

TARGET CORP
Form DEF 14A
April 28, 2011

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

Target Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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(4) Date Filed:

1000 Nicollet Mall
Minneapolis, Minnesota 55403
(612) 304-6073

PROXY STATEMENT
Annual Meeting of Shareholders
June 8, 2011

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To Our Shareholders:

You are cordially invited to attend Target Corporation's 2011 Annual Meeting of Shareholders. The Annual Meeting will be held at 1:30 p.m., Eastern Daylight Time, on Wednesday, June 8, 2011 at the Target Store located at 6231 Penn Avenue, Pittsburgh, Pennsylvania. Details regarding admission to the Annual Meeting and the business to be conducted are more fully described in the accompanying Notice of Annual Meeting of Shareholders and proxy statement.

At this year's Annual Meeting, you will be asked to elect all 11 directors to our Board of Directors and to vote on the other items described in this proxy statement.

We hope you will be able to attend the Annual Meeting, but if you cannot do so, it is important that your shares be represented. We urge you to read the proxy statement carefully, and to vote in accordance with the Board of Directors' recommendations by telephone or Internet, or by signing, dating, and returning the enclosed proxy card in the postage-paid envelope provided, whether or not you plan to attend the Annual Meeting.

Thank you for your continued support.

Sincerely,

Gregg Steinhafel

Chairman of the Board, Chief Executive Officer and President

VOTING METHODS

The accompanying proxy statement describes important issues affecting Target Corporation ("Target"). To vote:

1.

BY INTERNET

- a. Go to the web site identified on your proxy card or Notice of Internet Availability of Proxy Materials, 24 hours a day, seven days a week by the deadline set forth below.
- b. Enter the control number that appears on your proxy card or Notice of Internet Availability of Proxy Materials.
- c. Follow the simple instructions.

2.

BY TELEPHONE

- a. On a touch-tone telephone, call the toll-free number identified on your proxy card 24 hours a day, seven days a week by the deadline set forth below.
- b. Enter the control number that appears on your proxy card.
- c. Follow the simple recorded instructions.

3.

BY MAIL

- a. Mark your selections on the enclosed proxy card.
- b. Date and sign your name exactly as it appears on your proxy card.
- c. Mail the proxy card in the enclosed postage-paid envelope.

In order to vote by Internet or by telephone, you must follow the relevant instructions above and vote by the following deadlines:

For shareholders of record, 11:59 p.m. Eastern Daylight Time on June 7, 2011.

For shareholders holding shares through an intermediary (other than the Target 401(k) Plan), such as a bank or broker, 11:59 p.m. Eastern Daylight Time on June 7, 2011.

For shareholders holding shares in the Target 401(k) Plan, 6:00 a.m. Eastern Daylight Time on June 6, 2011.

Your vote is important. Thank you for voting.

ADMISSION POLICY

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All shareholders as of the record date, or their duly appointed proxies, may attend the Annual Meeting. You must reserve an admission ticket in order to attend. If you are a shareholder of record and plan to attend, please contact Target's Investor Relations Department by email at investorrelations@target.com or by telephone at (800) 775-3110 to reserve a ticket. Your ticket will be available for pick-up at the meeting. If you hold shares through an intermediary, such as a bank or broker, and you plan to attend, you will need to send a written request for a ticket either by regular mail, fax or email, along with proof of share ownership, such as a bank or brokerage firm account statement or a letter from the broker, trustee, bank or nominee holding your shares, confirming ownership to: Investor Relations, Target Corporation, 1000 Nicollet Mall, TPN-1146, Minneapolis, MN 55403 (fax: 612-761-5555 or email: investorrelations@target.com). Requests to reserve admission tickets will be processed in the order in which they are received and must be received no later than June 3, 2011.

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS

Important Notice Regarding the Availability of Proxy Materials for the Shareholders Meeting to be held on June 8, 2011.

The proxy statement and annual report are available at www.proxyvote.com.

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TIME 1:30 p.m., Eastern Daylight Time, on Wednesday, June 8, 2011

PLACE Target Store
6231 Penn Avenue
Pittsburgh, Pennsylvania 15206

This location allows us to showcase our current general merchandise store design in the latter stages of construction prior to opening. This store is scheduled to open in July 2011. The near-completed status of this store also provides sufficient space to accommodate shareholders for our Annual Meeting.

MEETING FORMAT The meeting will include prepared remarks by our Chairman, President and CEO, followed by an interactive question and answer session with senior executives.

ITEMS OF BUSINESS

- (1) To elect 11 directors for a one-year term.
- (2) To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm.
- (3) To approve the Target Corporation 2011 Long-Term Incentive Plan.
- (4) To cast a non-binding advisory vote on executive compensation ("Say-on-Pay").
- (5) To cast a non-binding advisory vote on the frequency of Say-on-Pay votes.
- (6) To vote on the shareholder proposals contained in this proxy statement, if properly presented at the meeting.

RECORD DATE You may vote if you were a shareholder of record at the close of business on April 11, 2011.

ANNUAL REPORT Our 2010 Annual Report, which is not part of the proxy soliciting material, is available at www.proxyvote.com.

PROXY VOTING It is important that your shares be represented and voted at the Annual Meeting. Please vote in one of these three ways:

- (1) VISIT THE WEB SITE shown under "Voting Methods" and have your proxy card or Notice of Internet Availability of Proxy Materials in hand to vote through the Internet,
- (2) USE THE TOLL-FREE TELEPHONE NUMBER shown under "Voting Methods" and have your proxy card in hand **OR**
- (3) MARK, SIGN, DATE AND PROMPTLY RETURN your proxy card in the postage-paid envelope.

If you received a Notice of Internet Availability of Proxy Materials and would like to vote by telephone or mail, you must follow the instructions on the Notice to request a proxy card.

Any proxy may be revoked at any time prior to its exercise at the Annual Meeting.

Timothy R. Baer
Corporate Secretary

Approximate Date of Mailing of Proxy Materials
Or Notice of Internet Availability:
April 28, 2011

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PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
June 8, 2011

The Board of Directors of Target Corporation solicits the enclosed proxy for the Annual Meeting of Shareholders to be held at the Target Store, 6231 Penn Avenue, Pittsburgh, Pennsylvania on Wednesday, June 8, 2011, at 1:30 p.m., Eastern Daylight Time, and for any adjournment thereof.

GENERAL INFORMATION ABOUT THE MEETING AND VOTING

What is the purpose of the Annual Meeting?

At our Annual Meeting, shareholders will act upon the matters described in the accompanying notice of meeting. In addition, our management will report on Target's performance during fiscal 2010 and respond to questions from shareholders.

Who may vote?

We have one class of voting shares outstanding. Only shareholders of record at the close of business on the record date, April 11, 2011, are entitled to receive notice of the Annual Meeting and to vote. Each share of common stock will have one vote on each matter to be voted on.

Who may attend the Annual Meeting?

All shareholders as of the record date, or their duly appointed proxies, may attend the Annual Meeting. If you plan to attend, please review the admission policy at the beginning of this proxy statement.

What constitutes a quorum?

The presence at the meeting, in person or by proxy, of the holders of a majority of our common stock outstanding on the record date will constitute a quorum, permitting the meeting to conduct its business. As of the record date, 689,133,340 shares of our common stock were outstanding. Proxies received but marked as abstentions and broker non-votes will be included in the calculation of the number of shares considered to be present at the meeting for purposes of determining whether there is a quorum.

How do I vote?

You may vote by completing and properly signing the enclosed proxy card and returning it to us in the envelope provided. If you are a registered shareholder (whose shares are owned in your name and not in "street name") and attend the meeting, you may deliver your completed proxy card in person. In addition, you may vote either by telephone or through the Internet by following the instructions on your proxy card or Notice of Internet Availability of Proxy Materials. "Street name" shareholders should follow the voting instructions on the proxy form received from the institution that holds their shares.

May I vote confidentially?

Subject to the exceptions described below, our policy is to treat all shareholder meeting proxies, ballots and voting tabulations of a shareholder confidentially, if the shareholder has requested confidentiality on the proxy card.

If you so request, your proxy will not be available for examination and your vote will not be disclosed prior to the tabulation of the final vote at the Annual Meeting, except (i) to meet applicable legal requirements, (ii) to allow the independent election inspectors to count and certify the results of the vote,

or (iii) if there is a proxy solicitation in opposition to the Board of Directors, based upon an opposition proxy statement filed with the Securities and Exchange Commission (SEC). The independent election inspectors may at any time inform us whether or not a shareholder has voted.

May I change my vote?

Yes. Even after you have submitted your proxy, you may change your vote at any time by mailing a later-dated proxy card or by voting again via telephone or Internet before the applicable deadline see the instructions under "Voting Methods." If you are a registered shareholder, you can also change your vote by attending the meeting in person and delivering a proper written notice of revocation of your proxy. Attendance at the meeting will not by itself revoke a previously granted proxy.

How does the Board recommend I vote?

In summary, the Board of Directors recommends a vote:

FOR election of its director nominees (see pages 5-9);

FOR ratification of the appointment of Ernst & Young LLP as Target's independent registered public accounting firm (see page 52);

FOR approval of the Target Corporation 2011 Long-Term Incentive Plan (see pages 54-61);

FOR approval of the non-binding advisory vote on executive compensation ("Say-on-Pay") (see page 62);

FOR an annual Say-on-Pay frequency vote (see page 63); and

AGAINST the two shareholder proposals (see pages 63-65).

Unless you give instructions on your proxy card, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board of Directors. The Board's full recommendation is set forth in the description of each item in this proxy statement. With respect to any other matter that properly comes before the meeting, the proxy holders will vote as recommended by the Board of Directors or, if no recommendation is given, in their own discretion.

How many votes are required to approve each item?

Election of Directors. The number of votes required for the election of directors is described in the section captioned "Election of Directors."

2011 Long-Term Incentive Plan. This proposal requires approval by a majority of votes present and entitled to vote on the proposal, provided the total votes cast represent a majority of the voting power outstanding as of the record date.

Say-On-Pay and Say-on-Pay Frequency. The Say-on-Pay and Say-on-Pay frequency votes are non-binding advisory votes. The Board of Directors will consider our executive compensation to have been approved by shareholders if the Say-on-Pay proposal receives more votes "For" than "Against". The Board will consider shareholders to have selected the Say-on-Pay frequency that receives the greatest number of votes. The effect of the vote on each of these non-binding advisory votes is discussed on pages 62 and 63, respectively.

Other Items. For all other matters described in this proxy statement and any other items that properly come before the meeting, the affirmative vote of the greater of (i) a majority of the outstanding shares of our common stock present in person or by proxy and entitled to vote on the item at the Annual Meeting and (ii) a majority of the minimum number of shares entitled to vote that

would constitute a quorum for the transaction of business at the Annual Meeting, will be required for approval, provided that a quorum is present in person or by proxy.

Abstentions. A properly executed proxy marked "Abstain" with respect to any matter will be counted for purposes of determining whether there is a quorum and will be considered present in person or by proxy and entitled to vote. Accordingly, for all Items other than Items 1, 4 and 5, an abstention will have the effect of a negative vote.

What is a broker non-vote?

If you hold your shares in street name and do not provide voting instructions to your broker, your shares will not be voted on any proposal on which your broker does not have or does not exercise discretionary authority to vote. In this situation, a "broker non-vote" may occur. The only matter described on this proxy statement for which brokers have discretionary authority is Item 2. Shares constituting broker non-votes are not counted or deemed to be present in person or by proxy for the purpose of voting on a matter at the Annual Meeting. Under applicable NYSE rules, holders of a majority of the voting power must vote on Item 3 in order for it to be eligible to be approved; accordingly, a broker non-vote will not count toward this requirement and may have the effect of precluding Item 3 from passing. Broker non-votes are counted as present for the purpose of determining a quorum at the Annual Meeting.

What if other matters are presented for determination at the Annual Meeting?

As of the date of this proxy statement, we know of no matters that will be presented for determination at the meeting other than those referred to in this proxy statement. If any other matters properly come before the meeting calling for a vote of shareholders, proxies in the enclosed form returned to us or voted by telephone or through the Internet will be voted in accordance with the recommendation of the Board of Directors or, in the absence of such a recommendation, in accordance with the judgment of the proxy holders.

Who pays the expenses incurred in connection with the solicitation of proxies?

Expenses in connection with the solicitation of proxies will be paid by us. Proxies are being solicited principally by mail, by telephone, and through the Internet. In addition to sending you these materials, some of our directors and officers, as well as management employees, may contact you by telephone, mail, email or in person. You may also be solicited by means of news releases issued by Target, postings on our web site, www.target.com, and print advertisements. None of our officers or employees will receive any extra compensation for soliciting you. We have retained Georgeson Inc. to act as a proxy solicitor for a fee estimated to be \$25,000, plus reimbursement of out-of-pocket expenses.

How will shares in the Target 401(k) Plan be voted?

This proxy statement is being used to solicit voting instructions from participants in the Target 401(k) Plan with respect to shares of our common stock that are held by the trustee of the plan for the benefit of plan participants. If you are a plan participant and also own shares as a record holder, you will separately receive proxy materials to vote the shares you hold as a record holder. If you are a plan participant, you must instruct the plan trustee to vote your shares by utilizing one of the methods described on the voting-instruction form that you receive in connection with your shares held in the plan. If you do not give voting instructions, the trustee will vote the shares allocated to your personal account in proportion to the instructions actually received by the trustee from participants who give voting instructions.

How may I get additional copies of the Annual Report?

Our Annual Report for the fiscal year ended January 29, 2011, including financial statements, is furnished with this proxy statement. The Annual Report is also available online at www.target.com (click on "Investors" and "Annual Reports"). For additional printed copies, please contact our Investor Relations representative by email at investorrelations@target.com, by phone at (800) 775-3110, by mail at the address listed on the cover of this proxy statement, Attention: Investor Relations, or online at www.target.com (click on "Investors," then "Shareholder Services" and "Request Materials").

How may I access or receive materials electronically?

You can access our proxy materials, Annual Report and other periodic reports and information under the "Investors" section of our web site, www.target.com. You can also register at this same location to receive email alerts, which we send to registered users when new information is posted on our web site (click on "Investors" and "E-Mail Alerts"). Shareholders may request electronic delivery of our proxy materials and Annual Report online at www.target.com (click on "Investors," then "Shareholder Services" and "Sign up for E-Delivery"). To receive other shareholder information, contact us via email at investorrelations@target.com.

ITEM ONE ELECTION OF DIRECTORS

Election Process

Under our Articles of Incorporation and Governance Guidelines:

The number of directors is determined by the Board, with a minimum of 5 and a maximum of 21 directors;

All directors are elected annually; and

Where the number of nominees does not exceed the number of directors to be elected, directors are elected under a "majority voting" standard. This means that each director must receive more votes "for" his or her election than votes "against" in order to be elected. If an incumbent director fails to receive a sufficient number of votes to be elected, he or she must promptly offer to resign, and the Nominating & Governance Committee will make a recommendation on the offer and the Board must accept or reject the offer within 90 days and publicly disclose its decision and rationale.

Nomination Process

The Nominating & Governance Committee is responsible for identifying individuals qualified to become Board members and making recommendations on director nominees to the full Board. The Committee uses the Board Membership Criteria set forth in our Governance Guidelines when evaluating director candidates. Under these criteria, the Committee seeks director candidates that have broad perspective, experience, knowledge and independence of judgment. The Committee evaluates candidates with reference to the overall composition of the Board, such that the Board as a whole contains a predominance of business backgrounds with a diverse set of personal experiences and perspectives. The Committee does not have a specific policy regarding consideration of gender, ethnic or other diversity criteria in identifying candidates; however, the Board has had a longstanding commitment to, and practice of, maintaining diverse representation on the Board.

The Nominating & Governance Committee will consider a recommendation by a shareholder of a candidate for election as a Target director. Any shareholder who wishes the Committee to consider a candidate should submit a written request and related information to our Corporate Secretary no later than December 31 of the calendar year preceding the next Annual Meeting of Shareholders.

2011 Nominees for Director

After considering the recommendations of the Nominating & Governance Committee, the Board has set the number of directors at 11 and nominated the persons described below to stand for election. All nominees are incumbent directors. The Board believes that each of these nominees is qualified to serve as a director of Target and the specific qualifications of each nominee that were considered by the Board are set forth following each nominee's biographical description. Equally as important, the Board believes that the combination of backgrounds, skills and experiences has produced a Board that is well-equipped to exercise oversight responsibilities for Target's shareholders and other stakeholders. Specifically:

All nominees have strong business backgrounds, with eight nominees having CEO experience in complex business organizations;

All nominees have senior management-level experience with multinational enterprises, an area of increased importance as we pursue retail expansion opportunities outside of the United States;

Five nominees have expertise in consumer marketing, an area critical to our continued success as a leading retail brand;

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Five nominees have significant experience in financial matters, which provides valuable perspective in connection with our investment of capital in our retail operations, including real estate, and financial services assets; and

The overall composition represents a balanced approach to director tenure, allowing the Board to benefit from the experience of longer-serving directors combined with fresh perspectives from newer directors:

Four nominees have served for more than ten years;

Three nominees have served for five to ten years;

Four nominees have served for less than five years.

We have no reason to believe that any of the nominees will be unable or unwilling for good cause to serve if elected. However, if any nominee should become unable for any reason or unwilling for good cause to serve, proxies may be voted for another person nominated as a substitute by the Board, or the Board may reduce the number of directors.

Director	Principal Occupation, other Directorships and Qualifications	Age	Director Since
Roxanne S. Austin	<p>Roxanne S. Austin served as President, Chief Executive Officer and a director of Move Networks, Inc., an Internet television services provider from July 2009 to July 2010. Prior to joining Move Networks, she was President of Austin Investment Advisors, a private investment and consulting firm, from January 2004 to June 2009. She is a director of Abbott Laboratories, Teledyne Technologies Incorporated, and LM Ericsson Telephone Company.</p> <p><i>Qualifications:</i> Ms. Austin provides the Board with financial, operational and risk management expertise that she developed through professional roles that included an independent auditor (Deloitte & Touche) and a CFO (Hughes Electronics Corporation), and substantial knowledge of new media technologies obtained from her positions with Move Networks and DirecTV.</p>	50	2002
Calvin Darden	<p>Calvin Darden is Chairman of Darden Development Group, LLC, a real estate development company, a position he has held on a full-time basis since November 2009. From February 2006 to November 2009, he was Chairman of The Atlanta Beltline, Inc., an urban revitalization project for the City of Atlanta. He previously served as Senior Vice President of U.S. Operations of United Parcel Service of America, Inc., an express carrier and package delivery company, until his retirement in February 2005. He is a director of Coca-Cola Enterprises, Inc. and Cardinal Health Corp.</p> <p><i>Qualifications:</i> Mr. Darden provides the Board with significant experience in supply chain networks, logistics, customer service and management of a large-scale workforce obtained over his 33-year career with UPS, and more recently has developed expertise in community relations and real estate development.</p>	61	2003

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Director	Principal Occupation, other Directorships and Qualifications	Age	Director Since
Mary N. Dillon	<p>Mary N. Dillon is President, Chief Executive Officer and a director of United States Cellular Corporation, a provider of wireless telecommunication services, positions she has held since June 2010. Previously, Ms. Dillon was Executive Vice President and Global Chief Marketing Officer of McDonald's Corporation, a global restaurant company, from October 2005 to June 2010.</p> <p><i>Qualifications:</i> Ms. Dillon provides the Board with substantial expertise in marketing, brand management, and consumer sales obtained from her roles with McDonald's and the Quaker Foods division of PepsiCo. Her current role as CEO of a large publicly-held company provides the Board with additional top-level perspective in organizational management.</p>	49	2007
James A. Johnson	<p>James A. Johnson is Vice Chairman of Perseus, LLC, a merchant banking private equity firm, a position he has held since April 2001. He is a director of The Goldman Sachs Group, Inc. and Forestar Group, Inc.</p> <p>Within the past five years, Mr. Johnson also served as a director of UnitedHealth Group, KB Home, Gannett Co., Inc. and Temple-Inland, Inc.</p> <p><i>Qualifications:</i> Mr. Johnson has more than 40 years of experience in the business and public sectors. Mr. Johnson provides the Board with strong leadership and consensus-building capabilities as well as a solid understanding of public policy dynamics, corporate governance and reputation management issues.</p>	67	1996
Mary E. Minnick	<p>Mary E. Minnick is a Partner of Lion Capital, a consumer-focused private investment firm, a position she has held since May 2007. Prior to joining Lion Capital, she completed a 23-year career with The Coca-Cola Company, a manufacturer, marketer and distributor of nonalcoholic beverage concentrates and syrups, in February 2007. At Coca-Cola, she served in a variety of global executive positions including Executive Vice President and President of Marketing, Strategy and Innovation and Chief Operating Officer of Asia responsible for 38 countries.</p> <p><i>Qualifications:</i> Ms. Minnick provides the Board with substantial expertise in building brand awareness and managing product development, marketing, distribution and sales on a global scale. Her current position with Lion Capital provides the Board with additional insights into consumer marketing trends outside the United States.</p>	51	2005

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Director	Principal Occupation, other Directorships and Qualifications	Age	Director Since
<p>Anne M. Mulcahy</p>	<p>Anne M. Mulcahy is Chairman of the Board of Trustees of Save The Children Federation, Inc., a non-profit organization dedicated to creating lasting change in the lives of children throughout the world, a position she has held since March 2010. She previously served as Chairman of the Board of Xerox Corp., a document management company from January 2002 to May 2010, and Chief Executive Officer of Xerox from August 2001 to July 2009. She is a director of The Washington Post Company and Johnson & Johnson.</p> <p>Within the past five years, Ms. Mulcahy also served as a director of Citigroup Inc.</p> <p><i>Qualifications:</i> Ms. Mulcahy obtained extensive experience in all areas of business management as she led Xerox through a transformational turnaround. This experience, combined with her leadership roles in business trade associations and public policy activities, provides the Board with additional expertise in the areas of organizational effectiveness, financial management and corporate governance.</p>	58	1997
<p>Derica W. Rice</p>	<p>Derica W. Rice is Executive Vice President, Global Services and Chief Financial Officer of Eli Lilly and Company, a pharmaceutical company, positions he has held since January 2010 and May 2006, respectively. From May 2006 to December 2009 he served as Eli Lilly's Senior Vice President and Chief Financial Officer.</p> <p><i>Qualifications:</i> Mr. Rice's career with Eli Lilly has provided him with substantial experience in managing worldwide financial operations. His expertise gives the Board additional skills in the areas of financial oversight, risk management and the alignment of financial and strategic initiatives.</p>	46	2007
<p>Stephen W. Sanger</p>	<p>Stephen W. Sanger is the former Chief Executive Officer and Chairman of the Board of General Mills, Inc., a consumer food products company. He served as Chief Executive Officer of General Mills from 1995 to September 2007, and as Chairman of the Board from 1995 to May 2008. He is a director of Wells Fargo & Company and Pfizer, Inc.</p> <p><i>Qualifications:</i> Mr. Sanger established a strong record of achieving sales growth, building shareholder value, and cultivating a business environment committed to quality, productivity and innovation during his 34 years at General Mills. Mr. Sanger provides the Board with substantial experience in the consumer food industry and a seasoned, global business perspective.</p>	65	1996

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Director	Principal Occupation, other Directorships and Qualifications	Age	Director Since
<p>Gregg W. Steinhafel</p>	<p>Gregg W. Steinhafel is Chairman of the Board, Chief Executive Officer and President of Target. He began his career at the company as a merchandise trainee in 1979 and subsequently advanced through a variety of merchandising and operational management positions. Mr. Steinhafel became President of Target in August 1999, Chief Executive Officer in May 2008 and Chairman in February 2009. Mr. Steinhafel is a director of The Toro Co.</p> <p><i>Qualifications:</i> In his more than 30 years at Target, Mr. Steinhafel has gained meaningful leadership experience and retail knowledge. As Chief Executive Officer, he is responsible for determining the company's strategy and clearly articulating priorities as well as aligning and motivating the organization to execute effectively and ensure continued success. These capabilities, combined with Mr. Steinhafel's intimate understanding of Target's guests and unwavering commitment to Target's brand, make him uniquely qualified to serve on the Board.</p>	56	2007
<p>John G. Stumpf</p>	<p>John G. Stumpf is Chairman of the Board, President and Chief Executive Officer of Wells Fargo & Company, a banking and financial services company. He has been President since August 2005, Chief Executive Officer since June 2007, and became Chairman in January 2010. A 29-year veteran of Wells Fargo, he has held various operational and managerial positions throughout his career. He is a director of Chevron Corporation.</p> <p><i>Qualifications:</i> Mr. Stumpf's current role as Chairman, President and Chief Executive Officer of Wells Fargo, and long career in banking, provides the Board with expertise in brand management, financial oversight and stewardship of capital.</p>	57	2010
<p>John G. Stumpf</p>	<p>Solomon D. Trujillo served as Chief Executive Officer and a director of Telstra Corporation Limited, Australia's leading telecommunications company, from July 2005 to May 2009. He is a director of WPP plc.</p> <p>Within the past five years, Mr. Trujillo also served as a director of Gannett Co., Inc., and Electronic Data Systems Corporation.</p> <p><i>Qualifications:</i> Mr. Trujillo is an experienced executive who has held CEO positions of companies in the telecommunications, media and cable industries headquartered in the U.S., Europe and Australia. He has global operations experience and provides the Board with substantial international experience and expertise in the retail, technology, media and communications industries.</p>	59	1994
<p>Solomon D. Trujillo</p>			

**GENERAL INFORMATION ABOUT THE BOARD OF DIRECTORS
AND CORPORATE GOVERNANCE**

Director Independence

The Board of Directors believes that a substantial majority of its members should be independent directors. The Board annually reviews all relationships that directors have with Target to affirmatively determine whether the directors are independent. If a director has a material relationship with Target, that director is not independent. The listing standards of the New York Stock Exchange (NYSE) set forth certain relationships that, if present, preclude a finding of independence.

The Board affirmatively determined that all non-management directors are independent. Mr. Steinhafel is the only management director and is not independent. In making this determination, the Board specifically considered the following transactions, all of which were entered into in the ordinary course of business:

For Mr. Stumpf and Mr. Kovacevich (who retired from our Board on December 31, 2010), the payments by Target to Wells Fargo, which amounted to less than 0.01% of Wells Fargo's annual revenues in each of the last three fiscal years. The nature of Target's payments to Wells Fargo included: bank account fees for payroll, cash management, general disbursement and credit card payment processing accounts; mortgage closing costs related to Target's employee relocation program; trustee fees for Target's receivables securitization program; letter of credit issuance fees; lease payments for equipment leases; and commitment fees for Wells Fargo's role as a non-lead participant in Target's syndicated revolving credit facility. Target also utilizes a Wells Fargo brokerage subsidiary to execute short-term investment transactions. Target does not use Wells Fargo for any investment banking, consulting or advisory services.

For Ms. Minnick, her indirect ownership position in portfolio companies of Lion Capital that are merchandise vendors of Target. Her indirect ownership in these portfolio companies is less than 5%, and Target's annual purchases constitute less than 2% of each portfolio company's annual revenues for each of the last three fiscal years.

For Ms. Dillon, the amount of payments to U.S. Cellular for telecommunication services, which amounted to less than 0.01% of U.S. Cellular's annual revenues in each of the last three fiscal years.

For Ms. Mulcahy, the charitable contributions by Target to Save The Children Federation, which amounted to less than 2% of Save the Children's annual revenues in each of the last three fiscal years.

Corporate Governance Documents Available on Our Website

Copies of our key corporate governance documents are available on our website (www.target.com; click on "Investors" and "Corporate Governance"). These documents include our Articles of Incorporation, Bylaws, Corporate Governance Guidelines, Position Descriptions (charters) for each of the Board's committees, our Business Conduct Guide and our Corporate Responsibility Report.

Board Meetings; Attendance at Annual Shareholders Meeting

The Board of Directors met five times during fiscal 2010. All directors attended at least 75% of the aggregate total of meetings of the Board and Board Committees on which the director served during the last fiscal year.

All directors attended our June 2010 Annual Meeting of Shareholders. The Board has a policy requiring all directors to attend all Annual Meetings of Shareholders, absent extraordinary circumstances.

Board Leadership Structure

The Board is led by Mr. Steinhafel in his role as Chairman. Mr. Steinhafel is also the Chief Executive Officer. The Board also has designated a lead independent director position to complement the Chairman's role, and to serve as the principal liaison between the non-management directors and the Chairman.

The Board continues to believe that its current structure is the appropriate one for Target at this time. Specifically, the Board believes that in light of Target's clear strategy and the strength of its overall governance practices, a combined Chairman/CEO role will more effectively unify the Board and management around the specific initiatives to support Target's strategy. The Board continues to separately evaluate Mr. Steinhafel annually in each of his roles, and it has retained the discretion to separate the Chairman/CEO roles at any time if the Board believes it would better serve the interests of Target. The Board also concluded that its lead independent director position effectively balances any risk of concentration of authority that may exist with a combined Chairman/CEO position.

Mr. Johnson functions as our lead independent director. As lead director, Mr. Johnson:

presides at all meetings of the Board of Directors at which the Chairman of the Board is not present, including executive sessions of non-management directors;

conducts the annual performance reviews of the Chief Executive Officer and Chairman of the Board, with input from the other non-management directors;

has an opportunity to review information and agendas sent to the Board to assure that the agendas are properly focused and there is sufficient time for discussion of all agenda items; and

has the authority to convene meetings of non-management directors at every meeting.

Management Succession Planning

One of the primary responsibilities of the Board is to ensure that Target has a high-performing management team in place. On an annual basis, the Board conducts a detailed review of management development and succession planning activities to maximize the pool of internal candidates who can assume top management positions without undue interruption. In addition, the Board has adopted a CEO emergency succession policy to govern unforeseen succession needs.

Risk Oversight

The primary responsibility for the identification, assessment and management of the various risks that we face belongs with management. The Board's oversight of these risks occurs as an integral and continuous part of the Board's oversight of our business. For example, our principal strategic risks are reviewed as part of the Board's regular discussion and consideration of our strategy, and the alignment of specific initiatives with this strategy. Similarly, at every meeting the Board reviews the principal factors influencing our operating results, including the competitive environment, and discusses with our senior executive officers the major events, activities and challenges affecting their respective functional areas.

The Board's ongoing oversight of risk in the context of specific aspects of our business is supplemented by a formal risk review process conducted jointly by our internal audit and corporate risk teams. This review employs the COSO framework for classifying identified risks in four primary categories (strategic, operational, compliance and financial) and facilitates consideration of our overall risk exposures, strategic objectives and risk management programs in a holistic fashion. This formal risk review has been discussed with the full Board and will continue to be reviewed by the Board on a regular basis.

The oversight of risks also occurs at the Board Committee level on a more focused basis, as described in the description of each Committee's responsibilities.

Compensation Policies and Risk

As part of our regular review of our compensation practices, we conducted an analysis of whether our compensation policies and practices create material risks to the company. The results of this analysis were reviewed by the Compensation Committee's independent consultant and discussed with the Compensation Committee, which agreed with management's conclusion that our compensation programs do not create risks that are reasonably likely to have a material adverse effect on the company. More specifically, this conclusion was based on the following considerations:

Pay Mix: Compensation mix of base salary, short-term and long-term incentives provides compensation opportunities measured by a variety of time horizons to balance our incentive structure with near-term and long-term strategic goals.

Performance Metrics: A variety of performance metrics are used in both the short-term and long-term incentive plans. This "portfolio" approach to performance metrics encourages focus on sustained overall company performance. Additional detail on our performance metrics can be found in the Compensation Discussion and Analysis.

Performance Goals: Goals are approved by our independent directors and take into account our historical performance, current strategic initiatives and the expected macroeconomic environment. In addition, long-term and short-term incentive plans are designed with payout curves and leverage that support our pay for performance philosophy.

Equity Incentives: Equity incentive programs and stock ownership guidelines are designed to align management and shareholder interests by providing vehicles for executives to accumulate and maintain an ownership position in the company.

Risk Mitigation Policies: We incorporate several risk mitigation policies into our officer compensation program, including:

The Compensation Committee's ability to use "negative discretion" to determine appropriate payouts under formula-based plans;

A clawback policy to recover incentive compensation that was based on inaccurate financial statements; and

Stock ownership guidelines for executives, supplemented with an anti-hedging policy for executive officers.

Committees

The Board has the following committees and committee composition (all of whom are independent directors) as of the date of this proxy statement:

Nominating & Governance	Compensation	Audit	Finance	Corporate Responsibility
Mr. Sanger, Chair	Mr. Johnson, Chair	Ms. Austin, Chair	Ms. Mulcahy, Chair	Mr. Trujillo, Chair
Mr. Darden	Mr. Darden	Ms. Minnick	Ms. Austin	Ms. Dillon
Ms. Mulcahy	Ms. Dillon	Mr. Rice	Mr. Rice	Mr. Johnson
Mr. Trujillo	Mr. Sanger	Mr. Stumpf	Mr. Stumpf	Ms. Minnick

A description of each Committee's function and number of meetings during fiscal 2010 follows.

Nominating & Governance Committee

The Nominating & Governance Committee oversees our corporate governance practices, our business ethics program and identifies individuals qualified to become Board members. After identifying qualified

Board candidates, the Nominating & Governance Committee will make a recommendation to the full Board with respect to candidates to stand for election or otherwise be added to the Board. Mr. Stumpf, who is standing for election for the first time since being appointed to the Board, was recommended by a former independent director of Target.

Under our Corporate Governance Guidelines, non-management directors may not serve on the Board for more than 20 years, or 5 years after they retire from active employment, whichever occurs first. In addition, directors must resign at age 72 and must submit an offer of resignation for consideration by the Nominating & Governance Committee and the full Board upon any substantial change in principal employment.

During fiscal 2010, each of Roxanne Austin and Anne Mulcahy experienced a change in principal employment and submitted an offer of resignation. Following a review and upon recommendation of the Nominating & Governance Committee, the Board did not accept their offers of resignation.

The Nominating & Governance Committee held two meetings during the last fiscal year.

Compensation Committee

The Compensation Committee has responsibility for determining the composition and value of non-CEO executive officer compensation and making recommendations with respect to CEO compensation to the independent members of the Board, who collectively have final approval authority. The Compensation Committee's responsibility includes reviewing our compensation philosophy, selection and relative weightings of different compensation elements to balance risk, reward and retention objectives, the alignment of incentive compensation performance measures with our strategy, and specific compensation levels for each executive officer. The Compensation Committee also reviews the compensation provided to non-management directors and makes recommendations to the independent members of the Board.

The Compensation Committee may not delegate its primary responsibility of overseeing executive officer compensation, but it may delegate to management the administrative aspects of our compensation plans that do not involve the setting of compensation levels for executive officers. Additional information on the processes and procedures for executive compensation determinations, including the role of management and compensation consultants, is contained in the Compensation Discussion and Analysis beginning on page 21. The Compensation Committee held four meetings during the last fiscal year.

Audit Committee

The Audit Committee assists the Board with the oversight of the integrity of Target's financial statements and internal controls, the compliance with legal and regulatory requirements, the review and approval of transactions with related persons, the independent auditor's qualifications and independence, and the performance of our internal audit function. The Board of Directors has determined that all members of the Committee satisfy the independence requirements of the NYSE and SEC, and all members have acquired the attributes necessary to qualify them as "audit committee financial experts" as defined by applicable SEC rules, base