Business Partner
Code of Conduct
Introduction

Target’s purpose is to help all families discover the joy of everyday life. That quest to bring joy is at the center of every business decision we make, including which business partners we work with. As a purpose-driven company, we seek and prioritize partnerships with those who share and uphold our values.

Our guests place their trust in us, and we honor that trust through our commitment to doing business ethically and legally. Since the actions of our business partners reflect directly on Target, we expect our partners to uphold the highest standards of conduct and to be aligned with Target’s values. There’s a lot at stake: an unethical act or violation of law can have serious consequences for you and for Target.

Because we place such a high priority on ethical and legal conduct, all of our domestic and international business partners must read, understand and comply with all expectations outlined in the Business Partner Code of Conduct (BPCC), Standards of Vendor Engagement (SOVE) and all Target requirements.

Failure to conduct business in a manner that meets these standards could result in a termination of the business partner 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.

In addition, if you suspect unethical or illegal business practices, it is your responsibility to report your concerns using the resources outlined on page 12 of this Code.

Thank you for your commitment to upholding our high ethical standards, and for doing your part to maintain the trust of our guests, teams, stakeholders, and communities.
Target is committed to responsible business conduct. Respect for human rights and environmental stewardship are fundamental principles of our business practices and standards. We expect our domestic and international suppliers to share those principles and uphold our standards. Suppliers must conduct their business with a high level of integrity and maintain transparent and accurate records.

We require all vendors, suppliers, third-party sellers, manufacturers, contractors, subcontractors, and their agents (collectively, “suppliers”) to abide by the following standards and cascade them through their supply chain:

**Ethical Business Practices**
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, gifts, entertainment, or travel 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.

**Grievance Mechanisms**
We require suppliers to implement effective grievance mechanisms to systematically receive, investigate, and respond to issues raised and implement remedies to resolve them. The United Nations Guiding Principles on Business and Human Rights (UNGPs) defines an effective grievance mechanism as legitimate, accessible, predictable, equitable, transparent, rights-compatible, based on engagement and dialogue, and used as a source of continuous learning.
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 or the use of incarcerated labor. 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. Workers have the right to terminate their employment without penalty upon providing reasonable notice. Suppliers must also procure their raw materials and/or components for products solely from sources that do not utilize forced labor or engage in human trafficking.

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 worker 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 for workers. We expect hazards to be assessed and appropriate safeguards to be implemented, monitored, and trained to workers to prevent accidents, injuries, and illnesses. The safeguards must protect workers from exposure to toxic chemicals or materials, ensure life and building safety, and meet local laws. If suppliers provide residential facilities for their workers, they must be safe and sanitary.

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 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 or six consecutive days. 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.

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.
Environmental Management and Monitoring Systems
Suppliers must have an environmental management system that identifies, characterizes, and inventories all operational and production impacts to air emission, energy, water, and wastewater. Impacts must be measured and tracked.

No Illegal Wastewater Discharge
We will not tolerate suppliers with undersized, bypassed, or inoperable wastewater treatment systems. Suppliers must install and maintain appropriately-sized wastewater treatment systems to ensure pollutants are at or below legally required levels.

Waste Reduction and 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.

Energy and Water Use
Suppliers are expected to set clear goals to improve energy and water efficiency and document progress made toward achieving those goals.

Emissions to Air
Suppliers must install and maintain appropriate air emissions control devices to ensure air emissions’ pollutants are at or below legally required levels.

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 must report your concerns to Target by emailing Ethics@Target.com or visiting www.targetintegrityhotline.com.

Report anonymously by calling the Integrity Hotline. The call is free and handled by an independent, 3rd party. Local language interpreters are also available.

U.S.: 1-800-541-6838
India: 000-800-100-1657
Other non-U.S. locations: 1-470-219-7116

We engage only the necessary partners and investigate every allegation received. Retaliation of any kind against an individual who reports concerns in good faith violates Target’s principles and will not be tolerated.
Target’s Commitment to Equity and Inclusion
Equity and inclusion are at the heart of what we do at Target, and we’ve set clear goals to ensure we continue to champion an inclusive society. We are working toward a future where everyone, regardless of race, color, sex, pregnancy status, gender identity, marital status, political opinions, religion, age, disability, sexual orientation, social origin, or national origin has equal access to opportunities and in which everyone feels welcome, valued and respected.

Business Partner Expectations
We expect our partners to share and uphold our values:

Inclusive Work Environment
- Foster an environment where all dimensions of difference are valued and represented.
- Create equitable opportunities and experiences in recruitment, hiring, pay, development, retention, and advancement.

Equitable Representation
Work to achieve diverse representation at every level of the workforce. Staff Target projects/accounts with diverse talent.

Diverse Supply Chain
Cultivate a diverse supply chain, and proactively support minority-owned businesses as suppliers.

Improving Together Over Time
We recognize that everyone comes to this journey at a different starting point. Over time, we expect our business partners to make progress on efforts that drive action and accountability, including:

Goals
- Work to achieve diverse representation and pay equity in the workforce, including at leadership and board levels
- Work to improve supply chain diversity

Policies and Reporting
- Maintain policies that promote diversity and inclusion, and prevent harassment, discrimination, and retaliation
- Maintain an anonymous process for reporting harassment, discrimination, and retaliation

Training
Provide recurring harassment, discrimination, retaliation, and inclusion acumen training to all employees

Measurement*
- Use employment data to track progress against representation and pay equity commitments
- Collect and maintain data on diverse staffing of Target projects/accounts
- Collect and maintain data on diverse supplier spend on Target engagements, and as a proportion of overall supply chain spend

* In accordance with local law
We rely on our business partners to know the product information needed to comply with U.S. Customs and Partner Government Agency (PGA) import requirements or regulations. Business partners must make sure that products sold to Target comply with all applicable laws and regulations, that product markings, claims and documentation are true, accurate and supportable, and that appropriate records are maintained to validate all information provided to Target. Business partners must comply with regulations related to the disclosure of proper country of origin, PGA requirements, antidumping/countervailing duties and other trade remedies, free trade agreements, trademark laws and licensing agreements.

We also work with our business partners to strengthen the global supply chain by complying with global supply chain minimum security criteria, including the U.S. Customs Trade Partnership Against Terrorism program. Additional information is available on Partners Online and CBP.gov.

Business partners must avoid any action that could result in Target becoming the subject of sanctions or a sanction-related enforcement action, including transactions involving sanctioned parties or jurisdictions subject to comprehensive sanctions. This includes sanctions issued by the U.S. Office of Foreign Assets Control and all other applicable sanction regimes.

Business partners must accurately report company ownership and executive information during the onboarding process and any ownership changes thereafter. Additionally, business partners must closely monitor the actions of those they do business with, and their locations to avoid sourcing products or services from sanctioned entities, individuals or areas.
Product Quality & Safety

Guests count on Target for well-designed, high-quality products at a great value. Guests also trust Target to sell products that are safe, compliant, and advertised accurately and truthfully. Business partners must help us meet that commitment by complying with Target’s Conditions of Contract and Product Safety and Quality Assurance (PSQA) program.

Target’s Conditions of Contract require business partners to 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-owned brand products, all business partners – or factories producing product on behalf of business partners – must comply with Target’s PSQA program and Food and Essentials Safety and Quality Assurance (FESQA) business partner requirements, as applicable.

**Unethical Conduct**

PSQA and FESQA processes are business requirements, but also help ensure that all products sold by Target are safe, labeled with accurate and truthful information, and in compliance with the law. All business partners and factories producing product on behalf of any business partner are prohibited from attempting to circumvent Target’s PSQA or FESQA processes.

For more information, read our [Ethical Quality Assurance Behavior Statement](#).
Target has strict requirements when it comes to engaging in any activity that could create an actual or a perceived conflict of interest. A conflict of interest may arise when business decisions are influenced by, or could appear to be influenced by relationships or activities that create bias for a specific business partner. Team members are required to prioritize Target’s business interests, and make fair and unbiased business decisions.

Business partners are prohibited from offering, promising, or providing anything of value to a Target team member, a team member’s family member, or to any third party representing Target which could influence, or appear to influence business decisions or secure a business advantage. For purposes of this Code, “anything of value” includes, but is not limited to, gifts / gift cards, meals, entertainment, transportation, travel, accommodations, expenses, cash, or donations on behalf of Target or a team member. Target team members and third party representatives, including auditors, are also prohibited from requesting anything of value from Target business partners. Business partners must contact Ethics@target.com immediately if a Target team member or anyone working on behalf of Target makes an improper request.

Business transactions involving former Target team members must be based upon Target’s best interests. Target limits team member business dealings with former Target team members for a period of two years, to mitigate perceptions that certain business partners are favored due to prior employment relationships. Target team members are prohibited from proposing, negotiating or entering into any transaction on behalf of Target with a former team member for a period of two years following the former team member’s last date of employment with Target, unless there has been pre-approval from the Ethics office.
Business partners 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 business partner 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 an improper benefit or business advantage.

Business partners are required to complete Target’s due diligence process prior to interacting with any government official on behalf of Target. Additionally, if a business partner hires a third party to work on a project that requires interaction with a government official on Target’s behalf, the business partner must notify Ethics@target.com in advance of the proposed additional third party work and monitor the actions of the third party to ensure compliance with anti-corruption laws.

All invoices submitted by a business partner to Target for payment or reimbursement require accurate and adequate supporting documentation and may not mischaracterize or disguise any transaction or expenditure.
We know that our business partners can be even better partners when we share the right information. When Target provides business partners with confidential information, they must preserve the confidentiality of such information and use it only for the purpose for which it was provided.

Business partners must comply with all applicable security and privacy laws and regulations as well as all applicable document retention requirements. Business partners must also maintain sufficient technical security and privacy controls to protect Target’s confidential information.

Target’s confidential information includes, but is not limited to Target’s business plans, retail pricing strategies, marketing plans, Partners Online content, team member personal information, guest personal information and intellectual property. Business partners may not outsource, disclose, share, use, sell, delete, or retain this information outside the requirements defined in their contracts or non-disclosure agreements with Target. Unauthorized disclosures could harm Target, breach the contract, and possibly be illegal.
Simply put, we require our business partners to follow all laws and the Business Partner 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 business partners. If you have questions or to report an issue or concern, you have several resources and reporting options available.

**Email** Ethics@target.com

**Visit** www.TargetIntegrityHotline.com

**Call** Integrity Hotline, anonymous option available 24 hours a day through third-party provider (interpreters available)
- U.S.: 1-800-541-6838
- India: 000-800-100-1657
- Other non-U.S. locations: place a collect call to the U.S. at 1-470-219-7116

**Write** Corporate Compliance & Ethics
Target Corporation
1000 Nicollet Mall #3110
Minneapolis, MN 55403 USA

**What happens when I share or report a concern?**
- The Ethics team or the third party hotline creates a report of your concern
- Ethics will engage only the necessary partners to evaluate any reported matters
- If your report is substantiated, Target will act promptly and appropriately
- While you may not know the final outcome due to confidentiality requirements, you can be sure that every concern reported with specific details is investigated thoroughly and promptly

**Questions?**
Contact: Ethics@target.com