

EXECUTIVE SUMMARY

2014 Target
Corporate Social Responsibility Report

THE TOGETHER EFFECT



We welcome your feedback on corporate social responsibility efforts and reporting at CSR@target.com

This summary highlights Target's Corporate Social Responsibility achievements in FY2014. Read more at target.com/corporateresponsibility

[Create your own Target report](#) ➔

Dear guests, team members and other stakeholders,

At Target, our determination to fulfill the needs and fuel the potential of our guests is leading us to solutions that drive both business and social value. Can we leverage our scale to create better assortments for our guests and improve the way products come to market? Yes. Can our company help our team members meet their individual well-being goals and create a sustainable force committed to our guests? Yes. Can running the business we run, in the way we run it, strengthen the communities around our stores, distribution and headquarters locations as well as the factories, fisheries, farms and countless small suppliers that feed the global retail ecosystem? We believe it can.

As the CEO and the chief CSR officer of Target, we are focused on new ways to build on Target's legacy of corporate social responsibility. We know that working **together** with our team members, guests, suppliers and communities creates better outcomes on issues that matter to us all. As an example, we know education is critical to creating a vital economy and educated workforce. That's why we've committed \$1 billion to education by the end of 2015. It's just one of our publicly stated CSR goals in the areas of environment, team member well-being, education and volunteerism.

We will continue to focus first and foremost on the **guest** in everything we do, including offering them a variety of merchandise that's good for their families and the earth. We take great pride in the **Target team** and will continue to create a diverse and inclusive culture and ensure team members' well-being. And we know that Target is only as strong as the **communities** we serve. While we focus on these priorities, we remain vigilant on broader issues such as climate change and limited resources, an evolving workforce and data security. These matters affect not only our business, but also our guests and the entire global economy.

What affects one of us impacts us all. So if you have feedback on our efforts – from the products we offer to the suppliers we work with – please let us know. We want to hear from you because we're all in this together.

Sincerely,

Brian C. Cornell

Chairman and Chief Executive Officer

Laysha L. Ward

Executive Vice President and Chief
Corporate Social Responsibility Officer

Enhanced
60+
packaging
designs



1 CREATING POSITIVE GUEST EXPERIENCES TOGETHER

Our guests don't just shop. They explore. Discover. Learn. We strive to offer them a positive experience from start to finish. That's why Target is not only a fun place to shop, but also a place that makes it easy for guests to make great choices—such as great-tasting, wholesome foods and products that are sourced and manufactured in ways that respect both the environment and the people within it.

Made to Matter: Our guests are focused on their personal well-being, and the well-being of their families. It should be easy for them to find products they feel good about bringing home. That's why we introduced our Made to Matter – Handpicked by Target collection of 16 leading natural, organic and sustainable brands that span five categories—Baby, Beauty and Personal Care, Grocery, Healthcare and Household.

Simply Balanced: We expanded our Simply Balanced offerings to nearly 400 products that give our guests more choices for wholesome foods free of artificial flavors, colors, preservatives, trans fats and plant-based GMOs.

Sustainable Seafood: We are well on our way to ensuring that 100 percent of our fresh and frozen seafood selection is 100 percent sustainable and traceable or in a credible, time-bound improvement process to become sustainable and traceable by 2015, with 58 percent of our seafood meeting our criteria in 2014, an increase of 13 percent compared to 2013.

Product Transparency: We joined with Walmart and almost 50 companies and organizations in a day-long Beauty and Personal Care Products Sustainability Summit that focused on working with suppliers to increase the transparency of their products' ingredients and improve overall product sustainability. The Summit concluded with an agreement to identify actionable areas for change.





11,000+

team members participated in our Health Challenge



Through deskside composting & recycling, HQ team members helped reduce trash waste by

22%

2 MAKING A GREAT WORKPLACE TOGETHER

What does it take to make a great workplace? We think it starts with healthy, happy team members. That's why we offer a number of health benefits, help with financial situations and the opportunity to participate in our sustainability efforts. Of course, a great workplace is also one that fosters inclusion and encourages team members to volunteer for causes they believe in.

Team Member Health: Like any team, we're at our best when the individual team members are at their best. So we provide a number of ways for them to get and stay healthy. We joined forces with a wellness partner to develop a Health Challenge that encouraged behavior changes by engaging team members around common, meaningful goals. Over 11,000 participants joined the Health Challenge and we plan to continue this initiative in 2015.

Team Member Finance: We introduced a financial well-being assessment tool to all Target team members—both full-time and part-time employees—using a simple quiz to help users understand their financial status and establish goals to work toward. Over 7,500 team members used the tool in 2014.

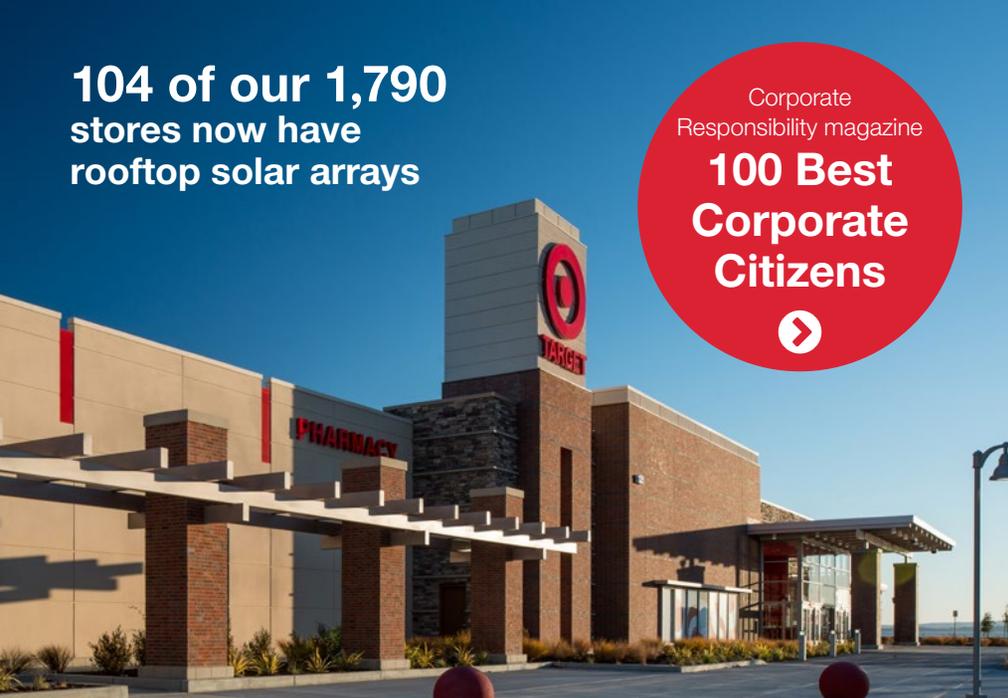
Commitment to Military Veterans: We hired 14,093 veterans since 2013, including 7,371 in 2014, putting the 100,000 Jobs Mission coalition – of which Target is a member – well on the way to beating its doubled goal of hiring 200,000 by 2020.



DiversityInc magazine

**Top 50
Companies
for Diversity**





104 of our 1,790 stores now have rooftop solar arrays

Corporate Responsibility magazine

100 Best Corporate Citizens



Published list of factories that produce our owned-brand products for the first time



team members volunteered 1,177,000+ hours to local communities

3 SUPPORTING OUR COMMUNITIES TOGETHER

Our communities extend from the neighborhoods that are home to our stores, all the way to the factories across the world that manufacture our products. **What our presence in all of these places has in common is our concern for the people who live in them.** We support our communities in a number of ways, from helping suppliers source materials responsibly and provide good working conditions, to partnering with nonprofits to deliver resources to local teachers and schools.

Donations to Education: We are on track to reach our 2015 goal to give \$1 billion for education, with a significant portion supporting in-school reading programs. Another major accomplishment was achieving our goal to support local K-12 schools through our Take Charge of Education (TCOE) program.

Regional Days of Service: We provide our team members with convenient ways to volunteer outside of normal working hours by conducting Regional Days of Service each year. In 2014, volunteers contributed 95,000 hours during this week-long event, helping a variety of community organizations based on the most pressing local needs.

Diverse Suppliers: In 2014, Target's Supplier Diversity team proposed a Beauty Innovation Fair that gave diverse vendors a way to present their products to Target's beauty buyers alongside non-diverse suppliers on-site in Minneapolis. The final business results of the event were outstanding, with 70 percent of the vendors who participated winning business in stores or online.

GoodWeave: We continued our partnership with GoodWeave to prevent child labor in the manufacturing of our owned-brand woven rugs, providing our guests with the assurance that our rugs are responsibly sourced.

Clean by Design: We partnered with the Natural Resources Defense Council on their Clean by Design initiative to reduce the environmental impacts of suppliers abroad. The savings in water, energy and materials from pilots in Chinese apparel textile mills convinced us to explore how it can be applied to home textiles in 2015.

EcoSet: We have diverted more than 420 tons of waste from advertising shoots since 2009.