

GREENHOUSE GAS VERIFICATION REPORT

Project number: 4791306005
Issue Date: August 29th, 2024

UL Solutions has verified, to a limited level of assurance, the GHG Statement of

GAP INC.

for January 29th, 2023, to February 3rd, 2024, in accordance with ISO 14064 Part 3: 2019. Gap Inc.'s organizational GHG Statement has been verified to meet the requirements of ISO 14064 Part 1: 2018 and UL Solutions has concluded that there is no evidence that the GHG Statement:

- Is not materially correct and is not a fair representation of GHG data and information.
- Has not been prepared in accordance with related International Standards on GHG quantification, monitoring, and reporting, or to relevant national standards or practices.

January 29th, 2023, to February 3rd, 2024

- Scope 1 - Direct emissions: 36,164 metric tonnes of CO₂e
- Scope 2 - Total indirect emissions (Location-based): 218,342 metric tonnes of CO₂e
- Scope 2 - Total indirect emissions (Market-based): 85,094 metric tonnes of CO₂e
- Scope 3 - Other indirect emissions (Categories 3,5,6,7,9,12, and 14 only): 278,052 metric tonnes of CO₂e
- Scope 1 - Total direct energy consumption: 165,274,999 kWh
- Scope 2 - Total indirect energy consumption: 650,685,969 kWh

All values are rounded to the nearest whole number

LA

Lauren Alexander
Lead Verifier

UL Verification Services Inc.
2211 Newmarket Parkway, Suite 106
Marietta, GA 30067 USA

UL Solutions performs Greenhouse Gas (GHG) Verification in accordance with ISO 14064 Part 3: 2019. Greenhouse Gases: Specification with guidance for the verification and validation of greenhouse gas Statements.

UL Solutions applies a risk-based approach to GHG Verification that incorporates an investigation of the inherent and control risks associated with GHG reporting.

UL Solutions' verification approach includes but is not limited to the collection and analysis of:

- Qualitative data through the engagement of management.
- Quantitative data through receipt of data files from information management systems.
- Supporting evidence for all data.

A full description of the approach taken in this verification can be found in Appendix A.



Gap Inc.

Level of assurance: Limited
Project number: 4791306005
Report issue date: August 29th, 2024

Introduction

Gap Inc. (hereafter referred to as “Gap”) has contracted UL Solutions to verify Gap’s GHG Statement to ensure organizational GHG inventories are complete and accurate for the purposes of internal reporting. Gap has provided a GHG Statement to UL Solutions covering the period of January 29th, 2023, to February 3rd, 2024, in accordance with ISO 14064 Part 1: 2018.

Approach

UL Solutions performs GHG verification in accordance with ISO 14064 Part 3: 2019: Greenhouse Gases: Specification with guidance for the verification and validation of GHG Statements.

UL Solutions applies a risk-based approach to GHG verification that incorporates a detailed understanding of risks associated with GHG reporting and the controls required to mitigate such risks.

Our verification approach includes the collection and analysis of:

- Qualitative data through the engagement of management
- Quantitative data through receipt of data files from information management systems
- Supporting evidence for activity data

A full description of the approach can be found in Appendix A.

Responsibilities

Gap designated themselves as the responsible party for the preparation and fair presentation of their GHG Statement and other supporting information required for evaluation of the Statement in accordance with the criteria laid out in ISO 14064 Part 1: 2018. UL Solutions is responsible for expressing an opinion of the GHG Statement based on findings from verification activities designed to assess whether the GHG Statement was materially accurate given quantitative and qualitative thresholds. The data assessed is historical in nature and this report is only valid for the GHG Statement of this defined period.

Level of assurance

Gap requested that UL Solutions provide a limited level of assurance for their organizational GHG Statement.

Objectives

To verify by limited assurance that Gap’s GHG Statement is materially accurate for the purposes of internal reporting in terms of:

- The GHG emissions are as declared by the responsible party.
- The data reported are accurate, complete, consistent, transparent, and free of material error or omission.
- The GHG Statement is prepared consistent with the criteria laid out in ISO 14064 Part 1: 2018.

Criteria

Criteria against which the verification assessment was undertaken:

- ISO 14064 Part 1: 2018.

Scope

| | |
|-----------------------|-----------------------------------------------------------------------------------|
| Customer name | Gap Inc. |
| Customer address | 2 Folsom St. San Francisco, CA 94105 |
| Control approach | Operational |
| Period of evaluation | January 29 th , 2023, to February 3 rd , 2024 |
| Types of GHG included | CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ |
| GWP values applied | IPCC AR6 |
| Intended users | Internal |

Table 1 - GHG emission sources in scope

| Scope | Sources |
|---------------------|-------------------------------------------------|
| Scope 1 | Fossil fuel used in heating facilities |
| Scope 1 | Fuel used in owned fleet |
| Scope 1 | Refrigerants used for HVAC |
| Scope 2 | Electricity used in facilities (location-based) |
| Scope 2 | Electricity used in facilities (market-based) |
| Scope 2 | Chilled water used in facilities |
| Scope 2 | Steam used in facilities |
| Scope 3 Category 3 | Fuel and energy-related activities |
| Scope 3 Category 5 | Operational waste |
| Scope 3 Category 6 | Business travel |
| Scope 3 Category 7 | Employee commuting |
| Scope 3 Category 9 | Downstream transport |
| Scope 3 Category 12 | End-of-life emissions of sold products |

| | |
|---------------------|------------|
| Scope 3 Category 14 | Franchises |
|---------------------|------------|

Table 2 – Energy consumption sources in scope

| Scope | Sources |
|---------|-------------------------------------------------|
| Scope 1 | Jet fuel |
| Scope 1 | Natural gas |
| Scope 1 | Propane |
| Scope 2 | Chilled water |
| Scope 2 | Grid electricity |
| Scope 2 | Renewable electricity - Direct (Physical) PPA |
| Scope 2 | Renewable electricity - Virtual (Financial) PPA |
| Scope 2 | Steam |

Note: Table 1 and Table 2 use GHG protocol terminology. The mapping of GHG Protocol to ISO terminology is as follows: Scope 1 is equivalent to Direct emissions, Scope 2 is equivalent to Indirect emissions, Scope 3 is equivalent to Other indirect emissions.

Materiality

The intended users of the GHG Statement are internal and did not specify a required quantitative materiality threshold. Therefore, UL Solutions has used the quantitative materiality threshold suggested by the WRI GHG Protocol for Corporate Accounting and Reporting Standard (Revised edition), where an error is considered to be materially misleading if its value exceeds 5% of the total inventory reported in the GHG Statement.

Issuance of Opinion

In UL Solutions' opinion, based on the evaluation activities conducted in accordance with ISO 14064 Part 3: 2019 to Gap's organizational level GHG Statement for January 29th, 2023, to February 3rd, 2024, limited level of assurance has determined that there is no evidence that the GHG Statement:

- Is not materially correct and is not a fair representation of GHG data and information.
- Has not been prepared in accordance with related International Standards on GHG quantification, monitoring, and reporting, or to relevant national standards or practices.

Gap's GHG Statement for January 29th, 2023, to February 3rd, 2024, written in accordance with ISO 14064 Part 1: 2018 has been verified by UL Solutions to a limited level of assurance. The emissions by scope are verified as follows:

| Scope | Sources | Metric Tonnes CO2e |
|-----------------|----------------------------------------|--------------------|
| Scope 1 | Fossil fuel used in heating facilities | 29,131 |
| Scope 1 | Fuel used in owned fleet | 1,187 |
| Scope 1 | Refrigerants used for HVAC | 5,845 |
| Scope 2 | Electricity use (location-based) | 217,814 |
| Scope 2 | Electricity use (market-based) | 84,566 |
| Scope 2 | Chilled water use | 33 |
| Scope 2 | Steam use | 495 |
| Scope 3 Cat. 3 | Fuel and energy-related activities | 18,498 |
| Scope 3 Cat. 5 | Operational waste | 10,068 |
| Scope 3 Cat. 6 | Business travel | 2,186 |
| Scope 3 Cat. 7 | Employee commuting | 70,531 |
| Scope 3 Cat. 9 | Downstream transport | 68,470 |
| Scope 3 Cat. 12 | End-of-life emissions of sold products | 83,648 |
| Scope 3 Cat. 14 | Franchises | 24,651 |

Note: All values are rounded to the nearest whole number

Activities performed to the limited level of assurance are less extensive in nature, timing, and extent than activities performed for a reasonable level of assurance.

Place and date: 2211 Newmarket Parkway, Suite 106, Marietta, GA 30067, USA, August 29th, 2024

Verifier Signature:

LA

Lauren Alexander, Lead Verifier

GHG Verification Report V2.0

Project number:

Report date: August 29th, 2024

4791306005

© 2023 UL Solutions LLC. All rights reserved. This report is issued for the exclusive use of the client to whom it is addressed. This Report shall only be reproduced in its entirety and is not valid unless all pages are supplied together. No screenshots of this report shall be deemed valid without the entire report. No use of the UL Solutions Contracting Party's or any of its affiliates' names, abbreviations, symbols, or marks is permitted except as expressly authorized in writing by UL Solutions. The UL Solutions Contracting Party has not performed a complete assessment of the client's emissions, energy consumption, sustainability practices, or environmental practices, and this report is limited to an assessment of the client's GHG emissions Statement in accordance with ISO 14064-3 requirements. The total liability of the UL Solutions Contracting Party with respect to services rendered is limited to the amount of consideration paid for such service and under no circumstances shall the UL Solutions Contracting Party be liable for any consequential, incidental, or punitive damages.

Appendix A

Introduction

Appendix A describes how UL Solutions executed the verification of Gap Inc. (hereafter referred to as “Gap”) GHG Statement issued for the period January 29th, 2023 to February 3rd, 2024, in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

Execution summary

The scope of the verification activities was defined during the verification planning stage and were informed by the strategic analysis and risk assessment based on submitted data and industry research.

The verification activities involved, but were not limited to the items below:

- Strategic Analysis
- Risk Assessment
- Verification Activities
- Verification Conclusions
- Recommendations

The verification was executed by the team shown below:

| | |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lead verifier | Lauren Alexander is the Lead Verifier on the engagement and is a qualified GHG Verifier. Email: lauren.alexander@ul.com |
| Verifier | Heather Pecho is the Verifier on the engagement and is a qualified GHG Verifier. Email: heather.pecho@ul.com |
| Certification officer | Blake Zimmerman is the Certification Officer on your engagement. Blake Zimmerman oversees a wide range of UL Solutions' certification programs. Email: blake.zimmerman@ul.com |

GHG management system

Meetings with the Manager, ESG Reporting and Disclosure of Gap determined that the selection and management of GHG information was determined by the requirements of internal users:

The boundary of the system encompassed multiple facilities under the operational control of Gap.

For the facility, the Manager, ESG Reporting and Disclosure was responsible for the collection and entry of GHG-related data into third-party managed software solutions for managing carbon emissions. A review of the software showed features that mitigate control risks such as a pre-defined unit of measure conversions, automated comparisons of values between reporting periods, and a full audit trail of entered data.

A review of the software's use by Gap showed that the solution was overseen by the Manager, ESG Reporting and Disclosure as a software administrator within Gap who provided in-depth user training at the beginning of the reporting period for members of staff and ongoing oversight of the activity.

Based on the review of the GHG management system, UL Solutions did not find evidence that the GHG management system was not in accordance with the required criteria.

GHG data and information

GHG data and information were reviewed for multiple emissions sources:

Gaseous fuels: Gaseous fuels were used for heating purposes. Data were derived from utility bills showing natural gas consumption. These values were then multiplied with the relevant emission factor. Based on the review of the verification activities performed on the reported emissions from purchased natural gas use, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Liquid fuels: Liquid fuels were used for transportation purposes. Data were derived from utility logs and bills showing the consumption of jet fuel. These values were then multiplied by the relevant emission factor. Based on the verification activities performed on the reported emissions from liquid fuel use, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Refrigerant use: Refrigerant was used for cooling purposes. Data were derived from supplier invoices showing refrigerant recharges. These values were then multiplied by the relevant emission factor. Based on the verification activities performed on the reported emissions from refrigerant used, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Purchased electricity (non-renewable): Purchased electricity (non-renewable) was used for cooling and power purposes. Data were derived from utility bills showing electricity consumption in kWh. These values were then multiplied by the relevant emission factor in the location-based and market-based scenario. Based on the verification activities performed on the reported emissions from purchased electricity (non-renewable) used, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Purchased electricity (renewable): Purchased electricity (renewable) was used for cooling and power purposes. Consumption data and documentation were gathered from facilities and assumed that each MWh of renewable electricity consumed at these sites had zero GHG emissions. Based on verification activities performed on the reported emissions from purchased electricity (renewable), UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Chilled Water: Chilled water was used for cooling purposes. Data were derived from utility bills showing chilled water use. These values were then multiplied with the relevant emission factor. Based on the verification activities performed on the reported emissions from chilled water use, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Steam: Steam was used for supplying energy to facilities and equipment. Data were derived from utility bills showing steam consumption. These values were then multiplied with the relevant emission factor. Based on the verification activities performed on the reported emissions from steam use, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Fuel and energy related activities: Fuel and energy related emissions occurred during the production of fuels and energy purchased and consumed by Gap. These emissions were derived by multiplying the

energy consumption from a given source with the relevant emission factor. Based on the verification activities performed on the reported emissions from fuel and energy related activities, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Operational waste: Operational waste was generated from Gap's office and retail activities. Data were derived from spend on waste management services. These were then multiplied with the relevant spend based emission factor. Based on the verification activities performed on the reported emissions from operational waste, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Business travel: Business travel data were derived from a number of sources and consolidated by the Gap travel and corporate team. Travel activities were then categorized and multiplied with the relevant emission factor. Based on the verification activities performed on the reported emissions from business travel, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Employee commuting: Employee commutes were modelled based on commute frequency and round-trip distance per employee taking into account the type of employee and their employment within the reporting year. The model produced a passenger mile value that was then multiplied with the emission factor for average cars. Based on the verification activities performed on the reported emissions from employee commuting, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Downstream transport: Downstream transport activities were either (a) calculated by multiplying transport leg distance with the mass of good transported to yield a tonnekm values, which were then multiplied by the relevant emission factor for the transport mode or (b) received as an absolute CO₂e value from third party logistics providers. Based on the verification activities performed on the reported emissions from downstream transport, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

End of life emissions of sold products: End of life emissions of sold products and packaging were modelled based on the expected destination mix per material type of product and packaging sold. (fiber, plastic, paper). The model produced a mass of product and packaging to be recycled, incinerated or landfilled per material type that was then multiplied with the relevant emission factor. Based on the verification activities performed on the reported emissions from end of life of sold products, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Franchises: Franchise emissions were modelled based on their floor area (in square foot) multiplied with an electricity use intensity derived from primary data recorded by Gap for comparable sites. The modelled electricity consumption values were then multiplied with the relevant emission factor. Based on the verification activities performed on the reported emissions from franchises, UL Solutions did not find evidence that the information was not in accordance with the required criteria.

Data aggregation processes

The data aggregation process contained two steps.

Activity data are gathered from various sources and consolidated by Gap's ESG reporting function. Consolidated activity data are then entered into the software used by Gap, through which CO₂e emissions values were calculated and aggregated into the appropriate scopes.

The risk that activity data were consolidated incorrectly was addressed through substantive testing – reviewing samples of evidence to confirm that the activity data were correct for the source and period under review. The second step was assessed through analytical testing procedures as shown below:

Analytical testing

A range of analytical testing techniques were used to verify the data.

Recalculation: Multiplying activity data by the stated emission factor to check the correctness of the calculation function within the software solution. This test addressed the risk present by incorrect software configuration. UL Solutions did not find evidence that the calculations were not in accordance with the required criteria.

Trend analysis: Observing the progression of data over time to check for the presence of anomalous values. This test addressed the risk presented by the introduction of data using an incorrect unit of measure or an incorrect order of magnitude. UL Solutions did not find evidence that the progression of data over time were not in accordance with the required criteria.

Peer review: Observing the trends of the data between multiple different industry peers. Five peers were used during this review. The test addresses the risks that the emissions data significantly diverged from industry expectations. UL Solutions did not find evidence that the data was outside of the normal trends for this industry and were not in accordance with the required criteria.

Data tracing: Rebuilding aggregate values from their source (e.g., utility bill) to the organization total to check for the inclusion and correct aggregation of all data. This test addressed the risk that values were mistakenly transferred from the source file to the software solution. UL Solutions did not find evidence that the aggregations were not in accordance with the required criteria.

Aggregation testing:

Control testing: During the strategic analysis, UL Solutions found that a significant portion of the process for the creation of the GHG Statement was facilitated by the software solution used by Gap. As a result, its proper use was found to be the largest control risk. Therefore, inquiries were made into the training received by Gap in both the collection of GHG information and the use of the software solution for preparing a GHG Statement. UL Solutions found that all personnel involved in the preparation of the GHG Statement at Gap had received training on the preparation of a GHG Statement and the use of software for the preparation of a GHG Statement. UL Solutions did not find evidence that the training and resulting capabilities of personnel at Gap were insufficient to properly gather activity data and use the system.

Estimate testing: Rebuilding estimated activity values from their source (e.g., the square footage of a facility) to check for accurate estimation of all data. Scope 1 Natural gas, Scope 2 Market-based, and Scope 2 Location-Based emissions were largely tested ensuring each type of estimate methodology yielded no errors. UL Solutions did not find evidence that the estimate methods applied were not in accordance with the required criteria.

DISCLAIMER

No content contained in these materials may be modified, reverse engineered, reproduced, or distributed in any form or by any means, either in whole or in part, without the prior written permission of UL Solutions.

The information in this publication should not be relied upon in making, or refraining from making, any investment decisions with respect to a specific company or security, or be used as financial, investment, or legal advice. UL Solutions' conclusions, findings, observations, and other analyses are Statements of opinion as of the date they are expressed; they are not Statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. The materials have been prepared solely for informational purposes based upon information generally available to the public and from sources believed to be reliable. However, no representation is made, or warranty given, in respect of the accuracy of this information. UL Solutions assumes no obligation to update the Content following publication in any form or format.

UL Solutions does not guarantee the accuracy, completeness, timeliness, or availability of the information. UL Solutions are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the information.

UL SOLUTIONS, MAKES NO WARRANTIES OR REPRESENTATIONS, AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, UL SOLUTIONS HEREBY EXPRESSLY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, CONDITIONS, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

In no event shall UL Solutions be liable to any party for any direct, indirect, special, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) or any other damages in connection with any use of the information/content even if notified of the possibility of such damages.