



Executive Summary

2018 Target Corporate Responsibility Report

Our corporate responsibility strategy, Future at Heart, encapsulates our ambition to put the needs of people, communities and the planet at the heart of how we work today, to help create a better tomorrow. Future at Heart represents an exciting step in our corporate responsibility ambitions and is a result of a process to re-imagine our corporate responsibility vision and better connect it to our purpose and strategic priorities.

The chart below shows how our strategy is guided by our purpose, designed to leverage our core strengths and helps us lean into our competitive advantage.

future at heart Help all families discover the joy of everyday life

 <p>Empower Teams</p> <p>Ensure team members and manufacturing supply chain workers thrive</p> <p>We invest in team members and support manufacturing supply chain workers so they can take care of themselves, each other and their families</p> <p>Priority Areas:</p> <ul style="list-style-type: none"> • Economic Attainment & Well-being • Meaningful Work & Opportunity • Global Livelihoods 	 <p>Serve Guests</p> <p>Deliver value with values</p> <p>We offer products, services and experiences that meet all families' needs for value and values</p> <p>Priority Areas:</p> <ul style="list-style-type: none"> • Better Products • Purposeful Brands • Inclusive Products & Experiences 	 <p>Foster Communities</p> <p>Accelerate economic development</p> <p>We increase economic prosperity wherever we operate</p> <p>Priority Areas:</p> <ul style="list-style-type: none"> • Economic Vitality • Welcoming Places • Community Opportunity 	 <p>Design Tomorrow</p> <p>Embrace future forward design</p> <p>We take the circular economy mainstream</p> <p>Priority Areas:</p> <ul style="list-style-type: none"> • Responsible Resource Use • Circular Behavior & Innovation • Sustainable Operations
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“ Today, our team – almost 350,000 strong – is rallied around a single, unifying aspiration: to help all families discover joy in everyday life.

Inspired by that purpose, we are building on our legacy of philanthropy and volunteerism. We see opportunity to use every dimension of our business to make a positive impact. That means leveraging our size, scale and core strengths to create value for our teams, our guests, our communities and investors, and the planet we share.

Every action we take that strengthens the health and vitality of the communities where we live is a step forward in building a better, brighter future for Target and the people we serve.



Brian C. Cornell
Board Chairman and Chief Executive Officer

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We learned a great deal in 2017 from the journey of creating our new corporate responsibility strategy. This strategy marks a pivot in the role that corporate responsibility plays in Target’s business. It is evolving from primarily philanthropy to linking business and societal value; from a singular issue to driving multi-faceted positive impact; from being stand-alone to being woven into all we do; and from pockets of action to enterprise-wide engagement. It has allowed us to ensure that corporate responsibility is truly delivering on Target’s purpose and is poised to ensure we have a thriving business now and into the future.



Jennifer Silberman
Vice President, Corporate Responsibility

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- 📍 [Full Report](#)
- 📍 [Materiality Process](#)
- 📍 [Stakeholder Engagement](#)
- 📍 [UN Sustainable Development Goals](#)
- 📍 [Our Goals](#)
- 📍 [GRI Index](#)



Named one of the **2017 Top Companies for Women Technologists** by AnitaB.org

🕒 Workforce Diversity Data

Read more about our efforts to Empower Teams and what's next in our **2018 Corporate Responsibility Report**



Empower Teams

Our team members are what the Target brand is all about. As we look to the future, we are continuing to invest in our nearly 350,000 team members and create good jobs that allow them to thrive. We believe in fostering a diverse workforce and an inclusive workplace that provides equitable opportunities for our team members.

We also desire to improve the livelihoods of workers throughout our global manufacturing supply chain.

Here are highlights of our efforts to Empower Teams from our 2018 CR Report:

Competitive Pay & Benefits

We have committed to pay all team members a minimum hourly wage of at least \$15 by 2020. We moved to an \$11 minimum hourly wage in 2017. And, we took the next step by moving to a \$12 minimum hourly wage earlier this year, starting with our existing team members. This represents a major investment in our team. And it is helping strengthen our business and better serve our guests by allowing more team members to think about building a long-term future with Target.

Pay Equity

We understand the importance of providing equitable pay to all team members based on their experience, expertise and position. And this is not just our goal or policy – it is living out our company values of treating team members fairly. Our latest pay audit of U.S. team members confirmed that. Taking into account relevant factors such as position, tenure and location, Target pays team members equitably, regardless of gender, race or ethnicity.

Bias Training

We launched bias training to provide our team with tools to recognize and manage bias and to understand how our similarities and differences can enhance our team and our business. We started rolling this out by taking 7,000 of our headquarters team members through a three-hour bias training session. In addition, we are embedding bias training for all team members into regular training that they have throughout the year, as well as for new team members.

Global Livelihoods

We believe that improving worker well-being is about enriching and protecting the people who help create our products, the families they support and the communities where they live and work. We focus our efforts on engaging with manufacturing supply chain workers to elevate their well-being. We work with strategic partners, like [Nest](#), [CARE](#) and [Fair Trade USA](#) to help us reach our goal of elevating the lives of at least 3 million people in the factories and communities where our goods are produced.



Serve Guests

We are helping to deliver better products and services that meet our guests' evolving expectations and need for both value and values. This means working across our portfolio of owned brands to improve the environmental performance and social impact of each brand.

We also want all families to find products that reflect their needs at Target. That means trying to make our assortment as inclusive as possible. Our design and procurement teams help us bring new, innovative products and brands into our stores that meet the unique needs and preferences of our guests.

Here are highlights of our efforts to Serve Guests from our 2018 CR Report:

Chemicals Strategy & Policy

In 2017, we created our chemicals strategy and policy that addresses our entire value chain, operations and every product we sell – a first in the retail industry. In our first year of executing our chemicals strategy, we have made progress in the key areas of:

- **Textiles chemicals management:** Developed two restricted substance lists to remove unwanted chemicals from our products, as well as from our manufacturing processes.
- **Formulated chemicals transparency:** Within our system that tracks formulated essentials and environmentally-sensitive items, the requirements for suppliers are expanding so that we can leverage existing data to better understand our progress toward our chemicals goals in these categories.
- **Alternative preservatives:** Funded the [GC3 Preservatives Challenge](#) to drive innovation in the preservatives category.

Wellness Icons

In 2018, we introduced our [Wellness icons](#) as a way to simplify our guests' ability to make informed purchasing decisions. If a product meets minimum requirements of our Wellness Product Standards within its category of Essentials & Beauty, Food & Beverages or Supplements & Nutrition, the item is eligible to receive icons that highlight information we know is important to our guests. This way guests can more easily find the type of item they are searching for.

Inclusive Products

We have expanded our design agenda to include growing our assortment of adaptive, sensory-friendly and inclusive-sizing apparel, in addition to making added investment in multicultural food, toys and beauty. A great example is our [Cat & Jack adaptive apparel line](#), which is especially designed for kids and toddlers living with disabilities. Our internal design team created 40 different items that have unique features such as side and back snap and zip closures and hidden openings for abdominal access.

A Sampling of the Essentials & Beauty Icons:



Cruelty Free



Non-Toxic



Phthalate Free



Non-GMO



Vegan



Sulfate-Free



Organic



Gluten Free

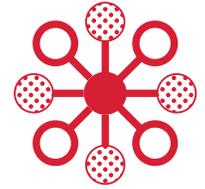


Plant-Based



Offered a **10 percent military discount** in November in all our stores and online for veterans, active military and their family members

Read more about our efforts to Serve Guests and what's next in our **2018 Corporate Responsibility Report**



Foster Communities

We have always been deeply connected to the communities we are lucky enough to call home. By investing in the places where we live and work, we create more sustainable communities for future generations of guests and team members.

Now we want to go further, becoming intentional about how our business can accelerate economic development and bring communities together.

Here are highlights of our efforts to Foster Communities from our 2018 CR Report:

Resilient & Vibrant Communities

In 2017, we donated more than \$104 million in cash to community programs, more than \$112 million in-kind donations and more than \$3.3 million in disaster relief and recovery efforts.

We also committed \$14 million to youth soccer through two new national initiatives, including an \$8 million local grant program and a \$6 million partnership with the U.S. Soccer Foundation to build 100 new soccer play spaces by 2020.

Welcoming Spaces & Community Opportunity

When we are identifying new store locations, feedback and relationship-building matters. As we prepared to open our newest Target small-format store in Bensonhurst, a neighborhood of Brooklyn, in 2017, we saw a big opportunity to use our space to welcome and engage community members. With the partnership of local stakeholders that helped us understand the unique needs of the neighborhood, we took several steps to

support a successful opening and sustained success in Bensonhurst, including restoring parts of the historic theater that was once located at our new address and piloting a community space for guests and their families.

Disaster Support

When disasters occur, we look to work with local organizations to help those in need and protect our team members and guests. We take care of our impacted team members and their families by helping them get needed resources and providing financial support to help our communities get back on their feet. In response to Hurricane Harvey's impact on the Gulf Coast, Target pledged up to \$3.5 million to help impacted team members and local and national disaster relief organizations in relief and recovery efforts. And as communities across Florida and the southeastern United States began to pick up the pieces after Hurricane Irma's devastating impact, Target committed up to \$1 million in cash and in-kind donations to help with relief and recovery efforts, including 16 trailers of goods.



Donated more than 76 million pounds of food, equating to **64 million meals**

Read more about our efforts to Foster Communities and what's next in our **2018 Corporate Responsibility Report**



Design Tomorrow

We believe operating a sustainable business and using resources responsibly will allow us to serve our guests for many generations to come. Our aspiration to develop a comprehensive circular strategy builds on our extensive work to date to address the environmental impacts of our business, including our efforts to reduce waste, invest in renewable energy and pursue sustainable water management.

Here are highlights of our efforts to Design Tomorrow from our 2018 CR Report:

Climate & Energy

In 2017, we announced a new [climate policy](#) and goals, including Scope 1 and Scope 2 goals that meet the level of ambition for the Science-Based Targets initiative. While we are implementing projects in our owned-brand manufacturing facilities that will result in the avoidance of Scope 3 emissions, within the year, we aim to develop an additional Scope 3 goal that, coupled with our Scope 1 and 2 goals, will fulfill our commitment to the [Science-Based Targets initiative](#).

Water

We believe clean, drinkable water and sanitation are human rights and should be accessible for all. In 2017, we collaborated with [World Wildlife Fund](#) on a water risk

assessment of our water reduction efforts across our supply chain, stores and distribution centers. As a result, we announced a holistic approach to [freshwater stewardship](#) in 2018. Our actions are intended to contribute to improved water quality, quantity and access through a focus on raw materials, manufacturing, direct operations, as well as community projects.

Recycling & Trade-in Programs

We believe if we can make it easier for our guests to recycle, we can collectively scale our impact. Since our nationwide Car Seat Trade-in program launched in 2016, we have collected more than 170,000 car seats that have been recycled into new products, diverting 2.6 million pounds of material diverted from landfills.



Announced **new policies and/or goals** for cotton, forest products and packaging



Committed to source **100 percent renewable energy** across our U.S. operations



Installed an additional **86 new solar projects**, for a total of 436 projects

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