

# Gap Inc.

Gap Inc. was founded in 1969 on the principle of conducting our business in a responsible, honest and ethical manner. For us, good corporate governance means going beyond compliance. It means taking a leadership role in instituting and maintaining practices that represent strong business ethics — and ensuring we communicate consistently with our shareholders, customers and neighbors around the world.

## Fact Sheet

### Board of Directors Information

Size of Board	11
Number of Independent Directors	10
Separate Chair & CEO	Yes
Independent Chair	Yes
Lead Independent Director	No
Annual Board Elections	Yes
Corporate Governance Guidelines Approved by the Board	Yes
Non-Management and/or Independent Director Meetings	Yes
Annual Board Self-Evaluation Required	Yes
Annual Review of Independence of Board	Yes
Key Committee Self Evaluations Required	Yes
Charters for Board Committees	Yes
Annual Equity Grant to Non-Employee Directors	Yes
Board Orientation/Education Program	Yes
Corporate Compliance Program	Yes

Disclosure Committee for Financial Reporting	Yes
Code of Business Conduct	Yes
Number of Audit Committee Financial Experts	4
Compensation Consultant Independence Policy	Yes
Directors Elected by the Vote of a Majority of Votes Cast in Uncontested Elections	Yes
Director Stock Ownership Guidelines	Yes
Executive Stock Ownership Requirements	Yes

## Highlights

### Board Engagement

- Gap Inc. directors must make a significant time commitment when they join our board, including attending formal meetings. In addition, board members often work on board matters and with management outside of formal meetings.
- Board members who are full-time employees of other companies should not serve on more than three public company boards at one time, and directors who are retired from full-time employment should not serve on more than four public company boards, in each case including our board.
- All board members are expected to complete a formal onboarding program within six months of joining.

### Board Quality

- Gap Inc. is committed to maintaining an active and engaged board. Qualified candidates for the board are interviewed by the Chair, CEO, at least two independent directors and members of management, as appropriate.
- The Governance and Sustainability Committee is responsible for the review and assessment of the composition and overall performance of the board and each director. As part of this process, each board member must participate in and complete an annual performance evaluation, including individual peer assessments.

### Board Diversity

- The board considers differences in backgrounds, qualifications, experiences, and personal characteristics, including gender and ethnicity/race, when evaluating and recommending potential nominees.
- Any search firm used to identify potential nominees is instructed to include qualified candidates who reflect diverse backgrounds in its initial list of candidates.

### Board Independence

- A majority of Gap Inc.'s board members are independent of the company and its management, and we are committed to maintaining at least two-thirds of independent directors. Currently, our board has 11 directors and has determined that 10 are independent under NYSE rules.
- At every board meeting, time is set aside for the non-management and/or independent directors to meet in executive session.

### **Board Committees**

- Only independent directors sit on Gap Inc.'s three board committees.

### **Audit Firm Lead Partner Rotation**

- Gap Inc. rotates the lead partner of its independent registered public auditor, Deloitte & Touche, so that he or she will not perform audit services for more than five consecutive fiscal years. A new lead partner assumed audit responsibility during the first quarter of 2020.

### **Shareholder Authority**

- At any meeting of the shareholders at which a director is not elected, that director shall submit to the board an offer letter of resignation, subject to board acceptance. The Governance and Sustainability Committee will consider the offer of resignation. The board shall act promptly with respect to each such letter of resignation. The board's decision would be disclosed publicly.
- Gap Inc. does not have a classified board. Directors are elected annually.
- Shareholders can act by written consent. Holders of 10 percent of Gap Inc. shares can call special meetings of the shareholders.

### **Hedging Policy**

- Board members and company insiders are prohibited from hedging and engaging in publicly traded option transactions in Gap Inc. stock.

### **Pledging Policy**

- Board members and company insiders are prohibited from holding Gap Inc. stock in a margin account as collateral for a margin loan or otherwise pledging Gap Inc. stock as collateral.