



# Vendor Code of Conduct



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# Introduction



A hallmark of the Target brand is treating everyone with respect, from the guests who shop with us, to the team members who bring the brand to life, to the shareholders who support us and to the communities where we do business. That dedication to respect is demonstrated by behaving with integrity, which is essential to our business.

And as we tell our own team members, our commitment to doing business ethically and legally means that we'll work only with vendors and suppliers who share the same commitment.

Because we place such a high priority on ethical and legal conduct, we require all of our merchandise vendors to read, understand and comply with our Standards of Vendor Engagement and all other conditions of doing business with Target. Additionally, we expect our vendors to ensure all of their factories understand and comply with these expectations. Failure to

conduct business in a manner that meets these standards could result in a termination of the vendor relationship with Target.

No code can cover all policies or laws, so if you have questions about any of the information in this code, or what is expected of you, please email [Ethics@Target.com](mailto:Ethics@Target.com).

In addition, if you suspect unethical or illegal business practices, it is your responsibility to report them using the resources outlined on page ten of this code.

Thank you for your commitment to upholding our high standards of conduct. Together, we can maintain Target's strong reputation for excellence.

# Standards of Vendor Engagement

Target is committed to responsible business conduct. Respect for human rights, environmental stewardship and animal welfare are fundamental principles of our business practices and standards. We expect our suppliers to share those principles and uphold our standards. Suppliers must also comply with Target's Ethics Policy, conduct their business with a high level of integrity and maintain transparent and accurate records. Please refer to Target's Applying the Standards of Vendor Engagement document for additional information pertaining to each standard, including the applicability of local laws and international conventions as well as implementation expectations.

**We require all vendors, suppliers, manufacturers, contractors, subcontractors and their agents (collectively, "suppliers") to abide by the following standards:**

## No Forced Labor or Human Trafficking

We condemn forced labor and human trafficking and will not knowingly work with suppliers who engage in these practices. All workers have the right to engage in work willingly, without surrendering identification and without the payment of fees. Workers have the right to freedom of movement and our suppliers must ensure it is afforded to them. Suppliers must also procure their raw materials and/or components for Target products solely from sources that do not utilize forced labor or engage in human trafficking.

## No Discrimination

We respect cultural and individual differences, and believe discrimination should not be tolerated. Suppliers are expected to maintain a discrimination-free workplace and to employ legally-eligible workers based upon their abilities, rather than their race, color, sex, pregnancy status, gender identity, marital status, political opinions, religion, age, disability, sexual orientation, social origin, national origin or any other characteristics unrelated to an individual's ability to perform the work required by the job.

## No Underage Labor

We do not tolerate the use of underage labor and will not knowingly work with suppliers that utilize underage workers. We define underage workers as any individual younger than the local minimum working age or the age of 15, whichever is older, and/or those not abiding by the international standards as defined by the International Labor Organization (ILO) regarding age appropriate work governing family farming. 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 (ILO) regarding age appropriate work.

## Health and Safety

Suppliers must provide a safe and healthy working environment that complies with local laws and minimizes occupational hazards. If suppliers provide residential facilities for their workers, they must be safe and sanitary.

## No Harassment

We believe that all workers should be treated with dignity. Suppliers must not engage in, condone, or tolerate physical, verbal, mental or sexual harassment against or among their workers.

## Working Hours and Overtime

Suppliers must not allow working hours that exceed the applicable legal limit, or 60 hours per week, whichever is less. Regularly paid hours must not exceed 48 per week and overtime hours must not exceed 12 hours per week or the amount specified by local law, whichever is less. Only in exceptional cases, may working hours exceed 60 per week and only in the exceptional circumstances described within Applying the Standards of Vendor Engagement. Overtime work must always be voluntary and paid at a premium rate. Workers must have at least 1 full non-working day in every 7-day period.

## Wages

Suppliers must provide wages and benefits that meet or exceed local law requirements and are paid/provided in a timely manner. We encourage suppliers to commit to the betterment of wages and benefits to improve the lives of workers and their families in the communities where they live.

## Freedom of Association

We seek suppliers who productively engage workers and value them as critical assets to sustainable business success. This includes respecting the rights of workers to make an informed decision as to whether to associate or not with any group, consistent with all applicable laws.

## Animal Welfare

We believe in the humane treatment of animals and expect suppliers to engage in practices that promote the welfare of animals. This includes providing an environment that is free from distress, cruelty, abuse, and neglect and that is consistent with all applicable laws and industry guidelines.

# Standards of Vendor Engagement

We require all vendors, suppliers, manufacturers, contractors, subcontractors and their agents (collectively, “suppliers”) to abide by the following standards:

## Ethical Business Practices

### No Bribery

We seek business partners who adhere to the highest ethical standards in their business practices and their interactions with Target. Target does not allow any exchange of favors, money or gifts with our team members with the intent to influence business decisions. As with the other standards outlined, Target team members are held to the same standards and are strictly prohibited from engaging in solicitation of anything of value from business partners.

### Unauthorized Subcontracting

We do not tolerate unauthorized subcontracting. All production locations that fall within the scope of Target’s Responsible Sourcing program must be disclosed to and approved by Target before production begins.

## Reporting Misconduct

If you encounter what you believe to be a potential violation of local laws or regulations, Target’s Standards of Vendor Engagement, or unethical behavior, you may confidentially report your concerns to Target by emailing [Ethics@Target.com](mailto:Ethics@Target.com) or visiting [www.targetintegrityhotline.com](http://www.targetintegrityhotline.com). Retaliation of any kind against an individual who reports concerns in good faith violates Target’s principles and will not be tolerated. Additional information can be found on page 10 of this guide.

## Environmental Sustainability

### Environmental Management and Monitoring Systems

Suppliers must have environmental monitoring systems which accurately measure and track operational and production impacts to air, water and any other environmental system which may be deemed necessary.

### Energy Management

With respect to both production facilities and processes, suppliers must identify all applicable energy sources and energy consumption. Suppliers must also periodically set clear goals to improve energy efficiency and document progress made toward achieving those goals.

### Water Stewardship

Suppliers must identify, characterize and inventory all wastewater streams on an ongoing basis. In addition, suppliers must install and maintain appropriately sized wastewater treatment systems to ensure pollutants are at or below legally required levels. We will not tolerate suppliers with undersized, bypassed, or inoperable wastewater treatment systems.

### Emissions to Air

With respect to both production facilities and processes, suppliers must monitor and document all air emissions in accordance with the applicable regulatory requirements. In addition, suppliers must install and maintain appropriate air emissions control devices to ensure air emissions’ pollutants are at or below legally required levels.

### Waste Reduction & Disposal

Suppliers must handle, store, transport, and dispose of hazardous waste legally. We will not tolerate suppliers that engage in illegal waste dumping. We seek suppliers who demonstrate they actively work to reduce waste throughout the production process.

### Licenses and Permitting

Suppliers must acquire and maintain all legally required environmental permits and business operating licenses necessary for the production of their products and operation of their facilities. We will not tolerate suppliers operating without valid current permits.



# Global Trade & Security



We rely on vendor partners to ensure that all products sold to Target comply with all applicable laws, regulations, and standards, including the laws that regulate global trade such as laws governing country of origin, importation, customs entry, export, licensing and sale of imported merchandise. Vendors must ensure that all product markings and documentation are true and accurate and that appropriate records are maintained to validate information provided on all documents.

We work with our business partners to strengthen the international supply chain by operating in compliance with our global security criteria, including the U.S. Customs Trade Partnership Against Terrorism (C-TPAT). We expect our vendor partners to be familiar with these

guidelines and to use the forms available on Partners Online.

**For more information** about Business Integrity expectations, read the [U.S. Customs C-TPAT](#) and visit Partners Online to access the following forms: [customs compliance](#), [import classification](#), and [import shipping](#).

# Product Quality & Safety



Guests count on Target for well-designed, high-quality products at a great value. They also trust us to sell safe and compliant products. We expect our vendors to help us meet that commitment by following our Conditions of Contract and our Product Safety and Quality Assurance Process.

Our Conditions of Contract require that our vendors guarantee that all goods sold to Target are made in compliance with all applicable laws, and that all manufacturers and subcontractors also comply with the law.

For Target brand products, we expect all vendors – or factories producing product on behalf of vendors – to comply with our Product Safety and Quality Assurance process.

## Unethical Conduct

Product Safety and Quality Assurance (PSQA) processes are not only business requirements, but help ensure product is safe and in compliance with the law. Target's expectation is that no vendor, or factories producing product on behalf of the vendor, will attempt to circumvent Target's PSQA process through unethical conduct.

For more information, read our Ethical Quality Assurance Behavior Statement.

# Conflicts of Interest



Target team members are required to avoid not only conflicts of interest but activities that could give the appearance that a vendor has improperly influenced a team member in order to receive favorable treatment.

Vendors are required to avoid actions that may result in conflicts of interest, which include offering, providing or reimbursing personal gifts, favors, personal travel expenses, lodging or other housing, services of any kind, excessive meals or entertainment, or any other thing of value to Target team members with the intent to influence business decisions.

# Compliance with Anti-Corruption Laws



Vendors are required to comply with all applicable anti-corruption laws including, but not limited to, the U.S. Foreign Corrupt Practices Act. Under no circumstances may a vendor working for Target offer, promise or provide anything of value directly or indirectly to a government official for the purpose of exerting improper influence or to obtain or retain an improper benefit or advantage.

Vendors are required to complete our due diligence review process prior to representing Target before any government official. Additionally, if a vendor hires a third party to work on a project that requires interaction with a government official on behalf of Target, the vendor must closely monitor the actions of the third party to ensure compliance with anti-corruption laws.

All invoices submitted to Target for payment or reimbursement require accurate and adequate supporting documentation and may not mischaracterize or disguise any transaction or expenditure.

**For more information,** see the [U.S. Foreign Corrupt Practices Act](#).

# Confidentiality, Security & Privacy



We know that our vendors can be even better partners when we share the right information. When we trust vendors with confidential information, we expect them to protect it just as carefully as we would.

We expect our vendors to comply with applicable security and privacy laws, regulations and retention requirements, and to ensure that they have appropriate technical and security controls in place to protect our confidential information.

Confidential information means all non-public Target data, including: business plans, retail pricing strategies, marketing plans, team member personal information, guest personal information and intellectual property. Vendors may not outsource, disclose, share or use this information outside the requirements defined in their contract or non-disclosure agreement with Target. Unauthorized disclosures could harm Target, breach the vendor conduct contract or even be illegal.

# Reporting Violations

Simply put, we expect our vendors to follow all laws and the Vendor Code of Conduct requirements. It is also your responsibility to promptly report any actual or suspected violations by a Target team member, or an individual acting on behalf of Target, or one of our vendors. If you have questions or to report an issue or concern, you have several resources and reporting options available.



**Visit** [www.TargetIntegrityHotline.com](http://www.TargetIntegrityHotline.com) (interpreters available)



**Call** Integrity Hotline in the U.S.: 1-800-541-6838  
Outside the U.S.: 1-470-219-7116



**Email** [Ethics@Target.com](mailto:Ethics@Target.com)



**Write** Ethics Office  
Target Corporation  
33 South Sixth Street  
Minneapolis, MN 55402 USA

You may choose to remain anonymous when reporting a violation by calling the Integrity Hotline. All reported violations that include specific details of the violation will be investigated promptly and fairly to ensure the appropriate action is taken.