



# ZERO-EMISSION SHIPPING REPORT CARD

37.25  
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**The Ship it Zero Report Card grades companies based on the Ship it Zero campaign's three campaign demands, which are End Port Pollution Now, Abandon Dirty Ships, and Put Zero at the Helm. Target received an F in the ending port pollution category; an F in abandoning dirty ships; and a D in putting zero at the helm. Overall, Target earned only 37.25 / 100 available points, or an F grade, on the Ship it Zero 2023 Report Card for the company's actions to date to end its ocean shipping pollution.**

Target has taken some positive steps to address its ocean shipping pollution. In September 2022, the company joined the Cargo Owners for Zero Emission Vessels (coZEV), which commits to achieving 100% zero-emission ocean shipping by 2040. Target has set Scope 1, 2 & 3 targets that have been verified by the Science Based Targets initiative (SBTi). It is committed to reducing its absolute Scope 3 greenhouse gas emissions by 30% by 2030 from a 2017 baseline. This 2030 Scope 3 commitment includes "retail purchased goods and services," but it is unclear whether this includes maritime shipping.

Port and coastal neighborhoods are predominantly black and brown communities, and bear the greatest pollution burdens from corporate inaction to address emissions. Target has not taken steps to quantify its criteria air pollution (nitrogen oxides, sulfur oxides, particulate matter, ozone, carbon monoxide) footprint. The company has made statements of support for vehicle electrification and zero-emission transportation, but no supporting data was provided for how it is supporting this transition. Target has failed to make any other public commitments or take any actions to reduce air pollution in port communities. For example, Target has failed to ship goods on shore-power-ready vessels or publicly support policy or regulatory measures to reduce port pollution.

Target could be doing more to implement its commitments and policies. Target reports urging suppliers to adopt the SBTi (Science-Based Targets initiative) and taking steps to optimize the efficiency of its packaging, both of which earned it points. Yet Target has failed to report working with carriers, ports, regulators and policymakers and/or entering partnerships or investing financially in the development of zero-emission vessel (ZEV) shipping corridors and/or ZEV technologies, ZEV infrastructure projects and newbuilds. It has also not reported any pilot projects or contracts for lower emission ocean shipping programs from cargo carriers, unlike many of its competitors.

Target does engage in advocacy efforts through trade associations. In addition to coZEV, Target is active in the Sustainable Freight Buyers Alliance, Clean Energy Buyers Association, Carbon Disclosure Project's Supply Chain program, CERES, Race to Zero, and the Business Ambition for 1.5. Unfortunately, Target has failed to join the Zero Emission Maritime Buyers Alliance (ZEMBA) or the First Movers Coalition. Target has also expressed support for strengthening the level of ambition of the GHG reduction policies generally.

Target completed the Carbon Disclosure Project's (CDP) annual climate survey and received the maximum points in the Ship It Zero report card for reporting its emissions transportation emissions, including from maritime transportation. Few companies in the report card took this step, and Ship It Zero applauds Target's effort in this area. However, these emissions were not reported by transportation mode, but rather as one emissions figure. We would encourage Target to break down its upstream transportation emissions by transport mode in its reporting.

Target earned points for reporting its Scope 1, 2 & 3 greenhouse gas emissions and for reporting some criteria pollutants. Target could improve its transparency grade by disclosing its maritime cargo carriers and volumes of goods/carrier, modes of product transport by percentage of goods, percentage of goods on lower emission & ZEV vessels, and fuels or technologies employed by lower emission and zero-emission vessels.

At #33 on the Fortune 500, with revenue of \$109 billion and profit of \$2.7 billion, Target Corporation can afford to provide more leadership to address the climate and public health impacts of its supply chain maritime shipping.

Ship It Zero calls on Target to commit to 100% zero-emission ocean shipping by 2030 and rapidly implement shorter-term greenhouse gas and air pollution reduction solutions. Examples of such steps include shipping exclusively on shore power-ready vessels, prioritizing ports with shore power availability for container ships, opting for slow steaming for its cargo, and opting for for lower emission ocean shipping — whether through Maersk's ECO delivery or some other negotiated agreement with carriers — while zero-emission fuels and technologies are brought to scale.

Ship It Zero also encourages Target to consider joining the Zero Emission Maritime Buyers Alliance (ZEMBA), which offers collaboration and collective purchasing power to accelerate the transition to zero-emission ocean shipping.





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End Port Pollution Now | TOTAL SCORE: 8.5

Performance Criteria	Possible Points	Company Score
<b>End Port Pollution Now: Commitment</b> (30% of category grade)	10.5	3
<ul style="list-style-type: none"><li>Publicly-stated air pollution reduction commitment</li><li>Commitment to shipping goods on shore power-ready vessels</li><li>Member of corporate initiatives that reduce air pollution (coZEV, ZEMBA)</li><li>Founding member of coZEV, ZEMBA</li></ul>	5 1 3 1.5	0 0 3 0
<b>End Port Pollution Now: Implementation Plan</b> (20% of category grade)	7	0
<ul style="list-style-type: none"><li>Taking steps to quantify air pollution from transport of goods on oceangoing vessels</li><li>Providing funding directly or indirectly for air pollution reduction measures/fuels/infrastructure in ports (ZEV, operations, drayage)</li><li>Have a logistics policy that prioritizes clean ports/carriers, air pollution reductions with benchmarks</li><li>Deducting points for LNG/CNG port operations and drayage</li></ul>	2 3 2 -1	0 0 0 —
<b>End Port Pollution Now: Advocacy</b> (20% of category grade)	7	1
<ul style="list-style-type: none"><li>Dedicated staff negotiating with ports for pollution reduction operational measures, infrastructure and/or fuels</li><li>Public support for policy or regulatory measures to reduce port pollution (climate)</li><li>Joining coZEV</li></ul>	2 4 1	0 0 1
<b>End Port Pollution Now: Transparency</b> (30% of category grade)	10.5	4.5
<ul style="list-style-type: none"><li>Annual reporting on overall GHG and criteria pollutant emissions (Scope 1-3) reductions<ul style="list-style-type: none"><li>Only Scope 1 &amp; 2</li><li>Scope 1 &amp; 2 + partial criteria pollutant</li><li>Scope 1-3 + partial criteria pollutant reporting</li><li>Scope 1-3 + criteria pollutants</li></ul></li><li>Public disclosure of transport emissions</li><li>Broken down by maritime vs. terrestrial transport type (ocean vs. land)</li><li>Public reporting of routes and ports of unloading</li><li>Public reporting of percent of cargo on cleaner and shore power-ready vessels</li></ul>	3 (1) (1.5) (2) (3) 3 3.5 0.5 0.5	1.5 <sup>1</sup>    3 0 0 0

Abandon Dirty Ships | TOTAL SCORE: 11

Performance Criteria	Possible Points	Company Score
<b>Abandon Dirty Ships: Commitment</b> (30% of category grade)	9	4.5
<ul style="list-style-type: none"><li>Absolute GHG reduction targets that include Scope 3 emissions</li><li>Transport explicit targets</li><li>Maritime targets</li><li>Commitment to move cargo to lower-emission vessels immediately</li><li>Benchmarks, including reductions by 2030</li><li>100% ZEV by 2030</li><li>Using LNG or carbon credits as a purported solution</li></ul>	2 2 2 1 1.5 0.5 -2	2 1 0 0 1.5 0 —

<sup>1</sup>Scope 1-3 + no criteria pollutant reporting



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Performance Criteria	Possible Points	Company Score
<b>Abandon Dirty Ships: Implementation Plan</b> (20% of category grade)	6	-1
<ul style="list-style-type: none"><li>Contracts for lower-emission maritime transportation or goods transported on lower-emission maritime transportation and/or use of lower-emission vessels in cargo owner owned or chartered vessels</li></ul>	4	0
<ul style="list-style-type: none"><li>RFP for lower-emission shipping</li></ul>	2	0
<ul style="list-style-type: none"><li>Absolute emissions increases from transportation/ failure to disclose transport emissions</li></ul>	-2	-1
<ul style="list-style-type: none"><li>Absolute emissions reductions from transport</li></ul>	Bonus +2	—
<b>Abandon Dirty Ships: Advocacy</b> (20% of category grade)	6	2
<ul style="list-style-type: none"><li>Publicly support strengthening the level of ambition of the GHG reduction policies</li></ul>	4	2
<ul style="list-style-type: none"><li>Advocate against fossil fuel bunkering infrastructure expansions/for ZEV infrastructure with legislators, regulators, and/or ports</li></ul>	2	0
<b>Abandon Dirty Ships: Transparency</b> (30% of category grade)	9	6
<ul style="list-style-type: none"><li>Annual public disclosure of maritime cargo carriers and volumes of goods per carrier</li></ul>	0.5	0
<ul style="list-style-type: none"><li>Annual public reporting of modes of product transport by percentage of goods</li></ul>	1	0
<ul style="list-style-type: none"><li>Annual public reporting of transport emissions</li></ul>	4.5	4.5
<ul style="list-style-type: none"><li>Annual public reporting of maritime emissions</li></ul>	2	1.5
<ul style="list-style-type: none"><li>Annual reporting of percentage of goods on lower &amp; ZEV emission vessels</li></ul>	0.5	0
<ul style="list-style-type: none"><li>Annual disclosure of fuels or technologies employed by reported lower emission and ZEVs</li></ul>	0.5	0

Put Zero at the Helm | TOTAL SCORE: 17.75

Performance Criteria	Possible Points	Company Score
<b>Put Zero at the Helm: Commitment</b> (30% of category grade)	10.5	5.5
<ul style="list-style-type: none"><li>General climate commitment<ul style="list-style-type: none"><li>Commitment applies to Scope 3</li><li>Scope 3 commitment mentions logistics, distribution, upstream transportation, supply chain</li><li>2040 vs. 2050</li></ul></li></ul>	3	3
<ul style="list-style-type: none"><li>Upstream transport-specific commitment</li></ul>	3	0
<ul style="list-style-type: none"><li>Maritime-specific reduction commitment<ul style="list-style-type: none"><li>"100% zero-emission maritime shipping by 2030" — with benchmark absolute GHG reduction targets</li><li>Publicly commit to 100% ZEV by 2030</li><li>Commitment to move freight onto low- and zero-emission vessels (with time-bound targets)</li><li>Set short-term targets for moving increasing volumes of cargo on cleaner ships, i.e., MGO/Hybrid powered vessels, shore power-equipped vessels</li><li>Mentions low- and zero-emission vessels</li><li>Timeline: by 2030 vs. 2040 vs. 2050</li></ul></li></ul>	2	1 <sup>2</sup>
<ul style="list-style-type: none"><li>Other<ul style="list-style-type: none"><li>Member of Science-Based Target Initiative (a We Mean Business Coalition commitments)</li><li>ZEMBA membership</li><li>CoZEV membership</li></ul></li></ul>	2.5 (0.5) (1) (1)	1.5 (0.5) (0) (1)

<sup>2</sup> 2040 commitment



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Performance Criteria	Possible Points	Company Score
<b>Put Zero at the Helm: Implementation Plan</b> (20% of category grade)	<b>7</b>	<b>2</b>
<ul style="list-style-type: none"><li>• ZEMBA</li><li>• Benchmarks for moving cargo onto ZEVs</li><li>• Working with carriers, ports, regulators and policymakers and/or entering partnerships or investing financially in the development of ZEV shipping corridors and/or ZEV technologies, ZEV infrastructure projects and newbuilds</li><li>• Engage suppliers and urge them to adopt the SBTi (Science-Based Targets initiative)</li><li>• Efficiency and optimization (e.g., reducing packaging size and weight)</li></ul>	<div>2</div> <div>1</div> <div>2</div> <div></div> <div>1</div> <div>1</div>	<div>0</div> <div>0</div> <div>0</div> <div></div> <div>1</div> <div>1</div>
<b>Put Zero at the Helm: Advocacy</b> (20% of category grade)	<b>7</b>	<b>2.5</b>
<ul style="list-style-type: none"><li>• First Movers Coalition</li><li>• CoZEV</li><li>• Sustainable Freight Buyers Alliance, “Clean Cargo” (hosted by Smart Freight Centre), Clean Energy Buyers Association, Carbon Disclosure Project’s Supply Chain program, RE100, Ceres, LEO coalition, or WWF’s Climate Business Network</li><li>• Publicly demanding and/or advocating carriers incorporate existing or future GHG reduction technologies and operational measures<ul style="list-style-type: none"><li>◦ Public support for green corridors</li><li>◦ Expressions of public support for zero-emission shipping development</li><li>◦ Zero-emission, fossil-free cargo ships</li><li>◦ Cleaner fuels</li><li>◦ Fossil-free propulsion technologies</li><li>◦ Efficiency retrofits such as wind-assisted propulsion, hull coatings, slow steaming, and route planning, shore power, and offshore zero-emission charging stations</li></ul></li></ul>	<div>1.5</div> <div>1.5</div> <div>1</div> <div></div> <div>3</div>	<div>0</div> <div>1.5</div> <div>1</div> <div></div> <div>0</div>
<b>Put Zero at the Helm: Transparency</b> (30% of category grade)	<b>10.5</b>	<b>7.75</b>
<ul style="list-style-type: none"><li>• CDP Climate report</li><li>• Annual CSR report with GHG and air pollution disclosure<ul style="list-style-type: none"><li>◦ Includes Scope 3</li><li>◦ Mentions more than CO<sub>2</sub> (NOX, SOX, PM, HC<sub>4</sub>, NFCs, etc.)</li><li>◦ Discloses Category 4 ("upstream") transportation or "distribution"</li><li>◦ Mentions maritime shipping specifically</li><li>◦ Methodology underlying calculations</li><li>◦ 3rd party verification of calculations</li><li>◦ Reporting progress toward achieving interim benchmarks and long-term commitment</li><li>◦ Uses and/or requires vendors to use the Global Logistics Emissions Council Framework</li></ul></li></ul>	<div>2</div> <div>8.5</div> <div>(1.5)</div> <div>(1.5)</div> <div>(1)</div> <div>(1.5)</div> <div>(0.5)</div> <div>(0.5)</div> <div>(1.5)</div> <div>(0.5)</div>	<div>2</div> <div>5.75</div> <div>(1.5)</div> <div>(0)</div> <div>(1)</div> <div>(0.75)<sup>3</sup></div> <div>(0.5)</div> <div>(0.5)</div> <div>(1.5)</div> <div>(0)</div>

<sup>3</sup> Calculated, but reported with other upstream emissions