

W0. Introduction

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W0.1

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**(W0.1) Give a general description of and introduction to your organization.**

Minneapolis-based Target Corporation (NYSE:TGT) serves guests at 1,868 stores and via Target.com. Since 1946, Target has given 5 percent of its profit to communities. For more information about Target's commitment to corporate responsibility, visit <https://corporate.target.com/corporate-responsibility/>.

CDP system functionality only allows for 365 days to be reflected in the start and end date fields below. The results contained in this CDP survey are for Target's fiscal year 2019 (Feb. 3, 2019 through Feb. 1, 2020), which consisted of only 364 days.

Target considers multiple factors in evaluating risk. Target considers risks substantive when they are assessed to be high or critical using proprietary criteria. Importantly, something that has a "substantive financial or strategic impact on our business" is not necessarily "material" to investors as defined by the SEC.

Target's answers to this questionnaire contain 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. 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 which could cause our actual results to differ from our forward-looking statements are set forth in our description of risk factors in Item 1A of our Form 10-K for the fiscal year ended February 1, 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.

W0.2

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**(W0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date
Reporting year	February 3 2019	February 2 2020

W0.3

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**(W0.3) Select the countries/areas for which you will be supplying data.**

- China
- India
- Singapore
- United States of America
- Viet Nam

W0.4

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**(W0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

W0.5

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**(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.**

Companies, entities or groups over which operational control is exercised

W0.6

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**(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?**

Yes

**W0.6a**

**(W0.6a) Please report the exclusions.**

Exclusion	Please explain
Non US facilities	Our current disclosure does not include our administrative and operational facilities outside of the United States (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 normal portion to our total consumption.

**W1. Current state**

**W1.1**

**(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.**

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	We will focus our freshwater stewardship efforts in areas and on issues where our influence and support can help deliver the greatest impact. Our water risk assessment has highlighted where properties and parts of our supply chain are exposed to high risk and our stores and the communities they sit within are dealing with record-level droughts and flooding in certain basins.
Sufficient amounts of recycled, brackish and/or produced water available for use	Have not evaluated	Have not evaluated	Many of our stores are designed with storm water systems in the parking lot and grounds to collect and clean rainwater before it flows into the ground. We complement the native landscapes with features like rain gardens that naturally slow and clean storm water runoff and mitigate flooding. Given Target's growing interest in freshwater stewardship, we anticipate evaluating the use of recycled, brackish and/or produced water in the future. We continued to work toward incorporating native landscaping in the landscape areas of new U.S. stores; this work began in 2015. Realizing the potential for changes to water availability around the world, we also set a goal to reduce our water consumption by 15 percent for our stores, distribution centers, and headquarters locations in the U.S. by 2025. We report progress toward this goal in our annual Corporate Responsibility Report.

**W1.2**

**(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?**

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	Target consumes water almost exclusively from municipal water utilities and uses utility bills to calculate withdrawal volumes. A small number of sites (less than 1% of stores) use well water or lake/pond water for irrigation, and we do not have a meter at these facilities to report the amount of water captured and used for irrigation there.
Water withdrawals – volumes by source	100%	Using WRI baseline water stress characterizations of high or extremely high, our direct operations water withdrawals at stores, distribution centers, and headquarters locations in the U.S. from areas with water stress was 5,547 ML for 2019. This equates to 50.5% of our water withdrawal.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	Not monitored	Target consumes water almost exclusively from municipal water utilities. Starting in 2006, construction of new stores and stores undergoing remodels required testing of municipal water quality for water hardness. This equates to roughly 91% of our open stores. A small number of sites (less than 1% of stores) use well water or lake/pond water for irrigation, and we do not have a meter at these facilities to report the amount of water captured and used for irrigation there.
Water discharges – total volumes	Not monitored	Our withdrawn water is discharged to municipal systems for treatment; however, at this time, Target does not track the amount of water discharged.
Water discharges – volumes by destination	Not monitored	Our withdrawn water is discharged to municipal systems for treatment; however, at this time, Target does not track the amount of water discharged.
Water discharges – volumes by treatment method	Not monitored	Our withdrawn water is discharged to municipal systems for treatment; however, at this time, Target does not track the amount of water discharged.
Water discharge quality – by standard effluent parameters	Not monitored	Our withdrawn water is discharged to municipal systems for treatment; however, at this time, Target does not track the amount of water discharged.
Water discharge quality – temperature	Not monitored	Our withdrawn water is discharged to municipal systems for treatment; however, at this time, Target does not track the amount of water discharged.
Water consumption – total volume	Not monitored	Although Target measures and tracks our usage amounts, we do not measure our discharge volumes, and therefore cannot quantify our net consumption.
Water recycled/reused	Not relevant	Target does not have facilities with recycled or reused water.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Target provides bathrooms and drinking water at all U.S. stores, distribution centers, and headquarters buildings.

**W1.2b**

**(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?**

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	10986	About the same	For our U.S. direct operations, including stores, distribution centers, and headquarters locations, our buildings' water is supplied almost exclusively via municipal systems. We focus our efforts on reducing our water usage in the communities in which we operate. For 2019, Target's water withdrawal from third-party water suppliers was 10,986 ML, down from 11,107 ML in 2018.
Total discharges		Please select	Although Target measures and tracks our withdrawal amounts, we do not measure our discharge volumes, and therefore cannot quantify our net consumption.
Total consumption		Please select	Although Target measures and tracks our withdrawal amounts, we do not measure our discharge volumes, and therefore cannot quantify our net consumption.

**W1.2d**

**(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.**

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	51-75	About the same	WRI Aqueduct	Using the WRI Aqueduct tool, Target has evaluated U.S. stores, distribution centers, and headquarter facilities. Target has identified that 50.5% of our water withdrawals occur at locations in stressed areas. This is about the same last year's reported number of 51%.

**W1.2h**

**(W1.2h) Provide total water withdrawal data by source.**

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	All of our buildings' water is supplied via municipal systems, and a small percentage of our buildings (less than one percent) directly withdraw water via water wells for irrigation. Our water is discharged to municipal systems. We are not aware of any water sources significantly impacted by our withdrawal of water. Our approach is to achieve milestones in our business by minimizing our water withdrawals.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Target's water comes almost exclusively from municipal water utilities.
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	Target's water comes almost exclusively from municipal water utilities.
Groundwater – non-renewable	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	Target consumes water almost exclusively from municipal water utilities and uses utility bills to calculate withdrawal volumes. A small number of sites (less than 1% of stores) use well water for irrigation, and we do not have a meter at these facilities to report the amount of water captured and used within those irrigation operations.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	Target's water comes almost exclusively from municipal water utilities.
Third party sources	Relevant	10986	About the same	All of our buildings' water is supplied via municipal systems. Withdrawals were 10,986 ML, down from 11,107 ML in 2018

**W1.4**

**(W1.4) Do you engage with your value chain on water-related issues?**

Yes, our suppliers

**W1.4a**

**(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?**

Row 1

**% of suppliers by number**

76-100

**% of total procurement spend**

Unknown

**Rationale for this coverage**

Target requires environmental data inclusive of water use and management from all Tier 1 factories that produce Target owned brand product as well as Tier 2 factories.

**Impact of the engagement and measures of success**

Target utilizes this data to inform participation in water efficiency programs and to prioritize our engagement on water quality and use with our manufacturing supply chain. To date we have worked with Target's owned-brand suppliers via improvement programs to increase their water efficiency resulting in over 68 billion liters of water savings.

**Comment**

We require all of our Tier 1 factories that produce Target owned brand product as well as Tier 2 factories to complete the Higg FEM self-assessment annually (except those regulated by FDA), which is considered as Target reports on our water use, risks and management information. To date we have worked with Target's owned-brand suppliers via improvement programs to increase their water efficiency resulting in over 6.8 million cubic meters of water savings.

**W1.4b**

**(W1.4b) Provide details of any other water-related supplier engagement activity.**

**Type of engagement**

Onboarding & compliance

**Details of engagement**

Inclusion of water stewardship and risk management in supplier selection mechanism  
Requirement to adhere to our code of conduct regarding water stewardship and management

**% of suppliers by number**

76-100

**% of total procurement spend**

Unknown

**Rationale for the coverage of your engagement**

All Tier 1 factories that produce Target owned brand product (except those FDA regulated) as well as Tier 2 factories are required to complete the Higg FEM self-assessment annually.

**Impact of the engagement and measures of success**

Target ensures all owned-brand products are compliant with local regulations prior to production. We do this through our pre-production audit by asking specific questions to validate our water standard within Target's Standards Of Vendor Engagement (SOVE) LINK: <https://corporate.target.com/corporate-responsibility/responsible-sourcing/social-compliance/standards-of-vendor-engagement>

**Comment**

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**Type of engagement**

Innovation & collaboration

**Details of engagement**

Encourage/incentivize innovation to reduce water impacts in products and services  
Encourage/incentivize suppliers to work collaboratively with other users in their river basins  
Educate suppliers about water stewardship and collaboration

**% of suppliers by number**

Unknown

**% of total procurement spend**

Unknown

**Rationale for the coverage of your engagement**

Target works with high impact owned-brand suppliers in China , Vietnam, Taiwan, India and Cambodia to improve on innovation and water efficiency. We collaborate with the industry and NGOs like WWF, the Apparel Impact Institute and the International Finance Corporation to scale local supply chain efforts and create awareness through joint projects.

**Impact of the engagement and measures of success**

WWF China Water Stewardship Taihu Program: In 2019, 4 supplier trainings collaboratively held in the Taihu region had a total of 122 textile mills participating. We extended our partnership with WWF to Moradabad, India in piloting water saving technology for the electroplating process in one of our brassware factories. Vietnam Improvement Program (VIP): Since 2016, we have collaborated with the IFC to create the Vietnam Improvement Program (VIP) which aims to promote green manufacturing in Vietnam, focused on footwear and apparel. In 2019, the program expanded to Cambodia while maintaining in Vietnam to include additional 23 facilities, bringing the participating total to 58 factories. Clean by Design: In 2018/19, 30 participating fabric mills in China and Taiwan were able to achieve a final 20% water saving which equals to over 3.5 million cubic meters. In 2019, we expanded our CBD work to India and are engaging a total of 27 textile mills on energy and water efficiency initiatives

**Comment**

For the Taihu program, suppliers learned about water stewardship on policy updates, standards, technologies and water risk analysis. As a long-term supporter of NRDC – now the Apparel Impact Institute – in driving the Clean by Design (CBD) initiative, we collaborate with our supply chain to minimize the environmental impacts of textile mills.

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**W2. Business impacts**

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**W2.1**

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**(W2.1) Has your organization experienced any detrimental water-related impacts?**

Yes

**W2.1a**

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**(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.**

**Country/Area & River basin**

United States of America	Not known
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**Type of impact driver & Primary impact driver**

Physical	Severe weather events
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**Primary impact**

Disruption to sales

**Description of impact**

Target tracks its costs in inventory and property damages from extreme weather events, such as hurricanes, lightning strikes, cyclones, rain and hail storms, wildfires, earthquakes, etc. From 2011 through 2018, the cost to Target of inventory and property damage due weather-related events has been about \$170 million, with annual losses ranging from about \$8 million to about \$55 million per year. The most significant costs have been the result of hurricanes, floods, and rain and hail storms. As the frequency and severity of these types of extreme weather events are expected to increase in both the 2°C and 4°C scenarios, Target can expect that these costs will increase over time.

**Primary response**

Other, please specify (We cannot control severe weather events)

**Total financial impact**

**Description of response**

Uncharacteristic or significant weather conditions can affect consumer shopping patterns, particularly in apparel and seasonal items, which could lead to lost sales or greater than expected markdowns and adversely affect our short-term results of operations. In addition, our three largest states by total sales are California, Texas and Florida, areas where natural disasters are more prevalent. Natural disasters in those states or in other areas where our sales are concentrated could result in significant physical damage to or closure of one or more of our stores, distribution centers or key vendors, and cause delays in the distribution of merchandise from our vendors to our distribution centers, stores, and guests, which could adversely affect our results of operations by increasing our costs and lowering our sales.

**W2.2**

**(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?**

No

**W3. Procedures**

**W3.3**

**(W3.3) Does your organization undertake a water-related risk assessment?**

Yes, water-related risks are assessed

**W3.3a**

**(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.**

## Direct operations

### Coverage

Partial

### Risk assessment procedure

Water risks are assessed as a standalone issue

### Frequency of assessment

Not defined

### How far into the future are risks considered?

Unknown

### Type of tools and methods used

Tools on the market

### Tools and methods used

WRI Aqueduct

WWF Water Risk Filter

### Comment

Target engaged WWF to conduct a Water Risk Assessment to review our water use reduction efforts across our manufacturing supply chain, stores and distribution facilities. This helped us develop a holistic approach that acknowledges water as part of a bigger global system of megatrends. Our plan is ambitious, so we will focus our efforts in four main areas (Raw Materials; Manufacturing; Direct Operations; and Beyond the Fenceline). We also used the WRI Aqueduct tool to evaluate U.S. stores, distribution centers, and headquarter facilities. We identified that 50.5% of our water withdrawals occur at locations in stressed areas. This is about the same last year's reported number of 51%.

## Supply chain

### Coverage

Partial

### Risk assessment procedure

Water risks are assessed as a standalone issue

### Frequency of assessment

Not defined

### How far into the future are risks considered?

Unknown

### Type of tools and methods used

Tools on the market

### Tools and methods used

WWF Water Risk Filter

### Comment

WWF mapped Target's owned-brand manufacturing locations using the WWF Water Risk Assessment to evaluate our water risk and help build a water stewardship strategy. As a result, we decided to scale local supply chain efforts through collaborative work in locations facing high water risks. We continue to work with our suppliers to reduce water consumption within our supply chain through collaborations with the Apparel Impact Institute and International Finance Corporation.

## Other stages of the value chain

### Coverage

None

### Risk assessment procedure

<Not Applicable>

### Frequency of assessment

<Not Applicable>

### How far into the future are risks considered?

<Not Applicable>

### Type of tools and methods used

<Not Applicable>

### Tools and methods used

<Not Applicable>

### Comment

## W3.3b

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**(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?**

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	Target includes this information as a key aspect to understanding our physical water risk. The Water Risk Filter provides a number of indicators that look at various aspects of water availability within basins. This is paramount for our business to understand regions where vulnerability to drought and flood might require additional staff attention and investment of resources. Further, our risk assessment also provides insights on temporal scarcity to help us understand when water availability issues might be most acute for our properties, key manufacturing supply chains and critical raw materials.
Water quality at a basin/catchment level	Relevant, always included	Target includes this information as a key aspect to understanding our physical water risk. The Water Risk Filter provides a number of indicators that look at various aspects of water quality within basins. This is paramount for our business to understand regions where quality issues might require additional action in terms of pre-treatment and prevention of quality degradation in the first place.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, sometimes included	Target includes this information as a key aspect to understanding our reputational water risk. However, the strength of global risk assessment tools, the Water Risk Filter included, cannot provide basin-level information on stakeholder conflicts. Indicators are qualitative country-level assessments that look at the cultural/religious importance of water resources and the local to global media attention water issues have received for a given country. This information helps provide directional insight into where to investigate more closely. However, the level of confidence in the data led us to flag that this is only sometimes or 'somewhat' included in our assessment efforts.
Implications of water on your key commodities/raw materials	Relevant, not included	Target worked alongside WWF to complete a supply risk analysis for a wide range of commodities/raw materials. Based on the findings, we have begun engaging in collaborative efforts to address our water impacts in key raw material value chains.
Water-related regulatory frameworks	Relevant, sometimes included	Target includes this information as a key aspect to understanding our regulatory water risk. However, the strength of global risk assessment tools, the Water Risk Filter included, cannot provide basin-level information on regulatory frameworks. Indicators are qualitative and look at strength of water governance in a country, level of enforcement and presence of basin-related platforms/forums to discuss shared challenges. This information helps provide directional insight into where to investigate more closely. However, the level of confidence in the data led us to flag that this is only sometimes or 'somewhat' included in our assessment efforts.
Status of ecosystems and habitats	Relevant, always included	Target includes this information as a key aspect to understanding our physical water risk. The Water Risk Filter looks at the Environmental Vulnerability Index to assess threats to ecosystems near our properties and manufacturing supply chains. The health of freshwater ecosystems can often be an important indicator of quantity and quality issues, and therefore is an important component within our broader risk assessment.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	Target includes this information as a key aspect to understanding our physical water risk. The Water Risk Filter looks at the percent of population with access to safe drinking water and improved sanitation. Given Target's commitment to the human right to water and water quality, understanding the level of WASH in an area allows the business to prioritize resources and WASH-related efforts associated with worker well-being programs.
Other contextual issues, please specify	Please select	

**W3.3c**

**(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?**

	Relevance & inclusion	Please explain
Customers	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
Employees	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
Investors	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company is responsive to investor input and questions on water-related risks.
Local communities	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
NGOs	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
Other water users at a basin/catchment level	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
Regulators	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
River basin management authorities	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
Statutory special interest groups at a local level	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
Suppliers	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
Water utilities at a local level	Relevant, not included	At this time Target only assesses physical, regulatory and reputational risk at facilities and does not include more specific basin-level input and/or data on stakeholders in the risk assessment. However, the company's 2017 water risk assessment is informing key basin geographies across our properties, manufacturing supply chain and raw materials where greater understanding of stakeholder water risks would inform Target's Strategic Freshwater Approach.
Other stakeholder, please specify	Please select	

## W3.3d

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### (W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

We believe clean, drinkable water and sanitation are human rights and should be accessible for all. Healthy ecosystems and sustainable water management are essential in the delivery of these basic rights. Water is important to the success of our business operations, from our supply chains to our stores and the communities within which we operate.

Target stores and distribution centers make up a majority of our direct operational facilities in the United States. Target previously engaged in a multiyear collaboration with World Wildlife Fund (WWF). In 2017, WWF mapped Target's U.S. stores and distribution centers as well as our owned-brand manufacturing locations using the WWF Water Risk Assessment to understand our enterprise risks and help build a more comprehensive strategy and goal roadmaps related to freshwater stewardship. The Water Risk Filter identified that 22% of Target's store water withdrawals were in areas of high stress. In 2018, Target expanded our risk analysis to include evaluating our headquarters locations along with our stores, and distribution centers. To align with the GRI standards, we have changed our analysis and because of this, our reported water withdrawal from stressed areas has increased from 2017. Using the WRI Aqueduct tool, Target has identified that 51% of our water withdrawal is in stressed areas. Conducting the water risk assessment has helped us focus our U.S. direct operation's conservation programs and capital expenditures at facilities where there is potential for higher water risk or scarcity in the future.

The information helped support our decision in scaling local supply chain efforts through collaborative work in strategic locations that are facing high water risks. In addition to WWF, we continue to work with our suppliers to understand and reduce water consumption within our supply chain through our partnership with the Apparel Impact Institute and the International Finance Corporation. In 2019, we also used the water risk information that we gleaned from our assessment to embark upon multi-stakeholder collaborations in our agricultural supply chain, including launching a Field to Market focused on soil health as part of supporting regenerative agriculture and improving water quality outcomes in Nebraska.

We used World Wildlife Fund's (WWF) water risk assessment to review our water use reduction efforts across our manufacturing supply chain, stores and distribution facilities. This helped us develop a holistic approach that acknowledges water as part of a bigger global system of megatrends. Our plan is ambitious, so we will focus our efforts in four main areas (Raw Materials; Manufacturing; Direct Operations; and Beyond the Fenceline) where we can make the greatest impact, with initial goals to guide our progress. Our initial goals are meant to impact three primary outcomes: improving water quality, making water use more efficient and increasing access to clean water.

We are collaborating with NGOs, including WWF, to further our water stewardship efforts. We are testing the ability to scale local supply chain efforts through joint work on textiles in China's Taihu basin. We also joined the Ceres Connect the Drops Campaign and the AgWater Challenge to advance water stewardship efforts in California. Target recently joined the Zero Discharge of Hazardous Chemicals (ZDHC) organization, and we plan to use its wastewater guidelines for our 2025 manufacturing goal for water related to owned-brand apparel textile facilities. The guidelines were designed to help companies reduce unwanted chemicals in manufacturing and prevent them from being discharged in wastewater and impacting surrounding communities. For millions around the world, access to funds stand between them and safe water in their homes, so we have launched a collaboration with Water.org. Through an initial \$1 million investment, we will work together to empower people in communities where our goods are produced, enhancing their lives by removing barriers to access affordable financing for water and sanitation. We will continue water conservation work that is already in progress too, like our recent efforts with Conserva Irrigation to optimize the outdoor irrigation systems at our stores. This has already saved more than 40 million gallons of water at the 270 stores in the program at the end of 2018.

We anticipate continuing to work with these entities to further refine and focus our freshwater stewardship efforts in areas and on issues where our influence and support can help deliver the greatest impact.

## W4. Risks and opportunities

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### W4.1

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#### (W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

#### W4.1a

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**(W4.1a) How does your organization define substantive financial or strategic impact on your business?**

Target considers multiple factors in evaluating risk. Target considers risks substantive when they are assessed to be high or critical using proprietary criteria. Importantly, something that has a "substantive financial or strategic impact on our business" is not necessarily "material" to investors as defined by the SEC.

Target's answers to this questionnaire contain 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. 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 which could cause our actual results to differ from our forward-looking statements are set forth in our description of risk factors in Item 1A of our Form 10-K for the fiscal year ended February 1, 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.

**W4.1b**

**(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?**

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	352	1-25	In 2017, Target engaged WWF to conduct a water risk assessment for physical, quality, and flooding risk for our U.S. stores and distribution centers.

**W4.1c**

**(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?**

**Country/Area & River basin**

United States of America	Other, please specify (Numerous river basins)
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**Number of facilities exposed to water risk**

352

**% company-wide facilities this represents**

1-25

**Production value for the metals & mining activities associated with these facilities**

<Not Applicable>

**% company's annual electricity generation that could be affected by these facilities**

<Not Applicable>

**% company's global oil & gas production volume that could be affected by these facilities**

<Not Applicable>

**% company's total global revenue that could be affected**

Unknown

**Comment**

In 2017, Target engaged WWF to conduct a water risk assessment for physical, quality, and flooding risk for our U.S. stores and distribution centers. The WWF Water Risk Filter identified that 22% of Target's store water withdrawals were in areas of "high stress." Data has not been updated since last water risk assessment.

**W4.2**

**(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

**Country/Area & River basin**

United States of America	Not known
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**Type of risk & Primary risk driver**

Reputation & markets	Increased stakeholder concern or negative stakeholder feedback
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**Primary potential impact**

Brand damage

**Company-specific description**

Target stakeholders (guests, investors, etc.) expect that we are acting responsibly and have oversight of our value chain as related to water. We can expect significant brand and/or reputational damage if Target stakeholders do not perceive our efforts to be sufficient. We focus our fresh water stewardship efforts in areas and on issues where our influence and support can help deliver the greatest impact.

**Timeframe**

4-6 years

**Magnitude of potential impact**

Unknown

**Likelihood**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

Impact not quantified financially

**Primary response to risk**

Engage with NGOs/special interest groups

**Description of response**

Target's response includes engagement with other stakeholders in the river basin and engagement with suppliers.

**Cost of response**

**Explanation of cost of response**

Cost of response not quantified at corporate level

**W4.2a**

**(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

**Country/Area & River basin**

India	Not known
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**Stage of value chain**

Supply chain

**Type of risk & Primary risk driver**

Reputation & markets	Increased stakeholder concern or negative stakeholder feedback
----------------------	--

**Primary potential impact**

Company brand damage

**Company-specific description**

Target stakeholders (guests, investors, etc.) expect that we are acting responsibly and have oversight of our value chain as related to water. We can expect significant brand and/or reputational damage if Target stakeholders do not perceive our efforts to be sufficient. We focus our fresh water stewardship efforts in areas and on issues where our influence and support can help deliver the greatest impact.

**Timeframe**

1-3 years

**Magnitude of potential impact**

Unknown

**Likelihood**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

Impact not quantified financially

**Primary response to risk**

Supplier engagement	Other, please specify (NGO Collaboration)
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**Description of response**

**Cost of response**

**Explanation of cost of response**

Cost of response not quantified at corporate level

**Country/Area & River basin**

China	Not known
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**Stage of value chain**

Supply chain

**Type of risk & Primary risk driver**

Reputation & markets	Increased stakeholder concern or negative stakeholder feedback
----------------------	--

**Primary potential impact**

Company brand damage

**Company-specific description**

Target stakeholders (guests, investors, etc.) expect that we are acting responsibly and have oversight of our value chain as related to water. We can expect significant brand and/or reputational damage if Target stakeholders do not perceive our efforts to be sufficient. We focus our fresh water stewardship efforts in areas and on issues where our influence and support can help deliver the greatest impact.

**Timeframe**

1-3 years

**Magnitude of potential impact**

Unknown

**Likelihood**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

Impact not quantified financially

**Primary response to risk**

Supplier engagement	Other, please specify (NGO Collaboration)
---------------------	---

**Description of response**

**Cost of response**

**Explanation of cost of response**

Cost of response not quantified at corporate level

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**Country/Area & River basin**

Singapore	Not known
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**Stage of value chain**

Supply chain

**Type of risk & Primary risk driver**

Reputation & markets	Increased stakeholder concern or negative stakeholder feedback
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**Primary potential impact**

Company brand damage

**Company-specific description**

Target stakeholders (guests, investors, etc.) expect that we are acting responsibly and have oversight of our value chain as related to water. We can expect significant brand and/or reputational damage if Target stakeholders do not perceive our efforts to be sufficient. We focus our fresh water stewardship efforts in areas and on issues where our influence and support can help deliver the greatest impact.

**Timeframe**

1-3 years

**Magnitude of potential impact**

Unknown

**Likelihood**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure - minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure - maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact**

Impact not quantified financially

**Primary response to risk**

Supplier engagement	Other, please specify (NGO Collaboration)
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**Description of response****Cost of response****Explanation of cost of response**

Cost of response not quantified at corporate level

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**Country/Area & River basin**

Viet Nam	Not known
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**Stage of value chain**

Supply chain

**Type of risk & Primary risk driver**

Reputation & markets	Increased stakeholder concern or negative stakeholder feedback
----------------------	--

**Primary potential impact**

Company brand damage

**Company-specific description**

Target stakeholders (guests, investors, etc.) expect that we are acting responsibly and have oversight of our value chain as related to water. We can expect significant brand and/or reputational damage if Target stakeholders do not perceive our efforts to be sufficient. We focus our fresh water stewardship efforts in areas and on issues where our influence and support can help deliver the greatest impact.

**Timeframe**

1-3 years

**Magnitude of potential impact**

Unknown

**Likelihood**

Unknown

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

Impact not quantified financially

**Primary response to risk**

Supplier engagement	Other, please specify (NGO Collaboration)
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**Description of response**

**Cost of response**

**Explanation of cost of response**

Cost of response not quantified at corporate level

W4.3

**(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

No

W4.3b

**(W4.3b) Why does your organization not consider itself to have water-related opportunities?**

	Primary reason	Please explain
Row 1	Not yet evaluated	At this point in time, Target has investigated and pursued opportunities at the product level, such as high-efficiency laundry detergents, but not yet evaluated water-related opportunities at the strategic level.

W5. Facility-level water accounting

W5.1

**(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.**

W6. Governance

W6.1

**(W6.1) Does your organization have a water policy?**

Yes, we have a documented water policy that is publicly available

W6.1a

**(W6.1a) Select the options that best describe the scope and content of your water policy.**

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Description of water-related performance standards for direct operations Description of water-related standards for procurement Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to water-related innovation Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change Other, please specify (In 2018, we made an initial \$1 million investment in Water.org. We'll work together to empower people in communities where our goods are produced, enhancing their lives by removing barriers to access affordable financing for water and sanitation.)	Target's Freshwater Stewardship Approach, we leveraged guidance from the CEO Water Mandate. We have also aligned our efforts with the UN SDGs - specifically SDG 6. Check out more details on Target's Freshwater Stewardship Approach on our corporate website. LINK: <a href="https://corporate.target.com/corporate-responsibility/planet/water">https://corporate.target.com/corporate-responsibility/planet/water</a>

**W6.2**

**(W6.2) Is there board level oversight of water-related issues within your organization?**

Yes

**W6.2a**

**(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.**

Position of individual	Please explain
Board-level committee	Target's Board of Directors retains oversight responsibility over the Corporation's key strategic risks including those relating to corporate responsibility matters. The Nominating & Governance Committee of the Board of Directors has overall oversight responsibility over corporate responsibility matters. Target recognizes that environmental, social and governance issues are of increasing importance to many investors. The Vice President of Corporate Responsibility and the Corporate Responsibility team work with functional leaders across the company to determine strategies, policies and goals related to sustainability and regularly report to and seek input from the Nominating & Governance Committee on those matters, including water-related issues.

**W6.2b**

**(W6.2b) Provide further details on the board's oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy	The Board of Directors' review of environmental and social topics is obtained through the updates it receives from the Nominating and Governance Committee. The Nominating and Governance Committee reviews environmental and social topics at least semi-annually. This happens independently of our financial reporting process, which includes economic topics, and is overseen throughout the year by the Audit and Finance Committee, which provides regular reports to the Board of Directors. Target's Vice President of Corporate Responsibility presents to the Nominating and Governance Committee semi-annually on corporate responsibility related topics.

**W6.3**

**(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).**

**Name of the position(s) and/or committee(s)**

Other, please specify (Vice President, Corporate Responsibility)

**Responsibility**

Both assessing and managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

As important matters arise

**Please explain**

The Vice President of Corporate Responsibility oversees corporate responsibility across Target. This role reports to the Executive Vice President and Chief Marketing Officer at Target.

W6.4

**(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?**

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

W6.5

**(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

Yes, other

W6.5a

**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

In 2017, we collaborated with World Wildlife Fund (WWF) on a water risk assessment of our water reduction efforts across our supply chain, stores and distribution centers. As a result, in early 2018 we announced a holistic approach to freshwater stewardship that acknowledges water as part of a bigger global system linked to other megatrends such as climate change, rapid urbanization and population growth. Target's Water cross-functional team worked closely with our Government Affairs staff to ensure they were briefed and understand the new Freshwater approach as it relates to policy.

We are collaborating with NGOs, including WWF, to further our water stewardship efforts in local basins. We continue to scale local supply chain efforts through joint work on textiles in China's Taihu basin. In 2019, we extended our collaboration with WWF to Moradabad, India to pilot water saving technology for the electroplating process in one of our brassware factories. In 2018, we also joined Ceres' Connect the Drops campaign as part of our commitment to advancing water solutions that sustainably manage California's stressed water supplies.

Target joined the Zero Discharge of Hazardous Chemicals (ZDHC) organization in 2018, and we have adopted its wastewater guidelines for our 2025 water manufacturing goal. The guidelines were designed to help companies reduce unwanted chemicals in manufacturing and prevent them from being discharged in wastewater and impacting surrounding communities.

W6.6

**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

No, and we have no plans to do so

W7. Business strategy

W7.1

**(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	The water risk assessment has underscored the importance of contextualizing publicly stated goals so that resources and focus are on basins with the greatest risk. As significant growth or change in the business occurs, Target will revisit its risk assessment to ensure it remains relevant and comprehensive.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	The water risk assessment has underscored the importance of contextualizing publicly stated goals so that resources and focus are on basins with the greatest risk. As significant growth or change in the business occurs, Target will revisit its risk assessment to ensure it remains relevant and comprehensive.
Financial planning	No, water-related issues were reviewed but not considered as strategically relevant/significant	5-10	Target has a long-range plan process that takes into account financial forecasts of water prices and investments.

**W7.2**

**(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?**

Row 1

Water-related CAPEX (+/- % change)

Anticipated forward trend for CAPEX (+/- % change)

Water-related OPEX (+/- % change)

Anticipated forward trend for OPEX (+/- % change)

Please explain

**W7.3**

**(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?**

	Use of climate-related scenario analysis	Comment
Row 1	Yes	We continue to explore connections between water and climate (ie. mitigation, adaptation) and are considering the role water stewardship can play in long-term business resilience. We recognize the long-term impacts climate change and carbon regulations have on our business. We now examine environmental impacts embedded within our supply chain to understand our exposure to climate change. In addition to our climate policy, goals, and updated carbon-reduction goals to encompass Scope 3 emissions, we also completed our TCFD Climate risk analysis for the first time in 2019. We have also joined other companies in the BSR Value Chain Risk to Resilience working group to best determine our strategy to more comprehensively integrate climate risk into our core business practices. Although we have taken many steps on our journey of risk mitigation, we are working to better understand how to most efficiently implement more resilient business strategies going forward.

**W7.3a**

**(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?**

Yes

**W7.3b**

**(W7.3b) What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization’s response?**

Climate-related scenarios and models applied	Description of possible water-related outcomes	Company response to possible water-related outcomes
Row 1 Other, please specify (RCP 4.5, RCP 8.5, SSP2, SSP3)	As part of our scenario analysis for climate-related whole business impacts, we used the WRI Aqueduct tool to highlight water-related risks and opportunities. The WRI Aqueduct tool generates projections for future water stress, seasonal water variability, water supply and water demand, which are informed by two different climate-related scenarios, RCP 4.5 and RCP 8.5, and two shared socioeconomic pathways, SSP2 and SSP3. For our top five geographical markets (based on revenue), we reviewed and analyzed the above indicators against two pathways (BAU and optimistic) and two time scales (to 2020 and to 2040). We also analyzed locations that are integral to our supply chain to understand how the raw materials in our products might be affected, e.g. the risk of water stress in cotton-producing regions of Texas. The outcomes vary depending on the level of optimism assigned to them, as well as the time scale. Results of our analysis reveal, for example, changes in water stress southern US states under business-as-usual and optimistic conditions to 2040. Outcomes could impact Target in a variety of ways. In areas prone to drought, for example, water use restrictions could impact the whole of Target’s value chain from raw material production, to operational facilities, to downstream use of products that require water, e.g. shampoo, laundry detergent, etc.	Both the BAU and optimistic scenarios revealed water-related risks for our operations and supply chain. We recognize the tension between protecting this critical natural resource and needing it to operate our business. To address this, Target has established a water-related goal of an absolute water reduction by 15 percent in stores, distribution centers, and headquarters locations by 2025. Additionally, created together with World Wildlife Fund (WWF), our freshwater stewardship framework takes a holistic approach by incorporating our existing water management aspirations as well as our work in climate change, chemicals management and sustainable resource use. We are working to address the impacts of growing the raw materials we need to produce products, from grocery items to cotton fibers. One such effort is our strategic collaboration with the Better Cotton Initiative (BCI). BCI Farmers are trained to use water efficiently and reduce their use of the most harmful chemicals. We joined the ZDHC Roadmap to Zero Programme and plan to use its wastewater guidelines as we set our 2025 manufacturing water goal. Across our stores, distribution centers and headquarters, we are addressing water scarcity, water quality compliance and storm water flows.

**W7.4**

**(W7.4) Does your company use an internal price on water?**

Row 1

**Does your company use an internal price on water?**

No, but we are currently exploring water valuation practices

**Please explain**

Target is working to better understand the true cost of water and will be looking at its impact on our business.

**W8. Targets**

**W8.1**

**(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.**

Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1 Company-wide targets and goals Business level Goals are monitored at the corporate level	Targets are monitored at the corporate level	Target launched our corporate Freshwater Stewardship Approach in March 2018. (LINK: <a href="https://corporate.target.com/corporate-responsibility/planet/water">https://corporate.target.com/corporate-responsibility/planet/water</a> ) We have focused our efforts and set initial goals in four key areas where we can make the most impact: 1. Raw Materials: Our water footprint starts with growing the raw materials needed to produce our products, such as food and fiber, so we are working to better understand our basin-level impacts to prioritize our responses. 2. Manufacturing: Working in our areas of greatest impact, we'll enable our owned-brand manufacturers to do more with less water where local conditions demand, and aim for net-positive water quality outcomes in priority watersheds for people and nature. 3. Direct Operations: Across our stores, distribution centers and headquarters locations, we are taking action to reduce water scarcity, improve water quality outcomes and manage stormwater flows. 4. Beyond the Fenceline: We'll work with others around the world to encourage progress in the areas above and beyond our own business and operations, through cross-sector partnerships, team member engagement, philanthropic investments and more. We are now working thoughtfully on ensuring we have good monitoring in place to track progress on the goals that have been set.

**W8.1a**

**(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.**

**Target reference number**

Target 1

**Category of target**

Water withdrawals

**Level**

Site/facility

**Primary motivation**

Water stewardship

**Description of target**

By 2025: absolute water reduction by 15 percent in stores, distribution centers, and headquarters locations

**Quantitative metric**

% reduction in total water withdrawals

**Baseline year**

2010

**Start year**

2017

**Target year**

2025

**% of target achieved**

14.5

**Please explain**

For our U.S. direct operations, including stores, distribution centers, and headquarters locations, we are taking action to reduce water scarcity, improve water quality outcomes and manage stormwater flows. It is important work that will help ensure the communities where we do business have clean, safe water for generations to come. We have implemented different programs across our operations, including retrofitting restrooms with more efficient fixtures, incorporating native landscaping, and optimizing irrigation systems through an irrigation efficiency program. We have made significant progress while also helping lead the rest of the retail industry in this space. In 2019, we used 2,902,429,010 gallons. This equates to a 14.5% reduction from our 2010 usage baseline.

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**Target reference number**

Target 2

**Category of target**

Other, please specify (Increase procurement of sustainable raw materials)

**Level**

Business activity

**Primary motivation**

Water stewardship

**Description of target**

By 2022, we will source 100 percent sustainable cotton for our owned-brand and exclusive national-brand products.

**Quantitative metric**

Other, please specify (% increase in procurement of certified crops)

**Baseline year**

2018

**Start year**

2018

**Target year**

2022

**% of target achieved**

**Please explain**

Based on a survey of our business partners, in 2019, we sourced 79,776 metric tonnes of cotton as Better Cotton and 3,600 metric tonnes of cotton grown in the U.S. by Cotton LEADS producers.

---

**Target reference number**

Target 3

**Category of target**

Water use efficiency

**Level**

Business activity

**Primary motivation**

Water stewardship

**Description of target**

By 2022, we will improve water efficiency in textile dyeing and finishing factories located in priority watersheds by 15 percent.

**Quantitative metric**

% reduction in total water withdrawals

**Baseline year**

2018

**Start year**

2018

**Target year**

2022

**% of target achieved**

20

**Please explain**

Target is a collaborator on the Apparel Impact Institute's Clean by Design (CbD) and International Financial Coporation's Vietnam Improvement Program (VIP) which focuses on improving process efficiency for water and energy saving. In 2019, VIP expanded to Cambodia while maintaining in Vietnam to include additional 23 facilities. In 2018/19 CBD, 30 participating fabric mills in China and Taiwan were able to achieve a final 20% water savings which equals to over 3.5 million cubic meters. We continue our work in 2019 and expanded to India so we are able to engage additional 27 textile suppliers.

**Target reference number**

Target 4

**Category of target**

Other, please specify (Design principles for increased H2O efficiency)

**Level**

Business activity

**Primary motivation**

Water stewardship

**Description of target**

By 2025, we will design 100 percent of garment-washed owned-brand apparel utilizing water-saving design principles.

**Quantitative metric**

Other, please specify (Percentage of garment-washed owned-brand apparel using water-saving design principles)

**Baseline year**

2018

**Start year**

2018

**Target year**

2025

**% of target achieved**

49.1

**Please explain**

In 2019, 49.1% of our SKUs of garment-washed owned-brand apparel, inclusive of our denim and non-denim categories, utilized water-saving design principles.

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W8.1b

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**(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.**

**Goal**

Other, please specify (Understand our position on water quality)

**Level**

Company-wide

**Motivation**

Commitment to the UN Sustainable Development Goals

**Description of goal**

Over the next 24 months, we'll seek to understand Target's position on water quality within our U.S. building operations.

**Baseline year**

2017

**Start year**

2017

**End year**

2019

**Progress**

In early 2020, we announced a new commitment to water quality. Water quality is a growing risk in the U.S. and as water quality is ever-changing in regions across the country, Target will continue to operate and maintain best practices in managing storm water and the quality of water leaving our sites. We will do this by building local relationships with watershed managers to improve green infrastructure and refining our salt application practices at stores in snow states to reduce the amount of chloride entering local water bodies. With our large operational footprint across the U.S., we can work to improve water quality in multiple areas of the country.

**Goal**

Other, please specify (Complying with ZDHC standards)

**Level**

Business activity

**Motivation**

Commitment to the UN Sustainable Development Goals

**Description of goal**

By 2025, all owned-brand apparel textile facilities comply with Zero Discharge of Hazardous Chemicals (ZDHC) Progressive level wastewater standard.

**Baseline year**

2018

**Start year**

2018

**End year**

2025

**Progress**

In early 2019 we met with ZDHC to develop an implementation plan and roadmap to achieve this goal by 2025. We began mapping the wastewater performance with our strategic apparel suppliers in October 2019 and are looking to scale up to broader apparel during 2020.

**W9. Verification**

**W9.1**

**(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?**

Yes

**W9.1a**

**(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?**

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	We verify Higg data for Tier 2 wet processing apparel textile mills.	Other, please specify (Higg)	We verify Higg data for Tier 2 wet processing apparel textile mills.

**W10. Sign off**

**W-FI**

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

### W10.1

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(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Vice President, Corporate Responsibility	Chief Sustainability Officer (CSO)

### W10.2

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(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

### Submit your response

---

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms