing team members only.

⁴ All team members are eligible for performance reviews except those on leave of absence for more than 305 days, those hired in Q4 and interns.

Workplace Health and Safety

Management Approach

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

At Target, we look out for each other and do our part to maintain a safe and secure environment. This requires each of us to commit to being a safety advocate and to follow laws, safety procedures and the [Occupational Safety and Health Administration](#) (OSHA) standards.

We have specific safety programs designed to eliminate or reduce hazards. These include administering a comprehensive and continuous occupational injury- and illness-prevention program for team members. Target's goals are to prevent occupational incidents, injuries and illnesses, and to comply with safety and health standards.

We expect our team members to closely follow our health and safety programs and procedures. We require the use of personal protective equipment where applicable and the immediate reporting of incidents, injuries and near misses. We also encourage an environment where team members can talk openly to their leaders if they become aware of a safety hazard or unsafe behavior.

Mental health has long been a focus area across our company. We continue to offer free, 24/7 access to trained mental health clinicians to all of our team members and everyone in their households. In recent years we've moved our focus from removing the stigma around mental health to rolling out new and innovative peer-support programs. In addition, leaders and HR partners in our stores and distribution centers have received suicide-prevention training. The well-being of our team members has also been our top priority during the coronavirus outbreak.

Related Links

- [!\[\]\(ec64e8133a2ff4779dda4d9751d9fbe8_img.jpg\) Code of Ethics](#)
- [!\[\]\(ff213959f306e4dba70541c7d4cf69f8_img.jpg\) Human Rights Statement](#)
- [!\[\]\(1de6d70dc16b657ff4edbd288eb74944_img.jpg\) Coronavirus Hub](#)
- [!\[\]\(427318d92197524d1ba6f7d2c75e3ed6_img.jpg\) Benefits on our Website](#)

See Also

- [!\[\]\(fd6df1b2d0d0c42b619fbcc8bf37ac19_img.jpg\) ESG Appendix: Employment](#)
- [!\[\]\(2ce0f73fbdce584d103a84098a25ed58_img.jpg\) CR Report: Team](#)
- [!\[\]\(d0a2308043d60861cb6e69b626f9dc95_img.jpg\) CR Report: Workplace Health and Safety](#)
- [!\[\]\(8df1f7e3a0261bc96d34f7c99ddb1b32_img.jpg\) CR Report: Compensation and Benefits](#)
- [!\[\]\(fbf1fadf3448ed753c76ee3c7f3107eb_img.jpg\) CR Report: Our Response to COVID-19](#)

Supply Chain

Target works with suppliers in 49 countries to source our owned and exclusive brands and national brands where we are importer of record. Accounting for about a third of our overall sales, our 50+ owned and exclusive brands span beauty and household essentials, food and beverage, home furnishings and décor, apparel and accessories, and hardlines categories.

The health and livelihoods of workers and communities along our supply chain are essential to Target's continued success.

We continually evaluate the mix of countries from which we source and adjust for many factors, including product quality, social responsibility, environmental sustainability, capacity, speed to market and pricing. We also intentionally invest in diversifying our roster of suppliers, both to foster a more equitable society and to better serve the diverse needs and expectations of our guests.

In the interest of supply chain transparency, Target publishes a list of all Tier 1 factories that produce our owned-brand products or national-brand products where Target is the importer of record, as well as Tier 2 apparel textile mills and wet-processing factories. This list is subject to change, and updates are provided on a quarterly basis [on our website](#).

Social Responsibility in the Supply Chain

Management Approach

[SASB CG-AA-430b.3](#) | [SASB FB-FR-430a.3](#)
[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

We are committed to respecting the rights of workers within our supply chain, especially at-risk groups including women, young workers and foreign contract workers. We take a risk-based approach to supply chain management, and we continually assess and address the risks that emerge and evolve over time.

We expect our suppliers to respect human rights and comply with Target's [Vendor Code of Conduct](#)—including our [Standards of Vendor Engagement](#) (SOVE)—and applicable laws. Target's [Responsible Sourcing Audit Program](#) monitors worker safety and labor compliance in factories that produce Target's owned and exclusive brands, as well as factories that produce nationally branded products for which Target is the importer of record.

The SOVE, which must be posted in all supplier factories in workers' native languages, tells workers and others how to report misconduct or unethical behavior, and we expect suppliers to also maintain effective grievance mechanisms. In accordance with our commitment to anonymity, we do not share or publish specific grievances or specific issues raised.

We are committed to working with our supply chain partners and industry experts to help prevent, identify and swiftly eradicate forced labor

in our global manufacturing supply chains. We recognize that eliminating forced labor requires preventative measures, sophisticated identification techniques and collaborative remediation. We have enhanced our processes and established key partnerships with experts such as the International Justice Mission, Verité, Center for Child Rights and Corporate Social Responsibility, Impactt and GoodWeave.

Responsible recruitment is particularly important to foreign migrant workers. In 2017, we committed to the Employer Pays Principle, and since then have been working with our suppliers to embed responsible recruitment policies and practices within their operations. This work has helped to return significant sums to workers around the world through recruitment expense reimbursement. Target is a proud member of the [Leadership Group for Responsible Recruitment](#), an initiative of the [Institute for Human Rights and Business](#), where we utilize our collective influence, voice and size to push for improved recruitment systems globally.

We audit compliance with our standards through factory vetting, on-site assessments, corrective action plan development, deployment and oversight, capability building and training. Our audit program applies to all facilities that produce owned- and exclusive-brand products, as well as national-brand products for which Target is the importer of record. When serious human rights violations are found, we work with third-party experts to develop, execute and oversee comprehensive remediation programs, and cooperation is required of our suppliers as a condition of ongoing business.

Number of lives enhanced in the factories and surrounding communities where Target's goods are produced

2018: 435,000

2019: 2,201,610

Social Responsibility in the Supply Chain

Metric	2019	2018	2017	Framework
Number of registered manufacturing facilities	3,696	2,921	2,722	GRI 102-9
China	2,165	1,442	1,312	
Southeast Asia	322	236	206	
The Americas	970	1,020	993	
India, Bangladesh, Pakistan, Egypt and Turkey	159	149	142	
Other	80	74	69	
Number of countries in which we have registered manufacturing facilities	49	49	49	GRI 102-9
Number of audits and percentage that were unannounced	2,082 100%	1,092 100%	1,319 100%	GRI 412-1 414-2
Number of countries in which we conducted audits	29	26	28	GRI 412-1 GRI 414-2
Percentage of audits with acceptable results by country/region				
China	47%	37%	56%	
Southeast Asia	44%	44%	53%	
The Americas	67%	69%	80%	
India, Bangladesh, Pakistan, Egypt and Turkey	47%	77%	85%	
Other	63%	n/a	n/a	
Percentage of audits with non-compliant results				
Due to repeat or excessive issues	2.5%	3.8%	3.2%	
Due to severe violations	1.0%	0.6%	1.2%	
Average number of health and safety issues per audit				
China	3.8	5.2	3.7	
Southeast Asia	4.0	3.5	2.8	
The Americas	2.3	2.7	1.0	
India, Bangladesh, Pakistan, Egypt and Turkey	4.7	4.7	3.1	
Other	3.6*	n/a	n/a	
Average number of wage issues per audit				
China	1.2	0.4	0.7	
Southeast Asia	0.6	0.3	0.5	
The Americas	0.1	0.0	0.0	
India, Bangladesh, Pakistan, Egypt and Turkey	0.4	0.3	0.3	
Other	0.3	n/a	n/a	

Metric	2019	2018	2017	Framework
Average number of working hours and time-off issues per audit				GRI 414-2
China	1.0	1.5	0.3	
Southeast Asia	0.8	0.7	0.4	
The Americas	0.3	0.3	0.2	
India, Bangladesh, Pakistan, Egypt and Turkey	0.5	0.5	0.3	
Other	0.1	n/a	n/a	
Percentage of new suppliers screened using social criteria	100%	100%	100%	GRI 414-1
Number of lives enhanced in the factories and surrounding communities where Target's goods are produced	2,201,610	435,000	n/a	Target goal (2020: 3 million)

Target is included in the [Fashion Transparency Index \(FTI\)](#), a project of the nonprofit Fashion Revolution, which reviews and ranks 250 of the largest global fashion and apparel brands and retailers in governance and transparency practices. We scored 37%, which was an increase of one percentage point over 2019, and above the 23% average. Our largest category improvement was Traceability.

We also recognize that we can do more than protect human rights, and we have set out to enhance the lives of people in our supply chain communities. This effort has included providing vision screening and glasses in partnership with [VisionSpring](#), water and sanitation in partnership with [Water.org](#), and work with eight other close partners. As of May 2020, these projects had impacted the lives of more than three million people.

Related Links

- 📍 [Responsible Sourcing on our Website](#)
- 📍 [Human Rights Statement](#)
- 📍 [Vendor Code of Conduct, including Standards of Vendor Engagement \(SOVE\)](#)
- 📍 [Code of Ethics](#)
- 📍 [Conflict Minerals Policy and Report](#)

See Also

- 📘 [CR Report: Responsible Products](#)
- 📘 [CR Report: Human Rights in Manufacturing](#)
- 📘 [CR Report: Eliminating Forced and Underaged Labor](#)
- 📘 [CR Report: Worker Well-Being in the Supply Chain](#)

Supplier Diversity

Management Approach

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

Working with diverse and underrepresented businesses enhances the shopping experiences we create for our guests. By investing in these suppliers, we demonstrate our commitment to building strong partnerships that ensure broader, more innovative assortments, economic development and quality of life for the communities we serve.

Our partnerships with diverse suppliers for both retail and non-retail needs build upon our ability to reduce disparity and champion societal impact. We actively cultivate an ecosystem of diverse suppliers through accelerators, mentoring, vendor fairs and other programs.

Target's proud to work with an ever-growing roster of diverse suppliers that are at least 51% owned, controlled and operated by women; Black, Indigenous and People of Color; LGBTQ+; veterans or persons with disabilities.

By helping to accelerate economic development everywhere we operate, we create jobs and entrepreneurial opportunities for an increasingly diverse and inclusive local supply chain. We believe the next generation of innovators, change-makers and leaders see the world differently and recognize alternative solutions in a way that can both grow business and strengthen society. To help us develop these supplier relationships, we partner with multiple national business groups, including:

- [National Minority Supplier Development Council](#)
- [Women's Business Enterprise National Council](#)
- [National LGBT Chamber of Commerce](#)
- [United States Hispanic Chamber of Commerce](#)
- [Disability:IN](#)
- [Mennonite Economic Development Associates](#)
- [National Veteran-Owned Business Association](#)

In addition to our Black-Owned Vendor Fair at our Minneapolis headquarters, in 2019 we launched a new on-site Supplier Diversity Summit, providing incentives for diverse businesses to become certified and offering opportunities that are unavailable to noncertified businesses. The summit brought together 10 companies from around the country for an in-depth learning experience, and we have already selected new brands for consideration for future campaigns.

Another way we support our communities, including diverse entrepreneurs, is through [Target Accelerators](#). When we combine the passion, vision and agility of entrepreneurs with our network, contacts and infrastructure, anything is possible. Our entrepreneurial accelerator programs provide stipends, mentoring and experiences for those looking to scale their business.

Related Links

- 📍 [Target Accelerators](#)
- 📍 [Supplier Diversity](#)

See Also

- 📘 [CR Report: Diversity and Inclusion](#)
- 📘 [CR Report: Economic Opportunity](#)

Amount of spending with diverse suppliers (USD)

First tier

2017: \$1,042.7 million

2018: \$1,412.0 million

2019: \$1,073.0 million

Second tier

2017: \$705.9 million

2018: \$819.2 million

2019: \$893.1 million

First-tier spending dropped in 2019 due to acquisitions that resulted in some of our suppliers no longer qualifying as diverse owned and an overall reduction in Target's vendor count. We continue to seek out new relationships with diverse suppliers.

Number of companies supported by Target Accelerators during the FY

2017: 27

2018: 25

2019: 44

Diverse and Local Suppliers

Metric	2019	2018	2017	Framework
Number of diverse suppliers				
Total	442	536	667	
New	81	114	121	
Amount of spending with diverse suppliers (USD)				
First tier	\$1,072,974,470	\$1,411,955,735	\$1,042,706,618	
Second tier	\$893,059,516	\$819,227,453	\$705,934,014	
Change in Tier 1 spending with diverse suppliers year-over-year	-24%	+35%	+46%	
Percentage of diverse supplier bid inclusion	46%	33%	30%	
Percentage of the procurement budget spent on suppliers local to Minnesota and three counties in Western Wisconsin (Polk, St. Croix and Pierce)	5.0%	4.2%	4.5%	GRI 04-1

Accelerators

Metric	2019	2018	2017	Framework
Number of companies supported by Target Accelerators during the FY				
Target Takeoff	17	10	10	
Target Incubator	8	n/a	n/a	
Target Technology Accelerator	9	9	10	
Target Accelerator Program India	10	6	7	
Number of products on shelves in Target stores from graduates of Target Takeoff (SKUs)	59	n/a	n/a	

Guests

Our aim is to offer guests outstanding value without compromising on quality or safety. We want all families to find products that reflect their needs and match their expectations.

From the materials we choose to the recycling services we offer, we're transforming the retail experience for guests and reimagining the impact our industry can make. As part of our focus on putting the guest at the center of everything we do, we have deployed training on creating an inclusive guest experience for our store team members.

Our passion is delivering products, services and experiences that are better for our guests and for the planet. We have introduced a series of enterprise-wide design principles to integrate circularity into every part of our business, from product innovation to packaging considerations and store design. By training our team members on these principles and the thought process behind them, we are making real progress in establishing a culture and mindset of zero-waste living and design thinking throughout our business and value chain.

Product Design

Management Approach

[SASB FB-FR-260a.2](#) | [GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

Good product design helps us meet evolving guest priorities as well as the needs of underserved guests—both today and in the future.

Our inclusive products are driven by our belief that our guests should see their needs reflected in our offerings. For example, we cater to a wide variety of skin tones and hair types, with beauty products focused on diverse guests' needs. Our focus on inclusivity extends from the products we carry to the marketing we create. Target's Inclusive Merchandising Committee and Inclusive Marketing Council aim to ensure that the products sold by Target and the ways we market them are inclusive and representative of our guests and team.

We developed extended sizing for our [All in Motion](#) sportswear line and extended this to outerwear in fall 2020. We are also researching further adaptive clothing opportunities, with the aim of producing more clothing designed for more people. We have also introduced a range of wellness icons to help guide guests in their decision-making. The icons indicate whether products are appropriate for certain diets, contain certain chemicals or are better for the environment than alternatives.

Target products must also reflect the urgent need to reduce our collective environmental footprints, which is why we are designing for a circular future.

Our aspiration to develop a comprehensive circular strategy builds on extensive work Target has undertaken to address the environmental impacts of our business, including our efforts to reduce waste and establish a zero-waste mindset.

We work across our portfolio to improve the environmental impacts of the products we sell. While our focus is on our owned brands, since this is where we have the greatest influence, we also address these issues in our choice of national brands wherever possible. One way we do this is via our commitment to purposeful brands. We are working with suppliers and other stakeholders to integrate circular design into our business—from product innovation to packaging considerations and store design.

See Also

-  [CR Report: Economic Opportunity](#)
-  [CR Report: Responsible Products](#)
-  [CR Report: Design for All](#)
-  [CR Report: Design for Environmental Impact](#)
-  [ESG Appendix: Chemicals](#)
-  [ESG Appendix: Waste and Circular Economy](#)

In 2019, Target launched [Target Plus](#), a curated assortment of products from third-party sellers on Target.com. Taking a different approach from many competitors, we're opening the platform to a targeted list of vendors because we want to make sure our guests can trust Target and the reliability of the products we're offering. All sellers are vetted through our vendor risk management process and acknowledge our Standards of Vendor Engagement (SOVE).

Product Quality and Safety

Management Approach

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

We strive to offer our guests outstanding value through high-quality products. We want all families to find products that reflect their needs and values. Product quality and safety are primarily overseen by two teams: the Product Safety and Quality Assurance (PSQA) team manages non-food quality and safety, while the Food and Essentials Safety and Quality Assurance (FESQA) team oversees food and essentials.

Target's PSQA team protects our guests by ensuring that our products meet mandatory safety standards, and we frequently require Target-brand vendors to exceed regulatory requirements. We expect our vendors to comply with good manufacturing and quality processes. Our product safety and quality program is incorporated at every stage of the product life cycle of our owned-brand products. A Target-brand product must pass all testing before it is approved for shipment.

Target's [FESQA](#) team protects our guests by delivering high-quality and compliant food and essentials products. All factories that produce Target-brand food are accountable to regulatory requirements and Target food safety and quality standards, such as:

- Global Food Safety Initiative (GFSI) certification, which we have required since 2009
- Preventative Food Safety Plan
- Environmental Monitoring Program for Pathogen Control
- Allergen Management Program
- Product traceability

We monitor the safety and quality of our food products through holistic [food safety](#) and quality management—from auditing vendor factories and fields to inspecting our distribution centers and stores. We align with local regulatory requirements for food manager certification in stores. We train on hazard analysis and critical control points in our distribution centers as well as across our headquarters team. We also provide vendor and new team member onboarding.

Beyond regulatory compliance and safety, we also have a dedicated Quality, Standards and Development team focusing on the quality and consistency of our food products. We take exceptional care with the taste, texture, ingredients and other elements of our food brands, from setting brand standards and finished product specifications to monitoring results.

Product Quality and Safety

Metric	2019	2018	2017	Framework
Number of vendor factories (countries) producing Target-brand foods	821 (23)	n/a	n/a	
Number of factories (countries) producing Target-brand non-food products	1,990 (35)	n/a	n/a	
Number of factory evaluations Target conducted				
Food	1,662	n/a	n/a	
Non-food	1,649	n/a	n/a	
Number of product test reports for Target-brand products conducted by independent third-party labs	32,633	n/a	n/a	
Number of product inspections of Target-brand products conducted by Target team members and independent third parties	43,899	n/a	n/a	

If we learn about a problem with a product, we investigate and—when necessary—quickly remove it from our stores and Target.com. If a product is recalled, we prevent further sales by issuing a lock on the item number, notify guests who purchased a recalled item on Target.com or used a REDcard in stores, and [provide recall information](#) on Target.com, Target's Facebook application and in-store.

Target—and select individual team members—are active members of the [Retail Industry Leaders Association](#), the [National Retail Federation](#), [The Toy Association](#) and other product-specific groups for non-food products. We are also members of the Center for Produce Safety, the [National Environmental Health Association](#), [FMI](#), [Consumer Brands Association](#) and the [International Association for Food Protection](#).

Related Links

- 📍 [Product Recalls](#)
- 📍 [Vendor Code of Conduct](#)
- 📍 [Product Safety on our Website](#)
- 📍 [Food Safety on our Website](#)

See Also

- 📘 [CR Report: Chemicals](#)

Data Security

Management Approach

SASB CG-MR-230a.1 | **GRI 103-1** | **GRI 103-2** | **GRI 103-3**

Personal information must be used appropriately and protected. We take care to protect information regarding our guests, team members and business partners.

The Information Security program is based on industry security standards and control frameworks, which we validate through internal and external assessments. The team continually tests our controls through penetration testing, vulnerability scanning and attack simulations. We have a dedicated Cyber Threat Intelligence team to keep pace with evolving security threats, and we leverage industry-leading security tools and our advanced in-house engineering capability to build innovative solutions to protect Target.

Our people are what sets us apart, which is why we invest heavily in building cybersecurity talent in-house rather than relying on third-party providers for critical capabilities. Our Information Security team regularly recruits cybersecurity experts, and we support continual learning through bootcamps and trainings. As part of the Information Security team's investment in development we manage programs such as our Cyber Plus Institute, which allows team members to sign up for and participate in courses—similar to a university, but with the convenience of in-house training. Our team sets a goal of having every team member spend 50 days each year building skills and exploring new ideas and tools.

We are looking to the future, putting resources in place to help build the cybersecurity talent pipeline. As part of this, our team has worked closely with the University of Minnesota on a unique multi-year collaboration to inspire the next generation of cybersecurity leaders. Its goal is to offer hands-on information security experiences, student scholarships and opportunities for students to network with our cybersecurity experts. Our Information Security team also benefits from Target's Engineering Manager Immersion Program (eMIP), an initiative that supports women in leadership roles in technology, as well as working with the Executive Women's Forum and Women in CyberSecurity.

Everyone—at every level of Target—has a responsibility to protect our non-public information by following our Acceptable Use of Information Resources Policy. Our Information Security team is responsible for identifying and managing security risks and for elevating them to our Chief Information Security Officer (CISO) when necessary.

For information about the role of Target's Board of Directors and its committees in governing corporate responsibility efforts, see ESG Appendix p. 92. In addition, the Board has oversight of our information security, cybersecurity and data privacy risks within Target's overall risks. The Risk & Compliance Committee of the Board of Directors has been delegated with primary oversight responsibility for information security,

cybersecurity and data privacy risks and the Audit & Finance Committee of the Board of Directors oversees internal controls designed to mitigate these risks. Management provides regular updates to the Board and/or Committees of the Board on these risks throughout the year and, at least annually, the CISO provides an information security program review to the Risk & Compliance Committee to inform the Committee in its oversight of these risks.

All team members are responsible for complying with our privacy and information security programs. Team members complete mandatory information security and awareness training to understand the behaviors and technical requirements necessary to safeguard information resources at Target. Additionally, we offer ongoing practice and education for team members to recognize and report suspicious activity to our security team. To further engage our team members, we've dedicated October to National Cybersecurity Awareness Month with a variety of in-person events and immersive learning opportunities.

Target has been discussing and helping to address risks, benchmarking and collaborating among companies in retail and across other industries—including as a founding member of the Retail & Hospitality Information Sharing and Analysis Center (ISAC) and the first retailer in the Financial Services ISAC—and sharing best practices from our Cyber Fusion Center.

We are also a founding member of the Twin Cities Cybersecurity Collaboration (TC3), a self-governed partnership between leading cybersecurity programs that work together to share best practices, mentor within organizations, and invest in local trainings and conferences.

We work hard to track industry trends in order to protect our guests' and team members' information. In addition, we maintain insurance coverage to limit our exposure to certain events, including network security matters.

Related Links

Security at Target

See Also

ESG Appendix: Data Privacy

Data Privacy

Management Approach

[SASB CG-MR-230a.1](#) [SASB CG-EC-220a.2](#)
[GRI 103-1](#) [GRI 103-2](#) [GRI 103-3](#)

Personal information must be collected, shared and used appropriately and according to Target policies and legal requirements.

We conduct external benchmarking from retail and other industries to understand best practices and industry trends in the privacy space. We are also active participants and contributors to the [Retail Industry Leaders Association's Privacy Leaders Council](#) and the [National Retail Federation's Privacy Working Group](#).

Everyone at Target who works with personal information has a responsibility to understand and honor our privacy obligations. They must read and comply with our internal Privacy Compliance Policy and actively work with our Privacy Compliance team to design processes and procedures in accordance with those requirements. Team members must complete mandatory training to understand the requirements necessary to properly collect, use or share personal information.

Our dedicated Privacy Compliance team works with our business to design privacy controls into our operations. We invest in our team members and support continual learning and professional certification, including the Certified Information Privacy Professional designation. In addition, team members receive mandatory training on privacy, and more role-specific training when they have access to personal information.

Our Privacy Compliance team is responsible for identifying and managing privacy risks and elevating them to our Executive Vice President and Chief Legal & Risk Officer.

For information about the role of Target's Board of Directors and its committees in governing corporate responsibility efforts, see [ESG Appendix p. 92](#). In addition, the Board has oversight of our information security, cybersecurity and data privacy risks within Target's overall risks. The Risk & Compliance Committee of the Board of Directors has been delegated with primary oversight responsibility for information security, cybersecurity and data privacy risks, and the Audit & Finance Committee of the Board of Directors oversees internal controls designed to mitigate these risks. Management provides regular updates to the Board and/or Committees of the Board on these risks throughout the year and, at least annually, the CISO provides an information security program review to the Risk & Compliance Committee to inform the Committee in its oversight of these risks.

Related Links

- [Privacy Policy](#)
- [Code of Ethics](#)
- [Security at Target](#)

See Also

- [ESG Appendix: Data Security](#)

Responsible Marketing

Management Approach

[GRI 103-1](#) [GRI 103-2](#) [GRI 103-3](#)

We are committed to promotions, advertising and guest communications that provide accurate information and follow the law.

In 2019, we established our Inclusive Marketing Council. This council is responsible for helping teams across the enterprise make decisions on product design and assortment selection, and working with teams to understand how their products fit with our brand beliefs and our guests' needs. It does this through establishing a set of guidelines which apply to all assortment choices. When there are questions or potential violations of these guidelines, the Inclusive Marketing Council is consulted.

See Also

- [CR Report: Responsible Products](#)
- [CR Report: Design for All](#)
- [CR Report: Design for Environmental Impact](#)

Communities

Management Approach

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

We support our communities through how we act as a business, team member engagement, corporate giving and the Target Foundation.

We focus our investments on transformational and catalytic programs and partners that are helping to reshape economic and social systems, helping to create the conditions that empower systemic change.

We always aim to respond to and evolve with emergent issues in society. In 2020, that means facing COVID-19 alongside our communities and doubling down on our commitment to advance social justice and racial equity, building on our commitment to invest in underserved and underrepresented communities.

The Target Foundation

The Target Foundation is a wholly independent entity and plays a distinct role as one of Target's many philanthropic assets. The Foundation's capabilities allow it to work toward long-term solutions across an ecosystem of complex and interconnected economic issues.

In fall 2019, the Foundation announced an evolution to focus on long-term systems change, with our approach grounded in the voices of and led by BIPOC communities and organizations. In addition, we expanded and evolved our footprint and focus areas:

- **Hometown:** advancing racial equity and shared prosperity in the Twin Cities of Minneapolis and St. Paul
- **National:** equitably advancing financial security and economic opportunity for marginalized individuals in a rapidly changing economy
- **Global:** improving economic opportunities for families in emerging economies to sustain themselves and their communities in the long term

Corporate and Local Philanthropy

Our corporate giving leverages a range of financial and in-kind resources across support for disaster and hunger relief, store community grant programs, local efforts to expand access to economic opportunity and resilience, and our backing of national initiatives to provide access to youth soccer for underserved communities.

Target Circle is Target's new loyalty program, launched in October 2019. Guests earn votes with purchases, which allow them to direct funding to nonprofits across the country. April 2020's guest-directed giving cycle included two COVID-19-specific nonprofit funds: the [Center for Disaster Philanthropy](#) and the UN Foundation's [COVID-19 Solidarity Response Fund](#). We have also added the [National Museum of African American History and Culture \(NMAAHC\)](#) to our list of organizations, as Target reaffirmed our commitment to advancing social justice and racial equity.

Our team members directly support our communities in various ways, including lending their skills to a variety of nonprofits. This includes supporting [Feeding America](#) with funding for their network of over 200 food banks. We also support their local food banks directly—we helped design the new volunteer center at Second Harvest Heartland in Minnesota, for example. In addition, we invested over \$1 million throughout 2019, providing disaster support for various communities.

We also empower team members to extend a helping hand to each other. The [Target Team Member Giving Fund](#) was created to help colleagues who are facing financial hardship after a natural disaster or unforeseen personal events. The fund relies primarily on individual donations from team members and support from Target. Team members across the country can apply for up to a \$2,000 grant to help in times of hardship. During 2019, \$1.2 million was given by team members.

Beyond giving, we also have a unique opportunity to support local [small businesses](#) and [entrepreneurs](#). To build up local economies and businesses, we are working to understand the kind of support these businesses currently receive and where there are gaps and barriers for entrepreneurs.

Related Links

- [Target Foundation](#)
- [Philanthropy on our Website](#)

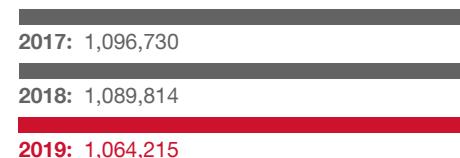
See Also

- [CR Report: Communities](#)

Volunteerism and Philanthropy

Metric	2019	2018	2017	Framework
Number of hours volunteered	1,064,215	1,089,814	1,096,730	Target goal (annual: 1 million)
Amount donated through Target and Target Foundation (USD)	\$225 million	\$204 million	\$217 million	
Cash	\$68 million	\$64 million	\$105 million	
In kind	\$157 million	\$140 million	\$113 million	
Amount donated through Target and Target Foundation (USD) to: ⁵				
Organizations that support underrepresented communities in the U.S.	\$105 million	\$99 million	\$108 million	
Local community programs and organizations	\$199 million	\$186 million	\$195 million	
Disaster preparedness and response	\$1.3 million	\$2.9 million	\$3.3 million	
Amount of food donated				
By weight (pounds)	104.9 million	89.2 million	76.9 million	
By number of meals	87.4 million	74.3 million	64.0 million	
Guest-directed giving through Target Circle				
Number of guests engaged	2.3 million	n/a	n/a	
Number of grants distributed	972 grants	n/a	n/a	
Amount of grants distributed (USD)	\$2.4 million			
Number of new soccer play spaces built since 2018	65	29	n/a	Target goal (2020: 100)
Team member giving				
Percentage of team members participating in the Team Member Giving Campaign	94%	93%	94%	
Amount donated to organizations our team members support (USD)	\$10.4 million	\$11.6 million	\$12.5 million	

Cash and in-kind giving through Target and Target Foundation (USD)

Number of hours volunteered


ESG

Governance

Target's Board of Directors retains oversight responsibility over Target's overall risks, with an emphasis on strategic risks. The Governance Committee of the Board of Directors is delegated with primary oversight responsibility for corporate responsibility matters and alignment of such efforts with our overall strategy. The full Board of Directors and other committees of the Board also have oversight roles over certain aspects of corporate responsibility. For example:

- The Risk & Compliance Committee has oversight over operating, business, and compliance and ethics risks, including information security, cybersecurity, data privacy and workplace conduct

- The Audit & Finance Committee oversees internal controls designed to mitigate information security, cybersecurity and data privacy risks
- The Human Resources & Compensation Committee has oversight over compensation policies and practices, and organizational talent and development

The Vice President of Corporate Responsibility (CR) and the CR team work with functional leaders across the company to determine sustainability strategies, policies and goals related to corporate responsibility, and regularly report to and seek input from the Governance Committee of the Board of Directors on those matters, including the review of the annual Corporate Responsibility Report.

For more information on Target's Corporate Governance, please see our [Corporate Governance website](#) and [2020 Proxy Statement](#).



In This Section

- 93 Ethics
- 94 Government Advocacy

Frameworks reported on:

GRI

Our work contributes to these SDGs



Ethics

Management Approach

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

As a purpose-driven company, we know how important it is to draw on our shared values and behaviors to bring our purpose to life. In our daily work, we're building connections with the people and communities we serve. Every good decision strengthens those bonds and helps create a brand we can be proud of every day.

Our [Code of Ethics](#) ("the Code") establishes expectations to consistently guide ethical decision-making by our team members, while our [Vendor Code of Conduct](#) communicates our expectations of ethical behavior by our vendor partners.

Target team members are expected to follow applicable laws and Target's Code and policies, which address areas such as diversity and inclusion, privacy and data security, and conducting business fairly. Team members are required to hold themselves and each other accountable to the Code and report any actual or suspected violations. Every report received is investigated promptly and fairly.

Our board members have a separate Code of Ethics, contained within our [Corporate Governance Guidelines](#), tailored to their unique role. New members also participate in an orientation program that includes corporate responsibility priorities.

Ethics & Compliance Training

Target provides team members guidance on ethics and the compliance responsibilities relevant to their role. Delivered at new hire onboarding and annually, our mandatory ethics and compliance trainings are one of the ways we reinforce expectations for every team member.

In 2019, for the first time, we delivered the ethics training to all team members, including nonexempt team members in stores and distribution centers. The training launch coincided with other ethics-awareness activities and the launch of the Code of Ethics, which replaced the Business Conduct Guide.

Beyond core ethics, our approximately 180 compliance trainings cover a wide range of key obligations and behaviors, including anti-bribery, government interactions, anti-competitive behavior, environment, food safety and privacy. We also train on employment compliance topics including wage and hour, discrimination and harassment, and health and safety. Training is tailored to Target's specific operations and team functions. For instance, team members who interact with government officials receive additional training to reinforce our anti-bribery policies and practices.

Anti-Bribery and Corruption

Target is committed to conducting business ethically. We neither rely upon nor tolerate unethical or illegal business practices. Our Code of Ethics and Anti-Bribery Policy provide anti-corruption guidance to our teams that we expect all team members to understand and follow. We comply with regulations including the Foreign Corrupt Practices Act and local anti-bribery laws.

We similarly prohibit vendors, suppliers, third-party sellers, manufacturers, contractors, subcontractors and their agents from offering, promising or providing anything of value directly or indirectly to a government official for the purpose of exerting improper influence or to obtain or retain an improper benefit or advantage.

Anti-Competitive Behavior

Acting ethically is core to our culture, and we believe competition and antitrust laws promote free and fair competition between companies. By complying with these laws, we contribute to a thriving marketplace and compete for business based on the quality of our products and services.

Our Antitrust Policy requires our team members to comply with competition and antitrust laws and prohibits team members from making agreements with competitors that restrain competition.

Related Links

- [Code of Ethics](#)
- [Vendor Code of Conduct](#)
- [Corporate Governance Guidelines](#)

Government Advocacy

Management Approach

[GRI 103-1](#) | [GRI 103-2](#) | [GRI 103-3](#)

We believe it is important to discuss with government officials public policy that may impact our business operations, team members, industry and communities. We adhere to applicable laws that govern our interactions with public officials and to our own company policies and disclosure practices.

We work with elected officials of both political parties to help shape constructive public policy solutions that benefit our business, team, guests and the communities we serve.

Target may provide financial support to political candidates, political parties or ballot initiatives through two separate channels: the TargetCitizens PAC (funded through voluntary contributions from eligible team members) and general corporate funds, where permitted by law.

Our financial support of political activities is provided in a bipartisan manner based strictly on issues that directly impact our business priorities. A subset of the Executive Leadership team is responsible for those making decisions and reports to the Governance Committee of the Board of Directors at least twice per year.

We play a constructive role in informing policymakers about many legislative issues. Recent issues on which we have shared expertise and engaged in lobbying activities include taxes, trade, product safety, sustainability, data security, health care, and employment and labor issues. We advocate directly and through our memberships in trade associations and other policy-based organizations.

Given the diversity of interests, viewpoints and broad membership represented by trade associations and other policy-based organizations, the positions they take do not always reflect Target's views. Our financial support of such organizations is limited to educational, lobbying and association management activities, and we expressly require that our financial contributions not be used for making campaign contributions to candidates or for influencing the outcome of specific elections or ballot initiatives.

Reports on our [political contributions](#), [lobbying](#) and [memberships of associations](#) are published on our corporate website.

Related Links

- 📍 [Corporate Political Contributions](#)
- 📍 [Lobbying Reports](#)
- 📍 [Trade Association and Policy-Based Organization Support](#)
- 📍 [Code of Ethics](#)
- 📍 [Civic Activity on our Website](#)

SASB Index

The Sustainability Accounting Standards Board (SASB) is an independent standards-setting organization that promotes disclosure of material sustainability information to meet investor needs. The table below references select indicators from the SASB standards for the Multiline and Specialty Retailers & Distributors; Food Retailers & Distributors; Apparel, Accessories & Footwear; Household & Personal Products; and E-commerce industries. Given our unique business model—and in line with our ongoing commitment to transparency—we have chosen to go beyond the Multiline Retail SASB Standards.

This index references Target's 2020 Corporate Responsibility Report (CRR) and Target's 2020 Environmental, Social and Governance Appendix (ESGA).

Topic	SASB Accounting Metric	Category	Code	Target 2019 Data	Reference
SASB Multiline and Specialty Retailers & Distributors Standard					
Energy Management in Retail & Distribution	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage renewable	Quantitative	CG-MR-130a.1	(1) 20,040,246 GJ* (2) 65.3%* (3) 7.4%*	ESGA: Climate and Energy p. 64
Data Security	Description of approach to identifying and addressing data security risks	Discussion & Analysis	CG-MR-230a.1		ESGA: Data Security p. 88 ESGA: Data Privacy p. 89
Labor Practices	(1) Average hourly wage of store & DC employees (excluding overtime), (2) Percentage of in-store & DC employees earning minimum wage by region	Quantitative	CG-MR-310a.1	(1) \$14.48 per hour (average wage of all hourly team members as of FY19 year-end; excludes overtime and benefits; includes full- and part-time team members) (2) 13.9% (in localities with \$13 or higher minimum wage) Target raised its minimum wage to \$13 per hour in June 2019 and to \$15 per hour in July 2020.	ESGA: Employment p. 76
Workforce Diversity & Inclusion	(1) Percentage of gender and racial/ethnic group representation for management, (2) Percentage of gender and racial/ethnic group representation for all other employees	Quantitative	CG-MR-330a.1	(1) Management: 53% female in global workforce. 39% racially diverse in U.S. workforce (20% Hispanic/Latinx, 12% Black/African American, 4% Asian, 2% Multiracial, <1% Native Hawaiian/Pacific Islander, <1% American Indian/Alaska Native) (2) Non-management: 59% female in global workforce. 50% racially diverse in U.S. workforce (25% Hispanic/Latinx, 16% Black/African American, 5% Asian, 3% Multiracial, <1% Native Hawaiian/Pacific Islander, <1% American Indian/Alaska Native)	ESGA: Diversity and Inclusion p. 78 Workforce Diversity Report
Product Sourcing, Packaging & Marketing	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion & Analysis	CG-MR-410a.2		ESGA: Chemicals p. 69 CRR: Properties—Chemicals p. 49 Target chemicals webpage
	Discussion of strategies to reduce the environmental impact of packaging	Discussion & Analysis	CG-MR-410a.3		ESGA: Material and Resource Use p. 70 ESGA: Waste and Circular Economy p. 67 CRR: Materials p. 20 CRR: Design for Circularity p. 53
Activity metrics	Number of (1) retail locations and (2) distribution centers	Quantitative	CG-MR-000.A	(1) 1,868 stores (2) 42 distribution centers	2019 10-K: Item 2. Properties
	Total area of (1) retail space and (2) distribution centers	Quantitative	CG-MR-000.B	(1) 240.5 million sq. ft. (22.3 million m ²) of retail space (2) 53.2 million sq. ft. (4.9 million m ²)	2019 10-K: Item 2. Properties

Topic	SASB Accounting Metric	Category	Code	Target 2019 Data	Reference
SASB Food Retailers & Distributors Standard					
Air Emissions from Refrigeration	Gross global Scope 1 emissions from refrigerants	Quantitative	FB-FR-110b.1	468,470 mtCO ₂ e	ESGA: GRI 305-1 p. 108
	Average refrigerant emissions rate	Quantitative	FB-FR-110b.3	15.4% corporate emissions rate for EPA-applicable refrigeration systems > 50 lbs	ESGA: Climate and Energy p. 64
SASB Apparel, Accessories & Footwear Standard					
Food Waste Management	Amount of food waste generated, percentage diverted from the waste stream	Quantitative	FB-FR-150a.1	Target donated 104.9 million pounds of food (47,582 metric tonnes), the equivalent of 87.4 million meals. We composted 5,345 tons (4,849 metric tonnes) of food waste.	ESGA: Waste and Circular Economy p. 67
Product Health & Nutrition	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Discussion & Analysis	FB-FR-260a.2		ESGA: Product Design p. 86 CRP: Design for Environmental Impact p. 57 Good & Gather FAQs (brand & ingredient standards) Target Wellness Icons
Labor Practices	Percentage of active workforce covered under collective bargaining agreements	Quantitative	FB-FR-310a.2	None of our active workforce is covered under collective bargaining agreements.	
Management of Environmental & Social Impacts in the Supply Chain	Percentage of revenue from (1) eggs that originated from a cage-free environment and (2) pork produced without the use of gestation crates	Quantitative	FB-FR-430a.2	(1) 51% of revenue from shell eggs came from hens that were cage-free (2) We continue working to eliminate gestation crates from our pork supply chain.	ESGA: Animal Welfare p. 71
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Discussion & Analysis	FB-FR-430a.3		ESGA: Material and Resource Use p. 70 ESGA: Social Responsibility in the Supply Chain p. 82 ESGA: Environmental Responsibility in the Supply Chain p. 73 CRR: Sourcing With Purpose p. 18 Responsible sourcing webpage
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	Discussion & Analysis	CG-AA-250a.1		ESGA: Chemicals p. 69 CRR: Properties—Chemicals p. 49 Target chemicals webpage
Environmental Impacts in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	Quantitative	CG-AA-430a.1	Target's Standards of Vendor Engagement require all factories producing Target-brand products to meet local permit requirements. Target is helping owned-brand textile suppliers—typically in Tier 2—to go beyond permit requirements to meet Target's Zero Discharge of Hazardous Chemicals (ZDHC) commitments, particularly regarding wastewater parameters. We began implementing this with strategic apparel suppliers in October 2019 and are looking to scale up to broader apparel and accessories during 2020.	ESGA: Water p. 72 ESGA: Environmental Responsibility in the Supply Chain p. 73
	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	Quantitative	CG-AA-430a.2	(1) 78% of Tier 1 apparel factories (2) 48% of Tier 2 fabric mills, packaging factories, and trim factories	ESGA: Environmental Responsibility in the Supply Chain p. 73

Topic	SASB Accounting Metric	Category	Code	Target 2019 Data	Reference
Labor Conditions in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	Quantitative	CG-AA-430b.1	Target conducted 2,082 unannounced audits.	ESGA: Social Responsibility in the Supply Chain p. 82
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	CG-AA-430b.2	2.5% of audits yielded noncompliant results for excessive or repeated issues and 1.0% yielded noncompliant results for severe violations. Target will only allow a vendor to use a previously noncompliant factory once the deactivation period has expired and provided the vendor can then satisfactorily demonstrate compliance with Target's Standards of Vendor Engagement and applicable laws. The formal reinstatement process involves a review of the corrective actions undertaken and a re-audit to validate the issues have been satisfactorily remediated.	Social Compliance Audit Process ESGA: Social Responsibility in the Supply Chain p. 82
	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	Discussion & Analysis	CG-AA-430b.3		ESGA: Social Responsibility in the Supply Chain p. 82 ESGA: Environmental Responsibility in the Supply Chain p. 73 CRR: Sourcing With Purpose p. 18 Responsible sourcing webpage
Raw Materials Sourcing	Description of environmental and social risks associated with sourcing priority raw materials	Discussion & Analysis	CG-AA-440a.1		ESGA: Material and Resource Use p. 70 CRR: Sourcing With Purpose p. 18
	Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	Quantitative	CG-AA-440a.2	Palm oil: 100% of owned brand, specific categories only, is RSPO certified: 1% Segregated, 45% Mass Balance, 54% Book and Claim Coffee: 28.6% of Archer Farms and Good & Gather coffee SKUs (bags and pods) certified by Fair Trade USA Cotton: 79,776 metric tonnes Better Cotton Initiative and 3,600 metric tonnes U.S. LEADS in owned-brand products Wood & pulp: 51% of owned-brand paper-based packaging (by weight) sourced from mostly FSC-certified—and some PEFC- and SFI-certified—forests	ESGA: Material and Resource Use p. 70 CRR: Responsible Sourcing & Sustainability p. 20 <u>Sustainability Certifications</u>
Activity Metric	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	CG-AA-000.A		Global Factory List
SASB E-Commerce Standard					
Data Privacy & Advertising Standards	Description of policies and practices relating to behavioral advertising and user privacy	Discussion & Analysis	CG-EC-220a.2		Privacy Policy ESGA: Data Security p. 88 CRR: Design Messaging Guests Can Trust p. 60
Activity Metric	Entity-defined measure of user activity	Quantitative	CG-EC-000.A	8.8% of sales digitally originated	2019 10-K: Item 7. Analysis of Results of Operations

Topic	SASB Accounting Metric	Category	Code	Target 2019 Data	Reference
SASB Household & Personal Products Standard					
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	CG-HP-140a.1	(1) Withdrew 10,986 ML of water (>99% from municipal water utilities), of which 50% (5,547 ML) was from areas with WRI baseline water-stress characterizations of high or extremely high	ESGA: Water p. 72 CRR: Properties—Water p. 47
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion & Analysis	CG-HP-140a.2		ESGA: Water p. 72 CRR: Properties—Water p. 47 Target water webpage
Product Environmental, Health, and Safety Performance					
Packaging Lifecycle Management	Discussion of process to identify and manage emerging materials and chemicals of concern	Discussion & Analysis	CG-HP-250a.3		ESGA: Chemicals p. 69 CRR: Properties—Chemicals p. 49
Environmental & Social Impacts of Palm Oil Supply Chain	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Quantitative	CG-HP-410a.1	51% of owned-brand paper-based retail packaging was sourced from sustainably managed forests. Our plastic bags contain a minimum of 40% recycled content.	ESGA: Material and Resource Use p. 70 ESGA: Waste and Circular Economy p. 67
		Quantitative	CG-HP-430a.1	4,526 metric tonnes of palm oil was consumed in Target's owned-brand food, household cleaning, personal care, baby care, beauty, cosmetics and candle products, of which 100% was RSPO certified (0% Identity Preserved, 1% Segregated, 45% Mass Balance, 54% Book and Claim). We are currently able to trace 79% to the importer.	ESGA: Palm Oil p. 70
Activity Metric	Number of manufacturing facilities	Quantitative	CG-HP-000.B	There are 3,696 registered manufacturing facilities in 49 countries across all categories of owned brands and where Target is importer of record. There are 821 facilities in 23 countries producing Target-brand foods. There are 1,990 factories in 35 countries producing Target-brand non-food products.	ESGA: Supply Chain p. 82 ESGA: Product Quality and Safety p. 87

GRI Standards Content Index

We continue to report against the Global Reporting Initiative (GRI) Standards, the most widely used framework for reporting on environmental, social and governance issues. The report has been prepared with references to 2016 and 2018 GRI Standards.

This index references Target's 2020 Corporate Responsibility Report (CRR) and Target's 2020 Environmental, Social and Governance Appendix (ESGA).

GRI Standard	Disclosure Title	Disclosure Number	Target Response
General Disclosures			
Organizational Profile			
GRI 102: General Disclosures 2016	Name of the organization	102-1	Target Corporation 2019 10-K: Cover page
	Activities, brands, products and services	102-2	2019 10-K: Business p. 2 Target does not intentionally sell items that are banned in certain markets.
	Location of Headquarters	102-3	2019 10-K: Properties p. 10
	Location of Operations	102-4	2019 10-K: Properties p. 10 Responsible Sourcing: See Target's Global Factory List
	Ownership and legal form	102-5	2019 10-K: Business p. 2, Item 5 p. 13
	Markets served	102-6	2019 10-K: Business, pp. 2–4, Properties p. 10
	Scale of the organization	102-7	2019 10-K: Business, p. 3 2019 10-K: Properties p. 10 2019 10-K: Organization p. 39 2019 10-K: Selected Financial Data p. 15
	Information on employees and other workers	102-8	CRR: Team p. 34 ESGA: Team Members p. 76 ESGA: Diversity and Inclusion p. 78 2019 10-K: Business, p. 3
	Supply chain	102-9	ESGA: Social Responsibility in the Supply Chain p. 82 ESGA: Environmental Responsibility in the Supply Chain p. 73 CRR: Sourcing With Purpose p. 18 2019 10-K: Business pp. 2–3 Standards of Vendor Engagement
	Significant changes to the organization and its supply chain	102-10	There have been no significant changes to the organization or its supply chain.
	Precautionary principle or approach	102-11	Target does not have an official policy as it pertains to the precautionary principle.
	External initiatives	102-12	Target incorporates a number of external standards into our work. These may be found referenced throughout the ESGA and CRR and on our website, including in our goals and within our policies.
GRI 102: General Disclosures 2016	Membership of associations	102-13	Target partners with numerous organizations to bring our corporate responsibility vision to life through our business operations, within our industry and across communities. An illustrative list is available on page 15 of this report, and additional partners are mentioned throughout this report. Our trade association and policy-based organization support can be found on our corporate website.

GRI Standard	Disclosure Title	Disclosure Number	Target Response
Strategy			
GRI 102: General Disclosures 2016	Statement from senior decision-maker	102-14	CRR: CEO Letter p. 04
	Key impacts, risks and opportunities	102-15	CRR: Materiality and Stakeholder Engagement p. 14 ESGA: Governance p. 92 2019 10-K: Risk Factors pp. 4-9 2020 Q1 10-Q: Risk factors p. 24, quarterly update reflecting some COVID-19-related changes
Ethics and Integrity			
GRI 102: General Disclosures 2016	Values, principles, standards and norms of behavior	102-16	ESGA: Ethics p. 93 Our Purpose & History Code of Ethics Corporate Governance Guidelines (Includes Director Code of Ethics) Standards of Vendor Engagement Vendor Code of Conduct
	Mechanisms for advice and concerns about ethics	102-17	ESGA: Ethics p. 93 Code of Ethics Corporate Governance Guidelines (Includes Director Code of Ethics) Target Integrity Hotline
Governance			
GRI 102: General Disclosures 2016	Governance structure	102-18	ESGA: Governance p. 92 Board of Directors Board Committees Corporate Governance Guidelines
	Delegating authority	102-19	ESGA: Governance p. 92 Governance Committee Charter 2020 Proxy Statement: Corporate responsibility and reputation p. 16
	Executive-level responsibility for economic, environmental and social topics	102-20	ESGA: Governance p. 92
	Consulting stakeholders on economic, environmental and social topics	102-21	CRR: Materiality and Stakeholder Engagement p. 14 Stakeholder engagement
	Composition of the highest governance body and its committees	102-22	2020 Proxy Statement: Our directors p. 9 ; Board leadership structure p. 10 ; Committees p. 11 and Determining committee composition and leadership pp. 11-13 Board of Directors Board Committees
	Chair of the highest governance body	102-23	2019 10-K: Executive Officers p. 12
	Nominating and selecting the highest governance body	102-24	2020 Proxy Statement: Election of directors pp. 18-20

GRI Standard	Disclosure Title	Disclosure Number	Target Response
GRI 102: General Disclosures 2016	Conflicts of interest	102-25	2020 Proxy Statement: Director independence p. 17; Policy on transactions with related persons p. 17; Business ethics and conduct pp.17-18 <u>Code of Ethics</u> <u>Corporate Governance Guidelines</u> p. 9
	Role of highest governance body in setting purpose, values and strategy	102-26	ESGA: Governance p. 92 <u>2020 Proxy Statement: Risk oversight</u> p. 14; <u>Corporate responsibility and reputation</u> p. 16 <u>Governance Committee Charter</u>
	Collective knowledge of highest governance body	102-27	ESGA: Governance p. 92 2020 Proxy Statement: <u>2020 nominees for director</u> pp. 20-26 <u>Board of Directors</u>
	Evaluating the highest governance body's performance	102-28	2020 Proxy Statement: <u>Board evaluations and refreshment</u> p.19 <u>Corporate Governance Guidelines: Board Recruitment, Evaluations and Refreshment</u>
	Identifying and managing economic, environmental and social impacts	102-29	ESGA: Ethics p. 93 ESGA: Human Rights p. 75 ESGA: Climate and Energy p. 64
	Effectiveness of risk management processes	102-30	2020 Proxy Statement: <u>Board Risk & Compliance Committee</u> p. 13; <u>Risk oversight</u> p. 14; <u>Communications with directors and shareholder outreach</u> p. 18
	Review of economic, environmental and social topics	102-31	ESGA: Governance p. 92 2020 Proxy Statement: <u>Risk oversight</u> p. 14; <u>Corporate responsibility and reputation</u> p. 16 <u>Governance Committee Charter</u>
	Highest governance body's role in sustainability reporting	102-32	ESGA: Ethics p. 93 ESGA: Human Rights p. 75 ESGA: Climate and Energy p. 64
	Communicating critical concerns	102-33	2020 Proxy Statement: <u>Business ethics and conduct</u> pp. 17-18; <u>Communications with directors and shareholder outreach</u> p. 18 <u>Corporate Governance Guidelines</u> <u>Code of Ethics</u>
	Remuneration policies	102-35	2020 Proxy Statement: <u>Human Resources & Compensation Committee Report</u> p. 31, <u>Compensation Discussion and Analysis</u> and compensation tables pp. 31-49
Process for determining remuneration			
Stakeholders' involvement in remuneration			
Annual total compensation ratio			
102-36			
102-37			
102-38			
2020 Proxy Statement: Pay ratio disclosure p. 57			

GRI Standard	Disclosure Title	Disclosure Number	Target Response
Stakeholder Engagement			
GRI 102: General Disclosures 2016	List of stakeholder groups	102-40	CRR: Materiality and Stakeholder Engagement p. 14
	Collective bargaining agreements	102-41	None of our active workforce is covered under collective bargaining agreements.
	Identifying and selecting stakeholders	102-42	CRR: Materiality and Stakeholder Engagement p. 14 <u>Stakeholder engagement</u>
	Approach to stakeholder engagement	102-43	CRR: Materiality and Stakeholder Engagement p. 14 <u>Stakeholder engagement</u>
	Key topics and concerns raised	102-44	CRR: Materiality and Stakeholder Engagement p. 14 <u>Stakeholder engagement</u>
Reporting Practice			
GRI 102: General Disclosures 2016	Entities included in the consolidated financial statements	102-45	2019 10-K: Exhibit 21 List of Significant Subsidiaries Unless specifically noted, the scope of this report does not include subsidiaries Shipt and Dermstore.
	Defining report content and topic Boundaries	102-46	CRR: About This Report p. 03 CRR: Materiality and Stakeholder Engagement p. 14
	List of material topics	102-47	CRR: Materiality and Stakeholder Engagement p. 14 Target materiality webpage
	Restatements of information	102-48	Due to an error in billing for district heating and cooling, we have revised our 2017 and 2018 consumption of steam and chilled water as well as the associated GHG emissions. The billing error also affects total energy consumption and total GHG emissions for those two years. The correct values are listed in 302-1, 305-2 and 305-4.
	Changes of reporting	102-49	There have been no changes to our material topics since our previous report.
	Reporting period	102-50	CRR: About This Report p. 03
	Date of most recent report	102-51	CRR: About This Report p. 03
	Reporting cycle	102-52	CRR: About This Report p. 03
	Contact point for questions regarding the report	102-53	CorporateResponsibility@Target.com
	Claims of reporting in accordance with the GRI Standards	102-54	The report is in reference to the GRI Standards.
	GRI Content Index	102-55	GRI Standards Content Index pp. 99-116
	External assurance	102-56	Some of our climate and energy data is independently verified to a limited level of assurance. We did not seek external assurance for the remainder of this report.
Economic Performance			
GRI 201 Economic performance 2016	Management approach	103-1, 103-2, 103-3	2019 10-K: Management's Discussion and Analysis of Financial Condition and Results of Operations pp. 16-29, Risk Factors pp. 4-9
	Direct economic value generated and distributed	201-1	2019 10-K: Selected Financial Data p. 15 and Consolidated Statements of Operations p. 34
	Financial implications and other risks and opportunities due to climate change	201-2	Target climate webpage CDP Climate Response
	Defined benefit plan obligations and other retirement plans	201-3	2019 10-K: Defined Contribution Plans and Pension Plans pp. 55-58
	Financial assistance received from government	201-4	Target receives government assistance in the form of statutory and project-specific incentives, which may include tax credits.

GRI Standard	Disclosure Title	Disclosure Number	Target Response
Indirect Economic Impacts			
GRI 203: Indirect Economic Impacts 2016	Management approach	103-1, 103-2, 103-3	ESGA: Communities p. 90 ESGA: Supplier Diversity p. 84
	Infrastructure investments and Services supported	203-1	ESGA: Communities p. 90
	Significant indirect economic impacts	203-2	ESGA: Communities p. 90 ESGA: Supplier Diversity p. 84
Procurement Practices			
GRI 204: Procurement practices 2016	Management approach	103-1, 103-2, 103-3	CRR: Sourcing With Purpose p. 18 ESGA: Social Responsibility in the Supply Chain p. 82 ESGA: Environmental Responsibility in the Supply Chain p. 73
	Proportion of spending on local suppliers	204-1	5.0% of our procurement came from Minnesota and three counties in Western Wisconsin (Polk, St. Croix and Pierce counties). ESGA: Supplier Diversity p. 84
Anti-Corruption			
GRI 205: Anti-Corruption 2016	Management approach	103-1, 103-2, 103-3	ESGA: Ethics p. 93
	Operations assessed for risks related to corruption	205-1	Code of Ethics p. 23 and throughout
	Communication and training about anti-corruption policies and procedures	205-2	ESGA: Ethics p. 93
Materials			
GRI 301: Materials 2016	Management approach	103-1, 103-2, 103-3	ESGA: Material and Resource Use p. 70 ESGA: Waste and Circular Economy p. 67
	Recycled input materials used	301-2	ESGA: Waste and Circular Economy p. 67
	Reclaimed products and their packaging materials	301-3	ESGA: Waste and Circular Economy p. 67

GRI Standard	Disclosure Title	Disclosure Number	Target Response																														
Energy																																	
GRI 302: Energy 2016	Management approach	103-1, 103-2, 103-3	ESGA: Climate and Energy p. 64 CRR: Climate and Energy p. 27 CRR: Properties—Climate and Energy p. 45																														
	Energy consumption within the organization	302-1	Domestic Energy Consumption*:																														
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<p>Energy data reported in different units was converted into gigajoules (GJ) using http://www.onlineconversion.com/energy.htm. Percentage of renewable on electricity grid is 18.6% and sourced from the U.S Energy Information Administration (EIA) Annual Energy Outlook (published January 2020).</p>																																	
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GRI Standard	Disclosure Title	Disclosure Number	Target Response							
GRI 302: Energy 2016	Energy consumption within the organization (continued)		Due to an error in billing for district heating and cooling, we have revised our consumption of steam and chilled water for 2017 and 2018. The error also affects total energy consumption. The correct values are reflected below.							
2019 Indirect Energy Use										
Nonrenewable	Activity Data	Units	Conversion Factor	GJ						
Grid Electricity*	2,957,128	MWh	3.600	10,645,662						
Cooling (Chilled Water)*	15,496	MWh	3.600	55,784						
Steam*	53,700	MMBTU	1.055	56,654						
Nonrenewable Total*				10,758,099						
Renewable	Activity Data	Units	Conversion Factor	GJ						
On-site Solar (RECs)*	114,514	MWh	3.600	412,250						
Off-site Renewable (RECs)*	298,801	MWh	3.600	1,075,684						
Grid Electricity*	675,707	MWh	3.600	2,432,547						
Renewable Total*				3,920,481						
Indirect Energy Use Total*				14,678,580						
2018 Indirect Energy Use										
Nonrenewable	Activity Data	Units	Conversion Factor	GJ						
Grid Electricity*	3,245,454	MWh	3.600	11,683,633						
Cooling (Chilled Water)*	13,994	MWh	3.600	50,379						
Steam*	51,188	MMBTU	1.055	54,003						
Nonrenewable Total*				11,788,015						
Renewable	Activity Data	Units	Conversion Factor	GJ						
On-site Solar (RECs)*	105,938	MWh	3.600	381,377						
Off-site Renewable (RECs)*	143,208	MWh	3.600	515,549						
Grid Electricity*	683,667	MWh	3.600	2,461,201						
Renewable Total*				3,358,127						
Indirect Energy Use Total*				15,146,142						

GRI Standard	Disclosure Title	Disclosure Number	Target Response				
GRI 302: Energy 2016	Energy consumption within the organization (continued)		2017 Indirect Energy Use				
			Nonrenewable	Activity Data	Units	Conversion Factor	GJ
			Grid Electricity*	4,186,870	MWh	3.600	15,072,731
			Cooling (Chilled Water)*	18,678	MWh	3.600	67,239
			Steam*	63,728	MMBTU	1.055	67,233
			Nonrenewable Total*				15,207,204
			Renewable	Activity Data	Units	Conversion Factor	GJ
			On-site Solar (RECs)*	68,098	MWh	3.600	245,153
			Off-site Renewable (RECs)*	146,016	MWh	3.600	525,658
			Renewable Total*				770,810
			Indirect Energy Use Total*				15,978,014
			Solar is for production where RECs have been retained. Our international electricity consumption is not included in the tables above but accounts for only 0.14% of total electricity consumption in 2019. Conversion factors from: http://www.onlineconversion.com/ ESGA: Climate and Energy p. 64				
	Energy intensity	302-3			2019	2018	2017
			Energy intensity ratio (kWh/SF)*		13.42	13.90	14.69
			The energy intensity ratio above is calculated using electricity consumption in the U.S., divided by the square footage of our U.S. properties. Previously, energy intensity was reported only for stores; the above data have been updated to include all properties in the U.S. ESGA: Climate and Energy p. 64				

GRI Standard	Disclosure Title	Disclosure Number	Target Response			
GRI 302: Energy 2016	Reductions in energy consumption	302-4				
			2019 Energy Efficiency and Conservation Projects (U.S.)			
			Improvement	First-Year Energy Savings (MWh)	Conversion Factor	GJ
			Sales Floor LED (54 stores)	12,148	3.600	43,733
			Parking Lot LED (333 stores)	20,849	3.600	75,056
			Backroom LED (208 stores)	13,810	3.600	49,716
			Downlight LED (286 stores)	3,027	3.600	10,897
			Total Energy Consumption Reduction	49,834		179,402
			Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives: 179,402 GJ			
			Types of energy included in the reductions: electric, heating, cooling			
			Basis for calculating reductions in energy consumption such as baseline year or baseline: Annual Value (2019 Fiscal Year); engineering calculations based on MWh reductions converted into GJ			
			2018 Energy Efficiency and Conservation Projects (U.S.)			
			Improvement	First-Year Energy Savings (MWh)	Conversion Factor	GJ
			Sales Floor LED (695 stores)	168,280	3.600	605,808
			Parking Lot LED (110 stores)	7,498	3.600	26,993
			Backroom LED (40 stores)	2,673	3.600	9,623
			Total Energy Consumption Reduction	178,451		642,424
			2017 Energy Efficiency and Conservation Projects (U.S.)			
			Improvement	First-Year Energy Savings (MWh)	Conversion Factor	GJ
			Sales Floor LED (534 stores)	163,926	3.600	590,133
			Variable Frequency Drives (VFD)-HVAC	82	3.600	294
			Unreachable LED	20	3.600	73
			DC Exterior LED	278	3.600	1,002
			Wall Pack LED	12,184	3.600	43,864
			Parking Lot LED	9,009	3.600	32,432
			Improvements to Energy Outlier Stores	960	3.600	3,454
			Total Energy Consumption Reduction	186,459		671,253
			Conversion factors from: http://www.onlineconversion.com/			
			ESGA: Climate and Energy p. 64			

GRI Standard	Disclosure Title	Disclosure Number	Target Response																												
Water & Effluents																															
GRI 303: Water & Effluents 2018	Management approach	103-1, 103-2, 103-3	<p>ESGA: Water p. 72 CRR: Water p. 29 CRR: Properties—Water p. 47 Target water webpage</p>																												
	Interactions with water as a shared resource	303-1	ESGA: Water p. 72																												
	Management of water discharge-related impacts	303-2	ESGA: Water p. 72																												
	Water withdrawal	303-3	ESGA: Water p. 72																												
	Water discharge	303-4	Our withdrawn water is discharged to municipal systems for treatment. At this time, Target does not track the amount of water discharged.																												
	Water consumption	303-5	Our withdrawn water is discharged to municipal systems for treatment. At this time, Target does not track the amount of water discharged.																												
Biodiversity																															
GRI 304: Biodiversity 2016	Management approach	103-1, 103-2, 103-3	ESGA: Material and Resource Use p. 70																												
	Significant impacts of activities, products, and services on biodiversity	304-2	<p>ESGA: Material and Resource Use p. 70 Target deforestation webpage</p>																												
Emissions																															
GRI 305: Emissions 2016	Management approach	103-1, 103-2, 103-3	<p>ESGA: Climate and Energy p. 64 CRR: Climate and Energy p. 27 CRR: Properties—Climate and Energy p. 45</p>																												
	Direct (Scope 1) GHG emissions	305-1	<p>Domestic GHG Emissions: Scope 1—Direct Emissions (mtCO₂e)</p> <table> <thead> <tr> <th></th> <th>2019</th> <th>2018</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Natural Gas*</td> <td>238,899</td> <td>240,740</td> <td>207,419</td> </tr> <tr> <td>Propane*</td> <td>1,758</td> <td>1,739</td> <td>1,648</td> </tr> <tr> <td>Stationary Diesel*</td> <td>1,955</td> <td>2,846</td> <td>3,004</td> </tr> <tr> <td>Mobile Diesel*</td> <td>41,470</td> <td>35,996</td> <td>19,053</td> </tr> <tr> <td>Refrigerants*</td> <td>468,470</td> <td>474,163</td> <td>475,053</td> </tr> <tr> <td>Total Emissions (Scope 1)*</td> <td>752,552</td> <td>755,484</td> <td>706,176</td> </tr> </tbody> </table> <p>Gases included in the calculation: CO₂, CH₄, N₂O, HFCs Biogenic CO₂ emissions: 0 mtCO₂e Source of the emission factors and the global warming potential (GWP) rate used: AR4 Emission Factors; 2017-TCR-Default-EF-March-2017; 2020-EPA-CCL Emissions-Factors-GHG-Inventories-March-2020 Chosen consolidation approach for emissions: Operational Control Standards, methodologies and assumptions used: AR4 Emission Factors; 2017-TCR-Default-EF-March-2017; 2020-EPA-CCL Emissions-Factors-GHG-Inventories-March-2020 ESGA: Climate and Energy p. 64</p>		2019	2018	2017	Natural Gas*	238,899	240,740	207,419	Propane*	1,758	1,739	1,648	Stationary Diesel*	1,955	2,846	3,004	Mobile Diesel*	41,470	35,996	19,053	Refrigerants*	468,470	474,163	475,053	Total Emissions (Scope 1)*	752,552	755,484	706,176
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GRI Standard	Disclosure Title	Disclosure Number	Target Response		
GRI 305: Emissions 2016	Indirect (Scope 2) GHG emissions	305-2	Domestic GHG Emissions: Scope 2—Indirect Emissions (mtCO₂e)	2019	2018
				1,541,283	1,778,428
			Electric (Market)*	1,676,067	1,831,598
			Electric (Location)*	2,852	2,719
			Steam*	1,762	1,787
			Chilled Water*	1,545,898	1,782,934
			Total (Market—Scope 2)*	1,680,682	1,836,105
			Total (Location—Scope 2)*	2,298,450	2,538,418
			Total Emissions (Market—Scope 1 & 2)*	2,433,234	2,591,588
			Total Emissions (Location—Scope 1 & 2)*	2,567,880	2,642,994
			Gases included in the calculation: CO ₂ , CH ₄ , N ₂ O, HFCs		
			Source of the emission factors and the GWP rate used: AR4 Emission Factors; 2017-TCR-Default-EF-March-2017; 2020-EPA-CCL Emissions-Factors-GHG-Inventories-March-2020		
			Chosen consolidation approach for emissions: Operational Control Standards, methodologies and assumptions used: AR4 Emission Factors; 2017-TCR-Default-EF-March-2017; 2020-EPA-CCL Emissions-Factors-GHG-Inventories-March-2020		
			Our international electricity consumption is not included in the tables above but accounts for only 0.14% of total electricity consumption in 2019.		
			Due to an error in billing for district heating and cooling, we have revised our emissions from steam and chilled water, going back to our 2017 baseline. The error also affects the total emissions results. The correct values are reflected above.		
			ESGA: Climate and Energy p. 64		

GRI Standard	Disclosure Title	Disclosure Number	Target Response		
GRI 305: Emissions 2016	Other indirect (Scope 3) GHG emissions	305-3	GHG Emissions: Scope 3—Indirect Emissions by GHG Protocol Category (mtCO₂e)	2019	2018
<hr/>					
	1 – Purchased goods and services		27,389,000	27,276,000	27,923,000
	2 – Capital goods		743,000	1,007,000	999,000
	3 – Fuel- and energy-related emissions		509,000	523,000	581,000
	4 – Upstream transportation and distribution		1,655,000	1,676,000	1,466,000
	5 – Waste generated in operations		271,000	224,000	204,000
	6 – Business travel		22,000	23,000	21,000
	7 – Employee commuting		585,000	567,000	526,000
	8 – Upstream leased assets		Not relevant	Not relevant	Not relevant
	9 – Downstream transportation and distribution		5,672,000	5,666,000	5,245,000
	10 – Processing of sold products		Not relevant	Not relevant	Not relevant
	11 – Use of sold products		12,897,000	13,485,000	13,488,000
	12 – End-of-life treatment of sold products		2,306,000	2,273,000	2,404,000
	13 – Downstream leased assets		Not relevant	Not relevant	Not relevant
	14 – Franchises		Not relevant	Not relevant	Not relevant
	15 – Investments		Not relevant	Not relevant	Not relevant
	Total		52,049,000	52,720,000	52,857,000
<hr/>					
In 2019, we revised our 2017 Scope 3 emissions calculations with higher-quality available emission factors and more detailed product-level data. The revised results are shown in the table above and below. When more granular Scope 3 activity and emission factor data sources are available, we may continue to revise our methodology and 2017 baseline to ensure our reduction strategies are driven by the best available data.					
Category 6 above includes travel by both commercial airlines and cars. Of that figure, commercial air travel has been calculated based on independently assured data:					
Independently Verified Components of Scope 3 Indirect Emissions (mtCO₂e)					
<hr/>					
			2019	2018	2017
	Commercial air travel*		17,511	17,684	13,230
<hr/>					
ESGA: Climate and Energy p. 64					
Our business travel emissions estimate includes passenger miles on commercial airlines. We used emissions factors from the U.S. EPA Climate Leaders Business Module. Global warming potentials are from the Intergovernmental Panel on Climate Change (IPCC) Second Assessment Report. We did not apply a radiative forcing adjustment to the airline travel emissions.					

GRI Standard	Disclosure Title	Disclosure Number	Target Response																																																		
			2019	2018	2017																																																
GRI 305: Emissions 2016	GHG emissions intensity	305-4	GHG Emissions Intensity Ratio (mtCO ₂ e)*	0.00763	0.00845 0.00857																																																
<p>Types of GHG emissions included in the intensity ratio: direct (Scope 1) and market-based indirect (Scope 2)</p> <p>Gases included in the calculation: CO₂, CH₄, N₂O, and HFCs</p> <p>Due to an error in billing for district heating and cooling, we have revised our emissions from steam and chilled water, going back to our 2017 baseline. The error also affects the emissions ratio. The correct values are reflected above.</p> <p>ESGA: Climate and Energy p. 64</p>																																																					
Reduction of GHG emissions	305-5	<p>2019 GHG Emissions Reduction Projects (U.S.)</p> <table> <thead> <tr> <th>Improvement</th> <th>First-Year Energy Savings (MWh)</th> <th>Conversion Factor</th> <th>mtCO₂e</th> </tr> </thead> <tbody> <tr> <td>Sales Floor LED (54 stores)</td> <td>12,148</td> <td>0.4243</td> <td>5,154</td> </tr> <tr> <td>Parking Lot LED (333 stores)</td> <td>20,849</td> <td>0.4243</td> <td>8,846</td> </tr> <tr> <td>Backroom LED (208 stores)</td> <td>13,810</td> <td>0.4243</td> <td>5,859</td> </tr> <tr> <td>Downlight LED (286 stores)</td> <td>3,027</td> <td>0.4243</td> <td>1,284</td> </tr> <tr> <td>Total Reduction</td> <td>49,834</td> <td></td> <td>21,143</td> </tr> <tr> <td colspan="4" rowspan="2"> <p>Gases included in the calculation: CO₂, CH₄, N₂O, and HFCs</p> <p>Basis for calculating reductions in energy consumption such as baseline year or baseline: Annual Value (2019 Fiscal Year)</p> <p>Engineering calculations were based on MWh reductions converted into mtCO₂e. The reductions in GHG emissions occurred in direct (Scope 1) and indirect (Scope 2) emissions.</p> </td></tr> <tr> </tr> <tr> <td colspan="3"> <p>2018 GHG Emissions Reduction Projects (U.S.)</p> <table> <thead> <tr> <th>Improvement</th> <th>First-Year Energy Savings (MWh)</th> <th>Conversion Factor</th> <th>mtCO₂e</th> </tr> </thead> <tbody> <tr> <td>Sales Floor LED (695 stores)</td> <td>168,280</td> <td>0.4526</td> <td>76,168</td> </tr> <tr> <td>Parking Lot LED (110 stores)</td> <td>7,498</td> <td>0.4526</td> <td>3,394</td> </tr> <tr> <td>Backroom LED (40 stores)</td> <td>2,673</td> <td>0.4526</td> <td>1,210</td> </tr> <tr> <td>Total Reduction</td> <td>178,451</td> <td></td> <td>80,772</td> </tr> </tbody> </table> </td></tr> <tr> </tr> </tbody> </table>	Improvement	First-Year Energy Savings (MWh)	Conversion Factor	mtCO ₂ e	Sales Floor LED (54 stores)	12,148	0.4243	5,154	Parking Lot LED (333 stores)	20,849	0.4243	8,846	Backroom LED (208 stores)	13,810	0.4243	5,859	Downlight LED (286 stores)	3,027	0.4243	1,284	Total Reduction	49,834		21,143	<p>Gases included in the calculation: CO₂, CH₄, N₂O, and HFCs</p> <p>Basis for calculating reductions in energy consumption such as baseline year or baseline: Annual Value (2019 Fiscal Year)</p> <p>Engineering calculations were based on MWh reductions converted into mtCO₂e. The reductions in GHG emissions occurred in direct (Scope 1) and indirect (Scope 2) emissions.</p>				<p>2018 GHG Emissions Reduction Projects (U.S.)</p> <table> <thead> <tr> <th>Improvement</th> <th>First-Year Energy Savings (MWh)</th> <th>Conversion Factor</th> <th>mtCO₂e</th> </tr> </thead> <tbody> <tr> <td>Sales Floor LED (695 stores)</td> <td>168,280</td> <td>0.4526</td> <td>76,168</td> </tr> <tr> <td>Parking Lot LED (110 stores)</td> <td>7,498</td> <td>0.4526</td> <td>3,394</td> </tr> <tr> <td>Backroom LED (40 stores)</td> <td>2,673</td> <td>0.4526</td> <td>1,210</td> </tr> <tr> <td>Total Reduction</td> <td>178,451</td> <td></td> <td>80,772</td> </tr> </tbody> </table>			Improvement	First-Year Energy Savings (MWh)	Conversion Factor	mtCO ₂ e	Sales Floor LED (695 stores)	168,280	0.4526	76,168	Parking Lot LED (110 stores)	7,498	0.4526	3,394	Backroom LED (40 stores)	2,673	0.4526	1,210	Total Reduction	178,451		80,772
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GRI 306: Effluents & Waste 2016	Management approach	103-1, 103-2, 103-3	ESGA: Waste and Circular Economy p. 67 CRR: Properties—Waste p. 48																																				
	Waste by type and disposal method	306-2	ESGA: Waste and Circular Economy p. 67																																				
	Significant spills	306-3	ESGA: Waste and Circular Economy p. 67																																				
	Transport of hazardous waste	306-4	ESGA: Waste and Circular Economy p. 67																																				
Supplier Environmental Assessment																																							
GRI 308: Supplier environmental assessment 2016	Management approach	103-1, 103-2, 103-3	ESGA: Environmental Responsibility in the Supply Chain p. 73 CRR: Responsible Products p. 22																																				
	New suppliers that were screened using environmental criteria	308-1	ESGA: Environmental Responsibility in the Supply Chain p. 73																																				
	Negative environmental impacts in the supply chain and actions taken	308-2	ESGA: Environmental Responsibility in the Supply Chain p. 73 ESGA: Material and Resource Use p. 70																																				
Employment																																							
GRI 401: Employment 2016	Management approach	103-1, 103-2, 103-3	CRR: Team p. 34 ESGA: Team Members p. 76 ESGA: Employment p. 76																																				
	Benefits provided to full-time employees that are not provided to temporary or part-time employees	401-2	ESGA: Employment p. 76 Benefits																																				
	Parental leave	401-3	ESGA: Employment p. 76																																				

GRI Standard	Disclosure Title	Disclosure Number	Target Response
Occupational Health and Safety			
GRI 403: Occupational Health & Safety 2018	Management approach	103-1, 103-2, 103-3	ESGA: Workplace Health and Safety p. 81 CRR: Worker Well-Being in the Supply Chain p. 25
	Hazard identification, risk assessment, and incident investigation	403-2	<u>Code of Ethics</u> p. 13 <u>Labor & Human Rights Policies</u>
	Worker training on occupational health and safety	403-5	CRR: Workplace Health and Safety p. 41 ESGA: Learning and Development p. 80
	Promotion of worker health	403-6	CRR: Workplace Health and Safety p. 41 CRR: Worker Well-Being in the Supply Chain p. 25 ESGA: Workplace Health and Safety p. 81 ESGA: Supply Chain p. 82
	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	403-7	CRR: Worker Well-Being in the Supply Chain p. 25 ESGA: Supply Chain p. 82
Training & Education			
GRI 404: Training and Education 2016	Management approach	103-1, 103-2, 103-3	CRR: Learning and Development p. 40 ESGA: Learning and Development p. 80
	Average hours of training per year per employee	404-1	ESGA: Learning and Development p. 80
	Programs for upgrading employee skills and transition-assistance programs	404-2	CRR: Learning and Development p. 40 ESGA: Learning and Development p. 80 ESGA: Employment p. 76
	Percentage of employees receiving regular performance and career development reviews	404-3	ESGA: Learning and Development p. 80
Diversity & Equal Opportunity			
GRI 405: Diversity & Equal Opportunity 2016	Management approach	103-1, 103-2, 103-3	CRR: Diversity and Inclusion p. 38 ESGA: Diversity and Inclusion p. 78
	Diversity of governance bodies and employees	405-1	ESGA: Diversity and Inclusion p. 78 <u>Workforce Diversity Report</u>
Non-discrimination			
GRI 406: Non-discrimination 2016	Management approach	103-1, 103-2, 103-3	CRR: Diversity and Inclusion p. 38 ESGA: Employment p. 76
Child Labor			
GRI 408: Child Labor 2016	Management approach	103-1, 103-2, 103-3	CRR: Eliminating Forced and Underaged Labor p. 24 ESGA: Human Rights p. 75 ESGA: Social Responsibility in the Supply Chain p. 82
	Operations and suppliers at significant risk for incidents of child labor	408-1	CRR: Eliminating Forced and Underaged Labor p. 24 ESGA: Human Rights p. 75 ESGA: Social Responsibility in the Supply Chain p. 82

GRI Standard	Disclosure Title	Disclosure Number	Target Response
Forced or Compulsory Labor			
GRI 409: Forced or Compulsory Labor 2016	Management approach	103-1, 103-2, 103-3	CRR: Eliminating Forced and Underaged Labor p. 24 ESGA: Human Rights p. 75 ESGA: Social Responsibility in the Supply Chain p. 82
	Operations and suppliers at significant risk for incidents of forced or compulsory labor	409-1	CRR: Eliminating Forced and Underaged Labor p. 24 ESGA: Human Rights p. 75 ESGA: Social Responsibility in the Supply Chain p. 82
Human Rights Assessment			
GRI 412: Human Rights Assessment 2016	Management approach	103-1, 103-2, 103-3	CRR: Human Rights in Manufacturing p. 23 ESGA: Human Rights p. 75 ESGA: Learning and Development p. 80 ESGA: Social Responsibility in the Supply Chain p. 82
	Operations that have been subject to human rights reviews or impact assessments	412-1	CRR: Human Rights in Manufacturing p. 23 ESGA: Social Responsibility in the Supply Chain p. 82
	Employee training on human rights policies or procedures	412-2	Target's global sourcing offices are subject to the same standards and policies as our domestic offices. Human rights considerations are made when exploring new countries for office locations. ESGA: Ethics p. 93 <u>Human Rights Statement</u>
	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	412-3	Every merchandise vendor is contractually required to comply with our Standards of Vendor Engagement. <u>Standards of Vendor Engagement</u> ESGA: Social Responsibility in the Supply Chain p. 82
Local Communities			
GRI 413: Local communities 2016	Management approach	103-1, 103-2, 103-3	CRR: Growing Prosperity for All Through Supplier Diversity p. 26 CRR: Communities p. 42 ESGA: Communities p. 90 ESGA: Social Responsibility in the Supply Chain p. 82
	Operations with local community engagement, impact assessments and development programs	413-1	CRR: Communities p. 42 ESGA: Communities p. 90 CRR: Materiality and Stakeholder Engagement p. 14 CRR: Supply Chain p. 17
	Operations with significant actual and potential negative impacts on local communities	413-2	ESGA: Communities p. 90 ESGA: Social Responsibility in the Supply Chain p. 82 ESGA: Environment p. 63

GRI Standard	Disclosure Title	Disclosure Number	Target Response
Supplier Social Assessment			
GRI 414: Supplier Social Assessment 2016	Management approach	103-1, 103-2, 103-3	ESGA: Social Responsibility in the Supply Chain p. 82
	New suppliers that were screened using social criteria	414-1	ESGA: Social Responsibility in the Supply Chain p. 82
	Negative social impacts in the supply chain and actions taken	414-2	ESGA: Social Responsibility in the Supply Chain p. 82 <u>Responsible Sourcing</u> <u>Social Compliance Audit Process</u>
Public Policy			
GRI 415: Public Policy 2016	Management approach	103-1, 103-2, 103-3	ESGA: Government Advocacy p. 94
	Political contributions	415-1	ESGA: Government Advocacy p. 94 <u>Civic Activity</u>
Customer Health & Safety			
GRI 416: Customer Health & Safety 2016	Management approach	103-1, 103-2, 103-3	ESGA: Product Quality and Safety p. 87 ESGA: Product Design p. 86
	Incidents of noncompliance concerning the health and safety impacts of products and services	416-2	Target has multiple processes to address product compliance and safety. In addition, Target has processes in place to meet its reporting obligations under federal and state laws.
Marketing & Labeling			
GRI 417: Marketing & Labeling 2016	Management approach	103-1, 103-2, 103-3	CRR: Design Messaging Guests Can Trust p. 60 ESGA: Responsible Marketing p. 89
Customer Privacy			
GRI 418: Customer Privacy 2016	Management approach	103-1, 103-2, 103-3	ESGA: Data Security p. 88 <u>Privacy Policy</u> 2020 Proxy Statement: <u>Information security, cybersecurity, and data privacy</u> p. 15
	Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1	Target has an Incident Response program to address potential security and privacy incidents. The program includes processes to meet Target's notification, or other reporting, obligations under federal and state laws. ESGA: Data Security p. 88 2019 10-K: <u>Risk Factors</u> p. 6

Material topic	Disclosure Title	Disclosure Number	Target Response
Additional material topics not covered by GRI Standards			
Access to Products and services	Management approach	103-1, 103-2, 103-3	CRR: Design for All p. 55 ESGA: Product Design p. 86
Environmental impacts of products and services	Management approach	103-1, 103-2, 103-3	CRR: Design for Environmental Impact p. 57 ESGA: Climate and Energy p. 64 ESGA: Waste and Circular Economy p. 67 ESGA: Chemicals p. 69 ESGA: Material and Resource Use p. 70 ESGA: Product Design p. 86
Product Design	Management approach	103-1, 103-2, 103-3	CRR: Materials p. 20 CRR: Design for Circularity p. 53 CRR: Design for Environmental Impact p. 57 ESGA: Product Design p. 86
Consumption Behaviors	Management approach	103-1, 103-2, 103-3	CRR: Design for Guest Ease p. 59 ESGA: Guests p. 86 ESGA: Waste and Circular Economy p. 67
Transparency and reporting	Management approach	103-1, 103-2, 103-3	CRR: How We Source Products p. 19 and throughout the CRR ESGA: About This Appendix p. 62

SDG Index

Target recognizes the importance of the United Nations 2030 Agenda for Sustainable Development. [The UN Sustainable Development Goals \(SDGs\)](#) call on governments, business and civil society organizations to take action to address the urgent problems facing our world today. Target values the important role these goals play in equitable, inclusive, sustainable development. We're proud to share how we're contributing to each SDG. We invite our stakeholders and partners to join us in our efforts to contribute toward the implementation of this blueprint for a more sustainable future for all.

This index references Target's 2020 Corporate Responsibility Report (CRR) and Target's 2020 Environmental, Social and Governance Appendix (ESGA).

Sustainable Development Goals	Information on how we're contributing
1 No Poverty <ul style="list-style-type: none">• End poverty in all its forms everywhere	CRR: Communities p. 42 CRR: Compensation and Benefits p. 36 CRR: Economic Opportunity p. 26 ESGA: Employment p. 76 ESGA: Social Responsibility in the Supply Chain p. 82 ESGA: Supplier Diversity p. 84
2 Zero Hunger <ul style="list-style-type: none">• End hunger, achieve food security and improved nutrition and promote sustainable agriculture	CRR: Communities p. 42 ESGA: Product Design p. 86
3 Good Health and Well-Being <ul style="list-style-type: none">• Ensure healthy lives and promote well-being for all at all ages	CRR: Communities p. 42 CRR: Compensation and Benefits p. 36 CRR: Workplace Health and Safety p. 41 CRR: Worker Well-Being in the Supply Chain p. 25 CRR: Properties—Chemicals p. 49 ESGA: Product Design p. 86 ESGA: Chemicals p. 69 ESGA: Workplace Health and Safety p. 81 ESGA: Product Quality and Safety p. 87
4 Quality Education <ul style="list-style-type: none">• Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	CRR: Compensation and Benefits p. 36 CRR: Learning and Development p. 40 CRR: Economic Opportunity p. 26 ESGA: Employment p. 76 ESGA: Learning and Development p. 80
5 Gender Equality <ul style="list-style-type: none">• Achieve gender equality and empower all women and girls	CRR: Compensation and Benefits p. 36 CRR: Diversity and Inclusion p. 38 ESGA: Learning and Development p. 80 ESGA: Diversity and Inclusion p. 78 ESGA: Governance p. 92 ESGA: Supplier Diversity p. 84
6 Clean Water and Sanitation <ul style="list-style-type: none">• Ensure availability and sustainable management of water and sanitation for all	CRR: Water p. 29 CRR: Properties—Water p. 47 ESGA: Water p. 72

Sustainable Development Goals	Information on how we're contributing
7 Affordable and Clean Energy <ul style="list-style-type: none">• Ensure access to affordable, reliable, sustainable and modern energy for all	CRR: Climate and Energy p. 27 CRR: Properties—Climate and Energy p. 45 ESGA: Climate and Energy p. 64
8 Decent Work and Economic Growth <ul style="list-style-type: none">• Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	CRR: Communities p. 42 CRR: Compensation and Benefits p. 36 CRR: Economic Opportunity p. 26 CRR: Eliminating Forced and Underaged Labor p. 24 ESGA: Team Members p. 76 ESGA: Supply Chain p. 82 ESGA: Environmental Responsibility in the Supply Chain p. 73 ESGA: Supplier Diversity p. 84
9 Industry, Innovation and Infrastructure <ul style="list-style-type: none">• Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	CRR: Communities p. 42 CRR: Properties—Climate and Energy p. 45 CRR: Design for Circularity p. 53 CRR: Properties—Waste p. 48 CRR: Responsible Products p. 22 ESGA: Climate and Energy p. 64 ESGA: Waste and Circular Economy p. 67 ESGA: Chemicals p. 69 ESGA: Material and Resource Use p. 70 ESGA: Product Design p. 86
10 Reduced Inequalities <ul style="list-style-type: none">• Reduce inequality within and among countries	CRR: Communities p. 42 CRR: Economic Opportunity p. 26 ESGA: Supply Chain p. 82 ESGA: Supplier Diversity p. 84
11 Sustainable Cities and Communities <ul style="list-style-type: none">• Make cities and human settlements inclusive, safe, resilient and sustainable	CRR: Communities p. 42 CRR: Economic Opportunity p. 26 CRR: Responsible Products p. 22 ESGA: Supply Chain p. 82 ESGA: Supplier Diversity p. 84
12 Responsible Consumption and Production <ul style="list-style-type: none">• Ensure sustainable consumption and production patterns	CRR: Materials p. 20 CRR: Design for Environmental Impact p. 57 CRR: Responsible Products p. 22 CRR: Properties—Waste p. 48 CRR: Water p. 29 CRR: Design for Circularity p. 53 CRR: Properties—Chemicals p. 49 ESGA: Waste and Circular Economy p. 67 ESGA: Chemicals p. 69 ESGA: Water p. 72 ESGA: Material and Resource Use p. 70

Sustainable Development Goals**13 Climate Action**

- Take urgent action to combat climate change and its impacts

14 Life Below Water

- Conserve and sustainably use the oceans, seas and marine resources for sustainable development

15 Life on Land

- Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

16 Peace, Justice and Strong Institutions

- Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

17 Partnerships for the Goals

- Strengthen the means of implementation and revitalize the global partnership for sustainable development

Information on how we're contributing

CRR: Climate and Energy p. 27

CRR: Properties—Climate and Energy p. 45

ESGA: Climate and Energy p. 64

CRR: Materials p. 20

ESGA: Material and Resource Use p. 70

CRR: Materials p. 20

ESGA: Material and Resource Use p. 70

CRR: Diversity and Inclusion p. 38

CRR: Economic Opportunity p. 26

CRR: Eliminating Forced and Underaged Labor p. 24

ESGA: Diversity and Inclusion p. 78

ESGA: Product Design p. 86

ESGA: Governance p. 92

ESGA: Supplier Diversity p. 84

ESGA: Anti-Bribery and Corruption p. 93

ESGA: Anti-Competitive Behavior p. 93

CRR: Design for Environmental Impact p. 57

CRR: Materials p. 20

CRR: Water p. 29

CRR: Economic Opportunity p. 26

CRR: Communities p. 42

ESGA: GRI 102-12 and 102-13 p. 99

Glossary

Term	Definition	
Team Members	We refer to our full-time, part-time and seasonal employees as “team members.” Team members do not include contractors, employees of our subsidiaries or the employees of vendors, suppliers or manufacturers with whom we do business.	
Supply Chain	All vendors, suppliers, manufacturers, contractors, subcontractors and their agents involved in the production of Target’s owned- and exclusive-brand products or national-brand products for which Target is the importer of record.	
Value Chain	All business activities that create value for Target’s products or services. The value chain includes the supply chain, Target activities outside the supply chain (e.g. product development and marketing) and the end consumer and communities for which the company is helping create value.	
Operations	Our operations cover our team members, our stores and other physical locations, and our communities.	
Guests	We refer to our shoppers (customers) as “guests.” We want to bring our guests not only what they need, but also what they want. Our buyers carefully curate collections and experiences for our guests. Our strategy is rooted in offering the national brands our guests know and love, plus the only-at-Target items they can’t get anywhere else.	
Brands at Target	National Brands	Brands we sell, but do not own
	Owned Brands	Brands we own, source and sell
	Exclusive Brands	Brands we do not own, but are the only retailer licensed to sell
	Approximately one-third of 2019 sales were related to our owned and exclusive brands. Find out more here	
Materiality	We regularly evaluate and align our strategy and reporting against the most material corporate responsibility topics for our business and stakeholders. For the purposes of this report, we use the Global Reporting Initiative (GRI) Standards ’ definition of materiality, meaning that we cover topics that: <ul style="list-style-type: none"> - Reflect Target’s significant economic, environmental and social impacts - Substantively influence the assessment and decisions of stakeholders This materiality definition is different from the definition used for filings with the Securities and Exchange Commission (SEC). Topics deemed material for purposes of this report may not be considered material for SEC reporting purposes.	
Neonics	Certain neurotoxic insecticides shown by studies to be harmful to bees and other pollinators.	
Noncompliant due to Repeat or Excessive Issues	A factory fails three consecutive audits, an excessive number of violations are discovered, or the auditor is denied access twice.	
Noncompliant due to Severe Violations	Severe violations include underaged labor, forced labor, corporal punishment, attempted bribery, sandblasting, unauthorized subcontracting, egregious wastewater treatment and/or absence of appropriate licensing/permitting.	
Sustainable Product Design	Designing products that are better for our guests, our planet and/or our communities.	
Circular Product Design	Designing products in a way that designs out waste and keeps products and materials in use for as long as possible.	
Sustainable Products	Products that are better for our guests, our planet and/or our communities.	