

TARGET CORPORATION



POSITION DESCRIPTION

COMPENSATION COMMITTEE

FUNCTION:

To approve and recommend to the independent members of the Executive Committee of the Board of Directors all short term compensation and compensation plans for the Board of Directors, the CEO of the Corporation, and the members of the Corporate Operating Committee of the Corporation and other members of the Corporation's Senior Management Group, and to approve and authorize grants under the Corporation's Long Term Incentive Plans to members of these groups.

MEMBERSHIP:

The Compensation Committee shall consist of at least two directors, each of whom shall satisfy the independence requirements of the New York Stock Exchange and Securities and Exchange Commission including the definition of "non-employee directors" under Rule 16b-3 under the Securities Exchange Act of 1934 and "outside directors" as defined by Section 162(m) of the Internal Revenue Code. Committee members will be appointed by the Board and may be removed by the Board in its discretion. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided the subcommittees are composed entirely of directors satisfying the foregoing independence standards.

RESPONSIBILITIES:

1. Review management proposals regarding compensation philosophy, and compensation plans and guidelines for the Board of Directors, and members of the Corporate Operating Committee and other Corporate SMGs of the Corporation and report conclusions to the independent members of the Executive Committee of the Board. (Such review includes plans and administration of plans, relative to base salary, short term incentives, long term incentives, and all executive benefits and perquisites.)
2. Evaluate the performance of the CEO as it relates to all elements of compensation.
3. Review and approve corporate goals and objectives relevant to the CEO's compensation and establish an appropriate compensation level, pertaining to all elements of compensation for the CEO, based on a review of compensation practices for the CEOs in the retail industry, other appropriate industries, the company's compensation philosophy, goals and objectives, and the CEO's performance. When determining the long-term

component of the CEO's compensation, the Committee shall consider the Corporation's performance and relative shareholder return, the value of similar incentive rewards to CEOs at comparable companies and awards given to the Corporation's CEO in past years. Such determination will be reviewed for final approval by the independent members of the Executive Committee of the Board.

4. Annually review with the CEO the performance scores and compensation of the other members of the Corporate Operating Committee.
5. Review the CEO's recommendation for compensation, including base salary, short term incentive and long term incentive and equity, for all top corporate officers and inside directors, and make related recommendations to the independent members of the Executive Committee of the Board.
6. Serve as the Plan Committee designated in the various Short Term and Long Term Incentive Plans of the Corporation. The recommendations with respect to grants of options and performance shares and earnouts of performance shares must either be accepted or rejected by the independent members of Executive Committee and cannot be modified by the independent members of Executive Committee.
7. The Committee chairman will countersign all compensation changes approved by the Committee (including base salary, short term incentive awards, and long term incentive awards) for the Chairman of the Board and CEO, and for the Chairman of the Executive Committee, and will empower the CEO to sign all approved compensation changes for Corporate Operating Committee members.
8. Review management proposals and make recommendations to the full Board concerning additions, deletions or changes in existing qualified benefit plans, proposals for new qualified benefit plans, and all other compensation proposals requiring the approval of the Board.
9. Possess sole authority to retain or terminate, as it deems necessary or appropriate, a compensation consultant or other advisors to assist in the evaluation of directors, the CEO or senior executive compensation. The Corporation will provide appropriate funding, as determined by the Committee, to compensate any such compensation consultant or other advisors.
10. Produce an annual report on executive compensation for inclusion in the Corporation's proxy statement.
11. Report regularly and propose any necessary action to the Board.

12. Annually evaluate its own performance and the adequacy of its position description.