

TGT 401(k) summary plan description

Resumen de la descripción del plan



SUMMARY OF MATERIAL MODIFICATIONS TARGET CORPORATION 401(k) PLAN

This notice updates the Target Corporation 401(k) Plan summary plan description for a certain plan changes. You should keep this notice with your summary plan description for future reference.

Rollover IRA

Effective July 1, 2024, the Plan will provide that the maximum benefit amount that may be distributed to an automatic Rollover IRA is \$7,000 (increased from \$5,000). The change requires the following updates to your SPD.

The first five paragraphs under the following heading on page 20 are replaced with the content below:

DISTRIBUTION OF YOUR ACCOUNT

Thirty days after your employment ends with Target, you may request a distribution of your TGT 401(k) account as a lump sum or in installments. You are not eligible to receive a distribution if you have been reemployed by Target.

Account balances \$1,000 or less

If your account balance is \$1,000 or less, and you haven't received a total distribution of your account balance, your account will automatically be paid to you on the last business day of the quarter following the quarter of your termination date.

Account balances over \$1,000 but less than or equal to \$7,000

If your account balance is \$7,000 or less but greater than \$1,000, as of the last business day of the quarter following the quarter of your termination date and you do not direct otherwise, your account balance will be automatically rolled over into an IRA set up in your name. If you have questions about this type of IRA, you should contact: 877-682-4727.

Account balances greater than \$7,000

If your vested account balance is greater than \$7,000, you may request distribution at a later time. You are not required to receive any distribution until the year you reach age 73. If you don't request a distribution, you will be paid a minimum distribution at the end of the year in which you reach age 73 or leave Target, whichever is later. More information about minimum distributions is in the section "Required minimum distributions" on the next page.

Required Minimum Distributions

Effective January 1, 2023, the triggering age for required minimum distributions increased from 72 to 73. The change requires the following updates to your SPD.

The paragraph under the following heading on page 4 is replaced with the content below:

COMMENCEMENT OF BENEFITS TO BENEFICIARY

Your beneficiary can request a distribution at any time after you die. If your beneficiary is your spouse, the balance may be left in the Plan until you would have reached age 73, and minimum required distribution rules apply. The rules vary depending on whether you die before or after reaching age 73 and beginning minimum required distributions. Your beneficiary will be informed of their options upon your death. If your beneficiary is not your spouse, your entire account balance will be automatically paid to your beneficiary as a lump sum distribution approximately 90 days following your death unless your beneficiary elects to receive a distribution sooner.

The paragraph across from the following heading on page 18 is replaced with the content below:

NEW COMPANY MATCHING CONTRIBUTIONS

While you are employed by Target, company matching contributions made after August 15, 2003 and related earnings can be withdrawn only in case of financial emergency (see "Withdrawing in a financial emergency" on page 19) or if you are 73 years old.

The paragraph under the following heading on page 21 is replaced with the content below:

REQUIRED MINIMUM DISTRIBUTIONS

This distribution method applies only to people who have left Target, have reached age 73 and have not started to receive distributions or whose distributions during the year do not total the required amount. The minimum distribution amount is calculated by taking into account a life expectancy factor based on IRS tables. Distributions are made annually at the end of the year. Distributions begin in December of the year you reach age 73 or leave Target, whichever is later. If you reached age 72 prior to 2023, your required minimum distribution beginning age remains 72.

Beginning in 2024, required minimum distributions will not be taken from Roth accounts in the Plan.

FOR MORE INFORMATION

If you have any questions about these changes, please call the Target Benefits Center toll free at 800-828-5850. Outside the United States, call 847-883-0433. Target Customer Service Representatives are available between 9 a.m. and 7 p.m. Central time, Monday through Friday.



this booklet is for team members of Target.

This booklet is a Summary Plan Description or “SPD” as required by federal law. It describes the benefits of the Target 401(k) Plan (“TGT 401(k)” or “Plan”). Read this booklet carefully so you understand the Plan. If you have any questions, visit the website at www.targetpayandbenefits.com or call the Target Benefits Center at **800-828-5850**.

This booklet summarizes the legal document that governs how the Plan is administered. If there should be any conflict between the legal document and this summary, the legal document will prevail. You may review the legal document or obtain a copy of it by calling the Target Benefits Center.

Target expects to continue this Plan indefinitely, but it reserves the right to amend, discontinue, or terminate the Plan at any time by action of its Board of Directors or authorized personnel.

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purpose of the TGT 401(k)

The TGT 401(k) is intended to help you achieve your financial goals now and in the future by offering a way to:

- Save money conveniently and systematically, with Target matching your contributions dollar for dollar up to 5 percent of your pay;

- Choose when a portion of your pay will be taxed by offering you before-tax contributions, Roth contributions and regular after-tax contributions, or a combination of the three;
- Add to your retirement income.

who is eligible?

You are eligible to participate in the TGT 401(k) after you meet the following requirements:

- You are classified by Target as a team member;
- You are age 18 or older;
- You complete 90 days of service with Target.

- If you are a former team member and previously met the age and service requirements, you will be eligible to participate immediately upon rehire if it has been less than five years since your former employment with Target.
- If you are a former team member and previously did not meet the age and service requirements and one full calendar year has passed in which you have no employment with Target, then you must complete 90 days of service to become eligible.

how do I access my TGT 401(k) account?

WWW.TARGETPAYANDBENEFITS.COM — ACCESS YOUR ACCOUNT DAY OR NIGHT

Using the site is a fast way to get up-to-the-minute information on your TGT 401(k). This site can help you:

- Enroll in the plan;
- Enter beneficiary information;
- Check your account balance;
- Change your contribution percentages, investment choices, or transfer funds;
- Get professional investment advice by clicking on “Investment Advice” under the Savings & Retirement menu;
- Monitor your investment performance;
- Request a loan or withdrawal.

GETTING STARTED IS EASY

You may access this site at:

www.targetpayandbenefits.com

You will be asked to enter your User ID and your Password. First time users will be asked to answer a series of security questions to protect your information.

At any time you can go online and view/print an online account statement or call **800-828-5850** to request an on-demand account statement.

It is your responsibility to review these statements carefully, especially for any changes you may have requested in your rate of contribution or investment fund elections. If a statement does not match your records, you must notify the Target Benefits Center immediately.

TARGET BENEFITS CENTER

You can also enroll in the TGT 401(k) and make changes to your account by calling the Target Benefits Center at **800-828-5850**.

Target Benefits Center representatives are available from 9 a.m. to 7 p.m. Central time, Monday through Friday.

If you contact the Target Benefits Center to complete account transactions, your call must be completed by 3 p.m. Central time (or market closing, if earlier) to be processed that day. Calls completed after 3 p.m. Central time will be processed the following business day. Your request will be completed as soon as possible. There is no guarantee that all transactions will be completed on the day you make your call to the Target Benefits Center. Certain circumstances may prevent your transaction from being completed the same day.

KEEPING YOUR ACCOUNT SAFE

You can take steps to keep your information and device safe and help avoid unauthorized access to your account:

- Keep your contact information (including a mobile number) up to date so you may be contacted quickly if suspicious activity is suspected.
- Sign up for text messaging updates to receive a text message if a payment or loan is ever processed on your account.
- Review the tips in the Security Center of www.targetpayandbenefits.com

If you wish to add an additional layer of account security, you may set up an account lock. Visit www.targetpayandbenefits.com and select “Account Lock” from the “My Profile” menu on the home page. You will set a 10-digit numeric unlock key that will then prevent any future payments or loans unless that key is used to unlock your account.

CALLING THE TARGET BENEFITS CENTER AT 800-828-5850:

You will be asked for the last four digits of your Social Security Number, your date of birth and your Password.

¿HABLA ESPAÑOL?

Si Ud. habla español, llame al **800-828-5850** y permanezca en la línea. Un representante de Target Benefits Center lo atenderá en poco tiempo.

TDD

If you are hearing impaired, please call your local relay service.

OUTSIDE THE U.S. OR CANADA

If you're calling from outside the U.S. or Canada, you can reach the Target Benefits Center by calling **847-883-0433**.

Alight Solutions, Target's Benefit Administrator, also offers the Alight Protection Program™ to help you keep your retirement plan benefits secured and protected. When you take the required steps to protect your account, the program will, at no cost to you, reimburse your Target-sponsored qualified retirement plan account for any amount taken due to unauthorized activity and through no fault of your own.

More information, including FAQs and security requirements that must be followed in order to be eligible for reimbursement through the Alight Protection Program™ is available in the Security Center on www.targetpayandbenefits.com.

how do I enroll in the TGT 401(k)?

ENROLLMENT PROCEDURES

You can enroll in the TGT 401(k) any time at www.targetpayandbenefits.com or by calling **800-828-5850**. If you choose not to enroll when you first become eligible, but remain with Target, you may still enroll at any time.

To enroll in the Plan, you need to:

- Complete the enrollment process by choosing the Quick Enrollment option; or
- Complete the enrollment process by choosing a percentage of your pay to contribute, how you want your contributions taken from your pay, and the funds in which you'd like to invest your contributions; and
- Choose a beneficiary

how do I choose a beneficiary?

PRIMARY AND SECONDARY BENEFICIARIES

When you enroll in the TGT 401(k), you will be asked to name one or more primary and secondary beneficiaries for your account. If you die, the full value of your TGT 401(k) account will be paid to your primary beneficiary (or in the designated portions to each surviving primary beneficiary that you name). It is very important for you to review and keep your beneficiary information up to date so that in the event of your death, your TGT 401(k) account can be paid out in accordance with your wishes.

If your primary beneficiary(ies) does not survive you, your account is paid to your secondary beneficiary (or in the designated portions to each secondary beneficiary that survives you). Secondary beneficiaries take effect only if all of your primary beneficiaries die before you.

If no beneficiaries survive you or if no beneficiary election is on file, your TGT 401(k) account is paid in the order listed below:

- Your spouse (if you have a spouse who survives you);
- Your estate.

*The U.S. Secure Act updated the required minimum distribution age from 70½ to 72. However, if you reached age 70½ prior to 2020, your required minimum distribution begin date remains age 70½.

BENEFICIARY IF MARRIED

If you are married, your spouse is automatically your sole primary beneficiary. You may name someone other than your spouse as your primary beneficiary only if both you and your spouse complete the Beneficiary Designation Authorization form and sign the form in the presence of a notary public. A new consent by your spouse is required for any change in your primary beneficiary. You may name anyone you choose as your secondary beneficiary(ies).

BENEFICIARY AFTER DIVORCE

A divorce decree does not automatically revoke your designation of your former spouse as your beneficiary. You should consider designating a new beneficiary following a divorce, unless you have a qualified domestic relations order (QDRO) that requires you to treat your former spouse as your beneficiary. For more information about QDROs, see page 19.

BENEFICIARY IF SINGLE

If you are single, you may name anyone you choose as your primary and secondary beneficiaries.

BENEFICIARY IF MARRIED LATER

Should you get married after your began participating in the Plan, any primary beneficiary designation made previously will be voided and your spouse will automatically be your sole primary beneficiary.

If after you are married, you wish to name someone other than your spouse as your primary beneficiary, your spouse must consent to that designation. You can obtain that consent using the Beneficiary Designation Authorization form as described in the "Beneficiary if Married" section above.

BENEFICIARY DESIGNATION

You can make your beneficiary designation online at www.targetpayandbenefits.com or by calling **800-828-5850**. You can revise your beneficiary designation at any time. The Plan disregards any beneficiary designation that has not been recorded electronically on the Plan's records. You can check your electronically recorded designation online at www.targetpayandbenefits.com or by calling **800-828-5850**.

COMMENCEMENT OF BENEFITS TO BENEFICIARY

Your beneficiary can request a distribution at any time after you die. If your beneficiary is your spouse, the balance may be left in the Plan until you would have reached age 72, and minimum required distribution rules apply. The rules vary depending on whether you die before or after reaching age 72 and beginning minimum required distributions.* Your beneficiary will be informed of their options upon your death. If your beneficiary is not your spouse, your entire account balance will be automatically paid to your beneficiary as a lump sum distribution approximately 90 days following your death unless your beneficiary elects to receive a distribution sooner.

how do I contribute to the TGT 401(k)?

CHOOSING A PERCENT OF CONTRIBUTION

You can select any whole percent from 1 percent to 80 percent of your pay to be contributed each pay period to the Plan. Each pay period Target will match your contributions dollar for dollar, up to 5 percent of your pay. If you contribute at least 5 percent of your pay to the Plan each pay period you will receive the maximum company match. You receive company matching contributions only if you make contributions to the Plan.

EXAMPLE:

A team member who earns \$500 a week chooses to contribute 5 percent of pay to the Plan. This equals a \$25 contribution each week, or \$1,300 a year.

Team member contribution	\$ 1,300
Company matching contribution	\$ 1,300
Total contribution	\$ 2,600

The percentage of pay that you choose to contribute is deducted from your paycheck each pay period. The percent of contribution applies to all of your eligible pay, including any overtime, bonuses, or commissions that you receive. For example, if you contribute 5 percent of your pay to the Plan and you receive overtime pay, 5 percent of the overtime pay is also contributed to the Plan.

If your pay increases or decreases, the dollar amount of your contributions increases or decreases automatically. For example, if you contribute 5 percent of your pay, and your pay increases from \$500 a week to \$600 a week, your contributions will increase from \$25 a week to \$30 a week. Target matching contributions will also increase from \$25 a week to \$30 a week.

*Limits are determined on an annual basis by the IRS. For the most current limits, visit www.irs.gov.

You can change the percentage of pay that you contribute in the Plan at any time. You can also choose to have your contribution percent increased automatically in April of each year.

TGT 401(K) CONTRIBUTION LIMITS

Internal Revenue Service (IRS) regulations and Plan provisions limit your annual TGT 401(k) contributions in certain situations. Your contributions in any year (including both before-tax and Roth contributions) may not exceed the limit set by the IRS. For 2022, the limit is \$20,500.*

If you reach the annual contribution limit, your contributions will automatically stop for the remainder of the year and will begin again in the next calendar year. Your company match contributions will also stop at this time.

If you miss any company match due to reaching the contribution limit or contributing at different rates throughout the year, any additional match to which you are entitled will be contributed to your account on the last business day of the plan year.

The IRS also requires a balance of contributions between team members designated by the IRS as "highly compensated" and all other team members. The level of income used to determine who is "highly compensated" is adjusted by the IRS each year. Because of this, the amount of annual compensation that is eligible for contributions is limited. For 2022, the limit is \$305,000.* Any pay in excess of the IRS compensation limit is not eligible for TGT 401(k) contributions.

Your TGT 401(k) contributions will automatically stop upon the earlier of you reaching the annual contribution limit or your pay reaching the annual IRS compensation limit, and will begin again in the next calendar year.

how do I contribute to the TGT 401(k)? (cont'd)

CHOOSING BEFORE-TAX, ROTH, OR REGULAR AFTER-TAX CONTRIBUTIONS

You can choose a combination of before-tax, Roth, and regular after-tax contributions, as long as total contributions do not exceed 80 percent of your pay.

You have three choices for saving in the TGT 401(k):

- **Before-tax:** Reduces taxable income now. Contributions and earnings are taxable at distribution.
- **Roth:** Does not reduce taxable income now. Both contributions and earnings are tax-free at distribution if certain requirements are met.

- **Regular After-tax:** Does not reduce taxable income now. Earnings are taxable at distribution.

Or, choose any combination of these three. Whichever you choose, Target will match your contributions dollar for dollar, up to 5 percent of your pay. All company match contributions will be before-tax.

You can change how your contributions from future eligible pay will be made at any time.

WHICH FORM OF CONTRIBUTION IS RIGHT FOR YOU?

Each person's situation and financial goals are different. The following information will help you decide, but it's best to talk with your tax advisor or financial planner to decide what is right for you.

	BEFORE-TAX	ROTH	REGULAR AFTER-TAX
Eligibility	Team members are eligible after reaching age 18 and completing 90 days of service*		
Tax on Contributions	Contributions are made before-tax and reduce current taxable income	Contributions are made after-tax and do not reduce current taxable income	
Maximum Contribution (Dollars)	\$20,500 in 2022; contributions made both on a before-tax and Roth basis count toward this limit	N/A	
Maximum Contribution (Percentage)	The maximum percentage of eligible pay you can contribute to the plan is 80 percent. This includes before-tax, Roth and regular after-tax contributions		
Catch-Up Contribution Limit (Age 50+)	\$6,500 in 2022; contributions made both on a before-tax and Roth basis count toward this limit	N/A	
Company Match Contributions	Target will match your contributions dollar for dollar, up to 5 percent of your pay. All company match contributions will continue to be before-tax		
Participant Loans	You are eligible to take loans in accordance with plan rules		
Distributions While You are an Active Team Member	Before age 59½, you can generally only withdraw funds in case of financial emergency		You can withdraw funds at any time
Tax on Distributions	The entire balance of your before-tax account is subject to tax	None of your Roth account is subject to tax if you satisfy a five-year waiting period and are at least age 59½ at the time of distribution**	Investment earnings from your regular after-tax contributions are subject to tax

*Team members defined as highly compensated employees (HCEs) may make before-tax and Roth contributions only.

**Distributions are also tax-free upon disability or death, if your Roth 401(k) account has satisfied the five-year waiting period.

CATCH-UP CONTRIBUTIONS

Team members who are age 50 or older in a plan year can make additional catch-up contributions to their 401(k) account. Catch-up contributions help you boost your retirement savings as you near retirement. They're designed for team members who are contributing the maximum before-tax or Roth amount and want to contribute more money on a before-tax or Roth basis.

The annual maximum dollar amount for catch-up contributions and the maximum before-tax limit may increase annually.

Please keep in mind the following:

- Your total before-tax, Roth, and regular after-tax and catch-up contribution percentages cannot be greater than 80 percent of your eligible compensation;
- Catch-up contributions are not eligible to receive company match contributions.

MILITARY LEAVE

If you have missed the opportunity to make contributions because you were on military leave for which you have federal reemployment rights, you have the right to make additional contributions for the missed payroll periods and receive a company match contribution. This right is in effect for a period of time equal to three times your leave period, but only up to five years. For the purpose of determining your limits, your pay will be considered to be equal to your pay in effect before you went on military leave. If you have any questions or wish to make up these contributions, contact a Target Benefits Center representative.

ROLLOVERS

A rollover is the movement of taxable money from one company's qualified retirement plan into another. Team members can roll over money into the TGT 401(k) immediately upon hire or any time thereafter if the rollover is coming directly from another qualified employer plan or a qualified Individual Retirement Account (IRA).

If you have a Roth 401(k) account that is eligible for rollover, you may roll this into the TGT 401(k). However, current federal law does not permit the rollover of a Roth IRA to a 401(k).

Rollover contributions may not include any regular after-tax contributions. Visit www.targetpayandbenefits.com to request a 401(k) rollover deposit form. You will be asked to provide verification that the rollover is coming from a qualified source before you can make the contribution. Call a Target Benefits Center representative at **800-828-5850** to get more information and to determine if your funds qualify.

how does Target contribute to the TGT 401(k)?

TARGET CONTRIBUTIONS

Target has chosen to make matching contributions to the TGT 401(k) on behalf of participating team members equal to 100 percent (dollar for dollar) on the first 5 percent of your eligible pay that you contribute as before-tax, Roth, or regular after-tax contributions. Company matching contributions will be invested in the same funds as your other contributions.

All company match contributions will be made to your before-tax account. Matching contributions are made to your account each pay period and are always 100 percent vested. Your before-tax, Roth, and regular after-tax contributions and earnings on those contributions are

owned by you at all times, and are payable to you when you leave Target.

If your contributions to the TGT 401(k) stop before the end of the year due to reaching your annual limit on contributions, any additional match to which you are entitled will be contributed to your account on the last business day of the plan year.

The TGT 401(k), by law, cannot recognize annual compensation in excess of a certain dollar limit. This limit is \$305,000 for 2022 and may be adjusted in later years for cost of living increases.

how can I invest plan contributions?

INVESTMENT CHOICES

You can choose to invest your account in any combination of the available investment funds, subject to any purchase restrictions that may apply to you (see Page 16). Each of the funds has a specific investment goal and risk level. If you do not make an investment election, your account will be invested in the LifePath Fund closest to your retirement date. The LifePath Funds are the Plan's Qualified Default Investment Alternative.

To make it easier, the funds are organized into three groups tied to your investment expertise and desire to personally customize your investment strategy. These groups are the **Blended Group**, the **Core Group**, and the **Specialty Group**. In reviewing this information, remember that past performance is no guarantee of future performance. When making investment decisions about your retirement savings, it is important to consider at least two types of risk, market risk and retirement shortfall risk:

Market risk

The risk that an investment will fluctuate in value, particularly over short periods of time. An investment with low market

risk will typically experience fairly small changes in value. An investment with high market risk will tend to experience larger changes in value.

Retirement shortfall risk

The risk that an investment will not grow enough to provide sufficient income at retirement. An investment with low retirement shortfall risk has a greater chance to outpace inflation over the long term and provide adequate income at retirement. An investment with high retirement shortfall risk is less likely to exceed inflation, thus possibly not providing enough income at retirement.

Often investments with higher market risk have lower retirement shortfall risk and vice versa. In making your investment choices, you have to decide how much risk is right for you.

Important information regarding Company Stock:

The Target Corporation Common Stock Fund is frozen. That means you may not invest new contributions or reallocate existing Plan account balances into the Target Corporation Common Stock Fund.

PROFESSIONAL INVESTMENT ADVICE FROM ALIGHT FINANCIAL ADVISORS (AFA)

You can get help managing your retirement money in two ways:

1 Online Advice

Online Advice from AFA provides a personalized retirement evaluation and an income forecast showing if you are on track to meet your investment goals when you retire. You can fine-tune your retirement strategy by exploring different contribution rates, risk levels, retirement goals, and further personalizing your profile. AFA will give you specific investment and savings recommendations for your TGT 401(k) that you can apply to your account. There is no additional fee charged for using this service.

2 Professional Management

This program provides professional investment management of your retirement account for a competitive fee. AFA selects a mix of investments based on your age, risk tolerance and, retirement goals and other personal preferences. Your portfolio is reviewed monthly and your investments are updated appropriately as the markets change and you get closer to retirement.

Target has hired Alight Financial Advisors, LLC (AFA) to provide investment advisory services to plan participants. AFA has hired Financial Engines Advisors L.L.C. (FEA) to provide sub-advisory services. AFA is a federally registered investment advisor and wholly owned subsidiary of Alight Solutions, LLC. FEA is a federally registered investment advisor. Neither party guarantees future results.

Visit www.targetpayandbenefits.com and click on "Investment Advice" under Savings & Retirement for more information.

how can I invest plan contributions? (cont'd)

BLENDING GROUP

Asset allocation is one of the most important investment decisions that you will make. Choosing the appropriate long-term asset mix for your investments will depend on your personal objectives, your personal timeline, and your tolerance for risk. The Blended Group funds offer the easiest way to make your asset mix selection. The diversified funds combine stocks and bonds in different percentages based on the fund's target year. They are intended for first-time investors, investors who don't feel comfortable customizing their own portfolios, or for investors who simply don't have the time to spend reviewing their investments. To best use the funds, simply select the one fund closest to your retirement date.

Blended Group funds include:

- LifePath® Retirement Fund
- LifePath® 2025 Fund
- LifePath® 2030 Fund
- LifePath® 2035 Fund
- LifePath® 2040 Fund
- LifePath® 2045 Fund
- LifePath® 2050 Fund
- LifePath® 2055 Fund
- LifePath® 2060 Fund
- LifePath® 2065 Fund

Investment objective

The LifePath funds provide you with a well-diversified blend of investments that is automatically adjusted to lower market risk levels as you near retirement. To best use the funds, simply select the one fund closest to your retirement date.

You don't need to take any further action as gradually over time the fund's manager will adjust the asset mix of the fund to include more bonds and fewer stocks. The funds are designed for all TGT 401(k) participants, from first-time users to experienced investors. For many participants, a LifePath fund may be the only investment option they need to select. In selecting a LifePath fund, you should be willing to take a long-term perspective and not be overly sensitive to the year-to-year fluctuations that the fund's returns may experience. Investments in a LifePath fund are not guaranteed and participants in the fund can lose money, including at and after the selected retirement date.

Fund investments

The funds hold several different types of investments. Each investment is designed to track a specific market index. The table below lists the fund's current investments and market indices.

Market risk

Moderate. The longer the time horizon of a particular LifePath fund, the larger its allocation to stocks and therefore its market risk. However, it is recommended that you select a fund closest to your retirement date and take a long-term investment perspective.

Retirement shortfall risk

Low. LifePath funds are designed to lower their allocations to stocks and increase their allocations to bonds as time passes. It is recommended that you select the fund closest to your retirement date. Used in this way, the retirement shortfall risk of the funds is low.

	INVESTMENT	INDEX
Bonds	U.S. Bonds	Bloomberg U.S. Aggregate Bond Index
Bonds	U.S. Treasury Inflation Protected Securities	Bloomberg U.S. TIPS Index
Commodities	Commodities	Bloomberg Commodity Index
Real Estate Stocks	Global Real Estate Stocks	FTSE Global Real Estate Index
International Stocks	International Stocks	MSCI All Country World (excluding U.S.) IMI Index
U.S. Stocks	U.S. Large/Mid Cap Stocks	Russell 1000 Index
U.S. Stocks	U.S. Small Cap Stocks	Russell 2000 Index

CORE GROUP

These basic funds cover a wide range of investment types. They let you construct diversified portfolios on your own. You can combine them in any way that you wish and even add one or more of them to a Blended Group fund to create your own custom blend of stocks, bonds, and money market investments.

MONEY MARKET OPTION

Investment type

Short-term U.S. government and credit securities.

Investment objective

The fund is designed to provide you with a very conservative investment option with returns similar to money market funds.

Fund investments

The fund invests in high-quality, short-term U.S. government and credit securities.

Market risk

Very low. Returns will be less volatile than funds that include longer-term bond or stock investments. There is very little market risk investing in the fund.

Retirement shortfall risk

Very high. The conservative nature of the investments means that its expected return is well below those of portfolios that include longer-term bonds or stocks. This fund has the highest retirement shortfall risk of all the TGT 401(k) investment options.

INTERMEDIATE-TERM BOND INDEX FUND

Investment type

Intermediate-term U.S. government and credit securities.

Investment objective

The fund is designed to provide you with returns similar to those produced by the Bloomberg U.S. Intermediate Government/Credit Bond Index.

Fund investments

The fund invests in high-quality, intermediate-term U.S. government and credit securities.

Market risk

Very low. The returns will be less volatile than funds that include stock investments.

Retirement shortfall risk

High. The conservative nature of the fund's investments means that its long-term expected return is well below those of portfolios that include stocks.

INFLATION PROTECTED BOND INDEX FUND

Investment type

U.S. Treasury Inflation Protected Securities.

Investment objective

The fund is designed to provide you with returns similar to those produced by the Bloomberg U.S. TIPS Index.

Fund investments

The fund holds all of the securities that make up the Bloomberg U.S. TIPS Index. As a result, the fund's return will be similar to the returns produced by the entire U.S. Treasury Inflation Protected Securities market.

Market risk

Moderately low. Because the fund invests in bonds whose value is tied to movements in interest rates, its returns will be more volatile than money market investments, but less volatile than funds that include stock investments.

Retirement shortfall risk

Moderately low. Inflation protected bonds are designed to provide you with income that will not be depreciated in terms of real purchasing power, regardless of the level of future inflation. However, long-term expected returns on these bonds are lower than the expected returns on stocks.

U.S. LARGE COMPANY STOCK INDEX FUND

Investment type

U.S. large company stocks.

Investment objective

The fund is designed to offer you returns similar to those produced by the Standard & Poor's 500 Composite Stock Index (the S&P 500).

Fund investments

The fund invests in all 500 stocks that make up the S&P 500 Index, a widely recognized indicator of the performance of U.S. large company stocks. These stocks represent approximately 80 percent of the U.S. stock market's value. As a result, the fund's returns will be similar to the returns produced by the entire U.S. stock market, although the fund does not include the small company segment of the market.

how can I invest plan contributions? (cont'd)

Market risk

Moderately high. Because the fund invests entirely in stocks, its returns will be more volatile than funds that include bonds or money market investments. However, because the fund invests primarily in U.S. large companies, this volatility has historically been somewhat less than that experienced by other all-stock funds available in the Core and Specialty Groups.

Retirement shortfall risk

Low. U.S. stocks have historically produced much higher long-term returns than either U.S. bonds or money market investments. Over the long term, their returns have far exceeded inflation.

U.S. SMALL COMPANY STOCK INDEX FUND

Investment type

U.S. small company stocks.

Investment objective

The fund is designed to offer you returns similar to those produced by the Russell Small Cap Completeness Index.

Fund investments

The fund attempts to own all stocks that make up the Russell Small Cap Completeness Index. The index is composed of the largest 3,000 U.S. stocks by market value excluding the 500 stocks in the S&P 500.

Market risk

High. Because the fund invests entirely in stocks, its returns will be more volatile than funds that include bonds or money market investments. Further, U.S. small company stocks in the past have experienced greater fluctuations in value than have U.S. large company stocks, adding to the fund's market risk.

Retirement shortfall risk

Low. Historically, U.S. small company stocks have outperformed U.S. large company stocks over the long term. Even when U.S. small company stocks have underperformed U.S. large company stocks for an extended period of time, U.S. small company stock returns have usually far exceeded inflation.

INTERNATIONAL DEVELOPED MARKETS STOCK INDEX FUND

Investment type

Stocks of large companies in non-U.S. countries with developed capital markets.

Investment objective

The fund is designed to offer you returns similar to those produced by the MSCI EAFE (Europe, Australasia, and the Far East) Index.

Fund investments

The fund attempts to own all stocks that make up the EAFE Index. The index represents the stock market performance of those countries that have well-established and mature capital markets. Examples include the United Kingdom, Germany, and Japan.

Market risk

High. Because the fund invests entirely in stocks, its returns will be more volatile than funds that include bonds or money market investments. Further, international stocks have historically experienced greater fluctuations in value than U.S. stocks, due in large part to changes in the value of the U.S. dollar relative to the currencies in which the fund's foreign investments are made.

Retirement shortfall risk

Low. Historically, while international stock prices have not always moved in the same direction as U.S. stocks, their long-term returns have been fairly similar and therefore have far exceeded inflation.

SPECIALTY GROUP

This group is designed for investors with some investing experience and a higher tolerance for risk who wish to add a more aggressive component to their investment strategy. A purchase restriction applies to the Target Corporation Common Stock Fund in this group.

TARGET CORPORATION COMMON STOCK FUND

Contributions or transfers into the Target Corporation Common Stock Fund are no longer permitted. However, any amounts that are invested in shares of the Target Corporation Common Stock Fund may remain in your account.

Investment type

Single U.S. large company stock.

Investment objective

The fund is designed to offer you returns similar to those produced by the common stock of Target Corporation.

Fund investments

The fund invests virtually all of its assets in Target Corporation common stock. A small cash reserve is held to accommodate withdrawal requests. Like all TGT 401(k) funds, this fund is valued using unit-based accounting. This means you own units of a fund that consists primarily of Target Corporation common stock.

Market risk

Very high. Because the fund invests in a single stock, it is not a diversified investment. That means that events (both good and bad) affecting only Target's stock price cannot be offset by events uniquely affecting the prices of other companies' stocks. The result is a greater volatility of returns than for investment options that have multiple stock holdings.

Retirement shortfall risk

Moderate. How a single company's stock is likely to perform over the long term relative to a diversified portfolio of stocks is difficult to estimate. While the retirement shortfall risk of a diversified stock portfolio is generally low, it is higher for a fund investing in one company's stock because the fund's performance is so heavily dependent on the financial results of Target Corporation.

INTERNATIONAL EMERGING MARKETS STOCK INDEX FUND

Investment type

Stocks of companies in non-U.S. countries with emerging capital markets.

Investment objective

The fund is designed to offer you returns similar to those produced by the MSCI Emerging Markets Index.

Fund investments

The fund owns a broad sample of stocks from the Emerging Markets Index. The index represents the stock market performance of countries with relatively immature capital markets. Examples include Brazil, Russia, India, and China.

Market risk

Very high. The performance of emerging market stocks has historically been highly volatile over the short term, not only due to changes in local economic and political conditions, but also due to movements in the value of the U.S. dollar relative to the currencies in which the fund's foreign investments are made.

Retirement shortfall risk

Low. The period for which emerging market investments have been available is quite short (approximately 30 years), making it difficult to draw conclusions about historical relationships with U.S. stocks. If, over the long run, international emerging market stocks perform in line with U.S. and other developed market stocks, then a diversified investment in international emerging stock markets, such as that offered by the fund, has low retirement shortfall risk.

how can I invest plan contributions? (cont'd)

OTHER INVESTMENT CONSIDERATIONS

The TGT 401(k) is a self-directed investment plan with a diverse set of available investment options. This means that you, as a participant, are permitted to direct the investments in your account in accordance with the limits of the Plan. Target intends for the Plan to be an ERISA Section 404(c) Plan. Section 404(c) provides that if a participant controls the investment of his or her plan account, then the participant is solely responsible for investment results, including both earnings and losses. Target cannot give you investment advice or manage your account for you, and Target is not responsible for the results of your investment decisions.

In summary, it is your responsibility to monitor your investment options and decide what investment mix is right for you. Target will provide you information designed to help you fulfil that responsibility.

Following the completion of each month, you will have access to updated performance reporting (Fund Fact sheets) regarding the available investment options online at www.targetpayandbenefits.com. You may also request hard copies of the Fund Fact sheets (as of Dec. 31) by calling **800-828-5850**. You should treat those summaries as being part of this Summary Plan Description.

To obtain further information about your investment options, including copies of the annual fee disclosure notice, prospectuses, financial statements and reports, expenses, and values of shares or units, visit www.targetpayandbenefits.com or call **800-828-5850**.

All TGT 401(k) funds are valued using unit-based accounting. Funds are valued at the 4 p.m. Eastern time closing price on the New York Stock Exchange (NYSE).

Information about transferring money between funds is in the section "How do I change my contributions or investments?" on page 16.

ADMINISTRATIVE EXPENSES

Many of the administrative expenses of the TGT 401(k) are paid from Plan assets.

For example, expenses connected with the purchase or sale of securities for the funds, such as brokerage fees, commissions, and stock transfer taxes, are added to the cost of the securities or deducted from the proceeds of their sale. The processing and other administrative fees of Alight Solutions, which maintains the Plan's recordkeeping system, as well as fees related to educational and other materials provided to Plan participants are paid from Plan assets. As a result, these expenses are ultimately paid by Plan participants. In addition, Target has reserved the right to charge certain expenses directly to the individual Plan participant (e.g., the cost of processing a loan).

IS THE TGT 401(K) INSURED?

There is no way to buy insurance to cover investment risk. Recognizing this fact, Federal law specifically exempts thrift or savings plans like the TGT 401(k) from purchasing plan termination insurance from the Pension Benefit Guaranty Corporation.

ADDITIONAL COMPANY STOCK FUND INFORMATION

Target Corporation common stock is publicly traded on the New York Stock Exchange (NYSE) under the stock symbol TGT and you can determine the value at any time by visiting www.NYSE.com. However, the return on the Target Corporation Common Stock Fund will not precisely match the return on Target Corporation common stock due to investment management and administrative fees charged to the Fund as well as the need of the Fund to carry a small cash reserve to accommodate participants' withdrawals.

Dividends paid on shares of Target Corporation common stock held in the Plan will be the same as dividends paid to all other shareholders and are determined from time to time by the Board of Directors. After the purchase freeze, dividends will still be used to purchase additional shares of Target Stock, if elected.

Any investment you make in common stock gives you voting rights at the annual meeting of shareholders and the right to direct the sale of the common stock in the event of a public tender or exchange offer for five percent or more of the outstanding Target common stock. See "ERISA statement of rights" on pages 24 and 25.

DIVIDEND ELECTIONS

Quarterly dividends paid on Target Corporation common stock (includes shares purchased with team member and company match contributions) are automatically reinvested in the Plan, unless you elect to receive them in cash. Your payout choice, which will be used for all dividends going forward, can be changed at any time. You can make your request online at www.targetpayandbenefits.com or by calling **800-828-5850**.

how do I change my contributions or investments?

PLAN CHANGES BASED ON YOUR CHANGING NEEDS

One of the advantages of the TGT 401(k) is its flexibility. You can tailor almost every part of the Plan — from percent of contribution, to contribution method, to investment strategy — to fit your particular needs. If your needs change, you can change how you use the Plan. You can make the following changes daily online at www.targetpayandbenefits.com or by calling **800-828-5850**:

- Change your contribution percentages;
- Elect to automatically increase your contribution percent every April;
- Change contribution type (before-tax, Roth, or regular after-tax);
- Change investment funds for new contributions;
- Transfer money out of one fund into other funds; and/or
- Reallocate (rearrange) how your existing balances are invested (you may also elect to automatically rebalance your account to these percentages every 30 days).

TRANSFERRING OUT OF THE TARGET CORPORATION COMMON STOCK FUND

You can transfer from the Target Corporation Common Stock Fund to another fund at any time but be aware that a purchase freeze will prevent you from later transferring back into the Target Corporation Common Stock Fund.

Requests to transfer from the Target Corporation Common Stock Fund will proportionately transfer employee contribution account balances and previously traded Company match accounts first, followed by any remaining Company match accounts.

By diversifying out of Target common stock you may lose the opportunity to take full advantage of preferential capital gains tax treatment (called “unrealized appreciation”) on distributions of Target stock when you leave Target. Since this is a complicated topic, we recommend you consult a qualified tax advisor or financial planner.

BE WELL-BALANCED & DIVERSIFIED

To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. If you invest more than 20 percent of your retirement savings in any one company or industry, your savings may not be properly diversified. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets or a particular security to perform well often cause another asset category or particular security to perform poorly. Although diversification is not a guarantee against loss, it is an effective strategy to help manage investment risk.

In deciding how to invest your retirement savings, you should take into account all of your assets, including your retirement savings outside of the Plan. No single approach is right for everyone because each individual has different financial goals, different timing for meeting their goals and different tolerances for risk.

It is also important to periodically review your investment portfolio, your investment objectives and the investment funds under the Plan to help ensure your retirement savings will meet your goals.

For more information on individual investing and diversification, refer to the Department of Labor’s website at www.dol.gov/ebsa and review the information on investing and diversification.

can I borrow money from my account?

BORROWING YOUR MONEY

There are two ways to borrow money from your TGT 401(k) account. The first is a general purpose loan that can be used for any reason. The second is a home purchase loan, which may only be used to purchase your primary residence. You must be an actively employed team member to take out a loan, since you repay what you borrow through regular after-tax payroll deductions. These payroll deductions (both loan principal and interest) are added back to your account.

You may request a loan from your account online at www.targetpayandbenefits.com or by calling **800-828-5850**.

The following are important items to remember when considering a loan:

- You may have only one general purpose and one primary residence loan outstanding at any time. Each loan must be repaid in full before you can qualify for a new loan of that type. If you pay off a loan and request a new loan, the amount you can borrow may be reduced.
- You cannot take out a new loan if you are behind on your current loan payments.
- You will be charged a one-time non-refundable loan application fee. This fee is currently \$75 per loan request and may change at the discretion of the Plan Administrator. It is subtracted from the actual proceeds mailed to you.
- The minimum loan amount is \$500 for a general purpose loan and \$1,000 for a primary residence loan.
- You can borrow up to the **lesser** of these following amounts: (combined limit for all loans):
 - 50 percent of the account balance;
 - \$50,000 **minus** the highest outstanding loan balance during the last 12 months.
- The loan will be taken out of your account in the following order:
 - Regular after-tax dollars;
 - Rollover dollars;
 - Roth rollover dollars;
 - Before-tax dollars;
 - Roth 401(k) dollars;
 - Company match dollars.

Loan payments (principal plus interest) will be credited back to your account in the reverse order.

- The interest rate charged is the prime rate as published in The Wall Street Journal on the first business day of the month in which the loan is requested, plus 1 percent. The interest rate may change at the discretion of the Plan Administrator. However, once the loan is taken, the interest rate is fixed for the term of the loan.
- Interest paid by you is not deductible for income tax purposes.
- You choose the length of time needed to repay principal and interest. You have up to 3 years to repay a general purpose loan and up to 15 years to repay a primary residence loan.
- Loan payments are made on a regular after-tax basis and will be deducted automatically from your paycheck. The payroll deduction amount cannot be changed.
- You can pay off your loan in full at any time. Partial pre-payments are allowed via direct debit. You cannot take out a new loan to pay off an old loan.

LOAN BECOMING TAXABLE

Your entire unpaid loan balance becomes taxable income in any of the following circumstances:

- You fail to make any payment on or before the last day of the calendar quarter following the quarter in which the payment was due (unless you are on an authorized unpaid leave of absence);
- You are on an authorized unpaid leave of absence over 12 months;
- You terminate employment and do not repay the entire outstanding principal and interest on or before the last day of the calendar quarter following the quarter of your termination date;
- You die while actively employed and your executor or administrator does not repay the outstanding balance on or before the last day of the calendar quarter following the quarter of your date of death.

how do I withdraw my money while I'm working?

WITHDRAWALS

While the TGT 401(k) is intended as a long-term savings program, you may withdraw your contributions in the order listed below while you are still working. You can request a withdrawal from your account online at www.targetpayandbenefits.com or by calling **800-828-5850**.

Non-hardship withdrawals (listed in the chart below) may be requested online or over the phone, without completing a paper form.

You will be charged a \$20 distribution fee for each non-hardship withdrawal.

However, if you withdraw money from the regular after-tax balance in your TGT 401(k) account you will not be allowed to make any additional regular after-tax contributions for 6 months. If you want to continue receiving the company match during the 6-month suspension you can contribute to the 401(k) on a before-tax or Roth basis.

If you are making a hardship withdrawal, the appropriate form will be sent to you for completion. You will be told what additional documents, if any, are required to be submitted. The actual processing of the withdrawal will begin when the completed form is returned and approved.

TYPE OF CONTRIBUTION	WHEN CONTRIBUTIONS CAN BE WITHDRAWN
REGULAR AFTER-TAX CONTRIBUTIONS	Contributions can be withdrawn at any time. The IRS requires that any withdrawals of regular after-tax contributions made after January 1, 1987, include a proportionate amount of investment earnings. Investment earnings will be subject to a 10 percent tax penalty if you are under age 59½. If you made regular after-tax contributions prior to January 1, 1987, you may withdraw these funds without withdrawing any investment earnings.
OLD COMPANY MATCHING CONTRIBUTIONS	If you received company matching contributions prior to August 15, 2003, you may withdraw these contributions and related earnings at any time.
ROLLOVER	Contributions and related earnings may be withdrawn at any time.
BEFORE-TAX AND ROTH CONTRIBUTIONS	Prior to age 59½: Contributions and related earnings cannot be withdrawn except in cases of financial emergency (see "Withdrawing in a financial emergency" on page 19) and disability. Age 59½ and after: You do not need to meet the financial emergency requirements or provide documentation to withdraw before-tax contributions and related earnings. You may withdraw Roth contributions and related earnings without penalty provided your Roth account is at least five years old.
NEW COMPANY MATCHING CONTRIBUTIONS	While you are employed by Target, company matching contributions made after August 15, 2003 and related earnings can be withdrawn only in case of financial emergency (see "Withdrawing in a financial emergency" on page 19) or if you are 72 years old.

WITHDRAWING IN A FINANCIAL EMERGENCY

Your before-tax and Roth contributions may be withdrawn in a financial emergency/hardship. Effective January 1, 2020, the following events are considered to be financial emergencies and hardship withdrawals are permitted:

- Medical expenses for an immediate family member or your primary plan beneficiary not covered by insurance;
- Purchase of a primary residence;
- Repairs for uninsured home damage (other than wear and tear);
- Post-secondary education expenses for an immediate family member or your primary plan beneficiary for the next year;
- Prevention of eviction from home or foreclosure on home mortgage;
- Expenses and losses caused by a federally declared disaster affecting your principal residence or place of employment;
- Funeral expenses for an immediate family member or your primary plan beneficiary.

You must first withdraw any regular after-tax contributions, any company matching contributions made prior to August 15, 2003, and any rollover contributions. Your request for a withdrawal is treated as an election for the quarter to receive a cash distribution of the dividends on Company stock. See page 15 for information regarding dividend cash distribution elections.

Hardship withdrawals are not eligible for rollover into an IRA or other qualified plan. You must first withdraw any regular after-tax contributions, any company matching contributions made prior to August 15, 2003, and any rollover contributions.

The rules about hardship withdrawals have recently changed. All contribution types and related earnings are now available for hardship withdrawals. You are not required to take a loan to become eligible for a hardship withdrawal. Receiving a hardship withdrawal will not trigger a suspension of your contributions to the Plan, or to any other deferral plans offered by Target.

IF YOU ARE GETTING A DIVORCE

If you are getting a divorce, your benefit may be divided by a Qualified Domestic Relations Order (QDRO). You may work with the Qualified Order Team to write, submit and obtain qualification for a domestic relations order. You may also refer your attorney to the Qualified Order Team. Visit www.qocenter.com for information about the general process and model language that you can use to create a QDRO. You may contact the center via fax at **847-883-9313** or telephone at **800-828-5850** (ask to be transferred to the Qualified Order Team). Fax cover sheets should include your name, employer's name, plan participant's name, plan name, and the last four digits of the participant's Social Security Number. Postal mail should be addressed to Qualified Order Team, Post Office Box 1433, Lincolnshire, IL 60069-1433. Note that a \$600 fee is assessed for dividing 401(k) benefits, which is split evenly between the retirement accounts of the parties to the divorce. Please also review the information about beneficiary designations following divorce on page 4.

how do I receive my money when I retire or leave Target?

DISTRIBUTION OF YOUR ACCOUNT

Thirty days after your employment ends with Target, you may request a distribution of your TGT 401(k) account as a lump sum or in installments. You are not eligible to receive a distribution if you have been reemployed by Target.

Account balances \$1,000 or less

If your account balance is \$1,000 or less, and you haven't received a total distribution of your account balance, your account will automatically be paid to you on the last business day of the quarter following the quarter of your termination date.

Account balances over \$1,000 but less than or equal to \$5,000

If your account balance is \$5,000 or less but greater than \$1,000, as of the last business day of the quarter following the quarter of your termination date and you do not direct otherwise, your account balance will be automatically rolled over into an IRA set up in your name at Millennium Trust.*

If you have questions about your IRA, you should contact: **877-682-4727**.

Account balances greater than \$5,000

If your vested account balance is greater than \$5,000, you may request distribution at a later time. You are not required to receive any distribution until the year you reach age 72.** If you don't request a distribution, you will be paid a minimum distribution at the end of the year in which you reach age 72 or leave Target, whichever is later. More information about minimum distributions is in the section "Required minimum distributions" on the next page.

Distributions have tax implications – Target urges you to consult a qualified tax advisor or financial planner to help you determine the form of distribution most advantageous for your situation. More information about taxation is in the section "What is the tax treatment of my distributions?" on page 22.

You can request distributions from your account starting thirty days after your employment ends online at www.targetpayandbenefits.com or by calling **800-828-5850**.

LUMP SUM DISTRIBUTION

A lump sum is a total distribution of your account received in a single cash distribution. You may have the option of receiving your Target Corporation common stock in the form of cash or a stock certificate.

INSTALLMENT DISTRIBUTIONS

You may choose monthly, quarterly, semiannual, or annual installment distributions of your account. You may start receiving installment distributions at any time. Distributions may be made using either of the following calculation methods:

Fixed number of distributions

You choose the total number and frequency of distributions you wish to receive. The amount of your installment distribution is calculated by dividing your account balance by the total number of distributions to be made.

EXAMPLE:

If you choose monthly installments for 10 years, your first distribution will be your account balance divided by 120 (the total number of distributions to be made). For the second distribution, your account balance will be divided by 119. For the third distribution, your account balance will be divided by 118, and so on.

Fixed dollar amount of distributions

You specify the dollar amount and the frequency (monthly, quarterly, semiannually, or annually) for your installment distributions. Your installment distributions continue at the amount and frequency you selected until your entire account is paid out.

ROLL OVER TGT 401(K) INTO THE TARGET PENSION PURCHASE PROGRAM

If your account balance is \$50,000 or greater (not including Roth or regular after-tax amounts) you may request to roll over a portion of your TGT 401(k) account balance into the Target Corporation Pension Plan when you retire. This option is available even if you do not have a Target Corporation Pension Plan benefit. The amount you roll over is then converted to an annuity — a lifelong monthly distribution stream. This may be a good choice if you are concerned about outliving your retirement income and want to establish the amount of your monthly distributions for the rest of your life. For more information or to request a rollover into the Pension Plan, visit www.targetpayandbenefits.com and search for "pension purchase program" to review a brochure on the program, or call **800-828-5850**.

ROLL OVER TGT 401(K) INTO ANOTHER QUALIFIED PLAN OR IRA

To process a rollover out of the TGT 401(k) to another qualified plan or an IRA, visit www.targetpayandbenefits.com or call **800-828-5850**. You will need to know the way the new plan or IRA would like the rollover check made payable and your account number for the new plan or IRA. No paperwork is

required by Target and any written asset transfer requests received by the Plan will not be processed.

REQUIRED MINIMUM DISTRIBUTIONS

This distribution method applies only to people who have left Target, have reached age 72* and have not started to receive distributions or whose distributions during the year do not total the required amount. The minimum distribution amount is calculated by taking into account a life expectancy factor based on IRS tables. Distributions are made annually at the end of the year. Distributions begin in December of the year you reach age 72 or leave Target, whichever is later.

VALUATION OF ACCOUNTS AT DISTRIBUTION

Your distribution is based on the value of your account, which is your contributions plus company matching contributions, adjusted daily for earnings or losses.

Account balances continue to be invested in your fund choices until you request distribution.

what is the distribution order of my account?

Your distribution will be taken out of your account in the following order:

Non-Roth Amounts:

- After-tax dollars
- Company matching dollars
- Rollover dollars
- Before-tax dollars

Roth Amounts:

- Roth rollover dollars
- Roth 401(k) dollars, including Roth conversion non-company matching dollars
- Roth conversion company matching dollars

Please note: Roth and non-Roth amounts are distributed separately. You are not required to take both out at the same time.

If your account is invested in more than one investment fund, distributions will be made proportionally from each investment fund. While the Plan does not allow participants to choose which investments are sold first, and the account order of payments may impact how much of a certain investment fund is sold, participants may adjust the investment of their TGT 401(k) accounts at any time.

*A different IRA Provider should be contacted for rollovers prior to June of 2021. If your automatic rollover occurred prior to June of 2021, please contact KeyBank Retirement Operations at 800-872-5553.

**The U.S. Secure Act updated the required minimum distribution age from 70½ to 72. However, if you reached age 70½ prior to 2020, your required minimum distribution begin date remains age 70½.

*The U.S. Secure Act updated the required minimum distribution age from 70½ to 72. However, if you reached age 70½ prior to 2020, your required minimum distribution begin date remains age 70½.

can I convert non-Roth balances into a Roth account?

You may be able to convert existing non-Roth 401(k) balances into a Roth account within the plan. You will pay taxes in the year of the conversion on any taxable balances converted to a Roth account. You can elect a Roth conversion by visiting

www.targetpayandbenefits.com or calling the Target Benefits Center at **800-828-5850**. Roth conversions are complex, have immediate and long-term tax impacts, and cannot be reversed. You should consult your tax advisor or financial planner before electing a Roth conversion.

what is the tax treatment of my distributions?

TAX TREATMENT OF YOUR DISTRIBUTIONS

Before-tax contributions, company matching contributions and investment earnings are taxable in the year you receive them. A distribution of your Roth contributions and earnings is free from income tax if you are at least age 59½ and your Roth account is at least five years old. Roth distributions are also free from income tax upon disability or death if your Roth account is at least five years old.

Taxable distributions you receive from the TGT 401(k) are subject to an automatic 20 percent federal income tax withholding unless you roll over the taxable portion into an IRA or qualified retirement plan. Taxable amounts include:

- Before-tax contributions;
- Investment earnings on your before-tax and regular after-tax contributions;
- Investment earnings on Roth contributions if you are not 59½ or your account is not five years old;

- Company matching contributions and earnings;
- Prior plan rollover taxable contributions and earnings.

Exceptions to required 20 percent withholding are:

- Installment distributions which are made over a period of 10 or more years;
- Distribution required under minimum distribution regulations;
- Distribution to a non-spouse beneficiary.

You may be able to defer taxes on your distribution by making a direct transfer into another employer's qualified retirement plan, an IRA, or Roth IRA.

If you elect to receive a stock certificate, the tax on any unrealized appreciation is deferred until you sell the stock.

10 PERCENT EXCISE TAX

If you are under age 59½ when you receive your money, in addition to 20 percent automatic withholding you may be required to pay a 10 percent excise tax, or penalty, on the taxable portion. This excise tax is in addition to regular income taxes.

The excise tax does not apply in the following circumstances:

- If you roll over the taxable portion to an IRA or qualified retirement plan;
- If your employment ends because of permanent and total disability;
- To the extent that you have tax deductible medical expenses;
- If your account is paid to your beneficiary after your death;
- Distribution to another person under a Qualified Domestic Relations Order;
- If you are age 55 or older when your employment terminates.

See instructions to IRS Form 5329 or speak with a tax advisor or financial planner for more information on the exceptions to this tax.

SPECIAL RULES REGARDING ROTH DISTRIBUTIONS

For purposes of determining whether your account is at least five years old and qualifies for tax-free distribution, your Roth 401(k) effective date is the first day of the year in which you first make a Roth contribution to the TGT 401(k). For example, if your first TGT 401(k) Roth contribution is made in October of 2021, your Roth effective date will be set at January 1, 2021. Any beneficiaries under your account will have this same Roth effective date that was established under your account.

Direct rollovers of Roth 401(k) contributions from other qualified plans are allowed into the TGT 401(k). If you complete a Roth 401(k) direct rollover to the TGT 401(k), your Roth effective date of the account being rolled into the TGT 401(k) will apply if it is earlier than the date you began making Roth contributions to the TGT 401(k).

The earliest Roth begin date is applied to both your Roth contributions rolled into the Plan as well as any subsequent Roth contributions to the Plan. For example, if you start making Roth contributions to the TGT 401(k) in 2021, and you later complete a Roth rollover to the TGT 401(k) of an account with an effective year of 2019, the 2019 effective date applies to your entire Roth account (both your Roth TGT 401(k) contributions as well as the Roth rollover account).

If you request a distribution and have both Roth 401(k) and non-Roth 401(k) money, you will receive separate checks for each. This will allow you to roll over, if applicable, your Roth 401(k) money and non-Roth 401(k) money to separate accounts if you choose to do so. For tax planning purposes, you will have the option to distribute Roth balances separate from non-Roth balances in the TGT 401(k).

ERISA statement of rights

As a Participant in the Target 401(k) Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (“ERISA”). ERISA provides that all Plan participants shall be entitled to:

- Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as worksites and union halls, all documents governing the Plan including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor.
- Upon written request to the Plan Administrator, obtain copies of all documents governing the operation of the Plan, the latest annual report and the Summary Plan Description (SPD). The administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan’s annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this Summary Annual Report.
- Obtain a statement of your account. This statement must be requested in writing and is not required to be given more than every twelve (12) months. The Plan must provide the statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan Administrator review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan’s decisions or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA.

TENDER OR EXCHANGE OFFERS

In the event of a tender or exchange offer for five percent or more of the outstanding Target common stock, you may direct the trustee whether to tender or exchange shares allocated to your accounts. If you fail to provide instructions, the trustee will not tender either the shares allocated to your accounts or an equivalent percentage of any unallocated shares held by the Plan.

VOTING RIGHTS

You may direct the trustee how to vote Target common stock allocated to your accounts. You will receive copies of proxy materials sent to shareholders of Target before each meeting of the shareholders. If you fail to provide voting instructions, your shares will be voted in the same proportion as the shares of all participants who gave instructions.

CONFIDENTIALITY

Your investment directions for the Target Corporation Common Stock Fund and any instructions you give the trustee as to voting and tendering shares will be held in confidence. The Plan Administrator is responsible for ensuring that confidentiality is maintained. Although certain employees have access to the trustee’s investment account records for government reporting and administrative purposes, Target has instructed them not to disclose that information for any purpose other than to comply with the requirements of the law.

ASSIGNMENT OF INTEREST

Benefits under the TGT 401(k) are intended for the personal use and protection of participating team members and their beneficiaries, and benefits may not be assigned or pledged in any manner nor may they, under the terms of the TGT 401(k), be made subject to attachments or other legal process for the debts of any team member or beneficiary. The TGT 401(k) will honor a Qualified Domestic Relations Order as that term is defined in the Internal Revenue Code.

ERISA PROVISIONS

The TGT 401(k) is subject to the Reporting and Disclosure, Participation and Vesting, and Fiduciary Liability provisions of ERISA. It is not subject to the Funding or Plan Termination Insurance provisions of ERISA. The Funding and Plan Termination Insurance provisions relate to defined benefit plans (plans that provide for a definite benefit at a future time) and are designed to assure there are funds available to meet those commitments. Since the benefits under the TGT 401(k) are the values of the respective accounts, those referenced ERISA provisions are not applicable.

AMENDMENT OF PLAN

The Plan can be amended by action of the Board of Directors, the Chief Executive Officer, or the senior ranking Human Resources Officer.

PLAN QUALIFICATION

Target has received a determination letter from the IRS indicating that the TGT 401(k) is a qualified plan for tax purposes under Section 401(a) of the Internal Revenue Code. The TGT 401(k) has been amended since the date of the determination letter.

TYPE OF PLAN

The TGT 401(k) is a defined contribution plan. It also contains Internal Revenue Code 401(k) and Employee Stock Ownership Plan features.

“TOP-HEAVY” REQUIREMENTS

Federal law requires that the TGT 401(k) contain provisions that will take effect if the TGT 401(k) ever becomes a “top-heavy” plan.

plan administration

Plan sponsor

Target Corporation
7000 Target Pkwy, NCB-201
Brooklyn Park, MN 55445

Plan administrator

Sr. Vice President, Pay & Benefits
Target
7000 Target Pkwy, NCB-201
Brooklyn Park, MN 55445

The Plan Administrator has responsibility for the Plan with two exceptions. The financial aspects of the Plan are handled by the Plan Investment Committee and State Street serves as the independent fiduciary of the Target Corporation Common Stock Fund.

Agent for service of legal process

Don Liu, General Counsel
Target
1000 Nicollet Mall, TPS-2670
Minneapolis, MN 55403

Legal process may also be served upon the Plan trustee.

Who handles TGT 401(k) money?

Money contributed to the TGT 401(k) goes into a trust established by Target with State Street Bank and Trust Company ("State Street"). State Street is the Plan trustee. The trustee holds the Plan's investments and makes distributions from the fund to Plan participants and to entities that provide services to the Plan and/or trust at the request of Target.

Plan trustee

State Street Bank and Trust Company
Institutional Investor Services
2 Avenue de Lafayette - 2nd Floor
Boston, MA 02111

Employer identification number

41-0215170
(Issued to Target by the Internal Revenue Service)

Plan year

December 31 is the end of the year for purposes of maintaining Plan records.

Plan number

002 (Assigned by Target)

Participating employers

The Plan covers eligible team members of Target and participating units as listed below:

Target Corporation
TSS/AMC
Target Custom Brokers, Inc.
Target Brands, Inc.
Target Food, Inc.
Target Enterprise, Inc.
Target General Merchandise, Inc.
Shipt, Inc.

FILING A CLAIM

To file a claim for benefits, contact the Target Benefits Center at **800-828-5850**.

If a request for benefits is denied, in whole or in part, you will be provided a written notice of the denial within 90 days (or 180 days under special circumstances) following receipt of the request. The notice will include specific reasons for the denial, reference to the Plan provision on which the denial is based, and additional information on the appeal procedure. Please note that a missed deadline or the applicable statute of limitations may be the basis for a claim denial.

How to appeal a claim

You or your authorized representative may request a review of the denied claim within 60 days after receiving the denial notice. The appeal must be made in writing and directed to:

Target 401(k) Plan Administrator
7000 Target Pkwy, NCB-201
Brooklyn Park, MN 55445

You or your representative may also have access to copies of and review, free of charge, pertinent Plan documents, and may submit issues and comments.

You will be advised in writing within 60 days from the date your appeal is received as to the decision of the Plan Administrator and the reasons for that decision. If the denial was upheld, you will receive a statement of your right to bring an action under ERISA. The venue for any such action will be the United States District Court for the District of Minnesota.

The Sr. Vice President, Pay & Benefits is the Plan Administrator for purposes of ERISA. The Plan Administrator or its designees controls and manages the operation and administration of the Plan and makes all decisions and determinations. In carrying out its Plan responsibilities, the Plan Administrator has discretionary authority to interpret the terms of the Plan.

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