CONTENTS

Best with Team Members

p11 Workplace and Personnel Issues
p15 Communications
p17 Workplace Safety
p19 Audits and Inspections
p21 Conflicts of Interest
p23 Protecting Target’s Assets
p25 Record Retention
p27 Intellectual Property

Best with Guests

p31 Advertising
p33 Competing Fairly and Ethically
p35 Product Safety
p37 Credit and Financial Services
p39 Health Care

Best with Communities

p43 The Environment
p45 Political and Lobbying Activities
p47 International Trade
p49 Anti-Bribery

Best with Shareholders

p53 Information Protection and Privacy
p57 Insider Trading
p59 Financial Integrity and Reporting
p61 Vendor Standards

Reporting Concerns and Questions

p63 Reporting and Guidance
A MESSAGE TO TEAM MEMBERS

At Target, we have a unique, dynamic work culture that encourages collaboration and thoughtful decision making. We have a shared commitment to delivering outstanding results and we all act as brand ambassadors as we interact with our guests, vendors and communities. Each one of us makes complex decisions and uses careful judgment each day, and this team consistently demonstrates integrity, strong ethical standards and a commitment to healthy communities.

In 1902, when George Draper Dayton founded the company that later became Target, he set the expectation of “doing the things you ought to do, as you agreed to do them, when you agreed to do them”—a standard to which we still hold ourselves today.

Behaving ethically and with integrity is essential to maintaining our reputation with our team members as a great place to work, with our guests as a preferred shopping destination, and with our communities and shareholders as a responsible corporate citizen.

We begin with the basics: complying with international, federal, state and local laws and regulations related to our business. We must—and do—go beyond regulations, however. We expect all team members, regardless of level or role, to conduct themselves with the utmost personal and professional integrity every day.

Because we place such a high priority on our ethical conduct, we ask that each of you read our Business Conduct Guide, think about how it applies to your role, learn how you can ask for advice or get answers to questions regarding Target’s policies and expectations, and keep the guide on hand for future reference. In addition, if you ever suspect unethical or illegal business practices, it is your personal responsibility to report it using the avenues outlined in the Business Conduct Guide.

We sincerely appreciate your commitment to upholding our high standards of business conduct.
ABOUT THIS GUIDE
Target created this Business Conduct Guide to give you some tools to make decisions that reflect Target’s commitment to exemplary corporate ethics and integrity. Inside, you’ll find examples of some of the ethical decisions we face as team members, information about the company policies and guidelines that govern the way we do business, and instructions for how to report an incident or get advice on a situation you face.

Of course, we know that no guide can cover every potential scenario. One helpful question you can ask yourself when you’re faced with any ethical dilemma: How would you feel if your actions in handling it were reported in your hometown news or to your friends and family?

The information in this guide applies to all Target board members and to team members at every level and every location of Target and its operating divisions and subsidiaries. If you have questions or concerns, the best and fastest way to get answers is often to talk to your supervisor or your Human Resources business partner. You can also email Integrity@Target.com.

You can also use www.targetintegrityhotline.com (online) or call the Integrity Hotline at:

U.S. and Canada (non-Quebec) 1-800-541-6838
Quebec 855-311-4153
India 000-800-100-1657
Any other non-U.S. location 470-219-7116

When you report online at www.targetintegrityhotline.com or by phone you may choose to remain anonymous.

Whichever option you choose, Target prohibits retaliation against any team member who makes a report in good faith.

You can find more information about the reporting process on page 63 of this guide. And if you have any other questions, you can contact Corporate Compliance and Ethics anytime by e-mailing Integrity@Target.com.

Have a question or need advice? We’re here to help: Target’s Corporate Compliance and Ethics team is available to answer questions about this Business Conduct Guide or related policies. You can also contact us for advice about situations where you’re not sure what to do. E-mail your questions to Integrity@Target.com, and we’ll reply promptly.
OUR COMMITMENT TO COMPLIANCE
Target has many teams dedicated to ensuring our business complies with all applicable laws and regulations. Complying with the requirements that govern our activities is vital to advancing our reputation. But the responsibility to drive compliance doesn’t just belong to specific teams within the company. **It belongs to you!** In fact, every team member, in every part of the organization, plays a role in compliance: from the business partner at headquarters making sure that our prices are accurate, to the warehousing team member at the distribution center staying current on the training requirements for her job, the pharmacy technician protecting guests’ medical information, or the ETL removing expired products from our shelves. All of these team members help Target comply with its regulatory obligations.

Best practices, policies, and procedures are some of the tools designed to enable Target to achieve its commitment to compliance. You are responsible for understanding these tools and knowing how and when to use them. If you’re unsure about what’s expected of you, talk with your supervisor to learn what to do. We take compliance very seriously and no one should dismiss the responsibility to meet these requirements. This guide is about the integrity and high ethical standards that are part of Target's culture: the cornerstone of these attributes is our team members’ dedication to and ownership of compliance.
BEST WITH
TEAM
MEMBERS
WELCOME ONE, WELCOME ALL
Have you heard the one about? Keeping up with online news and passing on relevant stories to his team was part of Frank’s job at Target headquarters. From time to time he also included funny stories to promote a Fast, Fun and Friendly environment. One morning, Frank received a joke from a friend and was getting ready to forward it to his team when he realized that it made fun of immigrants. Frank knew it wasn’t right for him to pass on that kind of content, so he deleted the email. By doing so, he avoided an investigation into whether he had violated Target’s Harassment-Free Workplace Policy.

Discrimination and harassment aren’t tolerated at Target, period—in hiring, training, advancement, compensation, discipline or termination. For starters, discrimination and harassment are illegal. But they’re also counter to everything Target stands for.

Part of what makes us so unique is our commitment to building a diverse team. Different people with different backgrounds have different ways of seeing the world and different tools for solving problems—so the more diverse our team, the more likely we are to hit on the great, game-changing ideas that make us one of the most innovative companies in retail.

Target is an Equal Opportunity Employer; we train team members and managers on what that means, including your right to be protected from retaliation if you make a good-faith complaint of discrimination or harassment, participate in an investigation of such conduct or oppose unlawful practices.

Ask yourself: Is what I’m about to say or do offensive to any individual or group?

Want more detail? Read Target’s Harassment-Free Workplace Policy, Equal Employment Opportunity Policy and Team Member Handbook.
Make time for break time. Marcus was excited that a new CD by his favorite band had arrived in his store—so as soon as he punched out to start his meal period, he took off his name tag and headed to the Movies and Music department to buy it. A guest who spotted Marcus's red vest and khaki pants asked if he could show her where to find the hand tools she'd been looking for. Marcus apologized to the guest, telling her that he was off duty just then but would find someone who could help. He flagged down a fellow team member, who took the guest to the Home Improvement aisle.

Meal periods and rest breaks are an important part of Target's safe and healthy workplace. They're also essential to helping our team members stay Fast, Fun and Friendly throughout a shift.

If you're a non-exempt team member (in a U.S. location), you’re required to take meal periods and rest breaks as outlined in the Team Member Handbook—and they have to be “duty-free,” which means they can’t be interrupted by any work-related interactions with fellow team members or guests. If somebody asks you a work-related question while you’re taking a break, you should tell them politely that you're off duty. Direct them to somebody who can help right away, or offer to follow up as soon as your break is over.

We want to make sure you are paid for all work you perform. If you work during an unpaid meal period or paid rest break, if you start working before you’ve punched in, or if you keep working after you’ve punched out for the day, you're working off the clock. That's a violation of Target's Meal Period and Rest Break Policy, which can result in corrective action up to and including termination of employment.

Your time away from Target is your own, so you shouldn’t take work home. If there’s an instance where you have to do work from home or while you’re otherwise off the clock, record your time and report it so you can be paid for it. You should also record and report your time if somebody from work contacts you by phone or text message to discuss work while you’re punched out, because you’re entitled to be paid for that time.
If you’re an exempt team member, you’re required to focus most of your time on management-related activities (e.g., directing, training, coaching and managing team members and making sure that they carry out their job responsibilities), not on performing tasks that are generally completed by hourly team members. If you supervise non-exempt team members, you’re also responsible for ensuring that they take timely, duty-free meal periods and rest breaks, are paid for all hours worked and receive the appropriate pay.

Target’s open-door policy invites you to raise wage and hour concerns with your supervisor, your Human Resources representative or other leaders. You can also call the Employee Relations and Integrity Hotline (which gives you the option to remain anonymous) or e-mail Integrity@Target.com anytime. We’re committed to investigating complaints as thoroughly and promptly as possible, and Target prohibits retaliation against any team member who makes a report in good faith.

Ask yourself: Does this punch correction form accurately reflect all my work time and meal periods?

Want more detail? Read the Team Member Handbook.
BOOST THE BRAND
Think before you post. “OMG I AM HAVING SUCH A BAD DAY,” Robin’s blog post began . . . which would have been an okay way to vent if she’d left it at that. However, she also posted unflattering cell-phone pictures she’d taken of several guests whom she blamed for her terrible day. A fellow team member who read Robin’s blog posted a comment that Robin should check with Integrity@Target.com about the content of the post; after she gave it additional thought, Robin pulled down the post and requested that Google remove it from its search results.

It’s important for every communication that comes from Target to reflect our brand. Communications include everything from internal communications like conversations with fellow team members to external communications like social media posts that relate to working at Target. We don’t tolerate communications that violate Target’s policies (e.g., our Harassment-Free and Violence-Free Workplace policies) or that are libelous or obscene.

Good communication—whether face to face or in writing—is the most important tool in successful collaboration with fellow team members, which is a key ingredient in Target’s culture. It’s okay to disagree with a co-worker, but it’s important to be professional and respectful even when you don’t see eye to eye.

If you choose to publish your opinions or post information about Target through social media, you’re responsible for that content and for making it clear that your opinions are your own and not Target’s. Read the Target Social Media Guidelines for information about what’s okay to post and what’s not.

If you’re ever put in a position where someone from the media asks you to speak for Target, decline unless you’ve been authorized and had training on how to talk to the media. If you get a call from the media, refer the caller to Target Communications.

Ask yourself: Is my communication professional? When my communication is public, is it completely clear that my personal views don’t represent Target’s position?

Want more detail? Read Target’s Social Media Guidelines and Open-Door Policy or e-mail Target.Communications@Target.com.
ON THE SAFE SIDE
License to chill. Amir works in warehousing at one of Target's Food Distribution Centers. When his manager asked him to fill in for a team member from the freezer room who was out sick, Amir was eager to help. It didn't take long for him to realize that he was in way over his head because he hadn't been trained on how to use the automated caddy system. He talked to his manager about the possible safety issues and found out that she didn't know Amir lacked the right training. His manager found a trained team member who could fill in, and worked with Human Resources to get Amir the training that would prepare him for the next time his help was needed.

Safety has an impact on every part of our business, from team-member satisfaction to productivity and profitability—so keeping team members safe is a top priority. We have safety programs tailored to our headquarters and field offices, stores and distribution centers. If you see something that seems unsafe, or if you witness any kind of incident that endangers the safety of team members, report it immediately to your supervisor or another manager.

A safe workplace isn’t just about best practices, equipment and training. Safety also relates to team members’ behavior at work. We take pride in having team members who are committed to superior guest service, productivity and teamwork, and we recognize that drug and alcohol use can interfere with all of those things—so Target maintains a work environment that’s drug- and alcohol-free.

Team-member safety also requires a workplace that’s violence-free, so we don’t tolerate workplace violence under any circumstances. Violence includes actions or words that endanger or harm a person or Target property, or that lead other team members to believe that any person or their property is in danger.

If you suspect drug or alcohol use on the job, or feel threatened by another person’s actions or words, talk to your supervisor immediately or call the Employee Relations and Integrity Hotline.

Ask yourself: Is there potential for injury or property damage if this isn’t corrected? Could someone see my words or actions as threatening?

Want more detail? Read the Safety home page on insideTGT; the Safety, Claims and Insurance site on Stores Workbench; the Safety Claims tab on DC Source; Target's Drug, Alcohol and Tobacco-Free Workplace Policy and Target's Workplace Violence Policy.
COOPERATE TO OPERATE
Who’s at the door? An inspector from the Occupational Safety and Health Administration (OSHA) arrived at one of our distribution centers (DCs) one morning for a surprise inspection. The DC’s leadership team assigned a Senior Group Leader (SGL) to escort the inspector through the building. After she cleared her calendar to accommodate the inspector, the SGL called Target’s internal Alert One call center, which connected her with the compliance team at headquarters that could help her answer the inspector’s questions. After touring the DC, checking records and receipts, and testing equipment, the inspector left the group leader with a list of action items, which she shared with the compliance team. They worked together to respond in writing to OSHA’s list; as a result, OSHA noted that all the issues were resolved and the building was in compliance.

Many of Target’s operations are subject to routine audits or inspections by the government agencies that regulate our business. The people who want to check out how we work might be from the federal government or from a state or local office, and they could be looking at anything from whether the food at our Target Café restaurants is being kept at the right temperature to whether we comply with local fire codes or weights-and-measures requirements. Their inspections or audits could include looking at our files and records, making on-site inspections of our facilities, or submitting requests for information.

Because we comply with the laws and regulations that apply to our business, we’re always willing to cooperate with auditors and inspectors. If you’re part of a team that gets a request for information or an inspection, you should:

- **Contact your supervisor** to notify them of the inspection. Be sure to follow the Visitors and Inspectors Policy as well as the inspection procedures for your area and report the request to other partners who need to know.

- **Provide the appropriate information requested quickly and accurately.** Your headquarters responder will tell you what documents you can provide. Do not provide the inspector with any original documents to take with them, but you can let them look at the documents or make copies. If you don’t have the information at hand or you are uncomfortable with the request, it’s okay to let the inspectors know you’ll get back to them.

- **Quickly handle any action items the inspector leaves with you.** That builds trust with the agencies that regulate us and shows them that we’re serious about our compliance obligations. Work with your headquarters partners before completing any agency follow-up.

- **Refer non-routine information requests (e.g., subpoenas and search warrants)** by government entities to the Target Law Department

Ask yourself: Am I showing my willingness to work with the inspectors? Am I demonstrating Target’s commitment to compliance?

Want more detail? Read the Target Visitors and Inspectors Policy and the Service of Process Policy.
5
Conflicts of Interest

DON’T BE SWAYED
You want to rent my condo for how much? Maya, a buyer at Target, couldn't believe what she was reading: an e-mail from a business acquaintance offering to pay $3,000 a week to rent the beachfront condo she was offering for $1,000 a week. It sounded too good to be true, and it was. The potential renter revealed that he was a vendor who wanted to do more business with Target. He hoped his generous offer would influence Maya to order more product from his company. Maya told the vendor no way, contacted her manager and reported the situation to Integrity@Target.com. After an investigation, the Merchandising team ended the would-be renter’s business relationship with Target.

Avoiding conflicts of interest means you’re responsible for ensuring that you don’t make business decisions based on how they might benefit you. At Target, we not only avoid conflicts of interest, we avoid engaging in activities that could create even the appearance of a conflict of interest. For example, we avoid activities that could suggest that a vendor has somehow improperly influenced Target team members in order to receive favorable treatment. It could be a conflict of interest for you to:

- Have a substantial financial interest in any company that does business with Target, wants to do business with Target or competes with Target.
- Perform any services (e.g., consulting or serving on the board of directors) for any company that does business with Target, wants to do business with Target or competes with Target.
- Represent Target in a transaction with any company in which you or a member of your family have an interest.
- Compete with Target in the sale or purchase of property.
- Solicit, accept or be reimbursed for any personal gifts, favors, travel, housing, services, excessive meals or entertainment, or anything else of value from any company that does business with Target, wants to do business with Target or competes with Target. (There are some exceptions; for instance, you can accept a vendor’s invitation to a meal if the purpose is business-related and the cost is reasonable.)
- Participate with a vendor in any activity that could result in personal gain.
- Take merchandise samples for non-business use.
- Misuse your position to make any purchases for personal use.

If you’re an exempt team member or work in a non-U.S. location, you’re required to disclose any potential conflicts of interest on an annual questionnaire—but if a potential conflict arises, don’t wait. Disclose it right away by reporting it to your supervisor or Human Resources representative, calling the Employee Relations and Integrity Hotline, or e-mailing Integrity@Target.com.

Ask yourself: Could this activity influence my business decisions? Will it look to others like my decision was influenced by this activity?

Want more detail? Read the Target Conflict of Interest Policy or e-mail Integrity@Target.com.
USE AS DIRECTED

Protecting Target’s Assets
Theft, fraud and misuse of company assets: If you see something, speak up. John, an executive at a Target store, was having dinner one evening with friends. He offered to pick up the tab and discovered that his personal credit card wasn’t in his wallet—but he had his Target Purchasing Card, so he used that instead. The same day, a team member named Kim overheard a colleague at headquarters say that a vendor who’d sent some product samples didn’t want them back, so Kim took the samples home. Meanwhile, Pat, a team member working in her store’s backroom, slipped a new iPod into her pocket, thinking that nobody would notice. Fellow team members reported each of these instances to Integrity@Target.com, and Target launched investigations into all of them.

Target’s assets—no matter whether they’re merchandise, vendor samples, corporate credit cards, cash or information—are intended to be used for the benefit of the company. Target has accounting, reporting and internal controls and teams in place to detect theft, fraud or misuse of company assets. When theft does occur, we investigate and resolve each incident quickly.

It’s a pretty good bet that you already know your role in protecting Target’s assets. If you don’t, read the company’s policies. If you see somebody stealing, or if you become aware of misuse of company assets, alert your supervisor, Assets Protection or the Employee Relations and Integrity Hotline.

Ask yourself: Could someone view my actions as theft? Am I misusing Target’s assets for personal gain?

Want more detail? Read Target’s Team Member Purchasing Guidelines, Purchasing Card Policy, Travel and Expense Policy, Physical Inventories and Shortage Provisions, Capital Assets Policy, Shoplifting Policy and Team Member Discount Policy or e-mail Integrity@Target.com.
TO KEEP OR NOT TO KEEP?
Know what to keep and what to toss. Jeff worked in Target’s Property Development department for 30 years—and he kept almost every scrap of information that ever crossed his desk, including multiple versions of contracts and other documents. After Jeff retired, his replacement got a question from a vendor about a contract. As she went through Jeff’s files, she found eight different versions of the document in e-mail archives, in filing cabinets and in off-site storage . . . but she couldn’t find the final, signed version, and neither could the vendor. The vendor disagreed about which version was meant to be final, which led to unwanted renegotiations, many expenses and lost productivity as team members sorted through the documents and eventually resolved the dispute.

Many of us collect a lot of information in the course of doing our jobs—e-mails, memos, spreadsheets, contracts, proposals, project plans . . . the list goes on and the documents stack up. If you don’t know how long you’re supposed to keep that information, you risk keeping it too long or getting rid of it too soon. Cleaning out your files might result in discarding information that we need to keep, while keeping documents too long can result in confusion and an overstuffed electronic archive.

We have an obligation to ensure that our records are kept for the required amount of time. Talk to your supervisor to be sure that you understand the legal requirements and company expectations for keeping documents for which you’re responsible, and the right way to dispose of documents we’re no longer required to keep. You can also contact Records Management for a copy of our corporate records retention schedule.

Ask yourself: Should I keep this document? If so, for how long?

Want more detail? Read the Target Records Management, Retention and Disposition Standard or e-mail Integrity@Target.com.
ORIGINAL INTENT
Hey, that looks familiar. Chris, a Target Home™ designer, fell in love with a product she saw at a trade show. When she got back to her office, she contacted a vendor to have them make something that looked just like it. The product hit stores in record time—but when a rep for the vendor from the trade show saw the item at Target, she sounded the alarm. This product wasn’t similar to the trade show item—it was identical to the trade show item! The manufacturer complained and Target wound up removing all the product from stores, which satisfied the other company but cost Target a lot of money.

The Target brand thrives on innovation. Our team generates so many new ideas with so many sources of inspiration that we have to be careful not to infringe on the intellectual property rights of others. We respect others’ intellectual property rights and know that even an allegation of infringement could be costly and hurt our reputation.

If you’re involved in creating new campaigns, programs or innovations for Target, it’s important to steer clear of other companies’ and individuals’ rights—not only in design but also in the development of written materials, video, music, software and other technology. You should also remember that Target owns what you come up with while you work here.

Target’s reputation for great design means that we’re one of the most imitated retailers in America. Intellectual property we own includes our Bullseye logo, our “Expect More. Pay Less.” brand promise, other trademarks (e.g., Archer Farms® and up & up™), and patents on innovations that range from some of our unique GiftCards to the system that lets guests sign for credit purchases before our cashier is finished ringing up the transaction. If you spot a rip-off of a Target product or design, or see the Target Bullseye or another Target trademark being used by others, e-mail Integrity@Target.com.

If your job involves any use of Target intellectual property or the development of new intellectual property for the company, the Target Brands team will help to ensure that you’re following our guidelines. Those guidelines also apply to our vendors and business partners.

Ask yourself: Do I have permission to use this? If the situation were reversed, would I be comfortable with somebody using my ideas without my permission?

Want more detail? Contact a team member in Target Brands or e-mail Integrity@Target.com. For questions about using or copying publications, check with Guest Insights.
BEST WITH GUESTS
SAY IT PLAIN
Don’t trash our hard-earned reputation for honesty. “We have to change our owned-brand trash bag signs and packaging right away,” the buyer told Calvin, a team member in Target’s Marketing department. “One of our big competitors just put out a new package that says their bags are produced using 50 percent less energy than other bags. Can we say the same thing?” Calvin didn’t have to think twice before saying no. Unless we have verification that a claim we make about our products is true, we won’t make it.

Guests are loyal to Target because they trust us to bring them high-quality merchandise at a good value, and to be a partner in building healthy communities. We’ve built that trust over decades, but we can damage it in an instant if we tell our guests something that turns out not to be true.

That’s why our goal is clarity and accuracy in every advertisement we run. The claims made have to be true and supported; prices have to be accurate; we strive to have advertised merchandise available for guests to buy; and if the merchandise doesn’t live up to guest expectations, we need to abide by our return policy. It’s all about maintaining Target’s brand and reputation.

Ask yourself: Is there anything in this ad that might be confusing or misleading? Do I understand my role in accurate pricing?

Want more detail? Read the Target Marketing Practices Policy.
10
Competing Fairly and Ethically

PLAY FAIR
When a breakfast invitation isn’t just a breakfast invitation. At a conference in Mumbai, India, Target buyer Susanna was pulled aside by her counterpart at a competing company. “Our margins are way too tight—and I’m thinking yours are, too—because we didn’t bump up prices after the last cost increase from the vendor,” the competitor said, suggesting that the two get together for an off-the-record breakfast to talk about pricing. Susanna knew that discussing pricing with a competitor was inappropriate, so she declined and reported the incident to Integrity@Target.com.

Target thrives on competing to win in the marketplace. We compete and negotiate vigorously, but we always act with integrity and in a spirit of fair dealing. You should never take advantage of anyone by manipulating or concealing information, abusing privileged information, misrepresenting facts or doing anything else that could be considered unfair. It’s often important to gather information about competitors and others to compete effectively—but you have to do so lawfully and ethically, which includes respecting another company’s right to protect its confidential information. You should never encourage anyone to give you information that they should be keeping confidential.

We’re also governed by state and federal laws that ensure fair competition among companies. Any violation of these laws (known as antitrust laws) can result in a jail sentence for the team member who breaks the law and a felony conviction for Target. Any resulting lawsuits can expose Target to triple liability for damages and can also do tremendous damage to Target’s reputation.

If you communicate with Target’s competitors or vendors, you need to understand and comply with antitrust laws. We’re prohibited from entering into agreements with our competitors that restrain competition, so it’s critical for team members not to collaborate with competitors when making business decisions. Don’t ever talk with a competitor about Target’s prices, merchandise, promotions or agreements with vendors. And while it’s important to maintain good communications with vendors, we have to make our own independent decisions about pricing.

Ask yourself: Am I making decisions based on information that I shouldn’t have?
Have I been honest in all my dealings with other parties?

Want more detail? Read Target’s Anti-Trust Compliance Policy.
PRODUCT SAFETY

SAFE AND SOUND
Our safety standards: well above the bare minimum. Carmen was working at her store’s Guest Service desk when a guest came in to return a toy bear she’d bought for her toddler. The bear’s head came off, the guest explained, and her son put it in his mouth; while the child was fine, she was concerned that the part was small enough to be a hazard. Carmen took the item back and filed a report on the mySupport system, which went to the Product Safety and Recalls (PSR) team. The PSR team researched the product and noticed that Target Guest Relations had received other complaints about the toy, so they consulted the Target Quality Assurance team to see whether the toy could pose either a safety or regulatory issue. As a result of the analysis, the product-safety concern was reported to the U.S. Consumer Product Safety Commission (CPSC). To protect Target guests, the PSR team locked the product in the point of sale system to ensure that no more bears could be sold, and directed store teams to remove the bears from the sales floor. Target, in conjunction with the CPSC, ultimately issued a recall of the product.

A big part of guests’ loyalty to Target depends on the trust they put in us to sell products that are safe and that comply with consumer-safety regulations. To make sure that we meet our guests’ expectations, we work closely with our vendors, conduct our own testing when appropriate and take action quickly if there’s an issue.

Every vendor that supplies Target is responsible for making sure that their products comply with all applicable laws and regulations—and our merchants are responsible for taking quality and compliance into account when they choose vendors. Our Quality Assurance team works with vendors and third-party labs to verify that products comply with regulatory standards, meet Target’s internal quality standards and meet the additional, more stringent standards we impose on some products (like products for children).

If we’re ever notified of a product compliance issue, we promptly fulfill our obligations to report it to regulatory agencies and follow up appropriately (e.g., removing the product from sale or recalling it). We’ll also assess the necessity of removing products from sale if there’s a quality issue that could affect safety or our brand. Target Guest Relations and other teams work together to monitor guest concerns about safety and quality.

Our emphasis on product safety extends to the food we sell in our Target Cafés and in our stores. Our guests expect clean, sanitary facilities that comply with all health and safety regulations—so if you work in one of these areas, it’s your responsibility to make sure that we meet their expectations. Your supervisor can tell you whether you need to complete food-handling training to be certified for your work area.

If you ever become aware of quality or safety issues with a product we sell, report it right away to store leadership, Target Guest Relations, or the Employee Relations and Integrity Hotline.

Ask yourself: Could this product have a negative impact on our guests’ health or safety?

Want more detail? Read the Food Safety and Quality Assurance Policy or e-mail Integrity@Target.com.
THE RULES ARE THE RULES
Credit only where credit is due. Tim, a Target Credit Card representative, got a call one afternoon from the assistant to one of Target's headquarters executives, asking whether Financial and Retail Services would increase the exec's credit line by thousands of dollars to accommodate an upcoming trip to Europe. Tim politely declined and explained that banking laws say we can't give a team member—especially a highly placed one—special credit perks that we wouldn't give to a guest who shared the same credit profile.

We offer credit to our guests through the Target® VISA® card, the REDcard® (both issued by Target National Bank), and the Target Business Card® (issued by Target Bank). Other Target financial products include the Target GiftCard®, the Target Debit Card™ and the Target® Visa® Gift Card.

The state and federal laws and regulations that apply to consumer financial products and services run to thousands of pages. They govern everything from how we advertise our financial products and how we disclose product terms to how we manage cardholders’ accounts and collect on past-due balances. There are even laws restricting how Target GiftCards can be displayed in our stores. If you’re involved in creating, marketing or managing any of our financial products, you’re responsible for following the designated procedures to meet our compliance obligations.

Ask yourself: Am I fulfilling Target’s legal obligations and following established procedures for this financial product?

Want more detail? E-mail Integrity@Target.com.
HANDLE WITH CARE
Talk about a headache. Joy, a team member at a Target store, had been fighting a rotten headache all day. Stephen, the pharmacy technician, could see how miserable she was, so he grabbed a couple of prescription-strength ibuprofen from the pharmacy’s stock and gave them to her; Joy felt better and got on with her work day. When she mentioned Stephen’s gesture to an Executive Team Lead later, the ETL knew she had to make a report. Not only had Stephen dispensed medication without the authority to do so, but his actions constituted stealing from the pharmacy.

Providing health-care services to our guests through Target Pharmacy® and Target Clinic® is an important part of our business. It’s also a highly regulated business, which means that we’re subject to state and federal laws on all sorts of health-care matters. Target is committed to ensuring that guests receive high-quality health-care while complying with all applicable laws and regulations.

All of the rules and regulations around health-care mean that we have to review our business practices for Target Pharmacies and Target Clinics differently from our other business practices. Programs and practices that we develop for some parts of our business might not work, or might even be against the law, if applied to Target Pharmacies and Target Clinics.

It is a violation of the law and against Target policy to:
• Provide incentives to guests to use our health care services when those guests participate in government-funded health care programs like Medicare and Medicaid.
• Retain overpayments, submit false requests for payments or “claims,” or make false statements to get claims paid by government programs, even if there is no specific intent to defraud.
• Employ or enter into contracts with people or companies to help us provide health-care services when those people or companies are included on the government’s list of excluded parties.
• Use guest health care information for marketing purposes without the guest’s specific consent.
• Fail to follow specific procedures for ordering, receiving, storing and dispensing controlled substances.

Team members who work in or support Target Pharmacies and Target Clinics receive special training in health-care rules and regulations, including how to safeguard guests’ medical information and how to handle controlled substances. If you work in these areas and aren’t sure whether you have the information you need, check with your supervisor to make sure you’ve received the right training.

Ask yourself: If my position deals with health-care products or information, am I following established procedures and best practices?

Want more detail? Read the Target Health Care Compliance Policy or e-mail Integrity@Target.com.
BEST WITH COMMUNITIES
DO YOUR PART
Handle with care. A cleaning contractor at a Target store set partially filled bottles of bleach, ammonia and detergent next to the trash compactor in the receiving area and asked Carlo, a store team member, to toss them into the compactor next time it was opened. Carlo knew that Target has rules about how to dispose of environmentally sensitive materials, so he asked his Executive Team Lead what he should do. The ETL helped Carlo move the containers to the staging area so the store’s Reverse Logistics team member could bag and label them properly for disposal.

It’s always been important to Target to be a good corporate neighbor that protects the environment. It’s the right thing to do—and it’s good for business, too. We know that our environmental record is as important to our guests and communities as it is to us, so we’re committed to staying on top of our environmental compliance obligations and making sure that our business practices follow the applicable rules.

We have teams of specialists embedded all over the company to help us with these efforts. They help us understand how to dispose of potentially hazardous items, manage stormwater runoff, ensure that the chemicals we use are handled properly, and assess building sites.

We also have team members in our stores and distribution centers who are trained to ensure that we meet our obligations. If your work involves any of these issues, you should receive job-specific training; check with your supervisor for more information. And if you see a potential environmental hazard, report it immediately.

Ask yourself: Could the material I’m handling be environmentally sensitive? Do I understand how disposing of this item at Target is different from how I would do it at home?

Want more detail? Read Target’s Environmental Compliance Policy.
KNOW HOW TO GET INVOLVED
Campaign for your candidate on your own time and on your own dime. Marty, a team member at a Target distribution center, volunteered to help with his brother-in-law's campaign to be elected mayor of their hometown. During his lunch hour, he typed up and printed some flyers about a town hall meeting. When a fellow team member saw the documents coming off the printer, he suggested that Marty contact Integrity@Target.com for guidance on acceptable political activities at work.

Target encourages team members to get involved in the civic process for the same reasons we’re committed to supporting the community through charitable giving and volunteer hours: We’ve always believed that a community gets stronger when everyone who lives there is engaged and invested in making it a better place to live.

If you want to contribute your personal time or money to political activities, that’s a great way to get involved. But you need to be clear that you’re acting on your own behalf and not on behalf of Target. You can’t use Target’s name in a way that suggests the company sponsors or endorses your personal political activities, nor can you use your position at Target to pressure fellow team members to make political contributions or support or oppose particular candidates. More generally, you can’t use any Target resources or services (except as permitted by Government Affairs) for political purposes.

The Target Government Affairs team works with local, state and federal legislators, policy makers and other officials to make sure we have a voice in the decisions they make. Political activity by the company and by our team members is regulated at all levels, so team members who are in contact with officials on Target’s behalf need to be familiar with these regulations. Because there are complex rules that apply if you attempt to influence government officials, you need to get the approval of Government Affairs before you contact government officials on behalf of Target about legislation, regulations, programs or policies; or before you provide any gifts, entertainment or travel to government officials.

Ask yourself: Could anybody perceive that I’m representing Target, even though these are my personal politics?

Want more detail? Read Target’s Political Activity, Lobbying and Government Ethics Policy.
ETHICS
WITHOUT
BORDERS
Truth in labeling. A sharp increase in import duties on furniture brought from China to the U.S. meant that Target needed to find a new, non-Chinese source for several products. When Mei, a member of the Target Sourcing Services team at our office in Shenzhen, China, told her vendor contact that Target wouldn’t be renewing their contract, the vendor offered to label its made-in-China product “Made in Vietnam” and ship it through a Vietnamese port. That would be illegal, Mei told the vendor, explaining that Target’s vendors are required to comply with U.S. product-marking laws and that Target would not purchase illegally marked goods. Mei found a new vendor for the furniture in a country that’s not subject to high import duties.

Target complies with applicable U.S. Customs laws; if your work is governed by them, it’s your responsibility to understand the laws and regulations that relate to international trade. Everybody involved in the supply chain needs to do their part to make sure that we (and our vendors) provide accurate item descriptions, value information, and country of origin statements on all customs entry documents and labels, as required for all items we import or export. In addition, the United States and international authorities sometimes restrict trade with countries, entities and individuals thought to be involved in terrorism, arms proliferation or drug trafficking. These restrictions prohibit Target from doing business with the designated countries, entities or individuals; if you work on international business, you’re expected to stay current on such restrictions.

Foreign companies might occasionally request, either directly or through contract documents like letters of credit, certificates of origin or shipping instructions, that Target refrain from doing business with an entity from a third country. These boycotts are prohibited by U.S. law; if you get such a request, we’re required to report it promptly to the U.S. government. E-mail Integrity@Target.com right away if anyone asks you to participate in this kind of boycott.

Ask yourself: Does this vendor take import/export requirements as seriously as Target does? This idea seems like something that the vendor is comfortable with, but is it the right thing to do?

Want more detail? E-mail Integrity@Target.com.
DON'T PAY TO PLAY
**Give bribe requests the brush-off.** Lucy, a Target headquarters team member, took an international trip to visit one of our overseas locations. When she got off the plane at her destination, a local customs official approached to say that, for a fee, she could bypass the long line and get through customs quickly. Suspecting that this wasn't a legitimate option, Lucy declined the offer and reported the solicitation to her manager and to Integrity@Target.com as soon as she got to her hotel.

No Target team member or third party acting on Target's behalf may offer, give or receive a bribe under any circumstances. This applies to every team member at every level in every location. The definition of a bribe isn't limited to a cash payment; bribes can also include discounts, services, gifts, charitable or political contributions, travel, and excessive meals or entertainment. Prohibiting bribes isn't just Target policy—bribery is also against U.S. law, and against the law in the countries where we do business.

If a vendor or a government official tries to imply that a bribe is just the way business gets done in his or her country, the answer is simple: We don’t do it. Target has the same standards for international business that we do for business we conduct in the U.S.

Things to keep in mind when you’re doing business internationally:

- **Know your partners.** Anti-bribery laws make Target responsible for the actions of third parties working on its behalf. That’s why all third parties who interact with foreign officials on behalf of Target require a due diligence review.
- **Trust your instincts.** If you’re seeing information from a vendor, government office or other party that doesn’t feel right to you, follow up with your supervisor, the Employee Relations and Integrity Hotline or Integrity@Target.com.

Ask yourself: Could this contribution or payment be considered a bribe, even if it seems to be how business is done here? Do I know how to report a situation like this?

Want more detail? Read Target's Anti-Bribery Policy.
BEST WITH SHAREHOLDERS
PAUSE,
PROTECT,
PROCEED
Sorry, wrong number. The caller ID at Rachel's desk showed an external phone number, but the caller identified himself as a financial analyst at Financial and Retail Services. “Kyle” said he needed information on some guests’ REDcard accounts for a project meeting with his boss. Rachel, suspicious, told Kyle that she’d get back to him. She looked up Kyle’s information in Outlook and called the listed number; when the real Kyle picked up, he had no idea what Rachel was talking about. Rachel told her manager, who alerted the rest of her team and called the Employee Relations and Integrity Hotline.

When guests share their personal information with us—like their names and addresses, credit card numbers and Social Security numbers—they expect Target to keep that information safe. If we break that trust, we’ll damage Target’s reputation and our relationship with guests. If someone asks you to share information, verify that they are who they say they are and that they’re authorized to have the information they want.

No matter which area of Target you work in, you have access to information that could impact the reputation or financial well-being of Target, our guests and our team members if it falls into the wrong hands. Whether you work with protected health information, team-member information or business information such as price points, merchandise allocation, non-public financial information or company initiatives, you’re entrusted to ensure that only people with a business need have access to the information you create, share and store.

All Target team members are expected to know and follow our Information Protection Policy. The policy outlines how information is classified at Target and how you should protect the information you work with throughout its life cycle. Target is subject to laws that require us to protect certain types of information and specify how that information should be protected.

When you’re working with any kind of information, you should:

**Pause to understand its classification.** Target classifies information according to its level of sensitivity.

- **Secure Handling Required (SHR)** requires the highest levels of protection
- **Confidential** requires a high level of protection
- **Internal** can be shared with Target team members, contractors and authorized business partners
- **Public** can only be classified as such by only team members authorized to approve the release of information outside of Target
Protect information as required.
• Store data in a location accessible only to those who have a business need to know.
• Share data only with team members or vendors who need the information to do their jobs.
• Before sharing data with a vendor, ensure that the vendor has completed any necessary risk assessments and signed a confidentiality agreement with Target.
• Send data via secure methods according to its classification.
• Consult retention guides and schedules to know how long data needs to be stored and when it should be destroyed.
• Ensure that information is disposed of properly and according to its classification.

Proceed wisely according to the classification of the information you are using and the protection it requires.

Ask yourself: Is it okay for me to collect or share this information? Can the other team members or vendors I’m working with do their jobs without this information?

Want more detail? Read the Target Information Protection Policy or e-mail Integrity@Target.com
Getting personal? Get the fine print right. When the Target Marketing team came up with the idea for a new campaign that would ask guests to register online and provide some personal information, they wanted to reassure guests—so they included language that said Target would use the collected information only for that specific campaign. But when Marketing checked with the Target Law department about how the language should read, they decided that definitive statements like the one Marketing proposed could conflict with Target’s legal obligations, published privacy policies, or internal policies and practices. Target’s Law team helped Marketing rewrite the language to make sure it was accurate and consistent with our policies.

The ways in which Target collects, uses and shares guests’ and team members’ personal information all fall under the umbrella of “data privacy.” Not only do we comply with applicable laws and regulations about how we handle guests’ financial information and guests’ and team members’ health information, we’ve also created privacy policies that cover specific types of information (e.g., bank data and medical records) as well as a comprehensive privacy policy that covers collection, use and sharing of guest information. Some of our policies give guests and team members options for how their information will be used or shared.

If your job involves guests’ or team members’ personal information, it’s important for you to be aware of these policies and know how they apply to your work. And it’s equally important to consider these policies if we want to share guest or team-member information not just with third parties outside of Target, but also when we share information between Target affiliates like Target Stores and Target National Bank.

Ask yourself: Is there a privacy policy that applies to the information that I want to use or share?

Want more detail? E-mail Integrity@Target.com.
THINK BEFORE YOU TRADE
It’s what you know and when. Ed, a team member in Store Operations, heard that Target was having an extraordinarily good sales month. For confirmation, he called a friend who works in Finance, who told him that same-store sales for the month were up five percent instead of the expected one percent. “That will be great for Target’s stock price,” Ed thought, and he reached for the phone to call his stockbroker. But he paused when he realized that Target hadn’t yet publicly released its monthly sales numbers. He decided to wait to buy more Target stock until after the monthly sales release.

“Insider trading” is what it’s called when someone buys or sells a company’s stock while in possession of information that isn’t available to the public—like unreleased sales figures, or news about an upcoming merger or leadership change that hasn’t been announced yet.

It’s against the law, and against our corporate policy for you or members of your household to trade Target Corporation’s or another company’s stock while you are in possession of related material, non-public information you have about Target or its vendors. It’s also illegal and against Target policy to pass along material, non-public information to anyone else who might use it to make a trading decision. Information is considered “material” when it might have an impact on other people’s decisions to buy or sell stock if it became publicly known. Positive, negative or even neutral information can be considered material. Even if you don’t disclose the specific reason when you pass along a hot tip to buy or sell, you’re violating our corporate policy.

If you have to disclose material, non-public information to an outsider to perform your job, it’s critical to have that person sign a confidentiality agreement before you disclose. Contact the Target Law department for help in drafting an agreement.

Ask yourself: Could this information influence a reasonable investor’s decision to buy, sell or hold any stock?

Want more detail? Read the Target Securities Trading Policy.
FOR THE RECORD
Not even if you say “pretty please.” “We haven’t spent all of our current-year budget allocation,” Lauren told Will, a member of her team at Target headquarters. “Can you ask our software vendor to send an invoice for the work they’re supposed to do next year, so we can expense it this year? If we don’t use up our budget, we’ll get a smaller allocation next year.” Will knew that this was a problem because it would affect the integrity of Target’s financial records, so he reported the conversation to Integrity@Target.com.

Target keeps records that reflect our financial statements and transactions with complete accuracy, and is committed to providing full, fair, accurate, timely and understandable disclosure in its external communications. The U.S. Securities and Exchange Commission and other governing bodies have strict rules about the accuracy of our financial statements and disclosures and about the strength of our internal controls over financial reporting. The Target Assurance team checks our internal controls periodically, and an outside auditor also checks the accuracy of our financial statements and disclosures. If anyone ever asks you to falsify a financial record, tell your supervisor, call the Employee Relations and Integrity Hotline or e-mail Integrity@Target.com right away—and remember that Target prohibits retaliation against any team member who makes a report in good faith.

Ask yourself: Are all aspects of this transaction being disclosed and recorded with total accuracy?

Want more detail? E-mail Integrity@Target.com.
SAME RULES MAY APPLY
Won’t get fooled again. Raam, a Quality Assurance specialist who works for Target Compliance and Production Services (TCPS), was reviewing lab-test results on products that were scheduled to ship to our stores. He saw that one overseas vendor had received an “unsatisfactory” rating and that its products had failed our performance tests, so he had the buyer cancel the shipment. When a TCPS team member in the same country as the factory double-checked the paperwork, she found that the factory had altered lab reports and test results to try to deceive our inspectors. Target canceled all of its contracts with the vendor.

Our commitment to doing business ethically and legally means that we’ll work only with vendors and suppliers who have the same commitment. When we choose vendors, we have to ensure that they have processes and procedures in place to comply with our product-safety standards, our Standards of Vendor Engagement—including our policies about maintaining safe workplaces, treating workers fairly and not using child labor—and all other conditions of doing business with Target.

To make products for Target, a vendor has to give us information not only about their company, but also about their factories and about subcontractors they plan to use. They have to be prepared to ensure that these factories meet Target’s standards and can comply with our rigorous product testing and our unannounced compliance audits. We verify that our vendors choose factories and subcontractors that can meet our standards, and we also make sure that our vendors have their own processes to check up on them. Vendors who don’t meet our standards but want to work with Target could try to mislead us by setting up businesses under different names or by trying to circumvent our audit and inspection procedures. It’s our responsibility to make sure we only do business with vendors who are committed to integrity. If you work with a vendor and learn about a problem, it’s critical to notify your supervisor and e-mail Integrity@Target.com right away.

Ask yourself: Is this vendor as committed as Target is to doing business ethically?

Want more detail? Read Target’s Vendor Conduct Guide and Target’s Standards of Vendor Engagement.
REPORTING AND GUIDANCE
Make the call: reporting an incident or concern
No single document can cover all the policies, laws and business practices that guide Target’s operations, so this Business Conduct Guide is just that—a guide to Target’s expectations for ethical team-member behavior.

When you get right down to it, those expectations are pretty simple: As a team member, you’re expected to follow Target policies and applicable laws at all times. And you’re responsible for reporting any illegal or unethical workplace behavior that you witness, whether you’re directly involved in the incident or not. There are several ways you can report violations of law or company policy.

Ways to report
- Talk to your supervisor or Human Resources manager.
- Report online at www.targetintegrityhotline.com. Translation services are available.
- Report by phone:
  - Team members in the US and Canada (non-Quebec): Call the Integrity Hotline at 1-800-541-6838
  - Team members in Quebec: Call 855-311-4153
  - Team Members in India: Call 000-800-100-1657
  - Team members in any other non-U.S. locations: Call your local operator, say that you want to place a collect call to the United States, and provide this number: 470-219-7116. When the call connects, the charges will be accepted automatically and you will be connected with an Integrity Hotline representative. Translation services are available.
  - E-mail Integrity@Target.com.
  - Write to Corporate Compliance and Ethics, Target Corporation, 33 South 6th Street, Minneapolis, MN 55402.

If you choose to report by calling the Integrity Hotline or reporting online at www.targetintegrityhotline.com, you can make your report anonymously. Keep in mind, though, that it’s often easier to investigate fully if you make yourself available to answer additional questions. Your identity will still be protected as much as possible. And Target prohibits retaliation against any team member who makes a report in good faith (which means providing all the information you have and believing it to be true).

When doing the right thing means reporting an incident or concern, know that you’re doing your part to uphold Target’s reputation, protect your fellow team members and preserve a good working environment for everyone.

Reports that raise material concerns about our accounting practices, internal controls or audit matters will be referred to the company’s Audit Committee. Any waiver of a provision of the Business Conduct Guide applicable to our executive officers or directors may be made only by the Board of Directors of the company or a committee of the Board designated for that purpose and will be promptly disclosed to our shareholders.

Have a question or need advice? We’re here to help.
Target’s Corporate Compliance and Ethics team is available to answer questions about this Business Conduct Guide or related policies. You can also contact us for advice about situations where you’re not sure what to do. E-mail your questions to Integrity@Target.com, and we’ll reply promptly.
WHEN YOU CALL THE HOTLINE

Make the call: reporting an incident or concern

1. You call the Integrity Hotline.

2. Your call is answered by a third-party representative who specializes in hotline calls.

3. The representative asks for details about the incident or concern; parties involved, location, etc. You can choose to remain anonymous and decline to provide answers to any questions.
4 The representative e-mails a report to Target headquarters. You are not identified if you have decided to remain anonymous. You receive a report ID number that you can use to check the status of your report.

5 The Target team reviews the report and assigns an investigator. If you chose to remain anonymous, the investigator will not know your identity.

6 The investigator researches the allegation. If you have agreed to be interviewed, you may be contacted. If necessary, the investigator creates an action plan for resolving the issue.
INTEGRITY HOTLINE

1-800-541-6838  U.S. and Canada (non-Quebec)
855-311-4153  Quebec
000-800-100-1657  India
470-219-7116  Any other non-U.S. location

www.targetintegrityhotline.com
Integrity@Target.com