

F0. Introduction

F0.1

(F0.1) Give a general description of and introduction to your organization.

Minneapolis based Target Corporation (NYSE: TGT) serves guests at 1909 stores and via Target.com

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

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

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

Target considers multiple factors in evaluating risk. Target considers risks substantive when they are assessed to be high or critical using proprietary criteria. Importantly, issues deemed material for the purposes of this report may not be considered material for SEC reporting purposes.

Target’s responses to this questionnaire contains forward-looking statements, which are based on our current assumptions and expectations. These statements are typically accompanied by the words “expect,” “may,” “could,” “believe,” “would,” “might,” “anticipates” or similar words. The principal forward-looking statements in this report include our sustainability goals, commitments and programs; our business plans, initiatives and objectives; our assumptions and expectations; the scope and impact of corporate responsibility risks and opportunities; and standards and expectations of third parties. All such forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, as amended. Although we believe there is a reasonable basis for the forward looking statements, our actual results could be materially different. The most important factors that could cause our actual results to differ from our forward-looking statements are set forth in our description of risk factors included in Part I, Item 1A, Risk Factors of our Form 10-K for the fiscal year ended January 30, 2021, 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.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	February 2 2020	January 31 2021

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

USD

F0.4

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization's area of operation.

	Commodity disclosure	Stage of the value chain	Explanation if not disclosing
Timber products	Disclosing	Retailing	<Not Applicable>
Palm oil	Disclosing	Retailing	<Not Applicable>
Cattle products	Not disclosing	Retailing	We are not disclosing due to data constraints, but will be assessing future opportunities to disclose.
Soy	Not disclosing	Retailing	We are not disclosing due to data constraints, but will be assessing future opportunities to disclose.
Other - Rubber	Not disclosing	Retailing	We are not disclosing due to data constraints, but will be assessing future opportunities to disclose.
Other - Cocoa	Not disclosing	Retailing	We are not disclosing due to data constraints, but will be assessing future opportunities to disclose.
Other - Coffee	Not disclosing	Retailing	We are not disclosing due to data constraints, but will be assessing future opportunities to disclose.

F0.5

(F0.5) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

Yes

F0.5a

(F0.5a) Identify the parts of your direct operations or supply chain that are not included in your disclosure.

Value chain stage	Exclusion	Description of exclusion	Potential for forests-related risk	Please explain
Direct operations	Business activity	National brands and store operations	Potential for forests-related risk but not evaluated	We have the greatest insight as well as influence over our owned-brand portfolio and supply chain.

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Timber products

Activity

Retailing/onward sale of commodity or product containing commodity

Form of commodity

Sawn timber, veneer, chips
 Pulp
 Paper
 Boards, plywood, engineered wood
 Primary packaging
 Secondary packaging
 Tertiary packaging
 Cellulose-based textile fiber

Source

Contracted suppliers (processors)
 Contracted suppliers (manufacturers)

Country/Area of origin

Unknown origin

% of procurement spend

Don't know

Comment

Target does not capture these commodities across the enterprise and data is only available in limited subsets.

Palm oil

Activity

Retailing/onward sale of commodity or product containing commodity

Form of commodity

Crude palm oil (CPO)
 Crude palm kernel oil (CPKO)
 Refined palm oil
 Palm oil derivatives
 Palm kernel oil derivatives

Source

Contracted suppliers (manufacturers)

Country/Area of origin

Indonesia
 Malaysia
 Unknown origin

% of procurement spend

Don't know

Comment

The majority of our suppliers have provided country of origin information, but not all of them. So while the majority have reported that their palm oil comes from Indonesia and Malaysia, we have ~10% of our palm oil volumes where the source country has not been identified by our supplier yet.

F1.2

(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.

	% of revenue dependent on commodity	Comment
Timber products	Please select	We do not know the percentage of revenue dependent on Timber as we have not evaluated it.
Palm oil	Please select	We do not know the percentage of revenue dependent on Palm Oil as we have not evaluated it.
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	Data not available
Palm oil	Consumption data available, disclosing
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F1.5a

(F1.5a) Disclose your production and/or consumption data.

Forest risk commodity

Palm oil

Data type

Consumption data

Volume

8497

Metric

Metric tons

Data coverage

Full commodity production/consumption

Please explain

<Not Applicable>

F1.5b

(F1.5b) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

Forest risk commodity

Palm oil

Country/Area of origin

Malaysia

State or equivalent jurisdiction

Don't know

% of total production/consumption volume

Please explain

We currently do not have the data to provide a % of total consumption volume at this time.

Forest risk commodity

Palm oil

Country/Area of origin

Indonesia

State or equivalent jurisdiction

Don't know

% of total production/consumption volume

Please explain

We currently do not have the data to provide a % of total consumption volume at this time.

F1.5d

(F1.5d) Why is production and/or consumption data not available for your disclosed commodity(ies)?

	Primary reason	Please explain
Timber products	Insufficient data on operations	Target does not capture these commodities across the enterprise and data is only available in limited subsets.
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F1.5e

(F1.5e) How does your organization produce or consume biofuel derived from palm oil?

Does your organization produce or consume biofuel derived from palm oil?

No

Data type

<Not Applicable>

Volume produced/consumed

<Not Applicable>

Metric

<Not Applicable>

Country/Area of origin

<Not Applicable>

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

<Not Applicable>

Does the source of your organization's biofuel material come from smallholders?

<Not Applicable>

Comment

F1.6

(F1.6) Has your organization experienced any detrimental forests-related impacts?

No

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

F2.1a

(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.

Timber products

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Assessed in an environmental risk assessment

Frequency of assessment

Not defined

How far into the future are risks considered?

1 to 3 years

Tools and methods used

External consultants

Please explain

Target works with external groups like Preferred by Nature and Canopy for timber to determine our supply chain risks .

Palm oil

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Assessed as a standalone issue

Frequency of assessment

Every two years

How far into the future are risks considered?

1 to 3 years

Tools and methods used

Internal company methods

External consultants

Please explain

We work with Earthworm Foundation and Proforest to identify risks in our supply chain.

F2.1b

(F2.1b) Which of the following issues are considered in your organization's forests-related risk assessment(s)?

Availability of forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

As a retailer with a wide variety of products, we understand the responsibility we have to protect forests around the world. We are committed to aiding in the global effort to end deforestation and forest degradation and focus our efforts in the places we can have the most positive impact today— specifically palm oil and wood-based materials. We are committed to sustainably sourcing palm, wood, paper, and wood-based fibers in our priority owned brands, and wood-based fibers in packaging. Where necessary, we will address salient issues with relevant time-bound and measurable goals.

Quality of forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

Target considers the risk of forest commodities not meeting its quality requirements, and as such evaluates the quality of all sustainably-certified materials closely.

Impact of activity on the status of ecosystems and habitats

Relevance & inclusion

Relevant, always included

Please explain

Forests deliver irreplaceable ecosystem services that mitigate climate change, foster habitat biodiversity, and offer livelihoods for communities. They also provide essential raw materials for many of the owned-brand products and packaging that bring joy to our guests. Target is committed to aiding in the global effort to end deforestation and forest degradation. We're working with vendors, suppliers, and other stakeholders to implement our Responsible Sourcing Policy on Forest Products. Our goal is to progressively increase the amount of responsibly sourced fiber we use. Palm oil has been another area of focus, due to the risk of deforestation that it presents in our supply chain. To address this risk, Target requires suppliers covered by our palm oil commitment to supply palm oil ingredients that are compliant with one of the four RSPO trading models (Book and Claim, Mass Balance, Segregated, or Identity Preserved). In 2020, 82% of the palm oil covered by our commitment was certified via RSPO's Mass Balance certification, 7% through Segregated certification, 1% through Identity Preserved certification, and the other 10% was covered by RSPO's PalmTrace credits. 100% of the PalmTrace credits were purchased from smallholder farmers. Additionally, 81% of the palm oil can be traced to the importer. Target will continue to collaborate with companies within our supply chain and industry stakeholders to leverage our collective scale, influence, and expertise to promote sustainable palm oil. We will also continue to report annually on our progress.

Regulation

Relevance & inclusion

Relevant, always included

Please explain

Like all companies, Target is subject to laws, and breach of these could result in criminal or civil lawsuits. As part of its scenario analysis on climate-related risks and opportunities, Target looked at risks relating to potential regulations on forest commodity products. Regulations relating to the production/import of key commodities could adversely affect a large number of Target owned brand products, potentially leading to increased costs or affecting Target's ability to supply products.

Climate change

Relevance & inclusion

Relevant, always included

Please explain

Target's operational presence across the US and our global supply chain leads to exposure to climate-related risks, including changes in water availability, changes in climate patterns or rising temperatures, or even loss of market demand suffering from geopolitical instability in certain regions. In accordance with TCFD guidelines, transition and physical risks and opportunities associated with forest-related commodities are included in our scenario-analysis for climate impacts under both business-as-usual and low-carbon trajectories.

Impact on water security

Relevance & inclusion

Relevant, not included

Please explain

Water security is not currently included in our forest risk assessments, but Target is committed to managing water in a sustainable manner. In 2018, we created our freshwater stewardship approach and initial goals. They're designed to help us deliver on the UN Sustainable Development Goals, and help us address three important issues in communities where we operate: improving water quality, optimizing water efficiency, and increasing access to clean water.

Tariffs or price increases

Relevance & inclusion

Relevant, always included

Please explain

Potential price increases for raw materials were highlighted in Target's scenario analysis for climate-related impacts. Many forest risk commodities are raw materials and packaging for Target products, and are subject to price fluctuation, especially in the case where there are price fluctuations in feedstocks. Any price increase impacts a large range of Target's products. Additionally, Target's "Responsible Sourcing Policy for Forest Products" requires that products come from certified sources where possible. Target anticipates that the growing demand from global manufacturing and retail organizations for certified products could lead to price increases for these commodities.

Loss of markets

Relevance & inclusion

Relevant, always included

Please explain

As part of its scenario analysis, Target looks at risks relating to loss of market from shifting consumer preferences. Target anticipates that consumer choices may increasingly be influenced by overall sustainability performance of companies, as customers become more conscious of issues surrounding climate change and deforestation. Failure of a company to understand and adapt to consumers' changing purchasing behaviors and to meet new expectations of the market may thus translate into reduced demand for unsustainable products. Sustainable procurement of forest related commodities and working with our suppliers to increase transparency have been highlighted as key risk mitigations in our scenario analysis to maintain current markets.

Leakage markets

Relevance & inclusion

Not relevant, explanation provided

Please explain

Target's role as a retailer has been to source products that meet credible certification standards. There have not been efforts to invest capital into the supply chain that could lead to leakage markets.

Brand damage related to forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

Target's scenario analysis for climate-related risks identified that significant reputational damage could occur from unsustainable use of resources, particularly relating to water and forest commodities. To ensure that Target is operating in line with consumer and stakeholder expectations, Target has published its "Responsible Sourcing Policy for Forest Products." Irresponsible procurement of palm oil could also cause significant reputational damage. Target requires suppliers covered by our palm oil commitment to supply palm oil ingredients that are compliant with one of the four RSPO trading models (Book and Claim, Mass Balance, Segregated, or Identity Preserved). In 2020, 82% of the palm oil covered by our commitment was certified via RSPO's Mass Balance certification, 7% through Segregated certification, 1% through Identity Preserved certification, and the other 10% was covered by RSPO's PalmTrace credits. 100% of the PalmTrace credits were purchased from smallholder farmers. Additionally, 81% of the palm oil can be traced to the importer. Target will continue to collaborate with companies within our supply chain and industry stakeholders to leverage our collective scale, influence and expertise to promote sustainable palm oil. We will also continue to report annually on our progress.

Corruption

Relevance & inclusion

Relevant, not included

Please explain

While corruption is not specifically a part of our forest risk assessments, Target is committed to ensuring our suppliers manufacture all of our products under the highest ethical standards, with compliance to all applicable laws, and work with vendors and factories who share those commitments. We also work with regulators, manufacturers, industry organizations and other retailers around the world to continually set the bar higher for our industry as a whole. We continually look for opportunities to improve our standards and processes.

Social impacts

Relevance & inclusion

Relevant, always included

Please explain

Target requires FPIC (free, prior and informed consent), which aims to mitigate risks of negative social impacts from forest commodities such as deforestation or effects on indigenous communities. Additionally, Target has selected the forest product certifications it uses ensuring that each has a social component.

Other, please specify

Relevance & inclusion

Please explain

F2.1c

(F2.1c) Which of the following stakeholders are considered in your organization's forests-related risk assessments?

Customers

Relevance & inclusion

Relevant, not included

Please explain

At this time Target does not include more specific data on stakeholders in the risk assessment.

Employees

Relevance & inclusion

Relevant, not included

Please explain

At this time Target does not include more specific data on stakeholders in the risk assessment.

Investors

Relevance & inclusion

Relevant, not included

Please explain

At this time Target does not include more specific data on stakeholders in the risk assessment, but we do address investor inquiries when they come up.

Local communities

Relevance & inclusion

Relevant, not included

Please explain

At this time Target does not include more specific data on stakeholders in the risk assessment.

NGOs

Relevance & inclusion

Relevant, always included

Please explain

Target collaborates with NGOs such as the World Resource Institute (WRI), Earthworm Foundation, Canopy, and Preferred by Nature to assess and manage forest-related risks. These NGOs often work with us to help assess risk by being given direct access to our suppliers and information about our suppliers. These information requests often lead to educational opportunities with our suppliers resulting in trainings to help our suppliers understand how to better identify risk in their supply chains.

Other forest risk commodity users/producers at a local level

Relevance & inclusion

Relevant, not included

Please explain

At this time Target does not include more specific data on stakeholders in the risk assessment.

Regulators

Relevance & inclusion

Relevant, always included

Please explain

Target assesses and adheres to the regulations governing forests and commodities, such as the Lacey Act in the United States.

Suppliers

Relevance & inclusion

Relevant, sometimes included

Please explain

The suppliers who produce products sold at Target stores are key stakeholders for identifying and managing forest-related risks.

Other stakeholders, please specify

Relevance & inclusion

Please select

Please explain

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Timber products	Yes
Palm oil	Yes
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.1a

(F3.1a) 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. In the context of climate-related issues and this response, Target leverages both the TCFD framework and our internal Enterprise Risk Management Framework. We considered level of financial impact, likelihood of potential events occurrence over time, and our ability to mitigate potential risks. Our risk evaluation also covers our full value chain, which includes both our direction operations and supply chain as defined by CDP.

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.

F3.1b

(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Forest risk commodity

Timber products

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Increased stakeholder concern or negative stakeholder feedback

Primary potential impact

Brand damage

Company-specific description

Target stakeholders (guests, investors, etc.) expect that we are acting responsibly and have oversight of our supply chain as related to timber. If there were a discovery that we had not completed our due diligence in this endeavor, we would expect significant brand and/or reputational damage. We support responsibly managed forests, and to that end, introduced our Responsible Sourcing Policy for Forest Products in 2017. This policy helps us on our long-term intention that all wood, paper, paper-based packaging, and wood-based fiber used in the products we purchase and sell is sourced from well-managed forests that have been credibly certified and/or are from post-consumer recycled materials. We are starting with owned brand products containing wood or paper-based materials, like paper towels, wrapping paper, furniture, and rayon used in apparel. Target's owned brand paper-based retail packaging hit 63% compliance with the goals in our policy. Our Spritz brand of paper-based party products has been able to maintain 99% compliance through the use of Forest Stewardship Council (FSC) certified materials, only limited by certified material availability. Our up&up, Pillowfort, and Cat&Jack brands have now collectively reached 64% compliance as of the end of 2020. These brands are helping us and our suppliers understand how to similarly achieve our 2022 goals in our Threshold and Smith&Hawken brands, which were at 24% by the end of 2020.

Timeframe

1-3 years

Magnitude of potential impact

Medium-low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Primary response to risk

Engagement with suppliers

Description of response

Target continuously engages with our suppliers to ensure they are using sustainably sourced timber. We directly engage with any supplier who is not in compliance with our sustainable timber expectations.

Cost of response

100000

Explanation of cost of response

The financial impact of this work is difficult to quantify outside of some specific examples where 3rd party consultants were paid for support to analyze and mitigate risk. Financial impact comes in many forms: additional verification efforts, vendor training and support, some increases in raw material costs across a wide variety of vendors and wood-based materials. Forest policy implementation most certainly exceeds \$100,000 per year when considering all of these factors.

Forest risk commodity

Palm oil

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Increased stakeholder concern or negative stakeholder feedback

Primary potential impact

Brand damage

Company-specific description

Target stakeholders (guests, investors, etc.) expect that we are acting responsibly and have oversight of our supply chain as it relates to palm oil. If there were a discovery that we had not completed our due diligence in this endeavor, we would expect significant brand and/or reputational damage. To address this risk, Target requires suppliers covered by our palm oil commitment to supply palm oil ingredients that comply with by one of the four RSPO trading models (Book and Claim, Mass Balance, Segregated, or Identity Preserved). In 2020, 82% of the palm oil covered by our commitment was certified via RSPO's Mass Balance certification, 7% through Segregated certification, 1% through Identity Preserved certification, and the other 10% was covered by RSPO's PalmTrace credits. 100% of the PalmTrace credits were purchased from smallholder farmers. Additionally, 81% of the palm oil can be traced to the importer. Target will continue to collaborate with companies in our supply chain and industry stakeholders to leverage our collective scale, influence and expertise to promote sustainable palm oil. We will also continue to report annually on our progress.

Timeframe

1-3 years

Magnitude of potential impact

Medium-low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Primary response to risk

Engagement with suppliers

Description of response

Target continuously engages with our suppliers to ensure they are using sustainably sourced palm oil. We engage with any supplier who is not in compliance with our sustainable palm oil expectations. Engagements with suppliers include, but not limited to, training on Target's palm oil commitment and annual surveys.

Cost of response

120000

Explanation of cost of response

The potential financial impacts include cost of goods sold, sales growth or decline, increased or decreased brand value, and investor response. These are all extremely variable as such we are providing an estimated cost of response. We consult with third party experts and use the RSPO certification program to maintain our commitment, all of which come with a cost that typically exceeds \$120,000 on an annual basis.

F3.2

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

	Have you identified opportunities?
Timber products	Yes
Palm oil	Yes
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.2a

(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.

Forest risk commodity

Timber products

Type of opportunity

Resilience

Where in your value chain does the opportunity occur?

Supply chain

Primary forests-related opportunity

Improved supply chain engagement

Company-specific description & strategy to realize opportunity

We are driving demand for and awareness of the importance of certified, sustainable timber by committing to sourcing Target's owned-brand wood-based products from well-managed forests. Target works actively with its vendors, suppliers, and other stakeholders to eliminate any unacceptable sources of timber and progressively increase the amount of responsible wood, paper, paper-based packaging, and wood-based fiber over time.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Medium-low

Likelihood

More likely than not

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 figure

We do not currently quantify the financial impact of this opportunity.

Forest risk commodity

Palm oil

Type of opportunity

Markets

Where in your value chain does the opportunity occur?

Supply chain

Primary forests-related opportunity

Increased demand for certified materials

Company-specific description & strategy to realize opportunity

As a retailer purchasing goods from manufacturers, we are able to use our leverage to create demand for certified materials. Our commitment is to have all our suppliers provide Roundtable on Sustainable Palm Oil (RSPO) physically certified products by the end of 2022 if the products are in scope of our commitment. Our purchasing decisions are therefore driving a higher demand for certified materials. To support the industry as a whole in its pursuit of sustainable palm oil, we also participate in the RSPO's North American Sustainable Palm Oil Network, a group whose goal is to increase the use of Certified Sustainable Palm Oil in the North American market.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Medium-low

Likelihood

More likely than not

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 figure

We do not currently quantify the financial impact of this opportunity.

F4. Governance

F4.1

(F4.1) Is there board-level oversight of forests-related issues within your organization?

Yes

F4.1a

(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.

Position of individual	Please explain
Board-level committee	Target's Board of Directors is active and retains oversight responsibility over the Corporation's key strategic risks including those relating to corporate responsibility matters. The Nominating and 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. Target's Board remains persistent in their willingness to advance the company's strategy, and make certain that all our talent and resources are aligned with the strategy, and overseeing our corporate social responsibility and sustainability strategies. Target's Board meets with Corporate Responsibility management and other leaders across the company to determine strategies, policies, and goals related to sustainability and regularly report to and seek input from the Nominating and Governance Committee on those matters, including Forest-related issues.

F4.1b

(F4.1b) Provide further details on the board's oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding 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 Senior Vice President of Corporate Responsibility presents to the Nominating and Governance Committee semi-annually on corporate responsibility related topics.

F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Other, please specify (Senior Vice President, Corporate Responsibility)	Both assessing and managing forests-related risks and opportunities	As important matters arise	The Senior Vice President of Corporate Responsibility oversees corporate responsibility across Target. They report to the Executive Vice President and Chief Communications Officer at Target.
Other, please specify (Vice President, Responsible Sourcing & Sustainability)	Both assessing and managing forests-related risks and opportunities	As important matters arise	The Vice President of Responsible Sourcing & Sustainability oversees our global commitment to manufacturing our goods and services in a responsible and sustainable manner. The Vice President of Responsible Sourcing & Sustainability reports to our SVP & President of Owned Brand Sourcing.

F4.3

(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

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

F4.4

(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

No, and we have no plans to do so

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

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

F4.5a

(F4.5a) Select the options to describe the scope and content of your policy.

	Scope	Content	Please explain
Row 1	Company-wide	Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Commitment to stakeholder awareness and engagement Commitment to align with the SDGs Recognition of the overall importance of forests and other natural ecosystems Description of business dependency on forests List of timebound milestones and targets	Target recognizes that the ecosystem services provided by forests around the world are irreplaceable. Forests are critical to mitigating climate change, providing a carbon sink, fostering habitat for biodiversity, protecting water supplies, providing livelihoods for communities, and are a renewable resource for products and packaging throughout our supply chain. We commit to working with our owned brand suppliers to protect forests by eliminating deforestation and forest degradation from our value chain. More specifically, we will focus on eliminating deforestation of primary forests and areas of High Conservation Value, as well as High Carbon Stock forest areas and peatlands (regardless of depth). As a retailer with a wide variety of products, we understand the responsibility we have to protect forests around the world. We are committed to aiding in the global effort to end deforestation and forest degradation, and focus our efforts in the places we can have the most positive impact today – specifically palm oil and wood-based materials. We are committed to sustainably sourcing wood, paper, and wood-based fibers in our priority owned brands; palm in all of our owned brands; and wood-based fibers in our owned brand packaging. We will build on our existing priority raw material commitments by evaluating high-risk commodities – including soy, leather, and rubber – and their material significance to Target. Where necessary, we will address salient issues with relevant time-bound and measurable goals. Furthermore, Target recognizes that forests are not the only ecosystem under threat from commodity production. We are currently undertaking efforts to identify how and where conversion of other types of natural habitat, like grasslands and savannahs, touches our supply chain, such as our domestic beef supply chain. Our policy does not currently cover National Brand products as we have the greatest insight as well as influence over our owned-brand portfolio and supply chain. For more information, please see our Corporate site: https://corporate.target.com/corporate-responsibility/planet/deforestation

F4.5b

(F4.5b) Do you have commodity specific sustainability policy(ies)? If yes, select the options that best describe their scope and content.

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Timber products	Yes	Company-wide	Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Recognition of the overall importance of forests and other natural ecosystems List of timebound commitments and targets	Target is committed to sourcing wood-based products from well-managed forests to avoid contributing to deforestation or forest degradation. Target will work actively with its vendors, suppliers, and other stakeholders to implement our policy by eliminating any unacceptable sources, and progressively increasing the amount of responsible wood, paper, paper-based packaging, and wood-based fiber over time. Our long-term intention is that all wood, paper, paper-based packaging, and wood-based fiber used in products that we purchase and sell is sourced from well-managed forests that have been credibly certified and/or are from post-consumer recycled materials. When certified or recycled materials are not available, Target will work with its suppliers to ensure they are meeting policy requirements. This commitment applies to all Target's owned brand products and packaging containing a majority of wood-based material. Our policy does not currently cover National Brand products as we have the greatest insight as well as influence over our owned-brand portfolio and supply chain. Target requires wood, paper, paper-based packaging, and wood-based fiber vendors to comply with the requirements of the US Lacey Act. Target relies on the use of certification schemes within our supply chain to achieve our policy commitment. While Target recognizes the value that many certifications bring to the market such as SFI -Sustainable Forestry Initiative and PEFC - Programme for the Endorsement of Forest Certification, we have a preference for FSC – Forest Stewardship Council certification and will work with our suppliers to help them achieve full chain of custody and increase the penetration of FSC certified products available in our stores and online. In addition, Target believes that use of post-consumer recycled and alternative (non-wood) fibers should be increased to reduce the pressure on forests. Target aims to increase the use of recycled materials in our products and packaging when available and meeting product performance requirements and competitive market conditions.
Palm oil	Yes	Company-wide	Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Commitment to stakeholder awareness and engagement Recognition of the overall importance of forests and other natural ecosystems Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy List of timebound commitments and targets Description of forests-related standards for procurement	This commitment applies to palm oil, palm kernel oil, and derivatives in Target's owned brand food, household cleaning, personal care, baby care, beauty, cosmetics, and candle products. As a next step in Target's multi-year endeavor to responsibly source palm oil, Target commits to moving beyond the use of a credit system toward the use of physically certified palm oil. Our goal is for palm oil in our products to be certified by the Roundtable on Sustainable Palm Oil (RSPO) or an equivalent standard with a mass balance, segregated, or identity preserved supply chain certification by the end of 2022. Target also aims to increase the portion of segregated and identity preserved palm oil used in its products over time. Target aspires to source palm oil that is produced in accordance with the following key principles, which are part of the RSPO standard: Palm oil cultivation must not cause deforestation of primary forests, areas of High Conservation Value, or High Carbon Stock forest areas. Palm oil developments must not be planted on peat lands regardless of depth. Land prepared for the planting or replanting of palm trees must not be prepared by burning. Palm oil developments must proceed on the basis of Free, Prior, and Informed Consent. Workers, including women and migrant workers, must be provided wages, benefits and working conditions that are fair and in accordance with local law . Suppliers must provide a safe and healthy working environment that complies with local laws and minimizes occupational hazards. All workers have the right to engage in work willingly, without surrendering identification and without the payment of fees. Suppliers must comply with all age-related working restrictions as set by local law and adhere to international standards as defined by the International Labor Organization regarding age-appropriate work. Furthermore, Target believes transparent and traceable supply chains enable industry collaboration, shared accountability, and positive change. Target will engage in efforts to increase traceability in palm oil and will encourage the companies within our supply chain to do the same. As such, Target aims to trace its palm oil supply chain to the mill level by the end of 2022. This information will facilitate meaningful dialogue and action to protect forests and improve livelihoods.
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

Yes

F4.6a

(F4.6a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?

We Mean Business

Other, please specify (Canopy)

F4.6b

(F4.6b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.

Forest risk commodity

Timber products

Criteria

No conversion of natural ecosystems

No new development on peat regardless of depth

No conversion of High Conservation Value areas

No conversion of High Carbon Stock forests

No sourcing of illegally produced and/or traded forest risk commodities

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

No cutoff date

Commitment target date

2021-25

Please explain

Our goals cover all owned-brand production, which is the scope of this disclosure.

Forest risk commodity

Palm oil

Criteria

No new development on peat regardless of depth

No conversion of High Conservation Value areas

No conversion of High Carbon Stock forests

Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities

Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2019

Commitment target date

2021-25

Please explain

Target has engaged with suppliers and participated in initiatives to increase the sustainability of its palm oil supply chain over the past six years. Target is pleased to report that in 2020, 82% of the palm oil covered by our commitment was certified via RSPO's Mass Balance certification, 7% through Segregated certification, 1% through Identity Preserved certification, and the other 10% was covered by RSPO's PalmTrace credits. 100% of the PalmTrace credits were purchased from smallholder farmers.

Additionally, 81% of the palm oil can be traced to the importer. Target will continue to collaborate with companies within our supply chain and industry stakeholders to leverage our collective scale, influence, and expertise to promote sustainable palm oil. We will also continue to report annually on our progress. As a next step in Target's multi-year endeavor to responsibly source palm oil, Target commits to moving beyond the use of a credit system toward the use of physically certified palm oil. Our goal is for palm oil in our owned brand products to be certified by the Roundtable on Sustainable Palm Oil (RSPO) or an equivalent standard with a mass balance, segregated, or identity preserved supply chain certification by the end of 2022. Target also aims to increase the portion of segregated and identity preserved palm oil used in its owned brand products over time. Target aims to trace its palm oil supply chain to the mill level by the end of 2022. The percentage covered (100%) is the percentage of owned-brand production, which is the scope of this disclosure.

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	5-10	Responsible Sourcing & Sustainability is an integral part of Target's business strategy. In 2016, we launched our 2020 Responsible Sourcing Aspirations which included a commitment to sustainably managed forests and palm oil. At Target, we also understand that our guest expects sustainable forest products. One way we communicate this commitment is by being an FSC trademark license holder. The FSC trademark license allows Target to use the Forest Stewardship Council's logo in marketing (on Target.com, in store, and in our weekly ad) to both support FSC's approach to sustainable forestry as well as to help educate our guest about sustainable forest management. The use of the FSC logo in marketing is supported across Target's owned brands and appears on hundreds of products at Target. Please reference the following links Target's Deforestation Page: https://corporate.target.com/corporate-responsibility/planet/deforestation Target's Forest Products Policy: https://corporate.target.com/_media/TargetCorp/csr/pdf/Target-Forest-Products-Policy.pdf Target's Palm Oil commitments: https://corporate.target.com/corporate-responsibility/planet/deforestation/palm-oil-commitment
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	Our palm oil strategy is to commit to time bound goals to achieve greater levels of sustainability through the RSPO certification program, work with suppliers to meet our palm oil commitment, and engagement in NASPON to support the further progress of sustainable palm oil in the North American market. Please reference the following links Target's Deforestation Page: https://corporate.target.com/corporate-responsibility/planet/deforestation Target's Forest Products Policy: https://corporate.target.com/_media/TargetCorp/csr/pdf/Target-Forest-Products-Policy.pdf Target's Palm Oil commitments: https://corporate.target.com/corporate-responsibility/planet/deforestation/palm-oil-commitment
Financial planning	Yes, forests-related issues are integrated	5-10	Target has included cost impacts due to increased raw material costs from converting our supply chain to more certified forest products in the company's financial planning processes.

F6. Implementation

F6.1

(F6.1) Did you have any timebound and quantifiable targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your timebound and quantifiable target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.

Target reference number

Target 1

Forest risk commodity

Timber products

Type of target

Third-party certification

Description of target

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

Linked commitment

Other environmental commitments

Traceability point

<Not Applicable>

Third-party certification scheme

FSC Chain of Custody
FSC Controlled Wood
PEFC Chain of Custody
SFI Chain of Custody

Start year

2017

Target year

2022

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

63

Please explain

Source all owned-brand, paper-based packaging from sustainably managed forests by 2022. Our baseline in 2017 was 13.9% and as of 2019 we sat at 51%, in 2020 we reached 63%. Continued work on this goal revolves around supplier engagement. Today's work will allow Target to build the foundation for future success.

Target reference number

Target 2

Forest risk commodity

Timber products

Type of target

Third-party certification

Description of target

By the end of 2020, the up&up, Pillowfort, and Cat & Jack brands will be fully compliant with our forest products policy.

Linked commitment

Other environmental commitments

Traceability point

<Not Applicable>

Third-party certification scheme

FSC Chain of Custody

FSC Controlled Wood

PEFC Chain of Custody

SFI Chain of Custody

Start year

2017

Target year

2020

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

63.9

Please explain

2020 was a goal year for these three brands and while much was accomplished, the goal of 100% was not realized. Much of the progress yet to be made was within the Pillowfort brand where solid wood conversions to FSC have been challenged due to supply issues (both in costs and volume). However, many of those supply issues post reporting period have been resolved and the brand will be much further along in 2021.

Target reference number

Target 3

Forest risk commodity

Timber products

Type of target

Third-party certification

Description of target

By the end of 2022, the Threshold and Smith & Hawken brands will be fully compliant with our forest products policy.

Linked commitment

Other environmental commitments

Traceability point

<Not Applicable>

Third-party certification scheme

FSC Chain of Custody

FSC Controlled Wood

PEFC Chain of Custody

SFI Chain of Custody

Start year

2017

Target year

2022

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

24.2

Please explain

Threshold and Smith&Hawken brand progress was measured for the first time this year and have achieved compliance with nearly a quarter of the forest product items in the assortment. Progress on these brands will continue in 2021 and 2022 as our product development and sourcing teams become more sophisticated in working with the constraints that third party certifications present.

Target reference number

Target 4

Forest risk commodity

Palm oil

Type of target

Traceability

Description of target

Target aims to trace its palm oil supply chain to the mill level by the end of 2022. This information will facilitate meaningful dialogue and action to protect forests and improve livelihoods.

Linked commitment

Other environmental commitments

Traceability point

Mill

Third-party certification scheme

<Not Applicable>

Start year

2019

Target year

2022

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

81

Please explain

Target has traced 81% of our palm oil to the importer. We will continue to trace our palm oil supply chain to achieve traceability to the mill by the end of 2022.

Target reference number

Target 5

Forest risk commodity

Palm oil

Type of target

Third-party certification

Description of target

This commitment applies to palm oil, palm kernel oil, and derivatives in Target's owned brand food, household cleaning, personal care, baby care, beauty, cosmetics, and candle products. Target commits to moving beyond the use of a credit system toward the use of physically certified palm oil. Our goal is for palm oil in our products to be certified by the Roundtable on Sustainable Palm Oil (RSPO) or an equivalent standard with a mass balance, segregated, or identity preserved supply chain certification by the end of 2022. Target also aims to increase the portion of segregated and identity preserved palm oil used in its products over time.

Linked commitment

Other environmental commitments

Traceability point

<Not Applicable>

Third-party certification scheme

RSPO Segregated

RSPO Mass Balance

RSPO Book and Claim

Start year

2015

Target year

2022

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

90

Please explain

In 2018, Target achieved our first palm oil goal; our products in scope for our palm oil commitment were sustainable via RSPO's Book & Claim, Mass Balance, Segregated, or Identity Preserved supply chain models. We published our next goal in 2019, increasing the scope of product categories and committing to achieving a physically certified supply chain by the end of 2022 using the RSPO's Mass Balance, Segregated, or Identity Preserved supply chain certifications. In 2020, 90% of our volumes were certified mass balance (82%), segregated (7%), or identity preserved (1%). We will continue to progress towards a fully physically certified supply chain.

F6.2

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Description of traceability system	Exclusions	Description of exclusion
Timber products	No	<Not Applicable>	<Not Applicable>	<Not Applicable>
Palm oil	Yes	Supplier survey with third party partner analysis	Specific supplier(s)	We have the greatest insight as well as influence over our owned-brand portfolio and supply chain, thus we are excluding national brand and store operations. All owned brand food, beverage, essentials, beauty, and candle products are included within our traceability system.
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.2a

(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).

Forest risk commodity	Point to which commodity is traceable	% of total production/consumption volume traceable
Palm oil	First importer	81

F6.2b

(F6.2b) Why do you not have system(s) in place to track and monitor the origin of your disclosed commodity(ies) and what are your plans to develop these in the future?**Forest risk commodity**

Timber products

Primary reason

Insufficient data on operations

Please explain

We are moving towards chain of custody certification for owned brand products.

F6.3

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?

	Third-party certification scheme adopted?	% of total production and/or consumption volume certified
Timber products	Yes	
Palm oil	Yes	100
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.3a

(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.

Forest risk commodity

Timber products

Third-party certification scheme

SFI Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

Form of commodity

Please select

Volume of production/ consumption certified

Metric for volume

Please select

Is this certified by more than one scheme?

No

Please explain

Throughout 2018, the forest policy implementation work was focused on certifying more factories to chain of custody standards like FSC, SFI, and PEFC with a preference for FSC when available.

Forest risk commodity

Timber products

Third-party certification scheme

PEFC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

Form of commodity

Please select

Volume of production/ consumption certified

Metric for volume

Please select

Is this certified by more than one scheme?

No

Please explain

Throughout 2018, the forest policy implementation work was focused on certifying more factories to chain of custody standards like FSC, SFI, and PEFC with a preference for FSC when available.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

Form of commodity

Please select

Volume of production/ consumption certified

Metric for volume

Please select

Is this certified by more than one scheme?

No

Please explain

Throughout 2018, the forest policy implementation work was focused on certifying more factories to chain of custody standards like FSC, SFI, and PEFC with a preference for FSC when available.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Mass Balance

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

82

Form of commodity

Crude palm oil (CPO)
 Crude palm kernel oil (CPKO)
 Refined palm oil
 Palm oil derivatives
 Palm kernel oil derivatives

Volume of production/ consumption certified

6982

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Target will continue to collaborate with supply chain partners and industry stakeholders to leverage our collective scale, influence, and expertise to promote sustainable palm oil. We will also continue to report annually on our progress. As a next step in Target's multi-year endeavor to responsibly source palm oil, Target commits to moving beyond the use of a credit system toward the use of physically certified palm oil. Our goal is for palm oil in our owned brand products to be certified by the Roundtable on Sustainable Palm Oil (RSPO) or an equivalent standard with a mass balance, segregated, or identity preserved supply chain certification by the end of 2022. Target also aims to increase the portion of segregated and identity preserved palm oil used in its owned brand products over time. Target continues to engage its suppliers on the implementation of Target's responsible palm oil sourcing commitment through an annual survey to determine the volume of palm oil and derivatives and palm kernel oil and derivatives used in the owned-brand products covered by its commitment, including the percentage that is certified as sustainable, classified across PalmTrace Credits, Mass Balance and Segregated. Our commitment covers palm volumes purchased directly by our suppliers for use in owned-brand products, suppliers that source palm oil indirectly through finished product components and suppliers that source palm oil and kernel derivatives in household and personal care products. 8,497 tons of palm oil, palm kernel oil, and derivatives were used in products covered in our commitment. Of that, 875 tons were Book and Claim, 6,982 tons were Mass Balance, 630 tons were Segregated, and 10 tons were Identity Preserved. 100% of the PalmTrace credits were purchased from smallholder farmers.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Credits/Book & Claim

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

10

Form of commodity

Crude palm oil (CPO)
 Crude palm kernel oil (CPKO)
 Refined palm oil
 Palm oil derivatives
 Palm kernel oil derivatives

Volume of production/ consumption certified

875

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Target will continue to collaborate with supply chain partners and industry stakeholders to leverage our collective scale, influence and expertise to promote sustainable palm oil. We will also continue to report annually on our progress. As a next step in Target's multi-year endeavor to responsibly source palm oil, Target commits to moving beyond the use of a credit system toward the use of physically certified palm oil. Our goal is for palm oil in our owned brand products to be certified by the Roundtable on Sustainable Palm Oil (RSPO) or an equivalent standard with a mass balance, segregated, or identity preserved supply chain certification by the end of 2022. Target also aims to increase the portion of segregated and identity preserved palm oil used in its owned brand products over time. Target continues to engage its suppliers on the implementation of Target's responsible palm oil sourcing commitment through an annual survey to determine the volume of palm oil and derivatives and palm kernel oil and derivatives used in the owned-brand products covered by its commitment, including the percentage that is certified as sustainable, classified across PalmTrace Credits, Mass Balance and Segregated. Our commitment covers palm volumes purchased directly by our suppliers for use in owned-brand products, suppliers that source palm oil indirectly through finished product components and suppliers that source palm oil and kernel derivatives in household and personal care products. 8,497 tons of palm oil, palm kernel oil, and derivatives were used in products covered in our commitment. Of that, 875 tons were Book and Claim, 6,982 tons were Mass Balance, 630 tons were

Segregated, and 10 tons were Identity Preserved. 100% of the PalmTrace credits were purchased from smallholder farmers.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Segregated

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

7

Form of commodity

Crude palm oil (CPO)
Crude palm kernel oil (CPKO)
Refined palm oil
Palm oil derivatives
Palm kernel oil derivatives

Volume of production/ consumption certified

630

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Target will continue to collaborate with supply chain partners and industry stakeholders to leverage our collective scale, influence and expertise to promote sustainable palm oil. We will also continue to report annually on our progress. As a next step in Target's multi-year endeavor to responsibly source palm oil, Target commits to moving beyond the use of a credit system toward the use of physically certified palm oil. Our goal is for palm oil in our owned brand products to be certified by the Roundtable on Sustainable Palm Oil (RSPO) or an equivalent standard with a mass balance, segregated, or identity preserved supply chain certification by the end of 2022. Target also aims to increase the portion of segregated and identity preserved palm oil used in its owned brand products over time. Target continues to engage its suppliers on the implementation of Target's responsible palm oil sourcing commitment through an annual survey to determine the volume of palm oil and derivatives and palm kernel oil and derivatives used in the owned-brand products covered by its commitment, including the percentage that is certified as sustainable, classified across PalmTrace Credits, Mass Balance and Segregated. Our commitment covers palm volumes purchased directly by our suppliers for use in owned-brand products, suppliers that source palm oil indirectly through finished product components and suppliers that source palm oil and kernel derivatives in household and personal care products. 8,497 tons of palm oil, palm kernel oil, and derivatives were used in products covered in our commitment. Of that, 875 tons were Book and Claim, 6,982 tons were Mass Balance, 630 tons were Segregated, and 10 tons were Identity Preserved. 100% of the PalmTrace credits were purchased from smallholder farmers.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Identity Preserved

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

1

Form of commodity

Crude palm oil (CPO)
Crude palm kernel oil (CPKO)
Refined palm oil
Palm oil derivatives
Palm kernel oil derivatives

Volume of production/ consumption certified

10

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Target will continue to collaborate with supply chain partners and industry stakeholders to leverage our collective scale, influence and expertise to promote sustainable palm oil. We will also continue to report annually on our progress. As a next step in Target's multi-year endeavor to responsibly source palm oil, Target commits to moving beyond the use of a credit system toward the use of physically certified palm oil. Our goal is for palm oil in our owned brand products to be certified by the Roundtable on Sustainable Palm Oil (RSPO) or an equivalent standard with a mass balance, segregated, or identity preserved supply chain certification by the end of 2022. Target also aims to increase the portion of segregated and identity preserved palm oil used in its owned brand products over time. Target continues to engage its suppliers on the implementation of Target's responsible palm oil sourcing commitment through an annual survey to determine the volume of palm oil and derivatives and palm kernel oil and derivatives used in the owned-brand products covered by its commitment, including the percentage that is certified as sustainable, classified across PalmTrace Credits, Mass Balance and Segregated. Our commitment covers palm volumes purchased directly by our suppliers for use in owned-brand products, suppliers that source palm oil indirectly through finished product components and suppliers that source palm oil and kernel derivatives in household and personal care products. 8,497 tons of palm oil, palm kernel oil, and derivatives were used in products covered in our commitment. Of that, 875 tons were Book and Claim, 6,982 tons were Mass Balance, 630 tons were Segregated, and 10 tons were Identity Preserved. 100% of the PalmTrace credits were purchased from smallholder farmers.

F6.4

(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?

	A system to control, monitor or verify compliance	Comment
Timber products	No	
Palm oil	No	
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.6

(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.

	Assess legal compliance with forest regulations	Comment
Timber products	<Not Applicable>	<Not Applicable>
Palm oil	Yes, from suppliers	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.6a

(F6.6a) For you disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.

Palm oil

Procedure to ensure legal compliance

We require that all of our suppliers are in compliance with the legal compliance principles that are part of the RSPO standard. Our suppliers must demonstrate their compliance with the following principles through our annual survey. Palm oil cultivation must not cause deforestation of primary forests, areas of High Conservation Value or High Carbon Stock forest areas Palm oil developments must not be planted on peat lands regardless of depth Land prepared for the planting or replanting of palm trees must not be prepared by burning Palm oil developments must proceed on the basis of Free, Prior, and Informed Consent Workers, including women and migrant workers, must be provided wages, benefits and working conditions that are fair and in accordance with local law Suppliers must provide a safe and healthy working environment that complies with local laws and minimizes occupational hazards All workers have the right to engage in work willingly, without surrendering identification and without the payment of fees Suppliers must comply with all age-related working restrictions as set by local law and adhere to international standards as defined by the International Labor Organization regarding age-appropriate work

Country/Area of origin

Indonesia
Malaysia

Law and/or mandatory standard(s)

Other, please specify (RSPO)

Comment

F6.7

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Timber products	Yes, working with smallholders	Capacity building	Investing in pilot projects	30000	We supported the Carolinas Working Forest Conversation Collaborative, which engages with family land owners in the U.S. The Carolinas Working Forest Conversation Collaborative is a collection of organizations working together to help family forest owners manage their land sustainably in order to protect and improve wildlife habitat and to provide a sustainable wood supply. For more details checkout the below link. https://www.forestfoundation.org/carolinas-collaborative-project
Palm oil	Yes, working with smallholders	Financial and commercial incentives	Financial incentives for certified products	2	We purchased 875 book and claim credits from 2 different independent smallholder producers. 100% of the book and claim credits covering our palm oil are from smallholder farmers.
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.8

(F6.8) Are you working with your direct suppliers to support and improve their capacity to comply with your forests-related policies, commitments, and other requirements?

	Are you working with direct suppliers?	Type of direct supplier engagement approach	Direct supplier engagement approach	% of suppliers engaged	Please explain
Timber products	Yes, working with direct suppliers	Capacity building	Disseminating technical materials	Don't know	Target is supporting owned brand suppliers who are interested in achieving full chain of custody certification to increase the penetration of FSC certified products available in our stores and online. We have worked to create a series of documents and videos to help these suppliers understand the requirements and challenges of providing certified materials.
Palm oil	Yes, working with direct suppliers	Supply chain mapping Capacity building Other	Disseminating technical materials Other, please specify (Working with our suppliers to trace palm back to the importer)	Don't know	Target is working with our suppliers to help them achieve physically certified palm oil ingredients in our owned brand products and working with suppliers to trace palm oil back to the importer.
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.9

(F6.9) Are you working beyond your first-tier supplier(s) to manage and mitigate deforestation risks?

	Are you working beyond first tier?	Type of engagement approach with indirect suppliers	Indirect supplier engagement approach	Please explain
Timber products	Yes, working beyond first tier	Supply chain mapping	Other, please specify (Piloted an approach beyond tier 1 suppliers with Paulownia wood where FSC certification was unavailable. Pilot work was with the support of Preferred by Nature.)	We have started to pilot work that goes beyond first tier suppliers when there is not a 3rd party certification available. This work will inform our longer-term approach for dealing with situations where 3rd party certifications are unavailable or limited in supply.
Palm oil	Yes, working beyond first tier	Supply chain mapping	Other, please specify (Target is working with our suppliers of food and beverage, essentials and beauty, and candles to help them achieve physically certified palm oil ingredients in our owned brand products and working with suppliers to trace palm oil back to the mill.)	We are working with our suppliers to conduct detailed traceability exercises in order to be able to trace all palm oil in Target owned brand products to all mills it may have been processed by.
Cattle products	<Not Applicable >	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable >	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable >	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable >	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable >	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.10

(F6.10) Do you participate in external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Involved in industry platforms

Initiatives

<Not Applicable>

Jurisdictional approaches

<Not Applicable>

Please explain

Target has been partnering with the Sustainable Packaging Coalition's Forest Products group to help develop an industry platform called "Forests in Focus". This tool's long-term vision could help Target make landscape level assessments of the impacts our paper-based packaging may be having in our sourcing regions.

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Engaging with non-governmental organizations

Initiatives

<Not Applicable>

Jurisdictional approaches

<Not Applicable>

Please explain

Target will continue to work in multi-stakeholder collaborations and initiatives like The Consumer Goods Forum and other industry initiatives that are developing industry-wide approaches to deforestation. Target's Forest Products Policy: https://corporate.target.com/_media/TargetCorp/csr/pdf/Target-Forest-Products-Policy.pdf

Forest risk commodity

Palm oil

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Initiatives

Roundtable on Sustainable Palm Oil (RSPO)

Other, please specify (North American Sustainable Palm Oil Network)

Jurisdictional approaches

<Not Applicable>

Please explain

In 2017, Target joined the Roundtable on Sustainable Palm Oil's North American Sustainable Palm Oil Network, designed to facilitate cross-sector work in a pre-competitive space on the sourcing of Certified Sustainable Palm Oil (CSPO) in North America, foster collaboration, and impact programs in producing nations and share best practices. In 2020, Target joined a newly created working group focused on human rights in palm oil supply chains.

F6.11

(F6.11) Is your organization supporting or implementing project(s) focused on ecosystem restoration and protection?

No

F7. Verification

F7.1

(F7.1) Do you verify any forests information reported in your CDP disclosure?

Yes

F7.1a

(F7.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module

F6. Implementation

Data points verified

Target verifies the RSPO membership of suppliers and volume of palm used in products that are in scope of policy.

Verification standard

RSPO certification status is verified by our external consultant who confirms all RSPO certification numbers our suppliers provide to us with the RSPO website.

Please explain

Target monitors supplier compliance via the RSPO website and an annual supplier survey. We also participate in an annual RSPO member audit on our processes.

Disclosure module

F6. Implementation

Data points verified

Target verifies the certification status for all products labeled with FSC/SFI/PEFC logos.

Verification standard

FSC, SFI, and PEFC certification status is verified by comparing certification documents with standards organization website. This verifies good standing as well as expiration date of the certification. Additionally, scope of certification can be verified this way as well. This verifies that the goods being sold under the certificate match what is being produced.

Please explain

Target monitors compliance to 3rd party certification by validating the certification status as well as performing audits on site to verify compliance with these standards.

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Timber products

Coverage

Supply chain

Primary barrier/challenge type

Supply chain complexity

Comment

Our primary challenge is that we rely upon the remainder of companies within our supply chain when impacting change through policies and goals. As a retailer, we rarely have visibility beyond our first tier of suppliers, let alone control over sourcing, procurement, or manufacturing processes beyond what we specify for a finished product. Additionally, since we don't source these commodities directly, and we only use them in small amounts, we're at the mercy of others to collect accurate data and information. Due to these facts, we also have some reliance upon certification, which is often more expensive, laborious, and difficult to achieve for our suppliers. Finally, as a mass retailer active in many categories of consumer goods, our supply chain is wide and shallow, meaning we have many suppliers with small amounts of business, thus making data collection, enforcement of policies, and impact on deforestation difficult to achieve.

Forest risk commodity

Palm oil

Coverage

Supply chain

Primary barrier/challenge type

Supply chain complexity

Comment

Our primary challenge is that we rely upon the remainder of companies within our supply chain when impacting change through policies and goals. As a retailer, we rarely have visibility beyond our first tier of suppliers, let alone control over sourcing, procurement, or manufacturing processes beyond what we specify for a finished product. Additionally, since we don't source these commodities directly, and we only use them in small amounts, we're at the mercy of others to collect accurate data and information. Due to these facts, we also have some reliance upon certification, which is often more expensive, laborious and difficult to achieve for our suppliers. Finally, as a mass retailer active in many categories of consumer goods, our supply chain is wide and shallow, meaning we have many suppliers with small amounts of business, thus making data collection, enforcement of policies and impact on deforestation difficult to achieve.

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Improved data collection and quality

Comment

Our primary challenge is that we rely upon the remainder of companies within our supply chain when impacting change through policies and goals. As a retailer, we rarely have visibility beyond our first tier of suppliers, let alone control over sourcing, procurement, or manufacturing processes beyond what we specify for a finished product. Additionally, since we don't source these commodities directly, and we only use them in small amounts, we're at the mercy of others to collect accurate data and information. Due to these facts, we also have some reliance upon certification, which is often more expensive, laborious and difficult to achieve for our suppliers. Finally, as a mass retailer active in many categories of consumer goods, our supply chain is wide and shallow, meaning we have many suppliers with small amounts of business, thus making data collection, enforcement of policies and impact on deforestation difficult to achieve.

Forest risk commodity

Palm oil

Coverage

Supply chain

Main measure

Improved data collection and quality

Comment

Our primary challenge is that we rely upon the remainder of companies within our supply chain when impacting change through policies and goals. As a retailer, we rarely have visibility beyond our first tier of suppliers, let alone control over sourcing, procurement, or manufacturing processes beyond what we specify for a finished product. Additionally, since we don't source these commodities directly, and we only use them in small amounts, we're at the mercy of others to collect accurate data and information. Due to these facts, we also have some reliance upon certification, which is often more expensive, laborious and difficult to achieve for our suppliers. Finally, as a mass retailer active in many categories of consumer goods, our supply chain is wide and shallow, meaning we have many suppliers with small amounts of business, thus making data collection, enforcement of policies and impact on deforestation difficult to achieve.

F17 Signoff

F-FI

(F-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.

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	Senior Vice President	Other, please specify

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