2025 Sustainability and Governance Report



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Report Scope: Target's 2025 reporting on sustainability and governance matters was published in October 2025 and reflects activities and initiatives in our fiscal year (FY) 2024 (February 4, 2024 – February 1, 2025). It also covers certain subsequent events and initiatives that occurred after the end of FY2024 and prior to publication, which we have endeavored to note as such. All quantitative goals and company data, unless otherwise stated, reflect FY2024. Unless noted, goals and other data in the report reflect our U.S. operations and/or owned brand portfolio, as relevant. For more information, see 2025 Sustainability and Governance Report Appendix: Transparency and Reporting p. 3-4.

A Message from Our Chair and CEO



Brian Cornell
Chair and Chief Executive Officer

We're proud to be one of the nation's largest retailers and employers, delivering joy to millions of families across the country every day.

That purpose — and responsibility — guides our decisions, from how we design our assortment, to how we deliver an elevated shopping experience, to how we attract, support and develop a world-class team. Over time, these focuses strengthen our business and set Target apart. And they're at the heart of our commitment to accelerating near-term performance and creating long-term value for all our stakeholders.

Innovating to Bring Joy and Build Resilience

Our enterprise sustainability strategy is designed to make our business stronger and more resilient, while fueling innovation and providing flexibility to meet changing consumer needs.

Consider the products we design within our $30 billion owned brand portfolio. In 2024, our popular Universal Thread and Everspring brands became our first to be "built for circularity" — designed to make the most of existing resources and, in turn, cut down on waste. And our toy brand Gigglescape launched with packaging that's more than 90% plastic-free, illustrating how we're responding to growing consumer demand for sustainable products, combined with newness and value our guests love.

We also continue to make our operations more efficient. In 2024, we advanced sustainable store design and expanded renewable energy use, including new solar projects. As a result, more than three quarters of energy for our operations came from renewable resources — surpassing our 2025 goal of 60%.

These efforts not only reduce emissions; they help us cut costs and keep in step with evolving regulatory and market conditions.

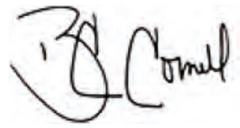
Caring for People and Communities

At the heart of our strategy are our more than 400,000 team members. We're leaning into our longstanding focus on providing good jobs and cultivating a great team with access to a wide range of growth opportunities. This helps us attract and retain talent that is highly skilled, hungry to win and cares deeply for communities.

As part of our investments in market-leading pay, plus health and financial well-being programs, our Dream to Be benefit is a powerful tool for career growth. Tens of thousands of our team members have enrolled in tuition-free programs across more than 40 colleges and universities since 2021. We also continue our decades-long commitment to investing 5% of profits back into communities. And in 2024, our team again volunteered more than one million hours, further contributing to the vitality of communities across the country.

Looking Ahead, Together

I'm proud of what our team has built and the progress we've made. Their passion for, and commitment to, strengthening our business and driving growth make me confident that Target's greatest impact and brightest days lie ahead.



Chair and Chief Executive Officer

A Message from Our Vice President, Head of Enterprise Sustainability



Agata Ramallo Garcia
Vice President,
Head of Enterprise
Sustainability

When we launched our Target Forward sustainability strategy in 2021, we set out to drive progress where it matters most — addressing business challenges through solutions that support long-term growth, strengthen resilience and deliver meaningful impact for our team, guests and communities.

Since then, we've achieved tangible results. We expanded circular programs like our Car Seat Trade-in events and scaled the use of recycled materials across our owned brands. We also launched new tools like EON Digital Product Passports across our Universal Thread women's apparel items, giving guests greater visibility into our products' sustainability journey. We achieved a 41.3% reduction in absolute operational emissions in 2024 compared to our 2017 baseline — a milestone reflecting the impact of early investments and enterprise-wide action.

Along the way, we've learned that delivering sustainability at scale comes with real complexity — from the availability of materials required to shift away from virgin plastic, to consistency of supplier data and the varying maturity of lower carbon technologies across markets. Reducing emissions across our extended supply chain remains a challenge that requires better data, stronger collaboration and scalable, business-aligned solutions. As we continue this work, we remain focused on efforts that create long-term value for our business, partners and the communities we serve — rooted in innovation, operational efficiency and shared accountability.

Despite the challenges, clear opportunities are emerging. Guest interest in sustainable products and experiences continues to grow, and our owned brand portfolio puts us in a strong position to lead. We're also seeing sustainability intersect more directly with resilience — in how we think about materials, sourcing and long-term supply continuity.

This work continues to be underpinned by our commitment to the people and communities across our value chain. In 2024, the Target team once again invested more than one million volunteer hours in our communities and Target and the Target Foundation donated $406 million, with $396 million of that directed to organizations with local community impact. Building strong, lasting relationships with our communities — ones that reflect and celebrate what makes them unique — is how we create meaningful impact together.

Looking ahead, we'll continue to regularly review our Target Forward strategy in step with our business. That includes evolving our goals to ensure they remain relevant and impactful, advancing innovation across our value chain and aligning even more closely with our business priorities to meet today's realities and tomorrow's opportunities. We remain confident in the foundation we've built, clear-eyed about the work ahead and inspired by what's possible. Together with our team, guests and partners, we'll keep advancing solutions that strengthen our resilience, unlock growth and drive our progress forward.

Agata Ramallo Garcia

VP, Head of Enterprise Sustainability

Who We Are

About us

Minneapolis-based Target Corporation is a general merchandise retailer, serving guests at stores across the United States and at Target.com. We are proud to be one of the largest U.S. retailers.

Our purpose

Our purpose is to help all families discover the joy of everyday life.

Our culture

Every day we care, grow and win together as one Target team. Together, our purpose, culture and values bring out the best in our team.

- **Care:** We show up for each other, lift each other up and value our relationships with one another and our guests above all else.
- **Grow:** We invest in our people, based on our belief that continuous learning and improving is the best way to grow our business.
- **Win:** We believe in our collective power to accomplish more and strive to continuously make things better for each other and our guests.



Fast facts

- **$106,566 million** net sales.[1]
- Target Circle is one of the nation's leading loyalty programs with more than **100 million** members and growing.
- **75%** of the U.S. population lives within 10 miles of a Target store.
- **45+** owned and exclusive brands.
- Approximately **440,000** full-time, part-time and seasonal team members.[2]
- **1,978** stores and **66** supply chain facilities in the U.S., and **29** offices around the world.

[1] This covers the fiscal year that ended February 1, 2025.
[2] As of February 1, 2025, we employed approximately 440,000 full-time, part-time and seasonal team members.

FY2024 Highlights

PRODUCT

15.5 million

Pounds of material recycled through our 2024 Car Seat Trade-in events

~55%

Decrease in operational food waste across our stores, supply chain facilities and headquarters from our 2017 baseline

DESIGNING FOR CIRCULARITY

By embedding circular design into brand standards, Universal Thread and Everspring have become our first two owned brands designed for a circular future. Learn more.

PLANET

41.3%

Reduction in absolute operational greenhouse gas emissions from our 2017 baseline

125+

Business partners joined Forward Renew, which supports Target suppliers with their transition to renewable electricity

SETTING NEW STANDARDS

Our store in Vista, California earned Zero Energy Certification™ through Living Future. The store generates more than 100% of its energy needs from on-site renewable energy. Learn more.

PEOPLE

1 million+

Hours that Target team members volunteered in 2024 — the ninth time in company history

$406 million

Donated through Target and Target Foundation (USD)[3]

EXPANDING ACCESS TO EDUCATION

Through our Dream to Be education benefit for team members, we added new essential skills programs and trainings that are eligible for college credit at select institutions. Learn more.

[3] Giving includes Target's product and cash donations and Target Foundation's cash donations. Excludes cash donations from Target to the Target Foundation.

Target Forward: Our Sustainability Strategy

Target Forward, our enterprise sustainability strategy, helps us build business resiliency, unlock growth and drive operational progress — all while advancing the goals that matter most to our guests and stakeholders. It is grounded in our purpose: to help all families discover the joy of everyday life, and reflects our vision to co-create a more regenerative and inclusive future alongside our guests, partners and communities.

Our strategy and goals are focused on where we can lead by delivering sustainable[4] and inclusive products and experiences at scale, and are organized around three enterprise ambitions: design and elevate sustainable brands[4], innovate to eliminate waste and accelerate opportunity. These guide how we set goals, prioritize action and measure progress across our value chain — and shape the foundation of this report. Each ambition aligns to deeply interconnected core areas of our work: Product, Planet and People.

We regularly review and refine our goals to ensure they remain relevant and aligned with our evolving business. This includes deepening our focus on areas where we have the greatest control and opportunity for impact, from how we design owned brand products to how we operate our supply chain and stores.

As we move forward, we remain committed to innovating with purpose, collaborating across our business and industry, and delivering solutions that build more resiliency into our business.

See our **Target Forward Progress Report** and **website** for more information

4 Brands or manufacturers with industry-leading products or services that have context-specific environmental and/or socially beneficial features, backed by credible standards and/or impact metrics.

Target Forward Progress Report

To achieve meaningful change and hold ourselves accountable, Target manages and measures our performance against our goals and publicly reports on our progress, challenges and opportunities.

Our goals are intentionally interconnected and at varying stages of maturity and measurement. Every milestone we reach — whether we hit the final metric or not — is progress that informs what worked, uncovers barriers, enables continuous improvement and drives us forward.

Through our Target Forward Progress Report, we aim to maintain data transparency by showing direct goal progress where measurement allows.

Achieved
Goal met or exceeded on or ahead of schedule, with validated results.

Progressing
Goal is moving in the right direction, is generally on track and continued focus is needed.

Evolving
Goal is actively under review due to changing conditions, priorities or feasibility.

Signature **goal**; white rows denote milestone goal

Design and Elevate Sustainable Brands

Goal	FY2024 Progress and Highlights	Status
By 2030, Target aims to be the market leader for creating and curating inclusive, sustainable brands and experiences.[5]	We made significant investments in new technologies, staff training and re-designing internal product development and procurement processes to support our goal. Learn more about our progress in Product and Packaging Design, Chemicals, Environmental Impacts of Products and Access to Products and Services.	Progressing
By 2030, Target intends for the leading raw materials (e.g., forest products, cotton and more) that go into our owned brand products to be 100% recycled, regenerative or sustainably sourced.[6]	We defined and set guidelines that will help us make sourcing and design decisions in this area, including as we vet business partner opportunities and select third-party certifications. We also launched a digital materials library that collects raw material data across our owned brand products, enabling a more agile, on-demand approach to raw materials management. Learn more about our progress.	Progressing
By 2025, Target plans for 100% of our owned brands, in addition to our owned brand limited-edition and brand partnerships, to adhere to Target's already established sustainability standards.	We progressed toward our goal in 2025 despite landscape and supplier shifts affecting raw material sourcing. We continue to mature the integration of sustainability standards into our core business practices through our internal risk process. As a result, we are making progress on closing gaps within our owned brand portfolio. Learn more about our progress.	Progressing
By 2025, Target plans for 100% of owned brand suppliers to have policies and programs to advance gender equity.	With 85%[7] of our Tier 1 owned brand suppliers reporting goal achievement, we have made strong progress but will not meet our ambitious 2025 goal. Advancing gender equity by changing how our supply chain operates takes time and collaboration, and shifting supply chain priorities is contributing to delays in certain regions and categories. We will continue to partner to push industry boundaries and build on our efforts. Learn more.	Evolving

5 "Sustainable brands" refers to industry-leading products or services that have context-specific environmental and/or socially beneficial features, backed by credible standards and/or impact metrics.
6 "Regenerative" refers to operating the business in a way that helps restore and regrow natural systems. For example, regenerative agriculture is an approach to farming systems that focuses on soil regeneration, contributing to enhanced biodiversity and natural systems, and strengthened equity and economic resilience in surrounding communities.
7 All Tier 1 owned brand factories were surveyed in April 2025 to measure progress to date on the gender equity goal.

Innovate to Eliminate Waste

Achieved | Progressing | Evolving | Signature goal; white rows denote milestone goal

Goal	FY2024 Progress and Highlights	Status
By 2040, Target commits to net zero greenhouse gas emissions across our enterprise (scopes 1, 2 and 3).[8,9]	Our work towards 2040 is a long-term ambition rooted in incremental progress against our milestone goals below. See scope 1, 2 and 3 goals and Greenhouse Gas Emissions for updates on our progress.	Evolving
By 2030, Target commits to achieve 55% absolute reduction in operations emissions (scope 1 and 2) from a 2017 base year.[10]	We achieved a 41.3% reduction in absolute operational greenhouse gas emissions from our 2017 baseline in 2024. We continued to transition to LED lighting, helping us enhance the energy efficiency of our stores, and we also added 23 new stores that are fully operational with natural (CO_2) refrigerants. Learn more about our progress.	Progressing
By 2025, Target commits to source 60% of our electricity from renewable sources for our operations.	We achieved our initial milestone goal in 2022, and in 2024, we procured 76%[11] of the energy for our operations from renewable sources. Learn more about our progress in Greenhouse Gas Emissions and our 2030 renewable energy goal.	Achieved
By 2030, Target commits to source 100% of our electricity from renewable sources for our operations.	We achieved Zero Energy Certification™ through Living Future for our store in Vista, California — our first store designed to be net-zero energy. The store produces more than 100% of its own energy needs. Additionally, new solar energy projects and partnerships are helping contribute to our goal. Learn more about our progress.	Progressing
By 2030, Target commits to achieve 32.5% absolute reduction in supply chain emissions (scope 3) covering purchased goods and services (PG&S), upstream and downstream transport[9] and use of sold products from a 2017 base year.[12]	Target's scope 3 goal emissions decreased 5.6% from our 2017 baseline[13] and 0.3% from 2023,[14] driven by supply chain optimization, operational efficiencies and building a lower emissions energy grid. In understanding the greatest sources of our scope 3 emissions and where more progress is needed — purchased goods and services — we are working to equip partners with resources and technical expertise. Learn more about our efforts and scope 3 emissions.	Evolving
By 2025, Target commits to engage suppliers to prioritize renewable energy and collaborate on solutions that protect, sustain and restore nature.	We are on track with this goal due to key advancements, such as the projected achievement of our soil health goal and the launch of a TNFD analysis to assess nature-related risks and opportunities. We are also providing our U.S. suppliers with actionable ways to explore renewable options, such as through our Forward Renew program and a Digital Academy training platform. Learn more about our progress in Greenhouse Gas Emissions and Biodiversity.	Progressing

8 This work applies to all products, including Target's owned and national brands, and covers the following scope 3 categories: purchased goods and services, upstream and downstream transport, and use of sold products. Net zero, as defined, is achieved when a company's scope 1, 2 and 3 emissions are reduced to a level that is consistent with a 1.5ºC pathway, and any residual emissions are removed from the atmosphere through either nature-based or technological carbon removal solutions (e.g., forestry, regenerative agriculture, carbon capture technology), by no later than 2050, in alignment with the Paris Agreement. Target has committed to net zero greenhouse gas emissions across our enterprise, 10 years ahead of the Paris Agreement.

9 The downstream transport portion of our scope 3 goal covers fulfillment only.

10 We categorize our GHG emissions in alignment with globally recognized definitions. Scope 1 includes direct GHG emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles, etc.). Scope 2 includes indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling.

11 To calculate the percentage of renewable electricity in Target's operations, we evaluate both the amount of renewable electricity from Target's projects and the renewable electricity in the grid. This total renewable electricity is then compared to Target's total electricity use per the following equation: Target's Renewable Electricity % = (Target Renewable Electricity Projects + Renewable Electricity in the Grid) / Target Electricity Use. Renewable electricity includes renewable energy credits (RECs) from Target's onsite and off-site projects, as well as electricity that we receive from renewable energy generation serving the electric grids where Target facilities are located. Data sources include: Target's 2024 fiscal year electricity consumption data; Target's 2024 RECs; and the Center for Resource Solutions (CRS) Utility Grid Accounting methodology for renewable mix, published in the latest EEI Utility Electricity Mix Database. In 2024, we included international offices in our scope of reporting. The scope of FY2022 and FY2023 data is U.S. operations only, but international offices account for <1% of our overall electricity consumption.

12 We categorize our GHG emissions in alignment with globally recognized definitions. Indirect GHG emissions occur from sources not owned by the company. Examples include extraction and production of purchased materials/products, transportation and distribution of products, and business travel. Scope 3 emissions sources include emissions both upstream and downstream of the organization's activities. Scope 3 emissions fall within 15 categories. For a complete description of all scope 3 categories and quantification methods, see the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

13 Total scope 3 baseline has been restated due to 2023 supplier reported reductions becoming available post the publication of 2024 Sustainability and Governance Report and an adjustment to domestic upstream transportation to include a previously known gap of chilled food loads.

14 Supplier-reported emission reductions were not yet reported for 2024 at the time of publication and are not reflected in this figure.

Innovate to Eliminate Waste

Achieved | Progressing | Evolving | Signature goal; white rows denote milestone goal

Goal	FY2024 Progress and Highlights	
By 2040, Target plans for 100% of our owned brand products to be designed for a circular future.[15]	We are leveraging select brands as learning spaces for product and packaging innovation. For example, we are using recycled materials collected from our bi-annual Car Seat Trade-in event to create Brightroom garage shelves and cabinets, trash bins and crates, and Room Essentials accent tables. See Circularity and this feature story to learn more.	Progressing
By 2025, Target aims to offer two circular[15] owned brands.	In 2023, we identified Everspring and Universal Thread as our first owned brands to be designed for circularity.[15] In 2024, we achieved that goal. For Everspring, we expanded concentrate and refill offerings, shifted to post-consumer recycled plastic (PCR) in tools and reduced packaging. For Universal Thread, we added Digital Product Passports; and used 20% recycled cotton,[16] safe wash methods and PCR cotton in key products. Learn more.	Achieved
By 2025, Target intends to reduce annual total virgin plastic in our owned brand packaging by 20% from a 2020 baseline.[17]	We have continued to decrease our amount of annual total virgin plastic in owned brand packaging year over year, decreasing from 22% in 2023 to 10% in 2024.[17] Regulations, supply chain constraints, changing industry measurement and affordability trade-offs as well as new owned brand categories and increased sales from our baseline have impacted progress, and we do not anticipate reaching this goal by 2025. Learnings from our efforts to redesign packaging, move to non-plastic materials and use PCR are helping us shape the future of packaging at Target. Learn more.	Evolving
By 2025, Target intends to have 100% of our owned brand plastic packaging be recyclable, compostable or reusable.	In 2024, 34% of our owned brands met this goal, and we do not expect to close the gap to 100% by 2025. Despite progress, infrastructure advancements are needed across collection, recycling and refill solutions. We are committed to building on our efforts, such as the launch of Gigglescape, a new owned brand with product packaging that is more than 90% plastic-free, and through engagement with policymakers and industry associations. Learn more.	Evolving
By 2030, Target plans to achieve zero waste to landfill in U.S. operations.[18]	We made progress on our zero waste to landfill goal, reaching 87% in 2024[19] toward our goal of 90% by 2030. We also continued to reduce food waste, donating 161.8 million pounds of food[20] and adding 21 organics recycling or composting programs across stores, headquarters and supply chain facilities. Six of our facilities are making strides toward TRUE Zero Waste[18] certification and are applying for the designation. Learn more about our progress.	Progressing

15 Our teams will continue designing to eliminate waste — using materials that are regenerative, recycled or sourced sustainably — to create products that are more durable, easily repaired or recyclable.
16 Starting in FY2025, percentage of cotton (by weight) in Universal Thread denim items is now made from recycled cotton.
17 Data covers food and beverage and essentials and beauty categories only. We have revised our 2020 baseline to 43,243 metric tonnes after a recalculation and internal verification, part of the evolution of our measurement to better capture and internally review data in our product specifications systems. We've shifted to a new data management system for some of our categories with enhanced rules. We calculated 2024 data using the new baseline, but historical data values were not restated alongside the new baseline.
18 The conservation of all resources by means of responsible production, consumption, reuse and recovery of products, packaging and materials without burning and with no discharges to land, water or air that threaten the environment or human health, as established by the Zero Waste International Alliance. The threshold to be considered “Zero Waste” is normally set at a minimum of 90% diversion rate.
19 This data reflects our FY2024 dataset as of May 2025. Due to supplier data reporting delays, the data is subject to change. We base our calculations of diversion percent and what counts towards diversion (and the supporting methodology) on guidance from TRUE (a division of Green Business Certification, Inc.).
20 Our meals calculation includes food and non-food, mirroring best practice.

Accelerate Opportunity and Equity

Achieved | Progressing | Evolving | Signature goal; white rows denote milestone goal

Goal	FY2024 Progress and Highlights	Status
Target aims to drive equitable opportunities for advancement and engagement by continuing to be a leader in diversity, equity, inclusion and belonging.	Target champions growth, belonging and opportunity for all that drives business, increases relevance with U.S. consumers and makes Target a destination for talent. Learn more about our progress.	Evolving
Target aims to create equity through benefit access and affordability to enhance total well-being.	In April 2024, we rolled out our new mental health provider, Spring Health, offering free therapy and coaching sessions for U.S. and Global Owned Brand team members and members of their households. We also continued to enhance our Dream to Be education benefit to cover future-focused and essential skills programs and increased the number of Target trainings eligible for college credit at select institutions. Learn more about our progress.	Progressing
Target aims to empower team members to create the employment experience of their choice through personalized scheduling.	In 2024, 64% of store team members received their desired hours. Learn more about our progress.	Progressing
By 2030, engage and elevate community voices as we seek to build and implement community-driven solutions.	Target and our team members engage in thousands of activations in partnership with local community organizations each year. By deepening our partnerships through listening, learning and volunteering we help drive solutions that meet local needs. Learn more about our progress.	Progressing
By 2025, Target and Target Foundation plan to evolve our philanthropic practices and place-based solutions to invite participation from communities.	We remain on track to achieve this goal next year. In 2024, Target and Target Foundation donated $406 million[21], with $396 million of that directed to organizations with local community impact. Learn more about Target and Target Foundation progress.	Progressing

[21] Giving includes Target's product and cash donations and Target Foundation's cash donations. Excludes cash donations from Target to the Target Foundation.

Policies and Resources

Target upholds standards that enable business growth and guide responsible business practices through our Code of Ethics. We have linked the following public-facing policies and resources on this page and listed select Target internal policies that are not published on our website.

2025 Sustainability and Governance Report Appendix

Within our **Appendix**, we detail Target's sustainability and governance priorities and our approach to transparent reporting. We also include comprehensive data tables and an overview of how our reports and public disclosures map to leading frameworks, including the Global Reporting Initiative (GRI), International Sustainability Standards Board (ISSB), Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), Taskforce on Nature-related Financial Disclosures (TNFD), the United Nations Guiding Principles Reporting Framework (UNGPRF) and the United Nations Sustainable Development Goals (SDGs).

Public-facing Policies and Resources

Product
- Chemicals Policy
- Commitment to Sustainable Seafood
- Cotton Commitment
- Forest Products Policy
- Palm Oil Sustainability Commitment
- Animal Welfare

People
- EEO-1 Report
- 2025 Sustainability and Governance Report Appendix: Data Tables (People: Our Team) p. 14-18
- Workplace Health & Safety Commitment
- Human Rights Statement
- Standards of Vendor Engagement (SOVE)
- Supply Chain Labor & Human Rights Policies

Planet
- 2025 CDP Response
- Climate Policy

Responsible Business
- 2025 Proxy Statement
- Business Partner Code of Conduct
- Code of Ethics
- Corporate Governance Guidelines and Director Code of Ethics
- Integrity Hotline Reporting Website
- Privacy Policy

Select Internal Policies

Anti-Bribery Policy
Antitrust Policy
Disability Accommodation Policy
Equal Employment Opportunity
Harassment-Free Workplace Policy
Political Activities, Lobbying and Government Ethics Policy
Safety Policy
Team Member Illness Policy

Product

Affordable, sustainable products are essential to meeting guests' evolving needs. Through our sustainability strategy, we've expanded preferred materials across key categories; applied our chemical policy to guide ingredient choices; and helped guests shop confidently with clear standards and certifications — all while keeping affordability and accessibility at the forefront. Through our owned brands, we have learned a great deal about embedding sustainability into design and creating guest value, enabling us to adapt more quickly to changing expectations. As a result, we are building more opportunities to scale solutions that drive both sustainability and business value.

To view our data tables:

Download the Appendix

Target is committed to sourcing palm oil more sustainably to protect natural ecosystems and improve the livelihoods of workers, smallholder farmers and communities. Since 2022, 100% of our candle wax derived from palm oil has been sourced as Roundtable on Sustainable Palm Oil (RSPO) certified mass balance[22], segregated[23] and identity preserved.[24]

[22] Sustainable palm oil from certified sources is mixed with non-certified palm oil throughout supply chain.
[23] Sustainable palm oil from different certified sources is kept separate from non-certified palm oil throughout supply chain.
[24] Sustainable palm oil from a single, identifiable certified source is kept separate from non-certified palm oil throughout supply chain

In this Section

Circularity

- Product and Packaging Design
- Waste Elimination and Reduction

Resource Use

- Environmental Impacts of Products
- Animal Welfare

Product Safety, Quality and Accessibility

- Product Safety and Quality
- Chemicals
- Access to Products and Services

Circularity

To view our data tables:

Download the Appendix

Additional resources on our efforts and progress:

- Circularity
- Plastics
- Product & Packaging Design
- Responsible Resource Use
- Waste Elimination & Reduction
- 2025 CDP Response



Product and Packaging Design

We incorporate circularity[25] throughout our approach to designing and manufacturing our owned brand products and packaging. This includes taking steps to design out waste and keep products and materials in use longer by using more sustainable and/or durable materials and making reuse and recycling easier. Through these initiatives and by identifying and testing system improvements, we seek to comply with current and future regulations, and protect our business against unstable supply chains, shortages and fluctuating prices. In doing so, we aim to reduce our reliance on natural resources and repurpose waste in place of conventional raw materials.

This work also provides other benefits. Piloting trade-in program concepts and refill models offers new ways to engage guests, enhancing traceability and transparency. Reducing plastic use and increasing recyclability helps us prepare for anticipated regulatory developments. Advancing progress across these areas recognizes the potential to reduce value chain emissions and impacts. Making more efficient use of inputs and materials helps us realize cost benefits.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

- Designing for **recycling**
- Designing for **refill and reuse**
- **Eliminating** problematic and unnecessary **plastics**[26]
- **Increasing** post-consumer recycled material (PCR)
- **Reducing and eliminating** packaging



The peel-and-reseal feature on our Good & Gather leafy greens containers use on average 35% less plastic than rigid lids.

[25] Taking steps to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers to develop and manufacture Target owned brand products.
[26] These efforts include eliminating, reusing or replacing plastic packaging items, components or materials where consumption could be avoided and items that, post-consumption, commonly do not enter the recycling and/or composting systems or, where they do, are detrimental to the recycling or composting system due to their format, composition or size.

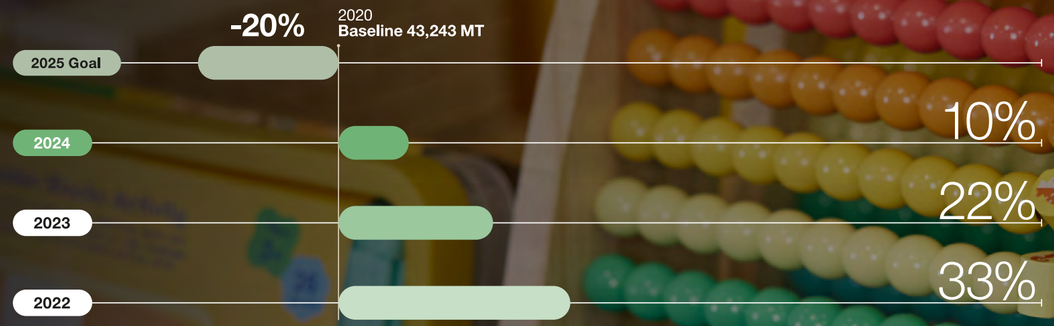
Product and Packaging Design

IMPACT BY THE NUMBERS

2

Owned brands (Universal Thread and Everspring) have become our first owned brands to be designed for a circular future[27]

Annual total virgin plastic in owned brand packaging[28]



70%

Year-over-year increase in recycled polyester used to manufacture our owned brand products[29]

~90%

Percentage of **Gigglescape** packaging that is plastic-free. We've designed Gigglescape, Target's new toy brand, with parents and sustainability in mind, to be easy to care for and stand the test of time

1.3k+

Items offered through **Target Zero**, a **~30% increase from 2023**[30]

20%

Percentage of cotton (by weight) in Universal Thread denim items that is now made from recycled cotton[31]

13%

Use of post-consumer recycled content (PCR) in our owned brand packaging[32]

27 "Circular" refers to steps Target is taking to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers and to develop and manufacture Target owned brand products.
28 Data covers food and beverage and essentials and beauty categories only. We have revised our 2020 baseline to 43,243 metric tonnes after a recalculation and internal verification, part of the evolution of our measurement to better capture and internally review data in our product specifications systems. We've shifted to a new data management system for some of our categories with enhanced rules. We calculated 2024 data using the new baseline, but historical data values were not restated alongside the new baseline.
29 Includes products across apparel and accessories, home and hardlines, and essentials and beauty categories.
30 Target Zero is our curated collection of products and/or packaging designed to be refillable, reusable or compostable; concentrated; made from recycled content or made from materials that reduce the use of virgin plastic.
31 Starting in FY2025, percentage of cotton (by weight) in Universal Thread denim items is now made from recycled cotton.
32 Post-consumer recycled (PCR) content calculation is based on the packaging Bill of Materials submitted by our suppliers, which includes retail packaging weight by component and percentage of PCR used in each component, when applicable.

SIGNATURE GOALS

By 2040, Target plans for 100% of our owned brand products to be designed for a circular future.[33]

By 2025, Target intends to reduce annual total virgin plastic in our owned brand packaging by 20% from a 2020 baseline.[34]

MILESTONE GOALS

By 2025, Target aims to offer two circular[33] owned brands.

By 2025, Target intends to have 100% of our owned brand plastic packaging be recyclable, compostable or reusable.

Target intends to incorporate 20% post-consumer recycled content (PCR) in owned brand packaging.

Achieved Progressing Evolving

View our Target Forward Progress Report to learn more

REDUCING VIRGIN PLASTIC

As part of our commitment to circularity[33], we continue to work to reduce virgin plastic in our owned brand packaging through efforts to redesign packaging, move to non-plastic materials and/or use post-consumer recycled plastic (PCR). In 2024, we made several improvements to reduce the amount of virgin plastic we use:

- **Wondershop:** Our Wondershop team replaced tough-to-recycle polyethylene terephthalate (PET) plastic trays for glass ornaments with an alternative created from wet molded pulp — an industry first among large retailers.
- **Boots & Barkley:** In relaunching Target's Boots & Barkley pet accessories brand, we have created an assortment of approximately 500 new items with 90% plastic-free packaging.
- **Target GiftCards:** Over the past two years, our team transitioned all Target GiftCards from non-recyclable polyvinyl chloride (PVC) plastic cards to 100% paper, enabling consumers and our team to dispose of them more sustainably.

Despite industry-wide headwinds related to supply chain constraints, affordability, scalability and access to alternative materials, we were able to continue to decrease our amount of annual total virgin plastic in owned brand packaging year over year, from 22% in 2023 to 10% in 2024.[34] Closing the gap on the remaining percentage is not possible by our 2025 deadline as reducing plastics will require greater industry collaboration to create change at scale. Our engagement with leading organizations on evolving measurement best practices as well as collaborative investments in materials innovation, improvements to recycling infrastructure and access, and availability of affordable content will all be instrumental in helping us advance progress and shape the future of packaging at Target.

[33] Taking steps to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers to develop and manufacture Target owned brand products.
[34] Data covers food and beverage and essentials and beauty categories only. We have revised our 2020 baseline to 43,243 metric tonnes after a recalculation and internal verification, part of the evolution of our measurement to better capture and internally review data in our product specifications systems. We've shifted to a new data management system for some of our categories with enhanced rules. We calculated 2024 data using the new baseline, but historical data values were not restated alongside the new baseline.



Guests can easily separate Everspring cleaning tools' unique material components for end of use disposal. We have designated Everspring (our line of sustainably focused household essentials) to be one of Target's first owned brands designed for circularity[35] by 2025.

INCREASING RECYCLED CONTENT

Post-consumer recycled plastic content

To reduce virgin plastic in our owned brand products, we are increasingly incorporating PCR into more products and packaging while partnering with exclusive national brand partners that are doing the same.

Percentage of plastic used in owned brand and exclusive brand partner products and packaging that is PCR:

50% Components for all Everspring cleaning tools	25% up&up cleaning wipe canisters
100% Plastic bottles, jars and caps in Blake Brown hair care packaging	100% Bristles on all Everspring bristled items

[35] Taking steps to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers to develop and manufacture Target owned brand products.

Recycled polyester

Our team has been working to transition all our owned brand textile products made from polyester to recycled polyester (rPET).[36] As of the end of 2024, nearly all polyester in Target owned brand apparel is made from rPET. Recycled plastic water bottles make up a large portion of our rPET supply. We are actively exploring alternative sources of rPET, such as recycled apparel, to reduce our reliance on plastic water bottles and advance a closed-loop system. To convert more apparel to rPET for textiles and divert them from landfills, collection and recycling infrastructure is needed. Industry collaborations like our partnership with Accelerating Circularity will be critical to advancing textile-to-textile recycling and reducing the impact of the apparel industry.

While industry efforts have improved the availability of PCR materials, limitations in cost, supply and technical feasibility have hindered mass change across our owned brand products and packaging. We continue to expand PCR use where possible, though progress toward our goal has been impacted by regulations, supply chain constraints, new owned brand categories, affordability trade-offs and increased sales compared to our baseline, making it unlikely we will achieve our goal in 2025.

ADVANCING PACKAGING INNOVATION

We prioritize the design of reusable, recyclable and compostable products, and regularly evaluate and update our current assortments to identify opportunities for continued innovation.

We continued progress by redesigning for recyclability and reducing unnecessary plastic, in service of our commitment to take action to eliminate problematic plastics by 2025. For example, following our 2024 up&up brand relaunch, all internally designed custom form rigid bottles, utilized across cleaning, baby, beauty and pets, were launched using a minimum of 20% post-consumer recycled content where product compatibility allowed.

9 million+

Plastic bags saved since we first tested the plastic bag opt-out program

Additionally, guests asked for the opportunity to opt out of a plastic bag for their Drive Up and Order Pickup orders and use their own reusable bag instead, so we've made the option available across our 1,978 stores.

[36] Certified by the Global Recycled Standard (GRS), Recycled Claim Standard (RCS) or SCS Global Services.

Expanding our refillable product assortment

One of the ways we are working to make progress against our plastic packaging goals is by exploring reuse and refill alternatives. This includes our commitment to explore at least five reuse programs to reduce or eliminate single-use plastics by 2025, which we achieved early. Additionally, in 2024, Target offered nearly 280 refillable essentials and beauty items, largely through our national brand partners. Examples included new Everspring refill offerings across hand, dish and laundry products to include more scents; hand and dish soap refill expansions across several brands and Dr. Bronner's multi-purpose soap refill cartons.

With 34% of our owned brands in 2024 meeting our goal to have product packaging be reusable, recyclable or compostable, we do not expect to close the gap to 100% by 2025. Despite progress, infrastructure advancements are needed across collection, recycling and refill solutions. These industry-wide systems must be easy and convenient for our guests — and all consumers — to adopt, in order to reduce both the amount and impact of plastic packaging. To advance innovation in this area, Target and other companies supported the research and fieldwork to develop a first-of-its-kind report from Closed Loop Partners' Center for the Circular Economy, which published in February 2025, on small-format plastic packaging recovery. The findings reveal a viable pathway to recover tens of thousands of tons of valuable small materials, including plastics like polypropylene, from materials recovery facilities (MRFs).

TEAM MEMBER ENGAGEMENT AND EDUCATION

As part of a continued investment to engage our team members as we collaborate to design for circularity[37], we introduced an educational exhibit for enterprise leaders and team members titled "Circularity in Action."[37] Throughout the year, select Target leaders toured the interactive exhibit, gaining a foundational understanding of what a "circular economy" is, and how we can apply a waste-reduction mindset and discover future circular[37] business opportunities.



Universal Thread progress

As of February 2025, all Universal Thread apparel items are enabled with EON's Digital Product Passports. These passports will enhance the guest experience with a "shop the look" feature and a "seamless resale" feature, enabling Target guests to resell products on Poshmark through EON's 1-Click Resale to auto-populate resale listings into the marketplace. With Universal Thread as our testing vehicle, we will be able to gain valuable insights into guest reception and the revenue potential of peer-to-peer resale of owned brand products.

The brand also continued its partnership with Accelerating Circularity to launch 80's Slim-Fit Ankle Jeans, which combine cotton scraps and post-consumer recycled cotton with conventional cotton and Lyocell.

[37] Taking steps to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers to develop and manufacture Target owned brand products.

Waste Elimination and Reduction

As Target seeks to provide product options that both reduce waste and are affordable, we recognize the need to address the rising costs and environmental impacts of waste throughout our value chain. We take several steps to maximize the amount of waste we divert from landfills and leverage waste audit insights to identify the most impactful opportunities to pursue.

Our suppliers play an integral role in helping Target reduce waste. This effort begins during onboarding and continues throughout our engagement. We leverage a broad network of suppliers to optimize reuse, recycling, donation and composting streams, increasing our collective ability to divert waste every year.

Guest experiences, such as trade-in programs, are also helping Target meet consumers' desires to reduce their own waste while maintaining a steady supply of materials to get ahead of potential raw material scarcity in the future.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

- Working towards **zero waste in our operations**[38]
- Engaging suppliers and guests to **divert waste** from landfills
- Identifying **recycled materials sources** for our owned brands
- Unlocking opportunities with **returns and salvaged items**



[38] The conservation of all resources by means of responsible production, consumption, reuse and recovery of products, packaging and materials without burning and with no discharges to land, water or air that threaten the environment or human health, as established by the Zero Waste International Alliance. The threshold to be considered "Zero Waste" is normally set at a minimum of 90% diversion rate.

Waste Elimination and Reduction

IMPACT BY THE NUMBERS

125%

Increase in material recycled through our 2024 Car Seat Trade-in events (15.5 million pounds) compared to our 2023 events (6.9 million pounds)

Operational waste diverted from landfill[39]



161.8m

Pounds of food donated, which is equivalent to 134 million meals, the most food Target has ever donated in one year[40]

1.6k+

Tier 1 business partner and factory representatives trained on the Target Zero Manufacturing Waste to Landfill Program[41]

72%

Of owned brand footwear factories, by volume, participate in the Footwear Distributors & Retailers of America's zero waste to landfill program[41]

~55%

Decrease in operational food waste across our stores, supply chain facilities and headquarters from our 2017 baseline

65k+

Pounds of denim collected through Target's 2024 Denim Take Back Event

[39] This data reflects our FY2024 dataset as of May 2025. Due to supplier data reporting delays, the data is subject to change. We base our calculations of diversion percent and what counts towards diversion (and the supporting methodology) on guidance from TRUE (a division of Green Business Certification, Inc.).
[40] Our meals calculation includes food and non-food, mirroring best practice.
[41] The conservation of all resources by means of responsible production, consumption, reuse and recovery of products, packaging and materials without burning and with no discharges to land, water or air that threaten the environment or human health, as established by the Zero Waste International Alliance. The threshold to be considered "Zero Waste" is normally set at a minimum of 90% diversion rate.

SIGNATURE GOALS

By 2030, Target plans to achieve zero waste to landfill in U.S. operations.[42]

By 2025, Target plans to reduce operational food waste by 50% across our stores, supply chain facilities and headquarters from a 2017 baseline year, which is in alignment with the Global Biodiversity Framework's goal to halve food waste by 2030.

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View our Target Forward Progress Report to learn more

ELIMINATING WASTE IN OUR OPERATIONS

Target acted on several opportunities to reduce food waste in 2024, maintaining and building on our 2025 food waste goal that we achieved in 2023. We also made progress on our zero waste[42] goal by introducing new metrics, routines and engagement moments to raise team member awareness. For non-donatable food, we focused on improving the availability of composting bins by automating their replenishment, so store team members consistently had an adequate supply of composting bins. As a result, we saw a more than 45% increase in composting tonnage from 2023 to 2024. Also in 2024, we added 21 organics recycling or composting programs across stores, headquarters and supply chain facilities, with these programs now available at over 1,700 locations[43] of our 1,978 stores and 66 supply chain facilities in the U.S.

Six of our facilities are making strides toward achieving TRUE Zero Waste[42] certification and are applying for the designation. These sites are working to increase their waste diversion rate to or above 90%, which is required for certification.

CLOSING THE LOOP ON MATERIALS

Collection programs

For more than three decades, Target has hosted collection programs in our stores — from ongoing ones like our electronics, clothing hanger and front-of-store plastic film collections to seasonal moments like our semi-annual Car Seat Trade-in events. As we continue to explore alternative textile options to reduce our reliance on natural resources, we are testing the potential of collection programs — both big and small — to engage guests and generate a supply of materials for our owned brand products.

[42] The conservation of all resources by means of responsible production, consumption, reuse and recovery of products, packaging and materials without burning and with no discharges to land, water or air that threaten the environment or human health, as established by the Zero Waste International Alliance. The threshold to be considered "Zero Waste" is normally set at a minimum of 90% diversion rate.
[43] This data reflects our FY2024 dataset as of May 2025. Due to supplier data reporting delays, the data is subject to change.

Just in time for back to school, we hosted a Denim Take Back Event, inviting guests to recycle their used or outgrown denim of any brand in-store and receive 20% off a new denim apparel purchase with Target Circle. The program allowed guests to save on new wardrobe staples while giving their old items a new life and keeping used denim out of landfills, as Target's partners will recycle and repurpose the collected materials. The event responded to growing interest in products and programs that help reduce waste to landfill. It also served as an opportunity to learn about the viability of the collected material for recycling, and the potential expansion of our guest engagement programs into other product categories.



Cross-industry collaboration

We are collaborating across the footwear industry to help scale early-stage innovations aimed at reducing materials waste and accelerating recycling. These partnerships range from small pilots to fostering collaboration for systems change.

Fashion For Good

Through Fashion For Good, we aim to reduce waste and accelerate innovation in footwear. As part of this collaboration, we completed a pilot with FastFeetGrinded to test their footwear recycling process and identify areas for improvement. We also joined Closing the Footwear Loop, alongside 14 footwear brands, to address industry challenges like end-of-life recycling, multi-material designs and the need for unified waste reduction approaches.

SALVAGING UNSELLABLE ITEMS

When baby gear packaging gets damaged before it's sold, or opened and returned, we mark these items defective as an extra measure of protection for our guests — which makes them unsellable. Through a partnership with REBEL, a company certified to quality-check open-box baby gear and sell it on its online marketplace, we've found a way to responsibly repurpose these products. As of the end of 2024, only 15 months into the partnership, REBEL has re-sold 63% of our previously unsellable baby gear and donated or responsibly recycled the rest. In addition to keeping simply returned, unused baby gear out of landfills, we expect the partnership to help us save trash expenses and generate income.



63%

Amount of our previously unsellable baby gear that has been re-sold through our REBEL partnership

REDUCING MANUFACTURING WASTE

Target is working to have 50% of owned brand factories in apparel, footwear, home and hardlines by spend achieve zero manufacturing waste to landfill[44] by 2025. Thus far, 72% of footwear factories by volume have met the zero waste to landfill goal[44] and diverted 99% of waste from the landfill through the Footwear Distributors & Retailers of America program. In 2024, we launched the Target Zero Manufacturing Waste to Landfill Program[44] to engage our Tier 1 manufacturing factories in reducing waste throughout our supply chain. After completing pilot programs in Vietnam and Cambodia, we expanded this initiative globally, training business partner and factory representatives on best practices in waste management. We also developed a waste data collection and assessment tool, which will enable factories to routinely report all types and volumes of waste, as well as how they are disposing of waste at manufacturing sites, to Target beginning in 2025.

Additionally, we have engaged with UL Solutions, a third-party organization, to evaluate and validate our owned brand electronic factories on their zero waste efforts.[44] Three pilot electronic factories became the first in our supply chain to receive the UL 2799 Zero Waste to Landfill Certification[44], earning Silver and Gold designations. As a result of this effort, all three factories have achieved a landfill diversion rate of 90% or higher.

[44] The conservation of all resources by means of responsible production, consumption, reuse and recovery of products, packaging and materials without burning and with no discharges to land, water or air that threaten the environment or human health, as established by the Zero Waste International Alliance. The threshold to be considered "Zero Waste" is normally set at a minimum of 90% diversion rate.

FEATURE STORY

Circularity in Action: Recycled Car Seats Reborn as Target Products

Since we first launched our Car Seat Trade-in program in 2016, Target guests have donated approximately 3 million used car seats, receiving millions in savings on select new baby products. Now, many of those recycled car seat materials are finding another purpose as new products within our owned brand assortment — contributing to our plans for 100% of our owned brand products to be designed for a circular[45] future by 2040.

We've produced Brightroom garage shelves and cabinets, trash bins and crates using at least 20% Car Seat Trade-in material. We're also making Room Essential accent tables from 100% recycled car seat materials.

[45] Taking steps to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers to develop and manufacture Target owned brand products.

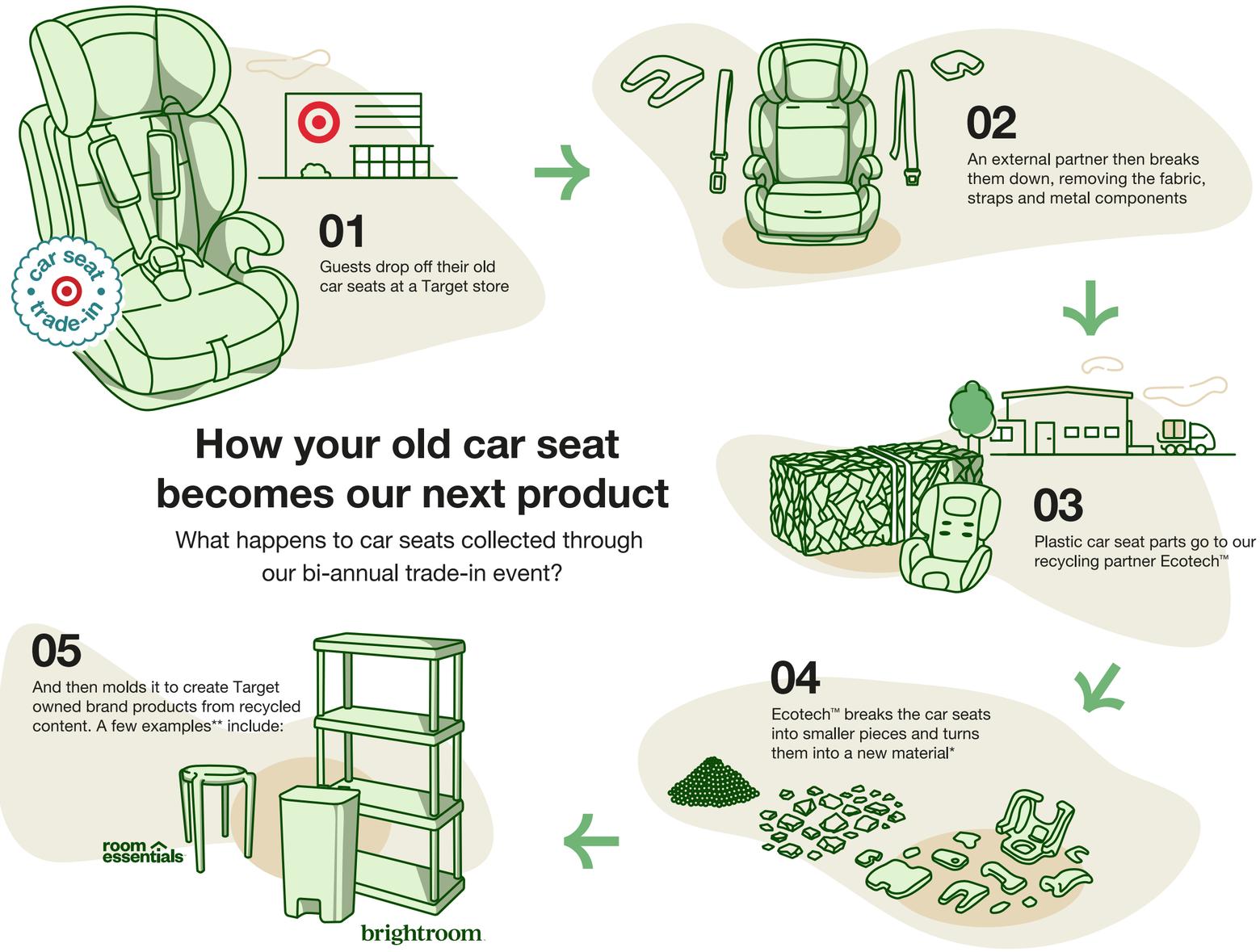
FROM CAR SEATS, COME STORAGE PRODUCTS...AND MORE

During the early days of our Car Seat Trade-in program, our reverse logistics team partnered with third-party organizations to coordinate the reuse of all the car seats' components in secondary markets.

Since then, we've teamed up with long-time owned brand business partner EcoTech™ to give a new life to the material that goes into car seats — a high-quality polypropylene plastic (#5 PP) — making it a great fit for recycling into our owned brand products that use black polypropylene. We have confirmed through testing that the recycled material is just as strong and durable as it was to start.

Through initiatives like our Car Seat Trade-in event, we're working hand-in-hand with our guests to find new uses for discarded products that result in more sustainable products on our shelves.

Learn more about how we're turning used car seats into select products



How your old car seat becomes our next product

What happens to car seats collected through our bi-annual trade-in event?

*A Recycle Claim Standard (RCS)-certified polypropylene resin.
**While current recycling infrastructure does not enable the recycling of these products, we aim to have circular solutions for these products in the future, as part of our plan for 100% owned brand products to be designed for a circular future by 2040.

Resource Use

To view our data tables:

Download the Appendix

Additional resources on our efforts and progress:

- Responsible Resource Use
- 2025 CDP Response
- Environmental Impacts of Products
- Forests Products Policy
- Commitment to Sustainable Seafood
- Palm Oil Commitment
- Cotton Commitment
- Animal Welfare



Environmental Impacts of Products

We are working to minimize the impacts of our products by designing our owned brands to meet our sustainability standards[46] and offering more sustainable[47], inclusive, and affordable brands and assortments. This creates business value in several ways: engaging a new generation of guests through a rapidly growing sustainable product market; bringing training and new production practices to business partners and their communities; reducing our consumption of natural resources; and scaling availability of more sustainable raw materials. As part of these efforts, we are partnering across our supply chain and with industry groups to improve supply chain resiliency and accelerate action to prevent nature loss, focusing on areas such as deforestation, water and land use.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

- Expanding our **sustainable assortment**[47]
- Advancing business partner **adoption of sustainable practices**
- Sourcing raw materials **aligned to standards and certifications**
- Taking steps to **eliminate waste**



Target's owned brand Casaluna relaunched in early 2025 with sustainability at its core. It features products that are made of U.S. Cotton Trust Protocol cotton and Forest Stewardship Council® (FSC®) certified[48] fibers.

[46] Target's sustainability standards can be found on our **website**.
[47] This refers to industry-leading products or services that have context-specific environmental and/or socially beneficial features, backed by credible standards or impact metrics.
[48] The Forest Stewardship Council® is an international nongovernmental organization that promotes responsible forest management. *FSC-N003198.*

Environmental Impacts of Products

IMPACT BY THE NUMBERS

96%

Tier 1 owned brand factories (apparel and accessories, home and hardlines, essentials and beauty, and non-retail) that completed the Higg Facility Environmental Module (FEM) self-assessment (or equivalent)

86%

Tier 2 owned brand factories (fabric mills, packaging and trim) that completed the Higg Facility Environmental Module (FEM) self-assessment (or equivalent)

78%

Percentage of SKUs that conform to Target's forest product policy across Target's owned brands, which is up 11% from 2023[49]

130%

Increase in amount of recycled cotton used in our owned brand products, equating to 4.1k metric tons, which is up from 1.7k+ metric tons in 2023[50]

99%

Fresh and frozen seafood by weight that meets our Sustainable Seafood Policy, which is up from 95% in 2023[51]

94%

Percentage of sourced palm oil certified through **RSPO** supply chains[52]

[49] Stock keeping unit.
[50] The year-over-year increase is due to a focused effort on increasing the consumption of recycled materials in all Target products.
[51] Target works with business partners to trace all seafood items (owned brands and national brands) back to the fishery level, but not all of the way to vessel level in the case of wild-caught species.
[52] Palm oil metrics are reported by business partners through an annual survey and our product lifecycle management system. RSPO-certified owned brand categories include food, household cleaning, personal care, baby care, beauty, cosmetics and candle products.

SIGNATURE GOALS

By 2025, Target plans for 100% of our owned brands, in addition to our owned brand limited-edition and brand partnerships, to adhere to Target's already established sustainability standards.[53]

By 2030, Target aims to be the market leader for creating and curating inclusive, sustainable brands and experiences.[54]

MILESTONE GOALS

By 2030, Target intends for the leading raw materials (e.g., forest products, cotton and more) that go into our owned brand products to be 100% recycled, regenerative or sustainably sourced.[55]

Target is committed to sourcing cotton more sustainably for our owned brand and exclusive national brand products by participating in programs designed to improve cotton growing practices and working conditions.

Achieved Progressing Evolving

View our **Target Forward Progress Report** to learn more

ESTABLISHING KEY PROCESSES AND METRICS

We seek to increase the resilience of our supply chain and deliver more joy for our guests by sourcing owned brand materials responsibly and expanding our assortment of inclusive, sustainable brands.[54]

We took several actions to help drive progress in 2024. We continued to provide training and updated resources on our policies, commitments and goals to our team members to support business partner engagement efforts, and invested in new technologies and processes to overcome key barriers to success. For example, our product and packaging teams piloted new technology, Ubuntoo, a sustainable intelligence platform connecting organizations with vetted environmental solutions, to help identify and scale emerging materials that could open new doors to advancing our materials goals and expanding our assortment of sustainable brands.[54] To date, Ubuntoo has identified 290 innovation solutions related to materials used in our products and more than 400 innovations related to packaging, helping us to explore future solutions.

We continued to advance foundational work on our 2030 goal to be a market leader for creating and curating inclusive, sustainable brands[54] and experiences, and evaluate and learn from our owned brands that are leading the way in this area. In 2024, Everspring and Universal Thread became our first two owned brands designed for circularity.[56] These brands are helping us advance existing circular design initiatives, track progress and inspire innovation within our essentials and beauty, and apparel and accessories owned brand categories. Additionally, we expanded our planning process to include Casaluna. As a result, these three brands have incorporated more sustainable raw materials, design and production strategies into product development while maintaining competitive prices.

[53] Target's sustainability standards can be found on our **website.**
[54] "Sustainable brands" refers to industry-leading products or services that have context-specific environmental and/or socially beneficial features, backed by credible standards and/or impact metrics.
[55] "Regenerative" refers to operating the business in a way that helps restore and regrow natural systems. For example, regenerative agriculture is an approach to farming systems that focuses on soil regeneration, contributing to enhanced biodiversity and natural systems, and strengthened equity and economic resilience in surrounding communities.
[56] Taking steps to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers to develop and manufacture Target owned brand products.

RAW MATERIALS SOURCING

We made several key investments in 2024 to advance our work to responsibly source our leading raw materials:

- We launched a digital materials library that collects raw material data across all our owned brand products, enabling a more agile, on demand approach to raw materials management.
- Through a partnership with Forum for the Future and Anthesis, we made progress in defining and setting guidelines for what we consider to be regenerative[57] — a key aspect of our 2030 leading raw material goal. These new guidelines will enable us to better integrate regenerative practices into our sourcing decisions, such as vetting business partner opportunities and selecting third-party certifications.

Specific to our 2025 goal of owned brand adherence to Target's already established sustainability standards,[58] we advanced progress in 2024 despite landscape and supplier shifts affecting raw material sourcing. Notably, we continued to mature the integration of sustainability standards into our core business practices through an internal risk process. As a result, we are making progress on closing gaps within our owned brand portfolio.



The majority of Cat & Jack products incorporate sustainably sourced materials, such as recycled polyester and sustainably sourced cotton.

Cotton

We use cotton in many of our owned brand and exclusive national brand products and are continuing to build on our eight-year journey to source cotton more responsibly. In 2024, we continued to increase the amount of recycled cotton in our owned brand products and continued to support the larger cotton supply chain in adopting more sustainable production practices by participating in Better Cotton as well as the U.S. Cotton Trust Protocol. To enable these efforts, we are enhancing cotton traceability and investing in partnerships to drive further innovation. See Biodiversity, Responsible Sourcing and Manufacturing Practices and Partnering to Advance Cotton Sourcing to learn more.

[57] "Regenerative" refers to operating the business in a way that helps restore and regrow natural systems. For example, regenerative agriculture is an approach to farming systems that focuses on soil regeneration, contributing to enhanced biodiversity and natural systems, and strengthened equity and economic resilience in surrounding communities.
[58] Target's sustainability standards can be found on our **website**.

Forest products

In 2024, we expanded our use of Forest Stewardship Council® (FSC®) certification[59] to more product categories and owned brands, which helps us and our business partners protect forests and eliminate unacceptable sources of wood-based products:

- **Cellulosic material:** Target uses forest-derived cellulose in its fabrics like viscose and rayon, and through our CanopyStyle Commitment, we're working to keep ancient and endangered forests out of our supply chain and support the shift to low-impact alternatives. In addition to our CanopyStyle commitment, in 2024, we introduced our first FSC®-certified textile products at Target within our Threshold and Casaluna owned brands.

- **Rattan:** Target introduced several new FSC®-certified handicraft baskets within our Threshold owned brand in 2024. These baskets were produced by business partners who work directly with FSC®-certified forest communities to source their rattan. The sale of rattan from these communities not only bolsters their conservation efforts, but also their resilience against economic pressures that drive land conversion and forest loss. See right for more details.



We created our new FSC®-certified rattan products for Threshold, like the basket featured above, using an integrated and sustainable supply chain with ethical sourcing, forest conservation and community empowerment at its core. To do this, we partnered with a farmer organization, which represents 300 farmers and manages the first FSC®-certified rattan forest in Indonesia — and the world — to help us bring our products to life.

[59] The Forest Stewardship Council® is an international nongovernmental organization that promotes responsible forest management. *FSC-N003198*.

Palm Oil

Target engages with business partners, NGOs and industry initiatives to increase the sustainability of our palm oil supply chain and reduce risks, including deforestation and forced labor. We are focusing on the following activities to advance our work:

- We continue to require all palm oil, palm kernel oil and their derivatives in select owned brand product categories to be certified by RSPO with a mass balance[60], segregated[61] or identity preserved[62] supply chain certification.
- We recognize the importance of supporting independent smallholder farmers in the regions where our palm oil originates. For palm oil that is not sourced as RSPO certified, we purchase Independent Smallholder RSPO Credits to help smallholders maintain their RSPO certification and support their livelihoods.
- We are transitioning our collection of palm oil data in food and beverage to our product lifecycle management system. This is helping us uncover additional uses of palm oil in our supply chain and support more accurate and consistent tracking with our business partners. As we work to verify policy compliance in the new system, we have seen a decrease in our proportion of RSPO certified palm oil due to the transition. We expect our proportion of RSPO certified palm oil to be higher again in the coming year as business partners fully integrate into the new system.

Seafood

Target has a longstanding commitment to sustainable seafood, covering our fresh and frozen seafood, sushi, canned tuna and owned brand pet food offerings. We work closely with FishWise, which helps us strengthen both our seafood program and our work with business partners by offering expert advice and technical and strategic support. In 2024, we hosted capacity-building webinars to help our buyer teams learn more about important seafood issues, sourcing risks and actions to take. Additionally, we review our program annually to identify and mitigate seafood-related risks.

1st	47	4
U.S. mass retailer to apply seafood environmental standards to pet food[63]	Business partners engaged via the FishWise online survey process[64]	Webinars hosted covering seafood sustainability; supply chain due diligence; traceability and verification; and social responsibility

[60] Sustainable palm oil from certified sources is mixed with non-certified palm oil throughout supply chain.
[61] Sustainable palm oil from different certified sources is kept separate from non-certified palm oil throughout supply chain.
[62] Sustainable palm oil from a single, identifiable certified source is kept separate from non-certified palm oil throughout supply chain.
[63] Target's seafood sustainability standards apply to owned brand pet food items.
[64] Target works with business partners to trace all seafood items (owned brands and national brands) back to the fishery level, but not all of the way to vessel level in the case of wild-caught species.

Animal Welfare

Target is committed to following practices that support the welfare of animals within our supply chain. These practices are regularly reviewed to align with industry and governmental standards and guidelines.[65]

Our approach to animal welfare is grounded in our belief in the Five Domains of animal welfare, an evolution of the Five Freedoms, for every animal over the course of their entire lifetime.[66] We also publicly outline expectations for our business partners to maintain written policies detailing best practices for each of the areas relevant to their products. We provide training on animal welfare topics to internal teams responsible for buying or sourcing animal products, and we expect all our business partners to provide adequate training to every individual involved with the direct handling of animals throughout the supply chain.

See our **website** and **Appendix** for more information



[65] We expect suppliers to adhere to **animal-derived raw material product standards** in a number of material categories, with the exception of leather, which is our least consumed raw material category within relevant areas of business, and therefore not meaningful for these purposes.
[66] Both the Five Freedoms and Five Domains are scientifically validated frameworks. As industry knowledge of animal welfare has evolved from avoiding the negative experiences of animals, as stated in the Five Freedoms, to recognizing animals' emotional capabilities and the need for positive experiences, as emphasized in the Five Domains, we are encouraging the use of the Five Domains model. The Five Domains focuses on an animal's nutrition, physical environment, health and behavioral interactions, with mental state as the outcome that reflects the welfare of the animal.

ANIMAL WELFARE STANDARDS

We are committed to following practices that support the welfare of animals sourced for food and non-food products. We expect all business partners to meet or exceed these animal welfare standards. Complete details of our standards are available on our website and we included 2024 highlights below.

Good & Gather pork

In September 2022, we launched all Good & Gather fresh pork raised in an open pen gestation system, and we continue to maintain that standard.

Eggs

We continue to work closely across the industry to maintain and build upon our sourcing of cage-free eggs[67], while factoring in regulatory changes, ongoing volatility in the supply and cost of cage-free eggs due to Avian influenza, consumer pricing and demand. In 2024, Target reached 66% of our egg revenue as cage-free[67], due in part to broadening our business partner base to include small and medium-sized farms. This is up from 65%[68] in 2023 and remains ahead of many of our competitors. We also continue to source 100% of liquid eggs from cage-free systems.[67] We will continue to build upon our cage-free egg[67] progress while also offering affordable options for all of our consumers. Notably, and with Target's support, in May 2025, Minnesota approved cage-free eggs as part of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), expanding cage-free egg affordability and access for over 99,000 WIC recipients in the state.

Down

We require business partners to be certified to the Responsible Down Standard (RDS) for our feather-filled, owned brand products. 100% of our home products with down are RDS certified, growing from 25 SKUs[69] in 2023 to 27 SKUs[69] in 2024.

COLLABORATING ON PROGRESS

We continued to partner with third-party consultants, NGOs and industry associations to help inform and evolve our animal welfare program and efforts. We partner with Sustainable Solutions Group Inc. for guidance on business partner audits and standards, and we engage with Compassion in World Farming (CIWF) to track best practices and identify opportunities to enhance our animal welfare efforts. Through the Meat Institute's Customer Council and Protein PACT, we work with business partners to harmonize and streamline efforts to advance sustainability across several key focus areas, including animal care. As part of the United States Roundtable for Sustainable Beef (USRSB), we support efforts to improve beef sustainability and animal welfare through collaboration.

[67] This includes cage-free, free-range or pasture-raised systems.
[68] FY2023 data has been restated to account for updates to our calculation methodology. The 2024 Sustainability and Governance Report used data from the calendar year rather than the fiscal year, and a small number of product lines were reclassified for improved visibility.
[69] Stock keeping unit.

Product Safety, Quality and Access



To view our data tables:

Download the Appendix

Additional resources for further reading on our efforts and progress:

Product Safety & Quality Assurance

Chemicals Policy

Chemicals

Our Design Approach

Product Safety and Quality

One of our top priorities is to provide Target guests with high-quality products that meet or exceed mandatory safety standards. We have tools and processes in place to address product safety and quality from development through sales to guests. We have two teams overseeing these efforts.

The Product Safety, Quality and Regulatory (PSQR) team is responsible for developing and implementing the Quality Management System (QMS) and Compliance Management System (CMS) to confirm that our products meet all relevant regulations, industry standards and Target's quality and safety requirements. Target participates in the U.S. Consumer Product Safety Commission (CPSC) Retailer Reporting Program for all general merchandise products and brands. As a leading retailer, Target supports industry-wide product safety training by engaging with the International Consumer Product Health and Safety Organization (ICPHSO) mentorship committee.

The Food Safety, Quality and Regulatory (FSQR) team manages food safety and regulatory compliance for consumer food and beverage and pet food products, with work spanning owned brand business partner manufacturing facilities, produce fields, food distribution centers, retail stores, owned brand product labeling and food recalls. Target leverages a scientific, risk-based approach to design preventive controls and processes. We require our owned brand food business partners to be Global Food Safety Initiative-certified, and our team conducts reviews and audits to confirm they have appropriate capabilities.

See our **website** and **Appendix** for more information



COMPLIANCE FOR OWNED BRAND PRODUCTS

The safety and quality of our products is Target's top priority. We take a proactive approach to meet and exceed regulatory, safety and quality requirements, including through robust facility and product evaluation programs. In 2024, we conducted the following evaluations:

- **Food and beverage and pet food owned brand products:** 1,457[70] facility evaluations across 1,154 facilities.
- **Non-food owned brand products:** 1,609 facility evaluations across 1,972 facilities.

We continue to improve the rigor, efficiency and flexibility of our programs, including by utilizing data, leveraging technology and optimizing processes.

In April 2024, ASTM International published a new safety standard for beach umbrellas to protect consumers from the risk of umbrellas becoming projectiles in windy conditions. In response, Target collaborated with our business partners to promptly redesign, label and test our 2025 owned brand beach umbrella assortment. As a result of this swift action, these umbrellas now comply with the new safety standard and allow Target guests to easily identify and feel confident in their purchase of a compliant and safe product.

PRODUCT INNOVATION

As part of the relaunch of the Auden owned brand in 2024, the PSQR team helped develop a new line of absorbent period underwear, becoming the first medical device offering in our apparel and accessories category. The team leveraged Good Manufacturing Practice (GMP) standards and Medical Device labeling requirements to create a product with heightened transparency on ingredients as well as a novel Leak Protection test method to give guests extra confidence as they go about their routines.

FOCUS ON FRESH

In 2024, we took steps to further enhance the quality of our fresh grocery and floral offerings for guests. This included opening new food distribution centers, providing greater control of our fresh network and helping to improve product reliability and to reduce food waste.



[70] In 2024, Target strengthened our risk-based approach for owned brand food facility evaluations.

Chemicals

Our guests want to know about the chemicals used to make their favorite products, and they look to Target for better options for their families. So, in 2017, Target launched our comprehensive Chemicals Policy for the owned- and national-brand products we sell, as well as those used in our operations, such as cleaning supplies.

We use a variety of strategic approaches to improve chemical use across our assortment. This includes participating in the Chemical Footprint Project to help drive adoption of safer alternatives in essentials and beauty, and the use of certifications such as OEKO-TEX® STANDARD 100 to independently test and certify products against a list of more than 1,000 harmful chemical substances. We also built restricted substances lists — one for textiles and one for Target's Priority Chemical List (TPCL) — and incorporated them into business processes to proactively manage chemicals and accelerate the design of products that are better for our guests and their families. We encourage supply chain partners[71] to disclose the ingredients and substances they use within their products to consumers and we support those who are actively going above and beyond current transparency regulations.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

Encouraging **transparency**

Proactively **managing chemicals**

Spurring **chemical innovation** and **safer alternatives**



This year, Target launched a refresh of the Auden intimates and sleepwear brand (pictured), including more than 100 new items. Most of the products are OEKO-TEX® STANDARD 100 certified. We now use OEKO-TEX® STANDARD 100 and OEKO-TEX® MADE IN GREEN throughout our apparel and accessories and soft home categories.

[71] Given our role as a retailer and that we source all materials used in our owned brand products from third-party business partners, Target does not manufacture any chemicals.

By 2025, Target intends to remove intentionally added perfluorinated alkyl substances (PFAS) from owned brand products, including but not limited to textiles, formulated products, cosmetics, beauty and cookware items.

Achieved Progressing Evolving

We continued to offer nearly 5,000 individual products that meet program standards

REMOVING PFAS FROM OWNED BRAND PRODUCTS

We continued to make progress on our 2025 goal to remove intentionally added PFAS from owned brand products across a number of categories:

- Our owned brand teams successfully removed PFAS from dental floss and cookware in 2024.
- We added formal PFAS restrictions for product development across air care, select personal care and cleaning product categories.
- We participated in the Minnesota Pollution Control Agency (MPCA) Manufacturing and Industry Working Group to advise the MPCA on regulations to manage PFAS in consumer products.

EXPANDING TARGET CLEAN

In 2019, we launched the Target Clean program[72], which is designed to help guests find products made without select chemicals of concern in beauty, personal care, baby, household essentials, health care and pets. In 2024, we made notable additions to our Target Clean lineup, including a new convertible rotating car seat from baby brand Chicco, the launch of affordable clean beauty brand Good Molecules, actress Blake Lively's new clean hair care product line Blake Brown and certain products from actor Dwayne "The Rock" Johnson's new men's personal care line Papatui.

[72] A Target-created program denoting products formulated or made without specified ingredients, defined as <100 ppm of finished product. The list of ingredients varies by category. Products carrying the Target Clean symbol must also meet the definition of "cruelty free," defined and validated as not tested on animals by each brand.

IMPROVING CHEMICAL USE IN OUR SUPPLY CHAIN

Target plans to comply with the ZDHC's Progressive Level wastewater requirements[73] across all owned brand apparel textile factories by 2025.

ZDHC Progressive Level wastewater requirement[73] goal progress:

45%
Year-over-year improvement

70%
Owned brand apparel textile factories now in compliance

In alignment with our ZDHC[73] commitment, in 2024, we made progress in designing out two substances of concern from our owned brand products:

- **Potassium permanganate (PP):** Commonly used in denim to create a white-wash effect, PP can pose health risks to workers, especially when used in spray form. As of early 2025, we have successfully eliminated the use of PP in all owned brand denim products, meeting our 2025 goal.
- **Dimethylformamide (DMFa):** Used in the production of coated materials, such as the lamination process of faux leather, DMFa poses risks to workers during production. We are leveraging a process to help eliminate the use of DMFa for all our owned-brand handbags, and as of 2025, all new kids' and the majority of women's handbags have eliminated DMFa, using a water-based polyurethane process in its place. We are also working to eliminate DMFa in other product categories, such as footwear liners, using the same approach.



[73] The ZDHC wastewater requirements are in two parts: conventional requirements and ZDHC MRSL. The conventional parameters relate to metrics that tie to basic water quality, such as acidity and the amount of oxygen available in the water (key to support aquatic life). The conventional parameters include three levels: Foundational, Progressive and Aspirational. At least 83% of our facilities meet the Foundational requirements and at least 70% meet the Progressive requirements.



GREEN CHEMISTRY AND INDUSTRY ENGAGEMENT

Since 2017, Target has contributed $6 million in green chemistry projects between internal project funding and grants, supporting product innovation, research to identify safer alternatives to certain chemicals, models to enable circularity[74] and collaboration with business partners. In 2024, we contributed $1 million to these efforts, which included:

- Funding multiple product innovation projects with John Warner's Technology Greenhouse.
- Raw material testing with SGS to advance circularity efforts.
- Research into PFAS alternatives for non-stick cookware with Change Chemistry.

We continued to participate in industry-wide collaborations to drive transparency and improve chemical use in consumer products. The increased consumer and regulatory demand for kids toys made with recycled materials poses a challenge due to the limitations of current chemical safety assessment software. In 2024, we partnered with other member companies of the Ethical Supply Chain Programme (ESCP) to develop a solution, set to launch in 2025.

CERTIFICATIONS AND RECOGNITION

In 2024, we continued to expand our use of chemical and sustainability-related certifications across our product categories to give our guests peace of mind. We now use OEKO-TEX® STANDARD 100 and OEKO-TEX® MADE IN GREEN throughout our apparel and accessories and soft home categories. Additionally, our essentials and beauty team added United States Environmental Protection Agency (EPA) Safer Choice certification for up&up fabric sprays in 2024, and is working to expand it to other formulated products.

#3

Ranking on Toxic-Free Future's 2024 Retailer Report Card (out of 50 retailers)

[74] Taking steps to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers to develop and manufacture Target owned brand products.

Access to Products and Services

Target develops our owned brand products, assortment, packaging and guest experience to meet our guests needs at the intersection of joy, ease and affordability. Our approach centers on purposeful design that elevates both aesthetics and functionality as well as the varied needs of our guests. Of our nearly 45,000 owned brand products, 70% incorporate inclusive attributes spanning style and size breadth, cultural relevance, allergen-friendly formulations, adaptive and accessible features and our Color For ALL™ palette system. Additionally, over 30% of our assortment delivers high-quality products at value-driven price points.

In partnership with leading external experts and organizations, we create joyful and relevant products and experiences for all consumers to feel welcome and excited to shop with us.

See our website and Appendix for more information



Made from extra soft denim, these Cat & Jack jean shorts are designed to be both stylish and sensory-friendly.

SIGNATURE GOAL

By 2030, Target aims to be the market leader for creating and curating inclusive, sustainable brands and experiences.[75]

Achieved Progressing Evolving

View our **Target Forward Progress Report** to learn more

ENHANCING PACKAGING ACCESSIBILITY

We continue to work with experts and industry organizations to advance and embed inclusive design into our products and packaging, making them easier for guests to open, use and enjoy.

User-friendly packaging

We collaborated with an occupational therapist to review packaging and prototypes under development to improve functionality. As a result, we added tear strips and redesigned locking features to make owned-brand packaging easier to open. We standardized these locks across brand launches such as Gigglescape (2024), Boots & Barkley and Spritz (2025).

Ease of Use® Design Guides

We partnered with the Arthritis Foundation and Intuitive Design Applied Research Institute (IDARI) to develop five Ease of Use® design guides — the first Ease of Use® design guides in the U.S. Through the guides, we aim to help engineers and designers create more accessible products and packaging, benefiting people living with arthritis and chronic pain as well as consumers of all ages seeking easy-to-use items.

[75] "Sustainable brands" refers to industry-leading products or services that have context-specific environmental and/or socially beneficial features, backed by credible standards and/or impact metrics.

MULTILINGUAL COMMUNICATIONS

In 2024, Target made strides in expanding how we reach and communicate with our team, guests and community members with non-English language needs. Examples of these efforts included:

- **Bilingual search on Target.com:** Target partnered with Google to test ways to enhance Target.com's digital search experience by detecting when guests type in Spanish in the Chrome browser and prompting them with the Spanish term. This enhancement will create a more user-friendly shopping experience for Spanish-speaking guests, reinforcing our commitment to serving all guests effectively.
- **Connecting with Spanish-speaking guests:** To better connect with this rapidly growing guest segment, Roundel engaged our multilingual communications team to accurately and culturally translate campaign copy. By honing language precision, we aim to forge a deeper, more meaningful connection.
- **Food production cards:** Target has introduced Spanish production cards for Spanish-speaking team members working in our deli, bakery and food sections, helping them work with greater confidence and precision while delivering the quality and ease our guests love and expect.

SUPPORTING EMERGING BUSINESS OWNERS

Since 2014, Target Accelerators has offered free mentorship, comprehensive retail education and access to top industry experts for emerging founders, helping more entrepreneurs than ever build successful brands. In its 10th year, we expanded the program to provide even more resources to help founders, ranging from early-stage startups to retail-ready brands, thrive.

In November 2024, Target Accelerators launched a free digital Learning Center to reach a broader range of emerging business owners beyond existing participants. The site offers resources for every stage of the retail journey, with learning tracks covering everything from brand marketing strategies to financial foundations. Additionally, we increased support for emerging on-shelf brands at Target by developing five business playbooks, Target partner onboarding guidance and a non-standard negotiated terms framework.

By opening doors for retail disruptors, this program aids our merchant teams in creating a product assortment that helps all guests feel seen and celebrated, increasing relevance with consumers.



Accelerator spotlight

Meet Chijioge "Chi" Nwogu, entrepreneur and Target Accelerators alum, who is turning education into a slam dunk with his card game PICKUP. Chi's big break came when he gifted a copy to "Elevator Ernie" Johnson from Inside the NBA, who then gave the game a heartwarming shoutout during the NBA playoffs. As a college professor and GameFlo founder, Chi is dedicated to expanding access to essential skills. This mission led him to be one of 30 founders chosen from over 5,000 applicants in Target's Forward Founders program, where he refined his skills with industry pros.

Planet

Across our operations and supply chain, we are working to reduce emissions, cut waste and advance circularity[76], while building resilience into how we operate. Through our sustainability strategy, we have invested in emissions reduction projects; improved transportation efficiency; expanded renewable electricity use; and reduced waste by eliminating unnecessary packaging and scaling reuse programs. We are continuing to prioritize the areas where we can have the greatest impact for our guests, communities and the natural systems our business depends on, which will require investments in innovation, shared standards and collaboration with partners to keep our progress going.

To view our data tables:

Download the Appendix

In this Section

Climate

- Greenhouse Gas Emissions
- Climate-Related Risks and Opportunities

Nature

- Water Use and Management
- Biodiversity

[76] Taking steps to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers to develop and manufacture Target owned brand products.

Climate

To view our data tables:

Download the Appendix

Download 2025 Metrics

Additional resources on our efforts and progress:

Climate

Disaster Preparedness & Response

Climate Policy

2025 CDP Response



Greenhouse Gas Emissions

Across our operations and value chain, our focus centers on reducing the energy we consume in our stores and supply chain facilities, diversifying our energy sources to help us meet increased energy demand and ensuring reliability and cost parity. By doing so, we are working to build resilience for our business by making our operations and supply chain more sustainable. As we pursue our climate and energy strategy, we engage with stakeholders, including policymakers, utility companies and trade groups, to increase access to renewable sources of energy.

A critical component of our work is our supplier engagement program. Through it, we support our suppliers' efforts to reduce their emissions as they calculate their emissions footprint, set science-aligned emissions reduction targets, track progress and drive collaborative action. We support innovative pathways in the areas we anticipate will have the greatest impact on decreasing our emissions and creating value across our manufacturing supply chain. Achieving our ambitions will require industry-wide collaboration to continue reducing emissions.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

- Operational **energy efficiency** and **renewable energy**
- **Raw materials sourcing** and **manufacturing**
- **Logistics**
- **Guest use and disposal** of products



Our T2882 store in Katy, Texas, is outfitted with 2,444 rooftop solar panels, helping the site to save 58% in energy costs during 2024.

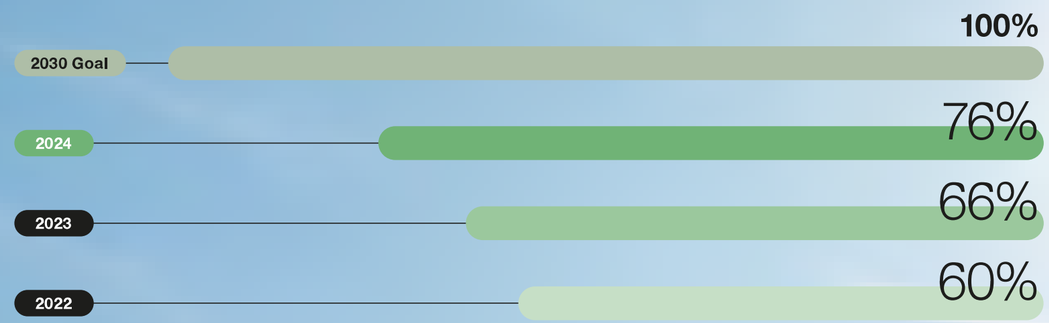
Greenhouse Gas Emissions

IMPACT BY THE NUMBERS

125+

Business partners joined Forward Renew by the end of 2024, which aims to support Target business partners in a transition to renewable electricity

Percentage of energy consumption that comes from renewable sources[77]



124%

Increase in business partners that reported via the CDP Questionnaire[78]

75%

Percentage of retail spend attributed to business partners with science-aligned targets for scope 1 and 2 emissions[79]

~821.5k

Operational savings ($mtCO_2e$) from energy efficiency and renewable energy investments in 2024

[77] In 2024, we included international offices in our scope of reporting. The scope of FY2022 and FY2023 data is U.S. operations only, but international offices account for <1% of our overall electricity consumption. To calculate the percentage of renewable electricity in Target's operations, we evaluate both the amount of renewable electricity from Target's projects and the renewable electricity in the grid. This total renewable electricity is then compared to Target's total electricity use per the following equation: Target's Renewable Electricity % = (Target Renewable Electricity Projects + Renewable Electricity in the Grid) / Target Electricity Use. Renewable electricity includes renewable energy credits (RECs) from Target's onsite and off-site projects, as well as electricity that we receive from renewable energy generation serving the electric grids where Target facilities are located. Data sources include: Target's 2024 fiscal year electricity consumption data; Target's 2024 RECs; and the Center for Resource Solutions (CRS) Utility Grid Accounting methodology for renewable mix, published in the latest EEI Utility Electricity Mix Database.

[78] In 2024, Target engaged nearly 2,000 business partners to submit via CDP compared to approximately 700 business partners in 2023. **Learn more** about our expanded supplier engagement.

[79] Business partners in scope for Target's overall engagement program account for 89% of Target's purchased goods and services (PG&S) footprint and 31% of our total scope 3 footprint. Companies in scope include national brands, owned brands, national brands where Target is the importer of record (NBIOR) and national brands that make our owned brand labels (NB/OB). Calculation for this metric has changed to better align to the decarbonization scope of Target's 2030 scope 3 goal.

SIGNATURE GOAL

By 2040, Target commits to net zero greenhouse gas emissions across our enterprise (scopes 1, 2 and 3).[80,81]

MILESTONE GOALS

By 2030, Target commits to achieve 55% absolute reduction in operations emissions (scope 1 and 2) from a 2017 base year.[82]

By 2030, Target commits to achieve 32.5% absolute reduction in supply chain emissions (scope 3) covering purchased goods and services (PG&S), upstream and downstream transport[81] and use of sold products from a 2017 base year.[83]

By 2025, Target commits to source 60% of our electricity from renewable sources for our operations.

By 2030, Target commits to source 100% of our electricity from renewable sources for our operations.

By 2025, Target commits to engage suppliers to prioritize renewable energy and collaborate on solutions that protect, sustain and restore nature.

Achieved | Progressing | Evolving

View our Target Forward Progress Report to learn more

CUTTING EMISSIONS IN OUR OPERATIONS

We procured 76%[84] of the energy for our operations from renewable sources in 2024. This builds on the early achievement of our goal in 2022 and contributes to our 2030 goal. Of note, our store in Vista, California, our first store designed to be net-zero energy, achieved Zero Energy Certification™ through Living Future. The site produces more than 100% of its energy needs by on-site renewable energy. Additionally, new solar energy projects and partnerships are helping contribute to our goal.

As part of Target's plan to build more than 300 new stores and remodel most of our nearly 2,000 stores during the next decade, we added 23 new stores in 2024 that are fully operational with natural (CO_2) refrigerants. As of May 2025, we have 124 stores with natural refrigerant systems, amounting to over 6% of our stores. We continue to learn from our efforts and work toward our goal to convert all stores to natural HFC-free refrigerants by 2040. We also continue to support the transition to LED lighting, enhancing the energy efficiency of our stores.

In seeking to incorporate practical, durable and scalable solutions into our store construction, we've begun to assess our options for building materials, including concrete and steel. We have found that by adding alternative materials into concrete mixes, we can use lower-carbon materials that serve the same purpose as pure concrete while keeping costs neutral. We used such mixed materials, which are up to 40% lower in carbon compared to the industry average, to build our stores in Wildwood and Lecanto, Florida. To optimize these efforts, we are using a tool to help store design teams make early, informed choices on materials that are both long-lasting and maximize carbon reductions.

80 This work applies to all products, including Target's owned and national brands, and covers the following scope 3 categories: purchased goods and services, upstream and downstream transport, and use of sold products. Net zero, as defined, is achieved when a company's scope 1, 2 and 3 emissions are reduced to a level that is consistent with a 1.5ºC pathway, and any residual emissions are removed from the atmosphere through either nature-based or technological carbon removal solutions (e.g., forestry, regenerative agriculture, carbon capture technology), by no later than 2050, in alignment with the Paris Agreement. Target has committed to net zero greenhouse gas emissions across our enterprise, 10 years ahead of the Paris Agreement.

81 The downstream transport portion of our scope 3 goal covers fulfillment only.

82 We categorize our GHG emissions in alignment with globally recognized definitions. Scope 1 includes direct GHG emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles, etc.). Scope 2 includes indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling.

83 We categorize our GHG emissions in alignment with globally recognized definitions. Indirect GHG emissions occur from sources not owned by the company. Examples include extraction and production of purchased materials/products, transportation and distribution of products, and business travel. Scope 3 emissions sources include emissions both upstream and downstream of the organization's activities. Scope 3 emissions fall within 15 categories. For a complete description of all scope 3 categories and quantification methods, see the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

84 To calculate the percentage of renewable electricity in Target's operations, we evaluate both the amount of renewable electricity from Target's projects and the renewable electricity in the grid. This total renewable electricity is then compared to Target's total electricity use per the following equation: Target's Renewable Electricity % = (Target Renewable Electricity Projects + Renewable Electricity in the Grid) / Target Electricity Use. Renewable electricity includes renewable energy credits (RECs) from Target's onsite and off-site projects, as well as electricity that we receive from renewable energy generation serving the electric grids where Target facilities are located. Data sources include: Target's 2024 fiscal year electricity consumption data; Target's 2024 RECs; and the Center for Resource Solutions (CRS) Utility Grid Accounting methodology for renewable mix, published in the latest EEI Utility Electricity Mix Database. In 2024, we included international offices in our scope of reporting.

REDUCING EMISSIONS IN OUR VALUE CHAIN

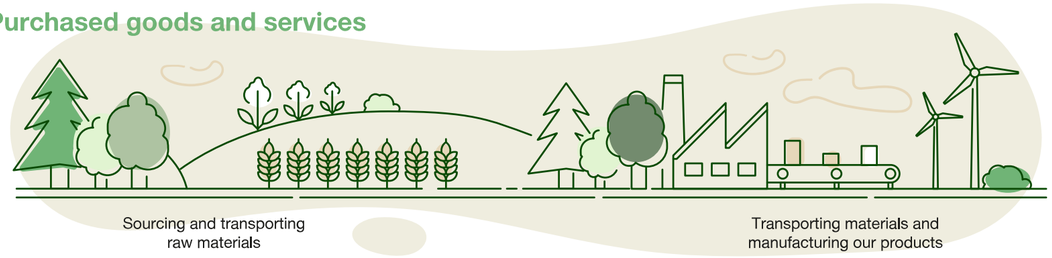
We continued to advance our strategy to reduce scope 3 emissions across our supply chain, focusing on our manufacturing business partners and logistics network. Initiatives we are supporting equip our global value chain partners across distribution channels and manufacturing regions with resources and technical expertise to drive emissions reductions through operational efficiencies and low carbon fuels and energy solutions. We aim to enhance operational efficiencies, optimize cost and quality, and build resilience for Target and our business partners and logistics network. Through our efforts, Target's scope 3 goal emissions have continued to decrease, albeit not as quickly as we need to meet our aggressive targets. We detail this progress further at the end of this section.

We have also taken actions to improve our carbon accounting and modeling. This included expanding the scope of business partners selected to report via CDP from nearly 700 in 2023 to 2,000 — now encompassing all owned brand business partners and select national brand partners. This enhanced supplier reporting will also allow us to quantify additional reductions in purchased goods and services in subsequent years, further supporting our scope 3 goal reductions. Additionally, we continue to track evolving standards, methodologies and compliance expectations, which may impact future data collection and reporting.

Our primary emissions sources

Alongside our owned brand and national brand partners, we are working to reduce the most significant sources of emissions across our value chain, including those associated with producing, transporting and using the products we sell.

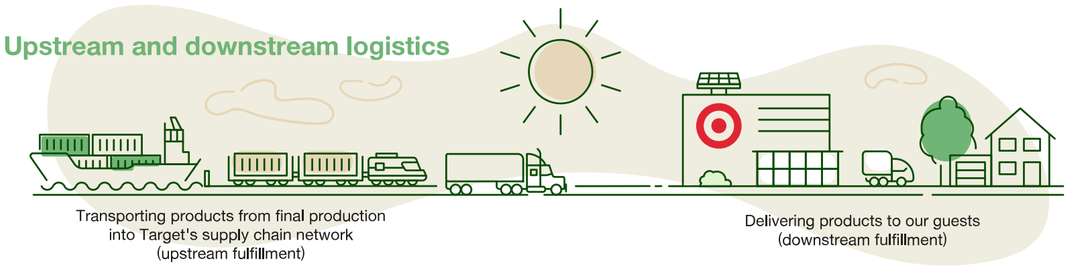
Purchased goods and services



45%

Percentage of Target's value chain emissions

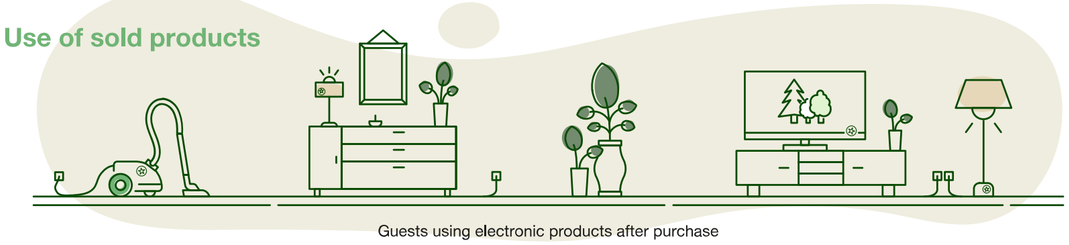
Upstream and downstream logistics



13%[85]

Percentage of Target's value chain emissions

Use of sold products



27%

Percentage of Target's value chain emissions

[85] The downstream transport portion of our scope 3 goal covers fulfillment only.

Purchased goods and services

In understanding the greatest sources of our scope 3 emissions and where more progress is needed — purchased goods and services — we continue to focus our efforts in supporting actionable ways for our suppliers to reduce emissions. We are investing in initiatives that help our suppliers procure renewable energy, like our plans to have at least 50% of the energy used in strategic and joint business plan partners' owned operations come from renewables by 2025. Examples of these continued efforts include:

- **Clean Energy Procurement Academy:** Target was among leading corporations that united to spearhead this initiative to reduce emissions across global manufacturing supply chains by supporting business partners with the technical readiness to explore and adopt clean energy. In 2024, the initiative completed in-person business partner trainings and developed a **Digital Academy training platform** for China and Vietnam with the aim to scale trainings further. The Academy plans to expand into additional Asia-Pacific countries in 2025.
- **Forward Renew:** Target partnered with Schneider Electric to launch this program in 2024, which is supporting Target suppliers with their transition to cost-effective renewable electricity. During this initial phase, we provided our U.S. suppliers with critical education, resources and support to explore renewable electricity options that would best align to their unique business needs. In 2025, we plan to evolve the program to focus on energy procurement and help suppliers explore individual or group purchasing opportunities. The group purchasing opportunity offers suppliers access to favorable pricing and contract terms.
- **Fashion Climate Fund:** Target continues to serve as a lead contributor to this Apparel Impact Institute (Aii) initiative, which identifies, funds and scales proven solutions that lower carbon emissions across the supply chain in the textile, apparel and footwear sectors. In 2024, Target sponsored 59 factories across nine countries in programs. Since we began this partnership in 2018, we have supported projects that will reduce our suppliers' emissions by more than 3 million metric tons.

This work takes time to see results fully realized, however, our growing supplier engagement efforts are critical to delivering on our climate commitments. We are deepening collaborations across our supply chain, expanding the scope of collaboration and investing in foundational capabilities. By supporting suppliers in measuring emissions, setting science-aligned targets and building capabilities to reduce their footprint, we are working together to accelerate progress toward a low carbon future.

This work, alongside our focus on **soil health and biodiversity**, is also fueling progress on our 2025 goal to engage suppliers to prioritize renewable energy and collaborate on solutions that protect, sustain and restore nature, which we are on track to meet in 2025.

Upstream and downstream logistics

We continue to work to gain a better understanding of our emissions from upstream transportation and distribution, and downstream transportation tied to fulfillment. We engage carriers to tap into their emissions reduction strategies to help us reduce Target's related scope 3 emissions.

The following are collaborations we entered into in 2024 to advance our work to decrease transportation emissions:

Smart Freight Centre (SFC)

We joined the global NGO in 2024 to enable and help us track our work to reduce our GHG emissions from transportation. Through SFC, we seek to leverage tools and resources, including:

- Emissions accounting programs to evaluate standard frameworks and evolve data, digitization and ongoing training processes.
- Clean Cargo to collaborate with ocean container carriers, forwarders and shippers and share best practices for reducing transportation emissions.

Breakthrough

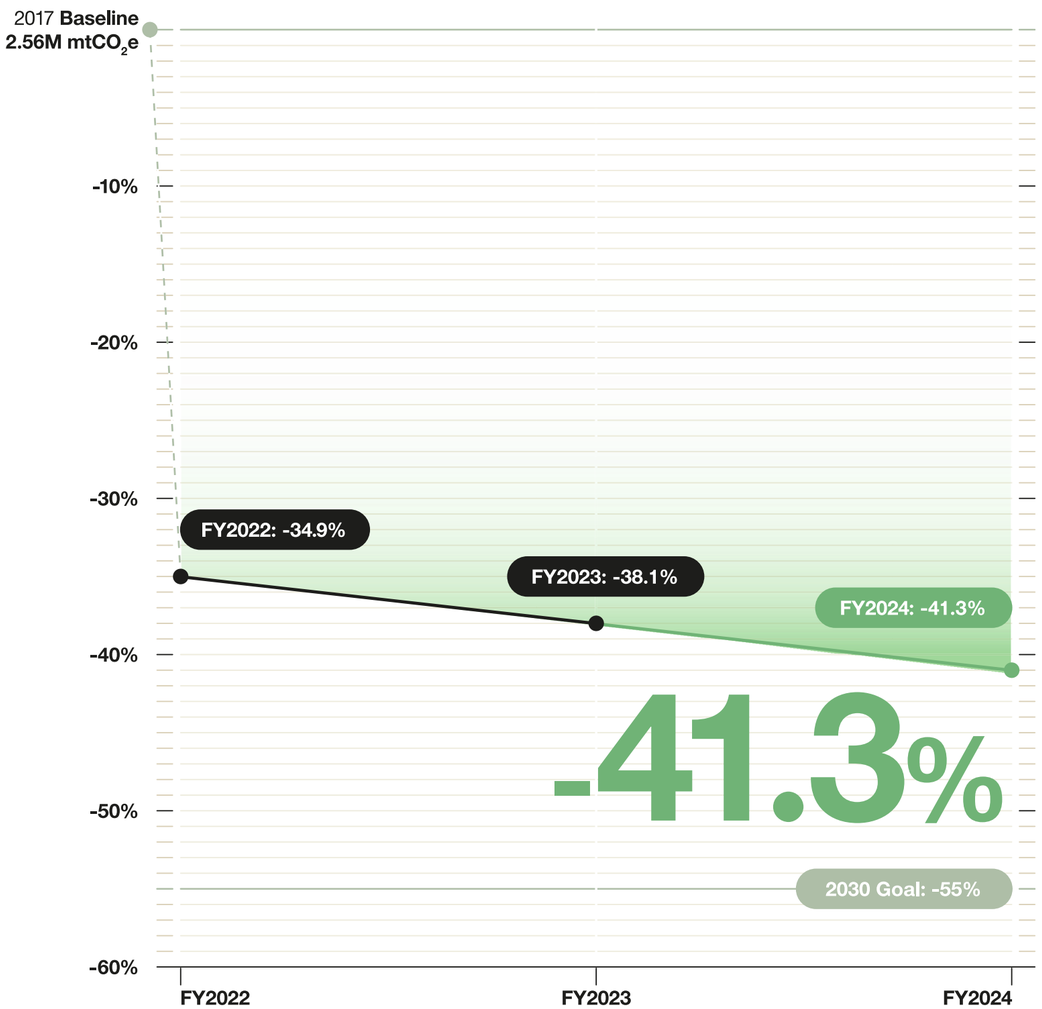
Partnering with CleanMile has demonstrated how optimizing routes — both in distance and duration — along with adopting alternative transportation types and energy sources, can significantly reduce emissions, enhance operational efficiency and drive cost savings.

Use of sold products

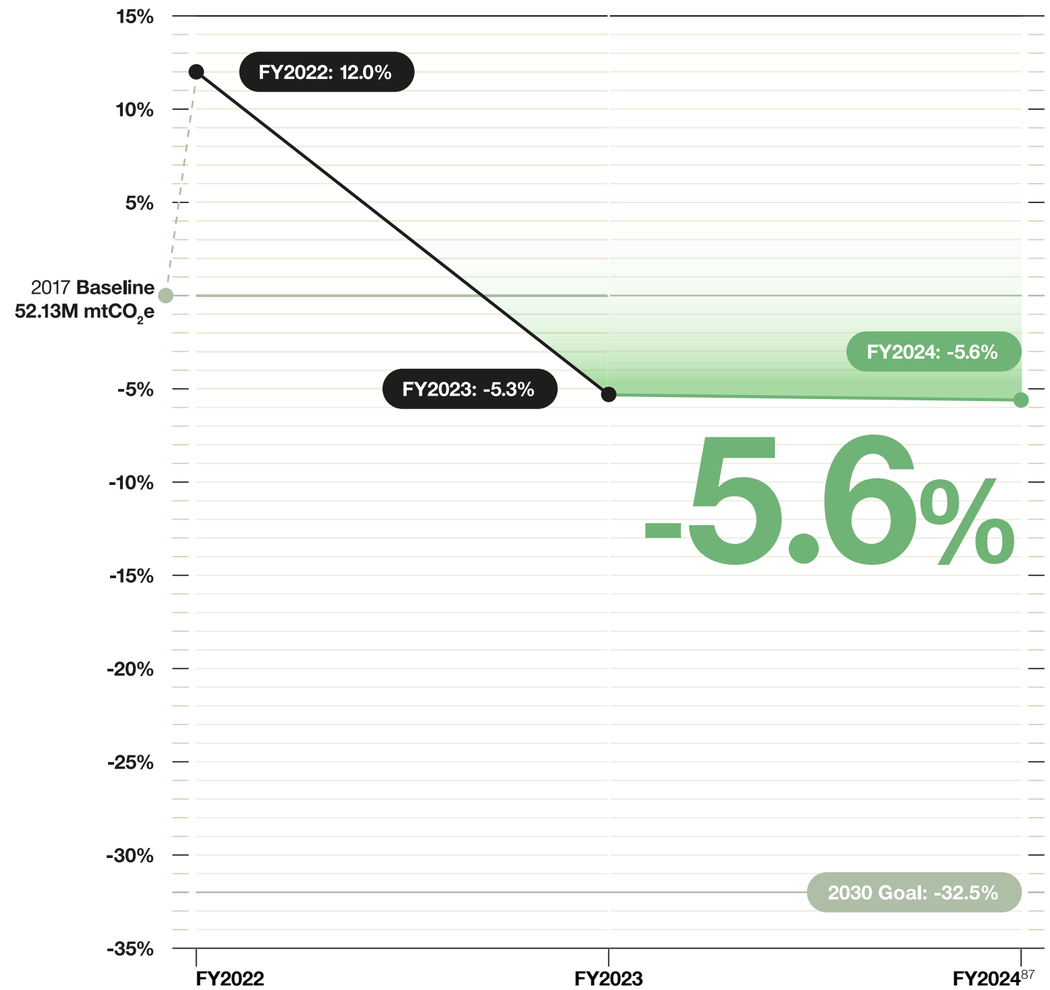
In 2024, we continued our partnership with the Retail Industry Leaders Association (RILA) and Optera, alongside Lowe's, Home Depot and Williams Sonoma, to launch the Direct-Use Product Emissions Database (DPED) platform. The database will be updated annually to provide the latest annual and lifetime emissions data for over 180 product categories, ranging from washing machines to space heaters. By providing consistent, comparable data, this tool will fill current gaps in reporting, expand covered product categories each year and align how retailers measure, compare and communicate product emissions after sale.



Change in absolute operational GHG emissions from 2017 baseline (unit: $mtCO_2e$)



Change in purchased goods and services (PG&S), upstream and downstream transport and use of sold products scope 3 GHG emissions from 2017 baseline (unit: $mtCO_2e$)[86]



[86] Total scope 3 baseline has been restated due to 2023 supplier reported reductions becoming available post the publication of 2024 Sustainability and Governance Report and an adjustment to domestic upstream transportation to include a previously known gap of chilled food loads.
[87] This percentage does not yet include supplier reported reductions in 2024 due to not being available at the time of publication.

Climate-Related Risks and Opportunities

We evaluate our climate-related risks and opportunities by working across the enterprise and engaging experts to conduct risk and opportunity assessments in line with recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) in combination with the International Sustainability Standards Board (ISSB).

We are prioritizing actions to address long-term risks and tap into new areas of opportunity. This includes building resiliency into our business by addressing evolving energy demands and identifying new sources for materials — helping to insulate Target from supply chain instability from increasingly frequent and severe weather events. Meanwhile, we continue to introduce our supply chains to reliable, cost-effective and renewable sources of energy and increase our product offerings aligned to sustainability trends, meeting the needs of our guests while driving business growth.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

Climate-Related Risks Due to Extreme Weather

- Increased **energy expenses**
- **Supply chain disruptions**
- Availability and variability in pricing of **raw materials**

Climate-Related Opportunities

- Integrating **advanced energy tech** in supply chains
- **Diversifying** product assortment and suppliers
- Advancing **sustainable product** offerings to meet evolving guest demand



EVALUATING RISKS AND OPPORTUNITIES AND ACTIONING OUR FINDINGS

In 2024, Target engaged third-party specialists to update our climate risk and opportunity assessment. The focus areas listed on the previous page outline key findings. We are leveraging these insights to inform our strategy going forward as we seek to mitigate risks, including those stemming from the impacts of climate change, build resiliency and explore business operations opportunities.

Supply chain continuity

Target is taking actions to manage supply chain risks from extreme weather events such as hurricanes, wildfires, flooding and high-heat conditions. These efforts are designed to address disruptions and productivity affecting our stores and distribution centers, support team members and communities and manage costs effectively. We are leveraging data to drive our planning by aggregating risk information for climate conditions and natural disasters, alongside other monitored risks. By evaluating global trends and providing regular updates to crisis management teams, we are working to prepare for risks before they arise across our supply chain locations.

Accelerating advanced energy technologies

We monitor and track policies, and participate in industry groups that support the innovation, investments and actions needed to achieve the low-carbon transition, as our ability to build resilience into our operations and supply chain will require collaboration across the private and public sectors.

To learn more about how we are leaning into climate-related opportunities, visit Greenhouse Gas Emissions, Circularity and Resource Use.



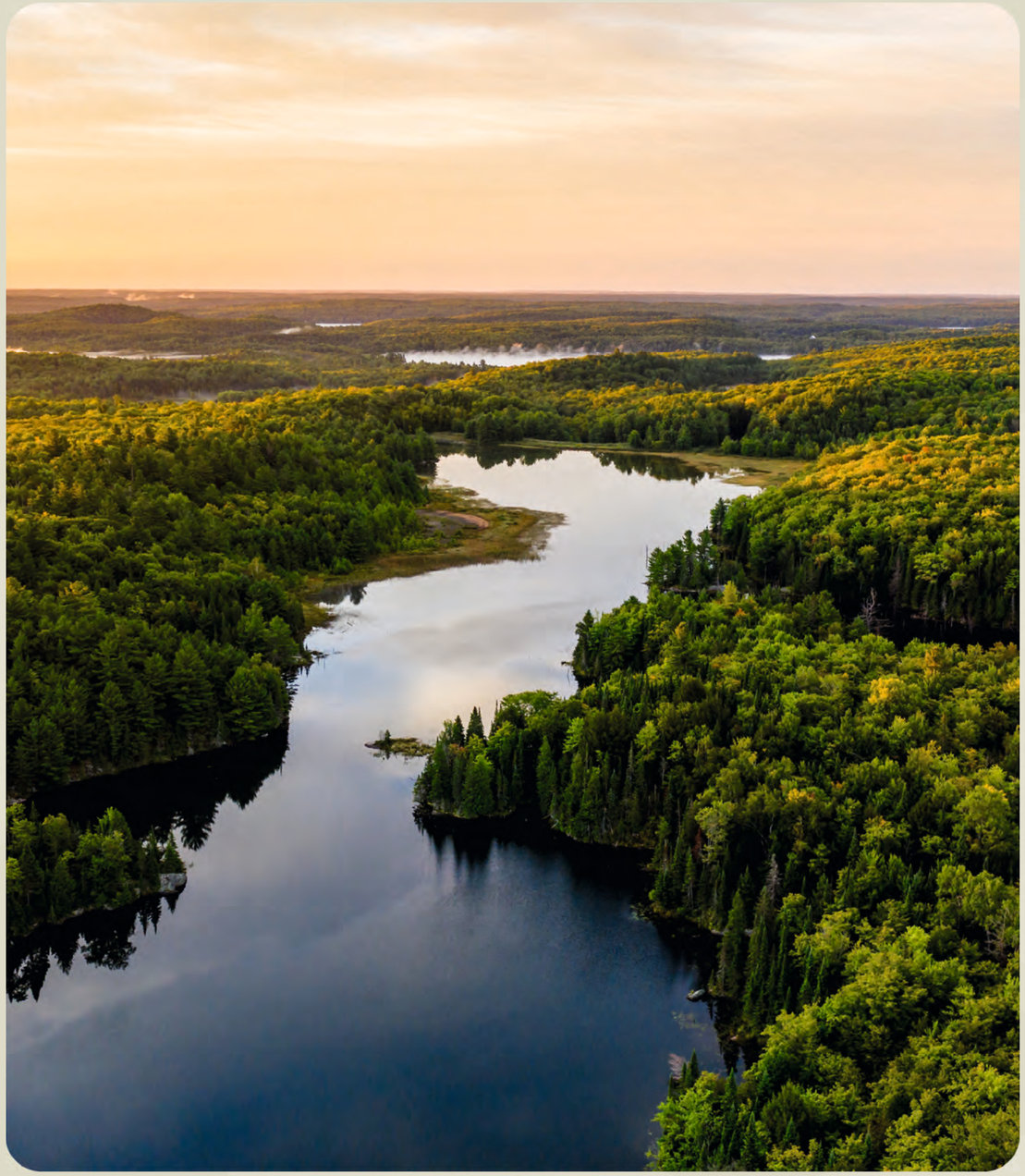
Nature

To view our data tables:

Download the Appendix

Additional resources for further reading on our efforts and progress:

- Water Use and Management
- Forests Products Policy
- 2025 CDP Response
- Responsible Resource Use



Water Use and Management

Target's dependence on freshwater ecosystems spans our value chain and the communities in which we operate and live. As decreased levels of precipitation, resulting in droughts or water shortages, can affect our operations, supply chains and communities, we leverage a high-level water impact assessment to inform our actions and next steps. We also track the relative water stress of our stores, supply chain facilities and headquarter offices through World Resources Institute's (WRI) Aqueduct Water Risk Atlas on an annual basis.

In our direct operations, we are taking action to reduce water scarcity, improve water quality outcomes and manage stormwater flows. Within our supply chain, which accounts for up to 99% of Target's overall water use, we are prioritizing projects at the raw material, factory and product levels within our food and beverage, essentials and beauty, home, and apparel and accessories categories. We also work beyond our value chain to encourage progress through cross-sector partnerships, team member engagement, philanthropic investments and more.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

Improving **water quality**

Optimizing **water efficiency**

Increasing **access to clean water**



To improve water efficiency for landscape irrigation at our Target stores around the country, we use smart irrigation controllers to detect underground leaks in real-time and adjust for weather. This helps us water plants appropriately while minimizing water use. We plan to expand this program in the coming years, prioritizing areas with high water stress.

Water Use and Management

IMPACT BY THE NUMBERS

27%

Fresh water saved in Target's owned brand garment finishing by recycling water from previous wash production

90+

Items offered through **Target Zero** "Waterless or Concentrated" category, an 86% increase from 2023[88]

1.6 billion liters

Total water saved by cost-neutral adjustments to owned brand garment finishing recipes

[88] Target Zero is our curated collection of products and/or packaging designed to be refillable, reusable or compostable; concentrated; made from recycled content or made from materials that reduce the use of virgin plastic.

OPERATIONAL WATER USE

Water is critical to our business and the communities in which we operate. We focus our freshwater stewardship efforts where our influence and support can help deliver the greatest impact. In 2024, we found that more than 830 stores, operational or owned supply chain facilities and headquarter office locations fall under WRI's definition of High or Extremely High Baseline Water Stress. We also responded to stormwater water quality risk at approximately 800 self-maintained store locations and 40 operational or owned supply chain facilities. To help address these risks and improve our operational water use, we work to regularly improve our infrastructure and its maintenance, including the following work in 2024:

- Partnered with Ramsey Washington Metro Watershed District to install two rain gardens at our Woodbury, Minnesota, store and remove surface materials that do not allow water to absorb, helping to address stormwater runoff before it leaves our property.
- Replaced older irrigation systems at our stores with new smart irrigation systems that help reduce water use.
- Upgraded water treatment systems at approximately 170 locations and replaced or fixed other necessary equipment as needed.

REDUCING WATER USE IN OUR SUPPLY CHAIN

At the factory level, we continued to partner with ZDHC to set and apply requirements[89] for factory wastewater discharge and to reduce the presence of harmful chemicals in the manufacturing of owned brand textiles. Visit Chemicals to learn more.

At the product level, advancements in chemistry have enabled us to consolidate several denim wash steps into one process. This has enabled us to improve supply chain efficiency and significantly reduce water and energy consumption.

Impact of denim wash recipe improvements from FY2024:

64%
Water reduction

70%
Emissions (CO_2) reduction

Additionally, Target supported the Shaping the Future Water Agenda shared research program with 19 other companies. Led by WWF and GlobeScan, this collaborative research program was developed to elevate and advance water stewardship through business strategies and programs, stakeholder engagement and collective action. Target also continued our participation in the business partner engagement program, Clean By Design, a program from Apparel Impact Institute (Aii), which includes best practices for wet processing and wastewater treatment within Target's owned brand textile supply chain.

[89] The ZDHC wastewater requirements are in two parts: conventional requirements and ZDHC MRSL. The conventional parameters relate to metrics that tie to basic water quality, such as acidity and the amount of oxygen available in the water (key to support aquatic life). The conventional parameters include three levels: Foundational, Progressive and Aspirational. At least 83% of our facilities meet the Foundational requirements and at least 70% meet the Progressive requirements.

Biodiversity

We are refining our strategy and embarking on related initiatives and partnerships, with a focus on the five major drivers of nature loss (see right)[90] and how these drivers interact with biodiversity, soil health and Target's commodity-based goals.

Our commodity-based goals place sustainable practices at the forefront of the way we operate, and we also have policies that encourage nature-based solutions and promote the preservation of land, freshwater and oceanic forms of biodiversity. The products that we design, produce and purchase also have a role to play in protecting biodiversity, which is why Target is working with a variety of partners on initiatives to help enhance circularity.[91] Our continued investment in regenerative[92] agriculture reflects our efforts to integrate nature-based solutions into our strategy actions and partnerships.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

- **Climate change**
- **Pollution**
- **Invasive alien species**
- **Direct exploitation of resources**
- **Negative land, freshwater and ocean use-related change**



90 Biodiversity loss is considered a subset of nature loss.
91 Taking steps to eliminate waste, keep products and materials in use longer, and decrease our dependency on natural resources as we partner with suppliers to develop and manufacture Target owned brand products.
92 "Regenerative" refers to operating the business in a way that helps restore and regrow natural systems. For example, regenerative agriculture is an approach to farming systems that focuses on soil regeneration, contributing to enhanced biodiversity and natural systems, and strengthened equity and economic resilience in surrounding communities.

By 2025, Target intends to leverage soil health practices to improve at least 1 million acres of land.

Achieved | Progressing | Evolving

Metric tons of carbon insets[93] allocated to Target per program and verified by AgOutcomes:

22k+
Midwest Climate-Smart Commodity Program

5k
U.S. Cotton Trust Protocol

INFORMING OUR NATURE AND BIODIVERSITY STRATEGY

In 2024, Target began assessing nature-related dependencies, impacts, risks and opportunities across our operations and value chain through a process aligned to recommendations from the Taskforce on Nature related Financial Disclosure (TNFD). As part of this work, we are identifying priority Target and business partner facilities around the world that interact with nature to assess substantive risks and opportunities. This builds on our climate-related risk and opportunity analysis and will help us shape our strategy and actions going forward. For more information about our nature related efforts, see Environmental Impacts of Products, Product and Packaging Design, Greenhouse Gas Emissions, Chemicals, Water Use and Management and Responsible Sourcing and Manufacturing Practices.

ADVANCING SOIL HEALTH

By end of 2025, we expect to achieve our goal to leverage soil health practices to improve at least 1 million acres of land. Our investment in regenerative agriculture[94], which supports farmer productivity, soil health and water quality, and reduces and removes carbon, has enabled this progress. Key 2024 highlights include:

- **Midwest Climate-Smart Commodity Program: The Soil and Water Outcomes Fund (SWOF)** enrolled 21 farms across 33,775 acres and 6 states, providing technical assistance, data, reporting and verification.
- **U.S. Cotton Trust Protocol:** The project helped 1,267 farms — up 59% from 2023 — across 630,000 acres adopt regenerative[94] practices. We also supported the project's first carbon credit sale, creating a new revenue stream for growers and contributing to a more sustainable supply chain.

We are currently assessing opportunities to continue to support our soil health commitments and understand how land is being used for commodity production and the extent to which it may be affecting local ecosystems and biodiversity.

[93] Projects that remove carbon from our own value chain.
[94] "Regenerative" refers to operating the business in a way that helps restore and regrow natural systems. For example, regenerative agriculture is an approach to farming systems that focuses on soil regeneration, contributing to enhanced biodiversity and natural systems, and strengthened equity and economic resilience in surrounding communities.

People

Our team is at the center of Target's strategy and business success and is essential to delivering a joyful and welcoming shopping experience for our guests. Through the human capital management strategy and our sustainability efforts, we've created opportunities for all to learn, grow and develop new skills; increased wages and training for frontline team members; and advanced worker well-being and human rights across our value chain. Supporting thriving communities reflects our commitment to what matters most — the people we serve. Over the years, we have invested in thousands of nonprofits and volunteered millions of hours nationwide.

To view our data tables:

Download the Appendix

In this Section

Our Team

- Human Capital Management
- Compensation, Benefits and Well-Being
- Workplace Health and Safety
- Talent and Development

Our Communities

- Community Impact

Our Supply Chain

- Responsible Sourcing and Manufacturing Practices
- Human Rights in the Supply Chain

Our Team

To view our data tables:

Download the Appendix

Additional resources on our efforts and progress:

Our Team

Human Capital Management

Workplace Health & Safety

Team Members & Guests

EEO-1 Report

2025 Sustainability and Governance Report Appendix: Data Tables (People: Our Team) p. 14-18



Human Capital Management

At Target, our team members are at the heart of our culture, strategy and success. We know that delivering on our purpose — to help all families discover the joy of everyday life — depends on the experiences of our team. Team members want a good job, to work with great people and to experience continued growth, and we aim to meet those expectations every day.

Offering a rewarding experience for our team members helps us attract, engage and retain top talent who live our values and champion our culture. We invest in our team members through market-leading pay, health and financial well-being programs, and by giving them opportunities to grow professionally and take care of themselves, each other and their families. We are dedicated to fostering an engaged and purpose-driven culture where team members have fair opportunities for advancement, are part of a team that supports both them and their communities, and can take pride in contributing to Target's success.

Target is also committed to fair labor practices that work for and support all team members. Our Board of Directors plays a role in overseeing human capital management matters.

See our **website** and **Appendix** for more information



SIGNATURE GOAL

Target aims to drive equitable opportunities for advancement and engagement by continuing to be a leader in diversity, equity, inclusion and belonging.

Achieved Progressing Evolving

View our Target Forward Progress Report to learn more

GROWTH AND OPPORTUNITY FOR ALL

At Target, we drive our business by aiming to create a welcoming and respectful environment for our team, guests, partners and communities through a commitment to inclusion, belonging and opportunity for all. This commitment is rooted in our values, and we believe it makes us a stronger company. Together, our values of inclusivity, connection and drive shape how we show up, work together and make decisions.

We recruit and retain a talented team that reflects the communities we serve. This helps drive a team culture where we care, grow and win together. One example of how this comes to life is through our employee resource groups, which are open to all team members and are focused on community-building and connection.

We create joyful experiences through our broadly curated assortment of relevant products and services that help our guests feel seen and celebrated, increasing relevance with consumers. This includes an assortment with a mix of national brands, owned brands and new, emerging brands — including Black-owned, Asian-owned, Latino-owned, Veteran-owned and women-owned brands and more.

We work to build deep and lasting relationships in the communities we serve — driving impact, economic vitality and connection. Our hyper-local impact is in partnership with thousands of organizations to help serve and support the many communities where we do business, while our team contributes more than 1 million volunteer hours each year.

See 2025 Sustainability and Governance Report Appendix: Data Tables (People: Our Team) p. 14-18 for more information.

Compensation, Benefits and Well-Being

We work to make our pay and benefits fair and competitive. Plus, we offer all our part-time, full-time and salaried team members competitive benefits packages and a starting wage range that positions Target as a wage leader in every market where we operate. Supporting team members in caring for themselves and their families makes it easier for them to bring their full selves to work.

To support pay equity, we train recruiters and leaders and provide tools to reduce the risk of bias influencing decisions about starting salaries and annual pay increases. We also prohibit questions about prior salary in most hiring situations, inform each team member of their pay range, continue to expand visibility to pay ranges and benefit offerings on all U.S. jobs, and regularly conduct pay audits.

See our **website** and **Appendix** for more information



Compensation, Benefits and Well-Being

IMPACT BY THE NUMBERS

$15-$24

Starting wage range for U.S. team members, depending on role and location

Amount saved by team members using our wellness discount (USD)[95]



100%

U.S. job postings that included pay information

7.2k

Team members who have graduated from our **Dream to Be** education benefit since its launch in 2021, with over 19,000 team members enrolled[96]

35k+

U.S. and Global Owned Brand team members enrolled in our free Spring Health mental health benefit within program's first year, and leveraged the benefit for more than 73,000 care appointments

[95] Through Target's wellness discount, team members get 10% off most Target merchandise, plus an additional 20% off a variety of food and wellness products.
[96] Total number of currently eligible team members who have enrolled in tuition-free and partially-funded education assistance programs as of February 1, 2025.

SIGNATURE GOAL

Target aims to create equity through benefit access and affordability to enhance total well-being.

MILESTONE GOALS

Target aims to empower team members to create the employment experience of their choice through personalized scheduling.

Achieved Progressing Evolving

View our Target Forward Progress Report to learn more

COMPENSATION

We are proud of our track record of pay equity and believe all team members should be paid fairly — regardless of gender, race, ethnicity or other characteristics. Our most recent analysis showed that, after taking into account relevant factors such as job title, location and tenure, our team members in the U.S. are paid equally.

EMPLOYEE WELL-BEING

Our team members want consistency and flexibility in their schedules, which is why we continue to prioritize connecting one-on-one to understand their scheduling needs. In 2024, 64% of store team members received their desired hours.

Physical health

All team members have access to a robust well-being platform, offering education and support on topics from nutrition to physical activity and meditation to sleep support. We also offer free virtual healthcare to all team members and medically enrolled dependents, giving quick and easy access to a doctor anytime 24/7.

Mental health

In April 2024, we rolled out our new mental health provider, Spring Health. Through Spring Health, Target offers free therapy and coaching sessions for U.S. and Global Owned Brand team members enrolled and members of their households. Leaders and human resources (HR) can leverage one of their consultants for guidance, including on topics like team member support, grief support, mental health training and critical incident response for natural disasters or distressing situations.

Education

In 2024, we continued to enhance our Dream to Be benefit, which includes over 250 tuition-free programs across more than 40 colleges and universities. We expanded our offerings to cover future-focused and essential skills programs, and increased the number of Target trainings that qualify for college credit at select institutions. Learn more.

> Target's [Dream to Be] assistance caught my eye as I've tried college a couple times but had to drop out due to finances. This will allow me to finally get a degree and better myself within my career.
>
> — Dream to Be participant



Workplace Health and Safety

In support of our commitment to keeping our team and guests safe, Target prioritizes the prevention of guest and team member incidents, injuries and illnesses. We comply with all applicable workplace safety laws, regulations, standards and guidelines.

To meet our commitment, we treat the health and safety of team members, guests, communities and all those we support as paramount. Team members must act ethically and responsibly to help maintain an environment that is safe to shop and work. Our Safety Policy establishes the requirements for all Target team members to execute safety programs designed to eliminate or reduce hazards.

Target's Safety Policy requires reporting of all incidents, injuries and near misses, without retaliation, dissuading, discouraging or preventing of reporting. We train and empower team members including leaders to promptly address reported hazards and provide corrective measures. Target expects all team members to stop any unsafe action or condition that presents an imminent danger or risk, and that situations be assessed and addressed before resuming work.

See our **website** and **Appendix** for more information





ENHANCING OUR SAFETY STANDARDS

In early 2025, we enhanced our safety policy language to reinforce expectations for reporting of injuries, continuing our commitment to proactively caring for our team and focusing on preventing future injuries.

Additionally, as climate-related risks to worker wellbeing become more acute, Target is taking proactive steps to address one of the pressing issues facing frontline operations: extreme heat. Target began updating our heat-mitigation program as part of a broader effort to protect employee health and safety in climate-vulnerable regions. This helps team members work efficiently and safely, and can reduce downtime. Additionally, Target has equipped our supply chain sites with internal monitors for heat and air quality. These low-touch, low-cost sensors enable real-time awareness of conditions, allowing our suppliers to take proactive measures when needed.

We continue to implement robust assessment, monitoring and testing processes to manage risks. We do this by:

- Engaging safety professionals to conduct risk assessments,
- Leveraging compliance and audit partners to complete independent testing, and
- Promoting ownership of safety throughout the organization to integrate safety within all design and operational processes.

Talent and Development

A career journey at Target is about continued growth and support. Our learning approach reflects our culture. With our team at the center, we embrace a broad spectrum of voices and experiences to support our team's unique development needs.

We believe every team member deserves the opportunity to grow in ways that are meaningful to them, and we actively listen to what they value most in their career journeys. To bring this vision to life, we're building a skills-based organization — one that creates clear, transparent and accessible career pathways for all team members. We invest in cultivating the essential skills, mindsets and behaviors that empower our leaders to drive organizational performance and positively shape workplace culture.

Our continuous learning approach aligns leadership growth closely with Target's strategic goals and evolving business needs, while also maintaining a healthy and strong leadership pipeline.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

Accelerating **advancement and mobility**

Upskilling/reskilling across the business

Understanding our current **skill sets and gaps**



Talent and Development

IMPACT BY THE NUMBERS

239%

Increase in Career Hub use from 2023 after expanding platform access to all team members

91%

Percentage of team members who received training, excluding onboarding and compliance

15.4

Average training hours completed per team member, excluding onboarding and compliance

85%+

Percentage of Target roles that do not require a four-year degree, recognizing that skills and experiences are often more important than formal education

97%

Percentage of Store Director Development Program participants who said they are excited to grow their career with Target

9k

Store leaders participated in quarterly development opportunities

3k+

Global supply chain and logistics and food and beverage supply chain leaders participated in quarterly development opportunities

89%

Percentage of store team members who participated in our Prepare for Next training that reported excitement about their career growth with Target

ESTABLISHING CAREER PATHWAYS AND IMPLEMENTING SKILLS-BASED PRACTICES

A key part of our effort to build a skills-based organization has been the development of comprehensive “success profiles” for more than 270 roles across our stores, supply chain facilities and global headquarters. These profiles outline the skills, experiences and behaviors that matter most for success, helping team members understand what’s needed to thrive today and prepare for what’s next.



We’ve integrated these success profiles into job descriptions and hiring practices, making it easier for team members to see how their skills transfer across roles. Using machine learning tools, we can connect team members to opportunities that align with their unique skill sets and aspirations.

We expanded access to personalized career development support for all team members in 2024 — including hourly team members in stores and our supply chain. These offerings help build essential skills for current performance while unlocking future possibilities.

Notable skill-based offerings we doubled down on include:

- **Demo Days:** In-person moments highlighting innovative products to foster collaboration, spark creativity and promote a culture of continuous learning.
- **Lead the Way:** A structured development program aimed at enhancing operational and leadership capabilities among warehouse leads in supply chain facilities. With 1,013 participants in 2024, this initiative drove 110 promotions, significantly surpassing prior results.
- **Skills Development for Hourly Store Team Members:** A blended e-learning and leader-led initiative that equips hourly store team members with essential hard and soft skills. With more than 560,000 completions across two quarters, the program reinforced our culture of ongoing skills-based development.

LEADERSHIP DEVELOPMENT AND TEAM MEMBER GROWTH

We significantly scaled our Store Director Development Program in 2024, engaging over 750 store directors compared to 220 store directors in 2023. This highly customized development experience focuses on building leadership resilience, fostering meaningful peer connections and fueling leadership growth and performance.

Additionally, we continued scaling our targeted leadership development initiative, Prepare for Next, for our stores and global supply chain and logistics and food supply chain team members. The program prepares individuals for their next opportunity — whether through growth within their current role, a lateral move or advancement. Stores participants experienced a 7% higher promotion rate and 6% lower turnover than peers, with the added benefit of earning up to three college credits via university partnerships through Dream to Be. Within our global supply chain and logistics and food supply chain teams, 73% of internal promotions (non-exempt to exempt[97]) came from Prepare for Next participants, a significant increase from 63% in 2023.

Across our leadership population — from operational and HR leaders in supply chain regions to our store leaders and headquarters teams — we delivered quarterly development opportunities intentionally designed to address the most pressing challenges faced daily. At headquarters, we further supported leaders with a blend of virtual and in-person sessions, fostering connection and practical skill application.

Together, these initiatives foster a leadership culture that supports growth, enhances performance and empowers team members to drive Target's success.

91%

Percentage of store leaders who participated in quarterly development opportunities that reported that they will be able to apply what they learned to their job

84%-96%

Overall training effectiveness rating that global supply chain logistics and food and beverage supply chain team members gave our quarterly development opportunities

[97] Target's definition of non-exempt team members refers to those paid hourly and not exempt from being paid overtime if they work more than 40 hours per week. Exempt team members are salaried and exempt from overtime.

Our Communities

To view our data tables:

Download the Appendix

Additional resources on our efforts and progress:

- Serving and Strengthening Communities
- Volunteerism
- Disaster Preparedness & Response
- Grants & Corporate Giving
- Target Foundation
- Team Members & Guests



Community Impact

We're focused each and every day on bringing a great retail experience to the nearly 2,000 communities we're proud to serve. We aim to be present in ways that help all families discover the joy of everyday life and make a positive impact through corporate philanthropy, team volunteerism and contributions through the Target Foundation.

We aim to create deep and lasting relationships within our communities to reflect and celebrate what is unique and vital to each of them. When our team, guests and communities all play a role in how we give back, we anchor our approach to what is locally relevant, which helps drive long-term impact and supports our growth.

Watch to learn how Target is giving back to our communities:



See our **website** and **Appendix** for more information



Community Impact

IMPACT BY THE NUMBERS

1 million+

Volunteer hours contributed to charitable causes

$406 million

Donated through Target and Target Foundation (USD)[98]

810+

Small business owners supported through our pro bono consulting and Target Accelerator Forward Founders programs since 2020

3.5 million

Guests engaged in guest-directed giving through Target Circle

[98] Giving includes Target's product and cash donations and Target Foundation's cash donations. Excludes cash donations from Target to the Target Foundation.

MILESTONE GOAL

By 2030, engage and elevate community voices as we seek to build and implement community-driven solutions.

Achieved | Progressing | Evolving

View our Target Forward Progress Report to learn more

CORPORATE PHILANTHROPY

In June 2024, during our annual Community Month, we announced our new partnership with Big Brothers Big Sisters of America (BBBSA) at the BBBSA national conference. Target provided philanthropic support to help BBBSA recruit more mentors and fuel back-to-school programs in 21 communities, including Miami, Detroit and Dallas. This partnership empowers Target teams across the country to collaborate with local BBBSA agencies, creating memorable back-to-school experiences for Bigs and Littles. We also donated $100 GiftCards and essentials like school supplies and clothing to the organization's "Littles," ensuring they had what they needed to start the school year strong. Our collaboration with BBBSA reflects Target's commitment to fostering connected communities by empowering youth through meaningful mentorship and support.

In 2024, Target piloted a program to support small businesses, partnering with nonprofits, including SoLa Foundation, Our Village United and Sunshine Enterprises, to provide training, capital and networks for entrepreneurs. The program connected these nonprofits with the Target Accelerators team to help early-stage founders prepare to enter the retail marketplace. Deepening our multi-year partnership with SoLa Foundation, we co-created programming to address gaps in retail education. Select entrepreneurs received mentorship, access to retail insights and the chance to pitch their products at Pitch Forward, a Target-hosted competition which awarded $90,000 in prizes.

2024 marked the 25th anniversary of Target House, a home-away-from-home where nearly 5,000 families have lived free of charge while their children receive treatment at St. Jude Children's Research Hospital in Memphis. The Target team celebrated this milestone by hosting a day of games and treats, providing a chance to be free from the daily routine of appointments, lab visits and clinics for families and kids living at Target House. Target has given over $50 million to St. Jude since 1996. Our team members have also given back through the years, volunteering their time, talents and resources in Memphis to uplift the mission of St. Jude and help provide unforgettable experiences for families calling Target House home.





TEAM MEMBER ENGAGEMENT AND GIVING BACK

Community at Target is integrated into our every day through our team members' dedication to the 2,000 communities where they live and work.

1 million+

Hours that Target team members volunteered in 2024, marking a 5% increase from 2023 and the ninth time this milestone has been achieved in company history

Throughout 2024, Target team members demonstrated one of our core values of care by contributing over $1 million to the Team Member Giving Fund, which supports team members facing personal financial hardship due to unforeseen circumstances. They shared their expertise by providing more than 12,000 pro bono hours with small businesses and entrepreneurs.

One focus area in 2024 was to revitalize neighborhoods and communities to support local needs and create lasting opportunities for growth. One example of how this work came to life is Target team members volunteering in 14 major cities, partnering with Points of Light, Habitat for Humanity and other organizations to help address local issues, such as economic development, community support and housing.

In 2024, we enhanced our focus on creating celebratory moments for Target communities. As part of this effort, we partnered with Habitat for Humanity of Charlotte, inviting 30 families for an in-store shopping experience to prep for their first holiday season in their new homes. Each family received a Target Gift Card to shop for their holiday needs and goodie bags with home decor and treats. Ahead of the event, nearly 80 Target team members contributed more than 600 volunteer hours to build a home sponsored by Target.



$10 million

Target's pledge over five years to support Second Harvest Heartland's goal of cutting hunger by half in Minnesota by 2030

Taking a bite out of hunger

Target volunteers joined Second Harvest Heartland's partners to cut the ribbon on the nonprofit's newly named Target Volunteer Center, designed by our creative team. As part of the event, more than 100 team members came to pack nearly 17,000 meals for Minnesotans in need.

DISASTER RELIEF

Our communities experienced an increased number of natural disasters with significant damage this year. In response, Target provided more than $8 million in in-kind and cash donations, an 84% increase from 2023. Donations were made to key domestic relief partners, including the American Red Cross and Footprint Project, and other global organizations to help them respond quickly with food, financial aid, medicine and essential supplies to communities in crisis.

Hurricanes Helene and Milton

When two back-to-back storms brought devastation throughout the Southeast, Team Target lent a helping hand. Following Hurricane Helene, we set up five Team Member Resource Centers in North Carolina, Georgia and Florida, providing team members and their families with essential supplies and basic comforts, like food, water, baby wipes and surge protectors. Area team members volunteered to pass out supplies, prep meals and give comfort.



Team Target grilling burgers for a warm meal in Asheville to help make a difference in the wake of Hurricane Helene.

In hard hit Asheville, Target was one of the only retailers open to serve our guests and community in the days and weeks following Hurricane Helene. Our teams worked around the clock with public partners to clear blocked roads leading to the store in order to bring a generator and satellite services for the store to be operational even without power in the area.

$8 million

Donated in in-kind and cash donations to support domestic and global disaster relief efforts

We also donated $3 million to Hurricane Helene recovery efforts and $1.5 million to Hurricane Milton recovery efforts, which was distributed to local and national disaster relief organizations including Convoy of Hope, American Red Cross and SBP, and local food banks.

Los Angeles Wildfires

Target took swift action to support our teams and the communities affected by the Los Angeles wildfires. We distributed a $1 million donation to local and national disaster relief organizations including the California Fire Foundation and League of California Community Foundations, and provided financial assistance to our team members affected by the emergency through the Team Member Giving Fund. Target also donated critical supplies to the American Red Cross and routed essentials, such as masks and air-filtration systems, to stores in the area.

Target Foundation

For more than 100 years, Target Foundation has upheld the idea that the prosperity of a business is dependent on the prosperity of the communities in which it operates. It's an important part of our history and our commitment to serve and support our neighbors. Consistent with this commitment to community, the Target Foundation supports organizations, coalitions and networks that expand economic opportunity, with a focus on small business and entrepreneurship, workforce development and financial health.

See our **website** and **Appendix** for more information



Through the support of Target Foundation grantee DreamSpring, chef Kattia Rojas brings her dream to life at Buen Provecho Albuquerque, serving authentic Costa Rican flavors and her signature "Pura Vida" spirit to the community.

MILESTONE GOAL

By 2025, Target and Target Foundation plan to evolve our philanthropic practices and place-based solutions to invite participation from communities.

Achieved Progressing Evolving

View our Target Forward Progress Report to learn more

$24 million+

In funding provided by the Target Foundation to 126 nonprofits around the globe

SUPPORTING COMMUNITIES AROUND THE GLOBE

In 2024, the Target Foundation distributed 99% of its more than $24 million funding as either multi-year grants or general operating support. These resources are deployed to address root cause issues and complement Target's support in the communities where we operate around the globe.

Hometown

PRG, Inc. is a community-based developer that builds affordable homes for Twin Cities residents, empowering them to create long-term economic stability and prosperity. Target Foundation's funding will help strengthen PRG's operations, advancing its vision where all people have access to homes and all neighborhoods are places of opportunity.

National

DreamSpring is a nonprofit small business loan fund that pairs affordable capital with targeted educational opportunities for aspiring entrepreneurs. With funding from the Target Foundation, DreamSpring reached over 1,000 entrepreneurs with in-person education opportunities in 2024 alone.

Global

Through a CAF America grant made on behalf of the Target Foundation, Foundation for Ecological Security's (FES) supported community stewardship across 1.75 million acres of common land across India over the last two years, improving economic well-being and helping to restore common land.

Our Supply Chain

To view our data tables:

Download the Appendix

Additional resources on our efforts and progress:

- Responsible Supply Chains
- Responsible Sourcing and Manufacturing Practices
- Suppliers
- Traceability & Transparency
- Audit Program
- Business Partner Code of Conduct
- Standards of Vendor Engagement
- Human Rights



Image: Sara Otto, courtesy of Nest

Responsible Sourcing and Manufacturing Practices

We are committed to pursuing fair, responsible and equitable supply chain practices that make our business more resilient. We expect our domestic and international business partners to respect human rights, and to comply with Target's Standards of Vendor Engagement (SOVE) and all applicable laws relating to human rights, including workplace health, safety, environment, labor and employment laws.

We require routine auditing and reserve the right to conduct unannounced audits at any time. We accept industry-aligned audit programs while providing oversight to focus on driving positive impact, and we require remediation and offer support for all factories rated below Acceptable.

Our responsible sourcing and sustainability teams collaborate to improve supply chain oversight and remediation, integrate responsible sourcing practices into business operations and seek out innovative solutions to advance business partner performance beyond compliance. Our work with internal and external partners supports our holistic approach to mitigating risk and addressing shared challenges.

See our **website** and **Appendix** for more information

OUR FOCUS AREAS

- Social and environmental **compliance**
- **Empowering** supply chain workers
- Increasing **traceability**
- **Responsible** purchasing practices



Image: ©RISE

CONTINUING TO EVOLVE OUR STANDARDS

During our annual SOVE review process, we focused on integrating updates, including a focus on minimum wage standards and guidance on back pay. Our responsible sourcing team provided SOVE-related trainings on policy updates and conducted business partner onboarding and refresher trainings, including regionally targeted sessions, resulting in increased compliance with the SOVE. We will continue to conduct our annual SOVE review to evolve policies in line with emerging risks and opportunities.

SOLICITING FEEDBACK

Through our continued partnership with Better Buying™, now part of Cascale, we conducted our annual business partner survey to help us better understand how our day-to-day purchasing practices impact our business partners, their workers and the environment. In 2024, 61% of business partners responded to our survey — the highest response to date. We also began sharing the actions we are taking in response to feedback during our annual business partner summits. Business partners consistently highlight planning and forecasting as an improvement area, and we are working to address this need.



Image: ©RISE

2024 responsible sourcing business partner trainings, spanning various time zones and languages:

5k+ Attendances for trainings on foundational requirements	7.1k+ Attendances for trainings on our sustainability strategy
10 Topics were covered as part of foundational requirement trainings	7 Topics were covered as part of our sustainability strategy trainings

RESPONSIBLE SOURCING ADVISORY PROGRAM

We continued to implement and evolve our Responsible Sourcing Advisory Program (RSAP) in 2024, which leverages tools from the Better Work Academy to advise business partners on best practices for establishing grievance mechanisms and monitoring performance. We also adopted a “train the trainer” model, enabling us to reach more business partners and workers beyond those who receive direct training.

Since its launch in 2017, RSAP has transformed workplace dynamics in Target factories by fostering stronger collaboration between workers and management. Through innovative training sessions, RSAP has empowered committees of workers and management to jointly oversee grievance mechanisms, resolve workplace challenges and drive engagement through worker surveys. A key focus of RSAP has also been upskilling supervisors with skills to better engage and manage workers. By embracing digital tools, such as virtual training assessments and e-learning, we’ve made it easier for business partners to implement the program across more factories, amplifying its impact and creating a culture of shared problem-solving and mutual accountability.

Since 2017, RSAP has reached:

83	148
Business partners	Factories

MONITORING TOOLS

We continue to evolve our supply chain monitoring approach to be risk-based and aligned with emerging regulations. To support these efforts and complement our on-site audits, we piloted verified self-assessment questionnaires (VSAQ) in select categories where alternative tools are needed to expand visibility and oversight, such as the food and beverage supply chain and select Tier 2 manufacturing locations. We will evaluate the pilot learnings in 2025 to determine how to incorporate these tools into compliance monitoring activities.

Another area of focus is expanding third-party grievance mechanisms, which play an important role in addressing issues for workers. In 2024, we expanded coverage through country-based helplines, including in South Asia where Target sources a variety of products, including soft home, hard goods, apparel and accessories, and we will continue to assess needs in other countries where production is growing.

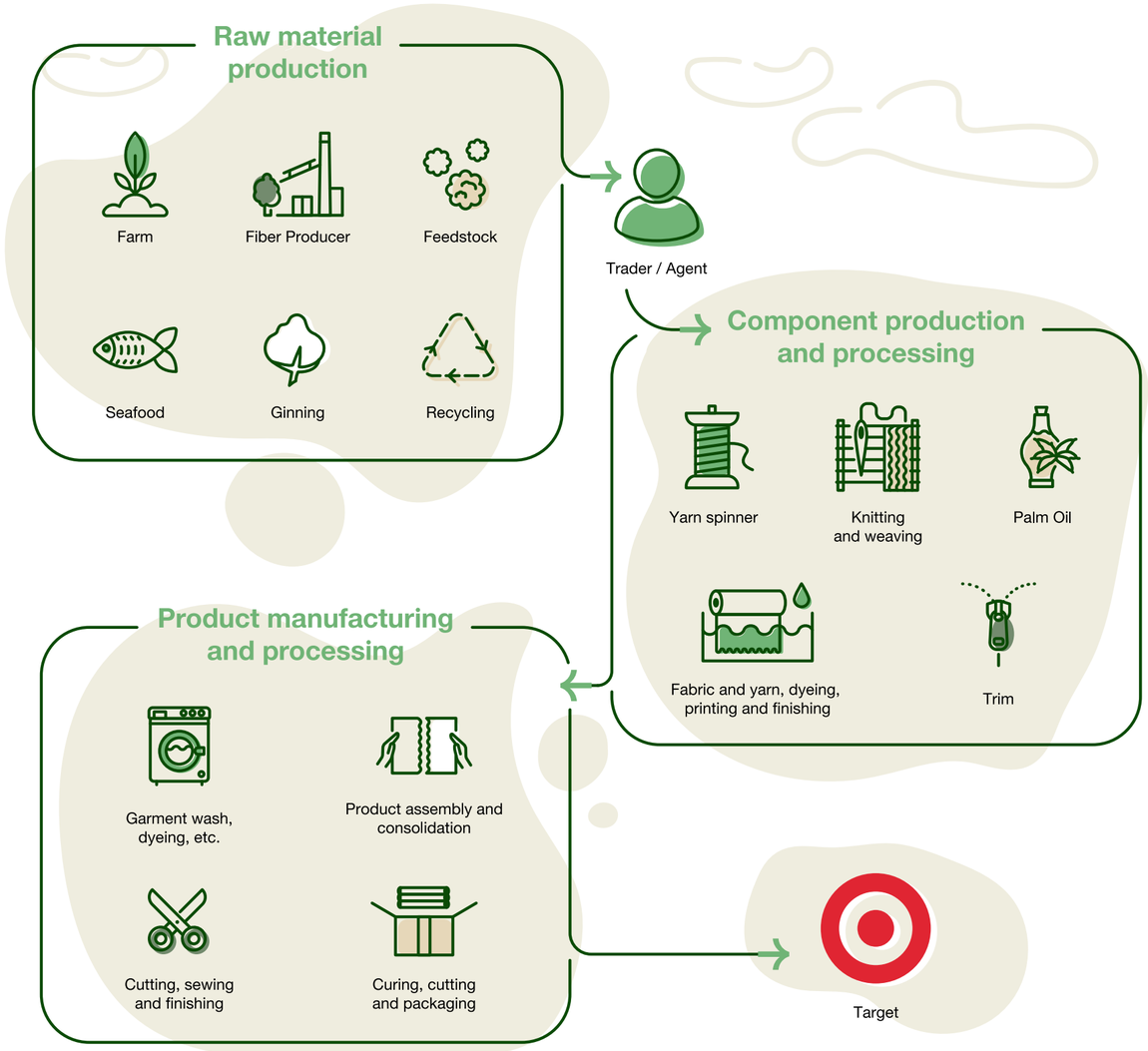
In Pakistan, Target enrolled 21 apparel and home textiles factories into “Hamary Awaz (Our Voice) Helpline,” a third-party grievance mechanism that provides participating factories support in establishing and strengthening processes for reviewing and responding to grievances submitted through the helpline. For most serious or unresolved complaints received, Target partners with Hamary Awaz to engage with the factory and business partner to reinforce Target’s expectations, which may also involve a corrective action plan and regular check-ins with Target based on the situation.

LOCATION DISCLOSURE AND TRACEABILITY

Target's Responsible Sourcing Location Disclosure program, which helps us assess whether the products we source are produced ethically and in compliance with local laws and our SOVE, expanded to include over 700 additional footwear, knit-to-shape apparel, apparel trim and fragrance Tier 2 manufacturing locations. As we continue to expand the scope of our Location Disclosure program, and require more business partners to disclose facility locations, we continue to enhance the traceability[99] of our supply chain.

Target works with our business partners to map our supply chain, helping us track the journey from raw materials to finished product (see right). One of our key focus areas is cotton. In 2024, we established a cotton traceability program to meet our Cotton Origin Policy, a part of our Cotton Commitment, to confirm that we are sourcing all cotton used in Target owned brand products in an ethical and traceable way.[99] To support this work, we are investing in traceability technology tools to track cotton, verify its origin and mitigate supply chain risks. See Partnering to Advance Cotton Sourcing for more information.

Our initiatives are grounded in traceability to enable **holistic engagement** across our supply chain.



[99] Target defines traceability as the ability to trace a product's origin or source, including raw materials and components, through a complete record of production activities, material consumption, transaction through tiers and physical movement as a product moves through the supply chain from start (raw materials) to finish (production). This conforms with import admissibility expectations and laws within the United States.

PARTNERSHIPS

Collaboration with partners is crucial for effectively addressing complex labor and compliance challenges. Our ongoing partnership with **Better Work** exemplifies the importance of this approach. For example, Better Work has been instrumental in helping us overcome a loophole in Indonesia's minimum wage regulations, which would have allowed some business partners to pay below the minimum wage. Together, we raised awareness of the issue and implemented customized remediation strategies for each business partner. We have successfully remediated two of the four business partners that we had identified as having minimum wage issues, and work is progressing well in the remaining cases. We are also working to address SOVE compliance in other regions, with Better Work serving as a key partner in conveying local context and regulation to our business partners.

SUPPLIER ENGAGEMENT

Target's global procurement process engages with suppliers to foster innovation, bringing together different perspectives and expertise to create new products and solutions. This approach not only strengthens the supply chain but also drives economic growth and competitiveness in the global marketplace. By intentionally expanding the global pool of suppliers we work with, we encourage a more dynamic marketplace where all businesses, including small and diverse-owned enterprises, can compete based on quality, capabilities and scale. Additionally, Target partners with global, national and local NGOs and accelerators to provide educational opportunities that help businesses thrive and shorten their learning curve while expanding our access to a broader range of potential suppliers.



Image: ©BetterWork Indonesia

FEATURE STORY

Partnering to Advance Cotton Sourcing

Cotton, in both its virgin and recycled forms, is a staple fiber in Target's owned and national brand products, including apparel, home and essentials, and is vital to our business. Cotton farming is also critical to the economic well-being of communities around the world, with farmers using various methods to grow it. Target leverages our scale to address key industry and regulatory challenges as well as improve the environmental and social impacts of cotton sourcing. Read on for a key 2024 highlight.

SHINING A LIGHT ON COTTON TRACEABILITY[100]

In late 2023, Target teamed up with digital traceability technology provider FibreTrace® and Cargill, one of the largest buyers of raw cotton, to begin using FibreTrace's digitally trackable pigment technology to enable the tracking of cotton from processing to Target store shelves.

50k metric tons

U.S. and Brazilian raw cotton tracked to date using FibreTrace technology across more than 40 business partners and 17 million products





How it works: FibreTrace pigments (see above) are integrated into the cotton fibers during the ginning process, creating a unique signature. This enables Target to trace the cotton at every stage of the supply chain using hand-held scanners (see left), verifying its origin in real time.

Benefits to our business: This new technology will help us promote accountability in cotton production within our supply chain while addressing our guests' demand for transparency about where their products come from and how they were produced.

[100] Target defines traceability as the ability to trace a product's origin or source, including raw materials and components, through a complete record of production activities, material consumption, transaction through tiers and physical movement as a product moves through the supply chain from start (raw materials) to finish (production). This conforms with import admissibility expectations and laws within the United States.

Human Rights in the Supply Chain

We recognize our responsibility for respecting the human rights of our team members, guests and workers in the supply chain, as well as people in the communities in which we operate. Our approach is based on the Universal Declaration of Human Rights and the International Labor Organization Core Conventions, and we are committed to respecting human rights throughout our operations. In alignment with the UN Guiding Principles on Business and Human Rights, we respect human rights and seek to avoid adverse human rights impacts resulting from our business activities.

We aim to regularly improve our programs and practices, focusing not only on preventing violations but also on advancing progress. If adverse impacts arise, we focus our approach on mitigating and remediating these impacts through effective solutions. We also make clear in all business relationships that we value human rights. That is why we require all business partners to adhere to our SOVE, provide business partner training on our SOVE and conduct risk-based audits. We are committed to a sustainable and inclusive supply chain that is just and equitable for all workers. We advance this aim through our Just & Equitable Supply Chain (JESC) goals and alongside our factories and business partners across the globe.

See our **website** and **Appendix** for more information



Target supports RISE's Respect program, which seeks to prevent and address violence and harassment in the garment, footwear and textile industries, with a focus on protecting the safety of women workers who are at higher risk. This photo features a worker from a factory in India who participated in the program in 2024.

SIGNATURE GOAL

By 2025, Target plans for 100% of owned brand suppliers to have policies and programs to advance gender equity.

Achieved | Progressing | Evolving

View our Target Forward Progress Report to learn more

HUMAN RIGHTS PROGRAM

We regularly refresh our human rights impact assessment (HRIA), an important aspect of our human rights program, to identify the most salient human rights risks across our operations, supply chain and business relationships. In 2024, we updated our HRIA focused on our supply chain, and will be working to address and mitigate identified risks over the next three to five years. Key risks to workers in our supply chain include:

- Continuing to strengthen our policies and programs to maintain safe working conditions and fair labor standards, and further protect workers from discrimination, harassment and abuse.
- Respecting human rights for all workers, including workers in the food and beverage and distribution supply chains.
- Expanding continuous improvement and worker well-being efforts in categories that may be higher risk, such as new operating models or new countries of production.

As one example of how we are taking action against the risks identified in the HRIA, through the Ethical Charter Implementation Program (ECIP), we collaborated across the produce industry on a pilot program with nine produce business partners to help mitigate human rights risks on farms and streamline business partner requirements. We are exploring ways to scale this work further. This year, we also conducted human rights due diligence training for our supply chain responsible sourcing leadership team and provided foundational human rights training for our merchandising and sourcing teams.

ENGAGING BUSINESS PARTNERS TO ADVANCE PROGRESS

As part of our efforts to advance our Just & Equitable Supply Chain (JESC) goals and build the necessary business partner capabilities, we partnered with the global digital training platform Quizrr to launch human rights training modules in five countries. We reached 23,723 workers and are planning to scale factory participation further throughout 2025.

GENDER EQUITY

Approximately 60% of workers in Target's supply chain are women. We believe empowering women in our supply chain not only improves the lives of workers, but also enhances the resilience of our supply chain. To support our suppliers on this effort, we are focused on pushing industry boundaries through partnerships, co-creating programs with factory management and implementing industry leading worker empowerment trainings. We approach gender equity by working to transform the way our supply chain operates, which requires time and significant collaboration with suppliers and internal teams. While we have made strong progress, we do not expect to meet our ambitious goal in 2025, as shifting supply chain priorities is contributing to delayed progress in certain countries and categories. We are actively working to drive genuine improvements and additional program efforts in 2025 to advance our progress.

Key partnerships accelerating our efforts include:

RISE

Target continued to serve as a member of the Leaders Circle for RISE, enrolling additional factories in worker empowerment trainings and supporting program evolution in new areas, like Central America.

CARE Impact Partners

We continue to support capability-building efforts with CARE Impact Partners, including bringing workers and management together to create solutions via in-factory test-and-learn programs.

Gender-Equity Network

Through the Gender Equity Network (GEN) business partner peer learning platform, we recruited five peer brands to work with us to engage and empower middle management.

85%

Tier 1 owned brand suppliers with policies and programs in place to advance gender equity[101]

Gender Equity programming 2024 impact:

19 Owned brand factories enrolled in RISE worker empowerment trainings	7 Owned brand factories implemented CARE Impact Partners test-and-learn programs
39 Owned brand factories participated in the Gender Equity Network's learning platform	1.7k Business partners and Target sourcing team members attended trainings on gender equity and violence and harassment

[101] All Tier 1 owned brand factories were surveyed in April 2025 to measure progress to date on the gender equity goal.

DIGITAL WAGES AND FINANCIAL SECURITY

We believe transitioning from cash to digital wage payment systems is a critical step in the path towards financial inclusion for all workers, cost savings and improved efficiency for business partners and increased transparency for Target.

We are collaborating across the industry to facilitate this shift, and are working to have 100% of Tier 1 owned brand suppliers pay workers digitally by 2025. While we have made significant progress toward our ambitious goal thanks to the commitment of our business partners, we do not expect to achieve our goal in 2025 as some regions where Target sources our products lack the broad infrastructure necessary to pay all workers digitally. See our Target Forward Progress Report for more details. Key highlights in 2024 include:

- **60 Decibels:** We partnered with 60 Decibels to conduct worker phone surveys in Guatemala, Cambodia, Indonesia and Bangladesh to help inform next steps toward our goal in these regions, as well as assess the impact of our programs.
- **RISE:** As part of our engagement with RISE on gender equity, Target worked with peer brands to sponsor the adaptation and translation of RISE Digital training into Spanish and pilot it in three factories in Guatemala. Building on learnings from this pilot, RISE launched RISE Financial Health, in partnership with the Mastercard Center for Inclusive Growth.
- **Impactt:** We partnered with management consultancy Impactt, which specializes in human rights and business, as well as H&M Group and Decathlon to develop a wage management systems capability training program for business partners that we are piloting in three countries.

91%

Tier 1 owned brand suppliers who pay workers digitally[102]



Image: ©RISE

[102] All Tier 1 owned brand factories were surveyed in April 2025 to measure progress to date on the digital wage goal.

Responsible Business

We cultivate a strong culture of ethics, compliance and transparency, and are deeply committed to operating responsibly. This extends to the way we engage in public policy discussions relevant to our long-term performance, support civic engagement and maintain information security. We uphold high standards through our Code of Ethics, which helps team members make ethical choices that reflect our values and promises. Target also expects our business partners to share our commitment to the fundamental principles of respect for human rights, environmental stewardship and conducting business with integrity. We recognize our role in positively impacting people and communities and remain committed to business growth through ethical conduct. This approach helps us build trust with our guests, partners and communities.

To view our data tables:

Download the Appendix

In this Section

Operating Ethically

- Ethical Business
- Public Policy and Civic Engagement

Information Security

- Cybersecurity
- Data Privacy

Operating Ethically

To view our data tables:

Download the Appendix

Additional resources on our efforts and progress:

- Operating Ethically
- Code of Ethics
- Business Partner Code of Conduct
- Public Policy & Civic Engagement
- Policies and Resources
- 2025 Proxy Statement
- 2024 Form 10-K



Ethical Business

Each team member — regardless of role, entity or location — has a responsibility to make ethical business decisions. Target team members are required to follow the law, our Code of Ethics and all applicable company policies, and have a responsibility to report any actual or suspected violations to the Code of Ethics and any potential conflicts of interest as they arise. The Code is updated as needed based on evolving business needs and new areas of risk. Violations of the Code could result in disciplinary action, up to and including termination. All Target team members receive Ethics training and are required to attest that they understand, and will comply with, Target's Code of Ethics and all other applicable policies. We also have internal and external audits to monitor our ethical culture and the effectiveness of our programs.

We expect our business partners to conduct their business with a high level of integrity and to adhere to our ethical expectations. These expectations are outlined in the Business Partner Code of Conduct. Every concern or potential violation of the Business Partner Code of Conduct reported to the Ethics and Compliance office is promptly reviewed based on the nature and severity of the issue. Violations of this Code of Conduct could require that Target work with a business partner to help it achieve compliance within an agreed upon timeframe, and in some cases, violations may result in suspension or an end to the business relationship with Target.

See our **website** and **2025 Proxy Statement** for more information





ETHICS AND COMPLIANCE TRAINING

Training plays a central role in helping team members learn about Target's ethics and compliance requirements and expectations of ethical behavior and is foundational to building and maintaining a culture of ethics. This year, we delivered ethics and compliance trainings spanning a variety of compliance and legal topics, including conflicts of interest, government interactions, anti-competitive behavior, environmental law compliance, food safety and privacy. We also introduced a streamlined approach to training development and delivery, resulting in significant efficiencies across the organization. We supported this transformation by launching a cross-functional working group across learning and development, compliance and HR technology teams as well as through process improvements.

2024 impact:

110+

Ethics and compliance trainings provided by Target, tailored by role and location

~100%

Team members completed ethics and compliance trainings in 2024, spanning our global supply chain, store team members and corporate employees

Public Policy and Civic Engagement

As one of the nation's largest employers, Target has a responsibility to participate in productive conversations on public policy issues that directly affect our ability to operate as a business. We share our expertise and resources with policymakers to drive decisions that support our business. In addition to our own policies and disclosure practices, we adhere to applicable laws that govern interactions with government officials.

We also encourage civic engagement, including participation in federal, state and local elections, by providing nonpartisan tools, resources and education to all U.S. team members.

See our **website** for more information



PUBLIC POLICY

As a retailer and employer of more than 400,000 team members, we play a constructive role in engaging with policymakers about many legislative issues. We advocate at all levels of government.

Target collaborates with the broader retail industry as well as trade and business organizations to ensure our legislative, public policy and regulatory priorities reflect the needs of our business and industry.

We also provide contributions and support through our voluntary team member-funded TargetCitizens PAC.

CIVIC ENGAGEMENT

100%

Percentage of workforce eligible to receive paid time off to vote

We provide nonpartisan tools, resources and education to all U.S. team members to encourage civic participation. Target continued to provide team members paid time off to vote as well as serve as election judges and poll workers, and offered discounted transportation to the polls. We also continued to partner with League of Women Voters Education Fund's VOTE411.org and other nonpartisan civic organizations, including National Voter Registration Day, Civic Alliance and Time to Vote to drive participation.



Information Security



To view our data tables:

Download the Appendix

Additional resources for further reading on our efforts and progress:

Guest Security & Fraud Protection

Policies and Resources

Privacy Policy

2025 Proxy Statement

Tech Blog

2024 Form 10-K

Cybersecurity

As cybersecurity threats are rising, securing company systems, business information and the personal information of our guests, team members and business partners is important to us. We have systems in place to safely receive, protect and store that information; collect, use and share it appropriately; and detect, contain and respond to information security incidents, including cybersecurity and data privacy incidents.

While everyone at Target plays a part in information security, oversight responsibility is shared by our Board of Directors, its committees and management. We use a combination of industry-leading tools and in-house technologies to protect Target and our guests.

As part of this work, we operate a proactive threat intelligence program to identify and assess risks, including from threats associated with our use of third-party service providers, and run a cyber fusion center to investigate and respond to threats. Beyond our in-house capabilities, we engage with leading security and technology vendors to assess our information security and cybersecurity program and test our technical capabilities.

See our **website** for more information



ENHANCING OUR CAPABILITIES

Staying ahead of threats starts with our Cyber Threat Intelligence team who researches and monitors evolving risks including ransomware and AI-enabled attacks. We continue to invest in our capabilities and enhance our skills by offering training opportunities from many sources including our internal Cyber Plus Institute (CPI) program. In 2024, CPI increased engagement hours by 31%, with sessions including cloud security and generative AI. See Data Privacy for more information on oversight of AI at Target.

TRAINING OUR TEAM MEMBERS

To help team members recognize and report suspicious activity, we offer quarterly threat-based simulations and ongoing education, complementing annual required information security and cybersecurity training for all team members and contractors. During Cybersecurity Awareness Month in October 2024, we ran internal campaigns, including phishing simulations, online escape rooms and expert presentations to educate team members on cyber risks. This year, we also used new technology to report suspicious emails and provided customized phishing awareness training for higher-risk areas.

GROWING OUR PIPELINE

We continue to invest in real-world experiences to inspire more people to consider roles in cybersecurity, which also helps to strengthen our talent pipeline. To support these efforts, Target partnered with Women in CyberSecurity (WiCyS) to create the Target Cyber Defense Challenge in 2022 and which we still use today. This initiative offers real-world experiences to deepen participants' understanding of cyber threats and network with peers, and includes one-on-one mentorship from Target's cybersecurity team. This year's challenge will immerse participants in a realistic cyberattack simulation — first defending against, then executing, a threat modeled on real-world breaches — to deepen understanding of evolving cyber threats.

> "The Target Cyber Defense Challenge is truly a labor of love that the Target team created and deployed for the WiCyS community. Stemming from the idea of paying it forward and providing folks a hands-on learning opportunity, the Target team had a unique discovery of how to infuse creativity, commitment, energy and excitement. Devoting hundreds of volunteer hours, this program is a true testament to Target's commitment to building a strong, robust cybersecurity workforce."
>
> **— Lynn Dohm, Executive Director, WiCyS**

ENGAGING TO ADVANCE THE FIELD

We aim to be a leader in cybersecurity, and are working to shape the future of the field. We have been recognized for sharing threat intelligence and collaborating with organizations across different industries to share best practices, fight cybercrime, enhance privacy and discuss new technologies to better understand and influence policy and advance capabilities in these areas. We also continue to actively contribute to open-source solutions.

25+

Cybersecurity patents issued to date

6x

Winner of the Retail & Hospitality Information Sharing and Analysis Center (RH-ISAC) Team of the Year Award

2.7k+

Cybersecurity professionals have participated in the WiCyS Target Cyber Defense Challenge since 2022

10+

Cybersecurity boards and industry groups we support

Industry Recognition

- Team of the Year Award (RH-ISAC)
- Identity Management Leader of the Year Award for Tom Sheffield, Senior Director, Cybersecurity (Identity Defined Security Alliance)
- Retail Cybersecurity Leadership Award for Rich Agostino, Senior Vice President & Chief Information Security Officer (National Retail Federation)

CONSUMER EDUCATION

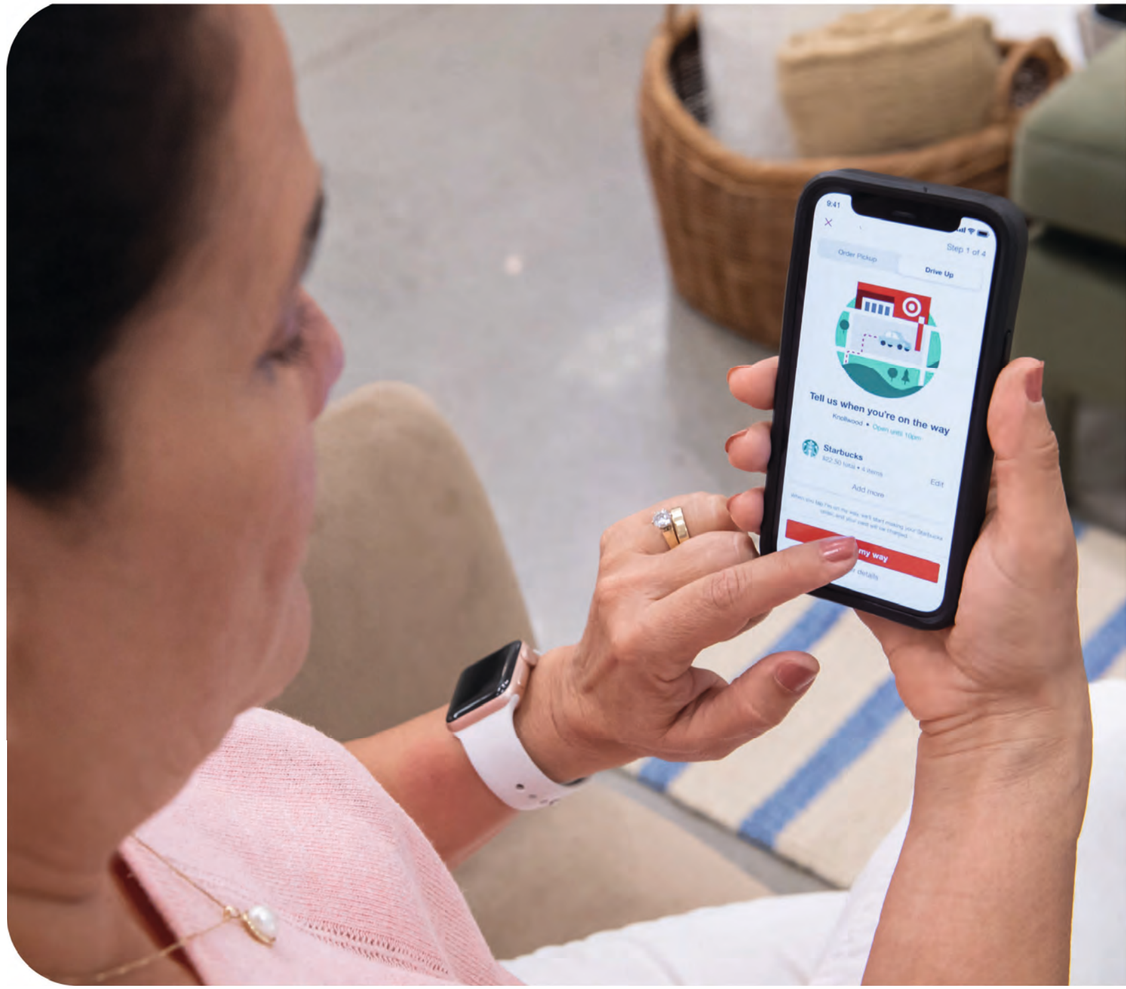
We help guests stay vigilant about cyber and fraud scams through Security.Target.com, which provides example threats and tips for protection, such as setting up a passkey for secure and convenient logins. In 2024, we continued to support consumer awareness and education programs in partnership with organizations like FightCybercrime.org and the National Cybersecurity Alliance, of which we joined the board this year.

Data Privacy

When handling personal information, we follow all applicable laws, policies and processes that help us collect, use and share information appropriately while still allowing us to effectively serve our guests and run our business operations. Target's privacy compliance team is responsible for designing and implementing our privacy program, including governance, privacy policy, risk assessment, monitoring and training. The team identifies and manages privacy risks, elevating them to our Senior Vice President of Compliance and Ethics and our Chief Legal and Compliance Officer, when appropriate.

Our retail Privacy Policy provides details of how we collect, use and share guests' personal information. It also informs guests of their options for limiting marketing or other uses of their data. In addition, the policy expressly states that Target does not knowingly collect personal information online from children under age 13. Changes to Target's privacy practices are reflected in the applicable Privacy Policy and, in some cases, additional notice may be provided.

Third parties that handle personal information must also follow applicable laws, regulations and contractual obligations. In addition to following legal requirements, Target adheres to the Digital Advertising Alliance (DAA) self-regulatory principles for Interest-Based Advertising.



See our **2025 Proxy Statement** for more information

EXPANDING AND LEVERAGING OUR DATA PRIVACY EXPERTISE

Target continued to mature our data privacy program through defined capabilities and business integrations. We support the privacy team's work to design privacy controls into operations with continual learning and professional certification opportunities, including IAPP certifications (Certified Information Privacy Professional and Certified AI Governance Professional) and OneTrust Privacy certifications.

Additionally, in 2024, we measured the effectiveness of our privacy processes and policies by conducting regular monitoring, auditing and external cross-industry benchmarking to understand privacy best practices and industry trends. We also contributed to the Retail Industry Leaders Association's Privacy Leaders Council and the National Retail Federation's Privacy Working Group.

Privacy compliance team members reviewed numerous business projects involving the use of personal information in 2024, including providing privacy requirements for Target's loyalty program, marketing activities and AI initiatives. This included reviewing new service providers and third parties to verify inclusion of privacy requirements and appropriate contract language.

RESPONSIBLE USE OF AI

In 2024, we strengthened our Responsible AI (RAI) governance to guide the ethical, secure and transparent use of AI technologies across Target. The data privacy team leads our enterprise RAI strategy, implementing a governance structure that emphasizes risk-based decision-making and organization-wide readiness.

- **Governance and oversight:** We established a cross-functional RAI Review Board, bringing together leaders from compliance, cybersecurity, human resources, operations and data science. This board provides oversight on the development and deployment of AI solutions, aligning with our broader risk management and corporate responsibility practices.
- **Risk-based assessment framework:** To guide the responsible development and use of AI, we created enterprise AI requirements grounded in the NIST AI Risk Management Framework. We introduced an AI risk assessment process — supported by a newly launched automated platform — that enables teams to evaluate proposed AI use cases based on their potential impact and risk level.
- **Building AI literacy:** To foster a culture of responsible innovation, we expanded AI literacy across the organization. Our privacy team completed industry-recognized AI certificate programs and participated in specialized AI governance training. We also launched an internal resource hub with practical guidance on responsible use and integrated AI governance principles into our Acceptable Use Policy, which all team members are trained on annually. Through these efforts, we are equipping our teams with the knowledge and tools needed to harness AI responsibly — supporting innovation while safeguarding the trust of our guests, team members and partners.



TEAM MEMBER COMPLIANCE AND TRAINING

Everyone at Target who works with personal information must comply with our internal Privacy Compliance Policy. Team members receive annual privacy training to understand the requirements around collecting, using and sharing personal information. Also, select teams receive additional privacy training based on their specific roles. In 2024, we updated existing training content to reflect new state privacy laws.

REGULATORY COMPLIANCE

With a growing number of states passing broad privacy laws, Target continued to enable guests to delete their information nationwide and expanded privacy rights to guests in additional states where applicable. We also continued to use automation to improve efficiency and handle increasing volumes of requests.

The privacy team worked collaboratively across the business to implement new controls for laws that came into effect in 2024. The team also continued to track proposed privacy legislation to provide feedback through applicable retail associations and to anticipate future developments.