

Module: Introduction

Page: W0. Introduction

W0.1

Introduction

Please give a general description and introduction to your organization.

Minneapolis-based Target Corporation (NYSE: TGT) serves guests at 1,924 stores – 1,797 in the United States and 127 in Canada – and at Target.com. Since 1946, Target has given 5 percent of its profit through community grants and programs; today, that giving equals more than \$4 million a week. For more information about Target's commitment to corporate responsibility, visit Target.com/corporateresponsibility.

W0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

Period for which data is reported
Fri 01 Feb 2013 - Sat 01 Feb 2014

W0.3

Reporting Boundary

Please indicate the category that describes the reporting boundary for companies, entities, or groups for which water-related impacts are reported.

Companies, entities or groups over which operational control is exercised

W0.4

Exclusions

Are there any geographies, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?

Yes

W0.4a

List of Exclusions

Please report the exclusions in the following table

Exclusion	Please explain why you have made the exclusion
Non U.S. and Canada facilities	Our current disclosure does not include our headquarters and sales facilities outside of the United States and Canada. This includes three buildings in India and several small offices scattered around the globe. These facilities are currently excluded due to a lack of reliable data on water consumption. Based on estimates of potential consumption from all of these sources, they are considered de minimis, and would likely contribute a nominal portion to our total consumption.

Further Information

Module: Current State

Page: W1. Context

W1.1

Please rate the importance (current and future) of water quality and water quantity to the success of your organization

Water quality and quantity	Importance rating	Please explain
Direct use: sufficient amounts of good quality freshwater available for use across your own operations	Important	A sufficient amount of good quality water is important for use across our operations. Water is used in restrooms, food preparation and sanitation, and cleaning operations of our facilities. This allows us to comply with various laws and regulations.
Direct use: sufficient amounts of recycled, brackish and/or produced water available for use across your own operations	Neutral	
Indirect use: sufficient amounts of good quality freshwater available for use across your value chain	Important	A sufficient amount of good quality water is important for use across our supply chain. Water is used in the production of the products we sell.
Indirect use: sufficient amounts of recycled, brackish and/or produced water available for use across your value chain	Neutral	

W1.2

Have you evaluated how water quality and water quantity affects /could affect the success (viability, constraints) of your organization's growth strategy?

Yes, evaluated over the next 5 years

W1.2a

Please explain how your organization evaluated the effects of water quality and water quantity on the success (viability, constraints) of your organization's growth strategy?

The Corporate Sustainability and Energy & Sustainability teams primarily coordinate Target's water strategy, identify key initiative areas, assess risks and opportunities, and execute the company's approach to water management. Our Sourcing and Product Design & Development teams also address water in our supply chain through several industry initiatives. The scope of the risks and opportunities considered include but are 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), and impact to water reduction goal (company level).

The Corporate Sustainability team also works closely with partners from other divisions of the company to develop initiatives, monitor, and report progress on the risks and opportunities identified above. These partners are brought together in five cross-functional Focus Teams that bring together more than 150 partners from across the company to advance our work in our four public commitments to sustainability: (1) Sustainable Living (2) Sustainable Products(3) Smart Development, and (4) Efficient Operations.

Our water strategies and performance are primarily addressed by the Commitment 4 Focus Team for Efficient Operations. It is also being addressed by the Commitment 2 Focus Team for Products. The teams are led by a director level representative from outside the Sustainability Team, and are supported by a member of the Sustainability Team. The teams report their progress on initiatives, risk mitigation, and opportunities at both the company and asset level on a quarterly basis to the Sustainability Leadership Council. The Sustainability Leadership Council consists of Vice President or Senior Vice President level representatives from Marketing, Merchandising, Property Development, Distribution (Transportation), and Stores. The Sustainability Leadership Council provides updates to executive leadership at least once a year and can elevate issues of significance throughout the year.

W1.2b

What is the main reason for not having evaluated how water quality and water quantity affects /could affect the success (viability, constraints) of your organization's growth strategy, and are there any plans in place to do so in the future?

Main reason	Current plans	Timeframe until evaluation	Comment
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W1.3

Has your organization experienced any detrimental impacts related to water in the reporting period?

No

W1.3a

Please describe the detrimental impacts experienced by your organization related to water in the reporting period

Country	River basin	Impact indicator	Impact	Description of impact	Overall financial impact	Response strategy	Description of response strategy
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W1.3b

Please choose the option below that best explains why you do not know if your organization experienced any detrimental impacts related to water in the reporting period and any plans you have to investigate this in the future

Primary reason	Future plans
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Further Information

Module: Risk Assessment

Page: W2. Procedures and Requirements

W2.1

Please select the option that best describes your procedures with regard to assessing water risks and provide an explanation as to why this option is suitable for your organization

Water risk assessments undertaken independently of other risk assessments incorporating both direct operations and supply chain

W2.1a

You may provide additional information about your approach to assessing water risks here

The Corporate Sustainability and Energy & Sustainability teams primarily coordinate Target's water strategy, identify key initiative areas, assess risks and opportunities, and execute the company's approach to water management. Our Sourcing and Product Design & Development teams also address water in our supply chain through several industry initiatives.

W2.2

Please state how frequently you undertake water risk assessments, what geographical scale and how far into the future you consider

Frequency	Geographic scale	Timeframe
The teams report their progress on initiatives, risk mitigation, and opportunities at both the company and asset level on a quarterly basis to the Sustainability Leadership Council. The Sustainability Leadership Council consists of Vice President or Senior Vice President level representatives from Marketing, Merchandising, Property Development, Distribution (Transportation), and Stores.	Country	Water risks are assessed over the next five years. This includes our current public facing sustainability goal and additional internal initiatives currently underway.

W2.3

Please state the methods used to assess water risks

Method
Internal company knowledge
Life Cycle Assessment

W2.4

Which of the following contextual issues are always factored into your organization's water risk assessments?

Issues	Choose option	Please explain
Current water availability and quality parameters at a local level	Relevant, included	
Current water regulatory frameworks and tariffs at a local level	Not relevant, included	
Current stakeholder conflicts concerning water resources at a local level	Relevant, included	
Current implications of water on your key commodities/raw materials	Relevant, included	
Current status of ecosystems and habitats at a local level	Relevant, included for some facilities/suppliers	We understand the impacts of our operations on the local communities in which we operate. Beginning in 2015 we'll start working towards our goal of incorporating native landscaping in 75% of the landscape areas of all new U.S. stores. In addition, we continued our efforts to work with local watershed districts with two partnerships in Minnesota. Through these partnerships we retrofitted storm water systems to better filter runoff and provide greater flood control.

Issues	Choose option	Please explain
Estimates of future changes in water availability at a local level	Relevant, included for some facilities/suppliers	We realize the potential for changes to water availability around the world. To mitigate this risk, we have set a goal to reduce our water consumption by 10% per square foot for our stores in the U.S. We are also working with our suppliers to understand and reduce water consumption within our supply chain through our work with the Natural Resource Defense Council.
Estimates of future potential regulatory changes at a local level	Relevant, included	
Estimates of future potential stakeholder conflicts at a local level	Relevant, not yet included	
Estimates of future implications of water on your key commodities/raw materials	Relevant, included	We realize the potential risk for changes to water availability or quality around the world. To mitigate this risk, we are working with our Target branded product suppliers through environmental standards
Estimates of future potential changes in the status of ecosystems and habitats at a local level	Not evaluated	We include water quality in our Sustainable Product Standard. Water quality points are awarded to a product that contains no ingredients that are labeled as hazardous to the aquatic environment. These chemicals are found in the European Chemicals Agency list of chemicals classified under the globally harmonized system of classification and labeling of chemicals exhibiting acute (short term) aquatic toxicity (categories 1 & 2) and/or chronic (long term) aquatic toxicity (categories 1 & 2).
Scenario analysis of availability of sufficient quantity and quality of water relevant for your operations at a local level	Relevant, not yet included	We do not conduct scenario analysis of contextual issues for various water risks. We estimate out over five years potential changes and the impact they may have on our water goal or our work with suppliers.
Scenario analysis of regulatory and/or tariff changes at a local level	Relevant, not yet included	We do not conduct scenario analysis of contextual issues for various water risks. We estimate out over five years potential changes and the impact they may have on our water goal or our work with suppliers.
Scenario analysis of stakeholder conflicts concerning water resources at a local level	Relevant, not yet included	We do not conduct scenario analysis of contextual issues for various water risks. We estimate out over five years potential changes and the impact they may have on our water goal or our work with suppliers.
Scenario analysis of implications of water on your key commodities/raw materials	Relevant, not yet included	We do not conduct scenario analysis of contextual issues for various water risks. We estimate out over five years potential changes and the impact they may have on our water goal or our work with suppliers.
Scenario analysis of potential changes in the status of ecosystems and habitats at a local level	Not evaluated	We do not conduct scenario analysis of contextual issues for various water risks. We estimate out over five years potential changes and the impact they may have on our water goal or our work with suppliers.
Other		

W2.4a

Which of the following stakeholders are always factored into your organization's water risk assessments?

Stakeholder	Choose option	Please explain
Customers	Relevant, included	In late 2013 we launched our Sustainable Product Standard. The standard will help establish a common language, definition and process for qualifying what makes a product more sustainable. Water quality points are included in the standard and awarded to a product that contains no ingredients that are labeled as hazardous to the aquatic environment when used by customers.
Employees	Relevant, included	
Investors	Relevant, included	
Local communities	Relevant, included for some facilities/suppliers	We understand the impacts of our operations on the local communities in which we operate. Beginning in 2015, we'll start working towards our goal of incorporating native landscaping in 75% of the landscape areas of all new U.S. stores. In addition, we continued our efforts to work with local watershed districts with two partnerships in Minnesota. Through these partnerships we retrofitted storm water systems to better filter runoff and provide greater flood control.
NGOs	Not evaluated	
Other water users at a local level	Not evaluated	
Regulators at a local level	Relevant, included	
Statutory special interest groups at a local level		
Suppliers	Relevant, included	
Water utilities/suppliers at a local level	Relevant, included	We realize the potential for changes to water availability around the world. To mitigate this risk, we have set a goal to reduce our water consumption by 10% per square foot for our stores in the U.S. We are also working with our suppliers to understand and reduce water consumption within our supply chain through our work with the Natural Resource Defense Council.
Other		

W2.5

Do you require your key suppliers to report on their water use, risks and management?

Yes

W2.5a

Please provide the proportion of key suppliers you require to report on their water use, risks and management and the proportion of your procurement spend this represents

Proportion of key suppliers %	Total procurement spend %	Rationale for this coverage
76-100		We began asking vendors making Target-brand products to use the Higg Index in 2012. In 2013, we completed our second round of surveys. 97% of our vendors and suppliers responded.

W2.5b

Please choose the option that best explains why you do not require your key suppliers to report on their water use, risks and management

Primary reason	Please explain
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Further Information

Module: Implications

W3.1

Is your organization exposed to water risks, either current and/or future, that could generate a substantive change in your business, operations, revenue or expenditure?

Yes, supply chain only

W3.2

Please provide details as to how your organization defines substantive change in your business, operations, revenue or expenditure from water risk

We define substantive change as those having a significant or material impact to our sales, expenses, or ability to source product from certain regions of the world.

W3.2a

Please complete the table below providing information as to the number of facilities in your direct operations exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure. Please also provide either the proportion of cost of goods sold, global revenue or global production capacity that could be affected across your entire organization at the river basin level

Country	River basin	Number of facilities within the river basin exposed to water risk	Reporting metric	Proportion of chosen metric that could be affected within the river basin
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W3.2b

Please list the inherent water risks that could generate a substantive change in your business, operations, revenue or expenditure, the potential impact to your direct operations and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
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W3.2c

Please list the inherent risks that could generate a substantive change in your business operations, revenue or expenditure, the potential impact to your supply chain and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
	Other: Global	Physical-Increased water scarcity	Supply chain disruption		>6 years	Probable	Low-medium	Engagement with suppliers	Low	We have been heavily engaged in the multi-stakeholder group- the Sustainable Apparel Coalition for the past three years, with other retailers, brands, suppliers, NGOs, academic experts, and the U.S. Environmental Protection Agency. Collectively, we developed an index tool that creates a common approach for measuring and evaluating

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										sustainability performance in the supply chain, including water. We will use this tool to collect sustainability data later this year, and eventually incorporate sustainability metrics into our existing vendor and supplier scorecards. Our Product Design and Development team is also working with the Clean by Design program aimed at reducing the environmental impact of the textile industry. A select group of fabric mills participated in a pilot where low-cost and no-cost investments were identified to reduce waste, water, and energy use at the mills. These investments have a payback period under one year and represent thousands of dollars in annual savings.
	Other: Global	Physical- Increased water stress	Supply chain disruption		>6 years	Probable	Low-medium	Engagement with suppliers	Low	We have been heavily engaged in the multi-stakeholder group- the Sustainable Apparel Coalition for the past three years, with other retailers, brands, suppliers, NGOs, academic experts, and the U.S. Environmental Protection Agency. Collectively, we

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										<p>developed an index tool that creates a common approach for measuring and evaluating sustainability performance in the supply chain, including water. We will use this tool to collect sustainability data later this year, and eventually incorporate sustainability metrics into our existing vendor and supplier scorecards. Our Product Design and Development team is also working with the Clean by Design program aimed at reducing the environmental impact of the textile industry. A select group of fabric mills participated in a pilot where low-cost and no-cost investments were identified to reduce waste, water, and energy use at the mills. These investments have a payback period under one year and represent thousands of dollars in annual savings.</p>

W3.2d

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your direct operations that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain
Risks exist, but no substantive impact anticipated	The majority of our operational water consumption is related to water use for restroom fixtures and irrigation. We are aware of the risk droughts pose to our operations and to our water reduction goal. However, we do not anticipate this to cause a substantive change in our operations.

W3.2e

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your supply chain that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain

W3.2f

Please choose the option that best explains why you do not know if your organization is exposed to water risks that could generate a substantive change in your business operations, revenue or expenditure and discuss any future plans you have to assess this

Primary reason	Future plans

Further Information

Page: W4. Water Opportunities

W4.1

Does water present strategic, operational or market opportunities that substantively benefit/have the potential to benefit your organization?

No

W4.1a

Please describe the opportunities water presents to your organization and your strategies to realize them

Country or region	Opportunity	Strategy to realize opportunity	Estimated timeframe	Please explain
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W4.1b

Please choose the option that best explains why water does not present your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain
Opportunities exist, but nothing substantive	Much of our water usage is also driven by Building and Health codes which have requirements on specific flow rates and fixture quantities. Dramatic changes to these regulations are highly unlikely, though if passed, we can readily implement when required. Additionally, with water costs as a small percentage of operational expenses, we do not anticipate a substantive change in our business operations, revenue, or expenditure.

W4.1c

Please choose the option that best explains why you do not know if water presents your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain
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Further Information

Module: Accounting

Page: W5. Water Accounting (I)

W5.1

Please report the total withdrawal, discharge, consumption and recycled water volumes across your operations for the reporting period

Water use	Quantity (megaliters)
Total volume of water withdrawn	13162
Total volume of water discharged	
Total volume of water consumed	
Total volume of recycled water used	

W5.2

For those facilities exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure, the number of which was reported in W3.2a, please detail which of the following water aspects are regularly measured and monitored and an explanation as to why or why not

Water aspect	% of facilities	Please explain
Water withdrawals- total volumes		
Water withdrawals- volume by sources		
Water discharges- total volumes		
Water discharges- volume by destination		
Water discharges- volume by treatment method		
Water discharge quality data- quality by standard effluent parameters		
Water consumption- total volume		
Water recycling/reuse-total volume		

W5.3

Water withdrawals: for the reporting period, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

Facility reference number	Country	River basin	Facility name	Total water withdrawals (megaliters/year) at this facility	How does the total water withdrawals at this facility compare to the last reporting period?	Please explain the change if substantial
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Further Information

Page: W5. Water Accounting (II)

W5.3a

Water withdrawals: for the reporting period, please provide withdrawal data, in megaliters per year, for the water sources used for all facilities reported in W5.3

Facility reference number	Surface water	Groundwater (renewable)	Groundwater (non-renewable)	Municipal water	Recycled water	Produced/process water	Wastewater	Brackish/salt water

W5.4

Water discharge: for the reporting period, please provide the water accounting data for all facilities reported in W5.3

Facility reference number	Total water discharged (megaliters/year) at this facility	How does the total water discharged at this facility compare to the last reporting period?	Please explain the change if substantive

W5.4a

Water discharge: for the reporting period, please provide water discharge data, in megaliters per year, by destination for all facilities reported in W5.3

Facility reference number	Surface water	Municipal Treatment Plant	Saltwater	Injection for production/disposal	Aquifer recharge	Storage/waste lagoon
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W5.5

Water consumption: for the reporting period, please provide water consumption data for all facilities reported in W5.3

Facility reference number	Consumption (megaliters/year)	How does this compare to the last reporting period?	Please explain the change if substantive
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W5.6

For the reporting period, please provide any available water intensity values for your organization's products or services across its operation

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
United States of America			Other: Square Feet	Megaliters	.0000	Withdrawals	Intensity is reported as megaliters per square foot. Actual intensity is .000045 but due to character limitations under water intensity is shown as .0000

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
Canada			Other: Square Feet	Megaliters	.0000	Withdrawals	Intensity is reported as megaliters per square foot. Actual intensity is .000013 but due to character limitations under water intensity is shown as .0000

W5.7

For all facilities reported in W3.2a what proportion of their accounting data has been externally verified?

Water aspect	% verification	What standard was used?
Water withdrawals- total volumes		
Water withdrawals- volume by sources		
Water discharges- total volumes		
Water discharges- volume by destination		
Water discharges- volume by treatment method		
Water discharge quality data- quality by standard effluent parameters		
Water consumption- total volume		
Water recycling/reuse-total volume		

Further Information

Module: Response

W6.1

Who has the highest level of direct responsibility for water within your organization and how frequently are they briefed?

Highest level of direct responsibility for water issues	Frequency of briefings on water issues	Comment
Senior Manager/Officer	Scheduled-quarterly	The teams working on water report their progress on initiatives, risk mitigation, and opportunities at both the company and asset level on a quarterly basis to the Sustainability Leadership Council. The Sustainability Leadership Council consists of Vice President or Senior Vice President level representatives from across the organization.

W6.2

Is water management integrated into your business strategy?

Yes

W6.2a

Please choose the option(s) below that best explain how water has positively influenced your business strategy

Influence of water on business strategy	Please explain
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Influence of water on business strategy	Please explain
Establishment of sustainability goals	
Publicly demonstrated our commitment to water	
Tighter operational performance standards	
Tighter supplier performance standards	

W6.2b

Please choose the option(s) below that best explains how water has negatively influenced your business strategy

Influence of water on business strategy	Please explain
No measurable influence	

W6.2c

Please choose the option that best explains why your organization does not integrate water management into its business strategy and discuss any future plans to do so

Primary reason	Please explain

W6.3

Does your organization have a water policy that sets out clear goals and guidelines for action?

Yes, a company-wide water policy

W6.4

How does your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) during the most recent reporting period compare to the previous reporting period?

Water-related spending: % of total CAPEX during this reporting period compared to last reporting period	Water-related spending: % of total OPEX during this reporting period compared to last reporting period	Motivation for these changes
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Further Information

Page: W7. Compliance

W7.1

Was your organization subject to any penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations in the reporting period?

No

W7.1a

Please describe the penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations and your plans for resolving them

Facility name	Incident description	Financial penalty or fine	Currency	Incident resolution
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W7.1b

Please indicate the total of all penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations as a percentage of total operating expenditure (OPEX) compared to last year

Further Information

Page: W8. Targets and Initiatives

W8.1

Do you have any company wide targets (quantitative) or goals (qualitative) related to water?

Yes, targets and goals

W8.1a

Please complete the following table with information on company wide quantitative targets (ongoing or reached completion during the reporting period) and an indication of progress made

Category of target	Motivation	Description of target	Quantitative unit of measurement	Base-line year	Target year	Proportion of target achieved, % value
Reduction of water intensity	Cost savings	Reduce water use by 10 percent per square foot by 2015	Other: percent reduction per square foot	2009	2015	47.9%
Reduction in consumptive volumes	Cost savings	Incorporate native landscaping in 75 percent of the landscape areas of all new U.S. stores.	Other: percent of area landscaped with native plantings			

W8.1b

Please describe any company wide qualitative goals (ongoing or reached completion during the reporting period) and your progress in achieving these

Goal	Motivation	Description of goal	Progress
Engagement with suppliers to help them improve water stewardship	Cost savings		

W8.1c

Please explain why you do not have any water-related targets or goals and discuss any plans to develop these in the future

Further Information

Module: Sign Off

Page: Sign Off

W9.1

Please provide the following information for the person that has signed off (approved) your CDP water response

Name	Job title	Corresponding job category
Bryant G. LaPres	Sr. Business Partner	Other: Corporate Sustainability

Further Information

CDP 2014 Water 2014 Information Request