



TARGET'S RESPONSIBLE SOURCING POLICY FOR FOREST PRODUCTS

March 2017

Overall statement

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.

Policy scope

This commitment applies to all Target's owned brand products and packaging containing a majority of wood-based material.

Requirements for timber and paper products

Target requires wood, paper, paper-based packaging and wood based fiber vendors to comply with the requirements of the US Lacey Act. Vendors of products made of wood, paper, paper-based packaging and wood based fiber covered under the scope of this policy should ensure that their products do not contain the following categories:

- Illegally harvested and traded timber;
- Timber harvested in violation of traditional or civil rights;
- Timber harvested from areas in which high conservation values are threatened by poor forest management activities;
- Timber harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest use;
- Timber from forests in which genetically modified trees are planted.

There are a number of forest certification schemes that are currently available around the world. Target relies on the use of these 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.

Implementation

We understand that we cannot address all vendors and products at once, so prioritization is key. This commitment is being progressively implemented through a program to improve the sustainability of our supply chain. We will work with our vendors to trace the origin of our raw materials. In implementing this policy, not only will we determine the origin of the raw materials in our products, but attempt to improve the sustainability of forests where the timber in those products was grown. As we implement this policy, we will monitor and report on our progress.