

## C0. Introduction

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### C0.1

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#### (C0.1) Give a general description and introduction to your organization.

The Gap, Inc. (Gap Inc., the "Company," "we," and "our") is a collection of purpose-led, lifestyle brands offering apparel, accessories, and personal care products for women, men, and children under the Old Navy, Gap, Banana Republic, and Athleta brands, with approximately 95,000 employees, including part-time and full-time employees. Gap Inc. products are available for purchase worldwide through Company-operated and franchise stores, Company-owned websites and third-party arrangements (as of January 28, 2023).

The inclusion of information contained in this questionnaire is being made in good faith based on information that is available and is valid to Gap Inc. as of January 28, 2023 (unless otherwise specified), and should not be construed as a characterization regarding the materiality or financial impact of that information to investors in Gap Inc. For a discussion of risks that are material to investors in Gap, Inc., please see our Annual Report on Form 10-K for the year ended January 28, 2023, our subsequent Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K filed with the Securities and Exchange Commission (SEC). The scope of these disclosures does not include our licensing business. Given the inherent uncertainty in predicting and modeling future conditions, caution should be exercised when interpreting the information provided in this report. In addition, the controls, processes, practices, and infrastructures described in this report are not intended to constitute any representation, warranty, or other assurance that such controls, processes, practices, and infrastructures will result in any specific outcome, result, or achievement of a stated target or goal.

The responses to this questionnaire and related comments by management may include "forward-looking statements" within the meaning of the U.S. federal securities laws. Forward-looking statements are any statements other than statements of historical fact. Forward-looking statements represent our current judgment about possible future events and are often identified by words such as "anticipate," "appears," "approximately," "believe," "continue," "could," "designed," "effect," "estimate," "evaluate," "expect," "forecast," "goal," "initiative," "intend," "may," "objective," "outlook," "plan," "potential," "priorities," "project," "pursue," "seek," "should," "target," "when," "will," "would," or the negative of any of those words or similar expressions. In making these statements, we rely upon assumptions and analysis based on our experience and perception of historical trends, current conditions, and expected future developments, as well as other factors we consider appropriate under the circumstances. We believe these judgments are reasonable, but these statements are not guarantees of any future events or financial results, and our actual results may differ materially due to a variety of factors, many of which are described in our most recent Annual Report on Form 10-K and our other filings with the U.S. SEC. We caution readers not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events, or other factors that affect the subject of these statements, except where we are expressly required to do so by law. Forward-looking statements include among others, statements regarding achievement of our climate change goals and any expected financial and other benefits therefrom, our climate-related strategies and future initiatives, adopting a climate transition plan, the anticipated financial and other impacts of climate-related risks and opportunities, including on cotton sourcing and our supply chain, expectations related to various climate-related scenarios, expectations related to renewable energy generation and water management projects, including on the achievement of our climate change goals, expectations for collecting and submitting climate change information within required timeframes, and expectations for future climate-related regulation, including by a carbon pricing system.

For information regarding risks and uncertainties associated with our business and a discussion of some of the factors that may cause actual results to differ materially from the results expressed or implied by such forward-looking statements, please refer to our SEC filings, including the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections in our Annual Report on Form 10-K for the year ended January 28, 2023, as well as our subsequent filings with the SEC. We assume no obligation to publicly update or revise our forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

### C0.2

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#### (C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

##### Reporting year

###### Start date

January 29 2022

###### End date

January 28 2023

##### Indicate if you are providing emissions data for past reporting years

Yes

##### Select the number of past reporting years you will be providing Scope 1 emissions data for

Not providing past emissions data for Scope 1

##### Select the number of past reporting years you will be providing Scope 2 emissions data for

Not providing past emissions data for Scope 2

##### Select the number of past reporting years you will be providing Scope 3 emissions data for

2 years

## C0.3

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### (C0.3) Select the countries/areas in which you operate.

Argentina  
Armenia  
Australia  
Azerbaijan  
Bahrain  
Bangladesh  
Bermuda  
Brazil  
Bulgaria  
Cambodia  
Canada  
Chile  
China  
Colombia  
Costa Rica  
Croatia  
Cyprus  
Czechia  
Dominican Republic  
Egypt  
France  
Georgia  
Greece  
Guatemala  
Hong Kong SAR, China  
Hungary  
India  
Indonesia  
Ireland  
Israel  
Italy  
Japan  
Jordan  
Kazakhstan  
Kuwait  
Malaysia  
Mexico  
Morocco  
Oman  
Pakistan  
Panama  
Paraguay  
Peru  
Philippines  
Poland  
Portugal  
Puerto Rico  
Qatar  
Republic of Korea  
Romania  
Russian Federation  
Saudi Arabia  
Slovakia  
Slovenia  
South Africa  
Spain  
Sri Lanka  
Sweden  
Taiwan, China  
Thailand  
Turkey  
Ukraine  
United Arab Emirates  
United Kingdom of Great Britain and Northern Ireland  
United States of America  
Viet Nam

## C0.4

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### (C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, another unique identifier, please specify (IRS Employer Identification Number: Delaware 94-1697231)	94-1697231

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	<p>The Gap Inc. Governance and Sustainability Committee (the "Committee") of its Board of Directors (the "Board") assists the Board in fulfilling its oversight responsibilities relating to the Company's corporate governance matters, including the annual review of the Company's Corporate Governance Guidelines, the annual self-assessment of the Board, its committees and individual directors, the identification and selection of director nominees, oversight of the Company's programs, policies and practices relating to certain environment, social and community, and governance issues and impacts to support the sustainable growth of the Company's business, including but not limited to, the Company's environmental stewardship practices, social and community issues involving supply chain, the Company's philanthropy and community giving activities, and the identification of topics related to the foregoing that are most relevant and important to the Company and any risks or goals related thereto, and such other duties as directed by the Board. The Committee is composed entirely of independent directors. The Audit and Finance Committee of the Board of Directors reviews the enterprise risk assessment and oversees management actions related to any climate risks that may be identified.</p> <p>The Company's environmental sustainability program is overseen by the Committee, which provides regular updates to the Board regarding the Company's environmental activities and strategies. To assist in its oversight responsibilities, the Committee receives regular updates from our Chief Supply Chain, Strategy, and Transformation Officer and other senior leaders, who in turn meet with and oversee teams across the Company including the Sourcing, Production, Brand and Operations, ESG Reporting, and Global Sustainability teams.</p> <p>As part of its oversight of the environmental sustainability program, the Committee oversees establishing and monitoring progress against climate-related goals. In 2022, the Committee reviewed progress against our enterprise-wide goals for addressing climate change, which include our science-based targets that aim to reduce absolute Scope 1 and 2 GHG emissions by 90%, and Scope 3 GHG emissions from purchased goods and services by 30% by 2030, respectively, compared to the Company's 2017 levels, and our goal to source 100% renewable energy for our Company-operated facilities globally by 2030. This progress is reported to the full Board.</p>

C1.1b

**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Overseeing major capital expenditures Overseeing and guiding employee incentives Overseeing and guiding the development of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets	<Not Applicable>	<p>The Company’s environmental sustainability program is overseen by the Committee, which meets at least quarterly and provides regular updates to the Board regarding the Company’s environmental activities and strategies. To assist in its oversight responsibilities, the Committee receives regular updates from our Chief Supply Chain, Strategy, and Transformation Officer and other senior leaders, who in turn meet with teams across the Company including the Sourcing, Production, Brand and Operations, ESG Reporting, and Global Sustainability teams.</p> <p>The Global Sustainability team reports to the Head of Global Transportation, Trade Compliance, Sustainability, and Logistics Brand Operations to ensure our climate and sustainability objectives are considered in our operations. Additionally, the Global Sustainability team works with business partners and experts to assess and manage business risks, including the risks that climate change and environmental impacts could pose to our business.</p> <p>The Committee oversees establishing and monitoring progress against our enterprise-wide strategies and goals related to climate change and other issues related to the environment and climate change. This includes reviewing progress against our science-based Scope 1, 2 and 3 targets and renewable energy goals. The Committee also oversees major capital expenditures related to our environmental sustainability program.</p>

**C1.1d**

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1 Yes	<p>Gap Inc. considers climate-related competence to fall into three categories: foundational knowledge and skills; organizational knowledge and experience; and strategic competencies. Foundational knowledge and skills include science and environmental literacy and knowledge of the climate policy landscape. Organizational knowledge and experience include strategic planning, compliance, enterprise risk, supply chain, corporate communication and organizational governance knowledge and experience. Strategic execution competencies include skills related to supporting organizational change, risk mitigation, stakeholder engagement, policy influence and leveraging external partnership.</p> <p>We consider our board members to have climate-related competence if they possess knowledge, skills and experience in at least one of these three categories acquired through at least 10 years of relevant experience. Three of our current board members meet this requirement.</p>	<Not Applicable>	<Not Applicable>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

**Position or committee**

Other C-Suite Officer, please specify (Chief Supply Chain, Strategy, and Transformation Officer)

**Climate-related responsibilities of this position**

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)  
 Developing a climate transition plan  
 Setting climate-related corporate targets  
 Monitoring progress against climate-related corporate targets

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

CEO reporting line

**Frequency of reporting to the board on climate-related issues via this reporting line**

Quarterly

**Please explain**

The climate-related responsibilities of setting and monitoring progress against climate-related corporate targets and developing a climate transition plan are ultimately the responsibility of the Company’s Chief Supply Chain, Strategy, and Transformation Officer. This Officer oversees our Global Sustainability team, which directly manages climate-related workstreams. This Officer is best positioned to lead climate-related responsibilities due to their related oversight functions within the supply chain, which is a primary contributor to the Company’s emissions.

The Chief Supply Chain, Strategy, and Transformation Officer is provided an update on climate-related issues by the Global Sustainability team within a monthly senior leadership team meeting in which priority topics are raised and action plans/follow-ups are implemented as needed. This Officer engages with the CEO on climate issues on an ongoing “as needed” basis in weekly meetings as well.

**C1.3**

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	We offer incentives in several ways. First, annual performance bonus and salary increase plans provide financial incentives to reward our employees for achieving Company and/or individual performance goals, which can include environmental initiatives or programs, especially for our Production, Design, and Sustainability functions. Additionally, The Exceed Award is Gap Inc.'s company-wide spot bonus program. The cash award is designed as a tool to reward team members for outstanding performance in a variety of areas, which can include environmental sustainability initiatives such as work on reducing emissions, meeting targets, leading emissions reduction initiatives and piloting innovative programs which actively respond to environmental issues.

**C1.3a**

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

**Entitled to incentive**

Management group

**Type of incentive**

Monetary reward

**Incentive(s)**

Salary increase

**Performance indicator(s)**

Achievement of climate transition plan KPI  
Progress towards a climate-related target  
Achievement of a climate-related target

**Incentive plan(s) this incentive is linked to**

Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**

Our performance review process is described as "GPS" or Set Goals, Talk Performance, and Reward Success. Through quarterly and annual performance discussions, all employees and particularly our management group (Directors and above) are measured for their performance against goals specific to their position. Based on this performance, individuals are given either an "Exceptional," "Good," or "Challenging" yearly review, which determines their capacity to earn an annual bonus and/or salary increase. Essentially, we provide financial incentives to reward our employees for achieving Company and/or individual performance goals, which can include environmental initiatives or programs. Key objectives of our bonus plans are to reward financial performance and achievement of organizational and individual goals and to support the Company's pay-for-performance philosophy.

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**

We empower our employees to drive change and support our efforts to improve environmental sustainability. The incentives we provide for innovation across the Company, while not solely dedicated to climate change or the environment, may be awarded for work on reducing emissions, meeting targets, leading emissions reduction initiatives and piloting innovative programs which actively respond to environmental issues. As an example, our Heads of Production, Design, Sourcing, and Sustainability are all reviewed on their performance related to our product sustainability goals, which have the intention of reducing carbon emissions and water usage from the production of apparel. These goals include sourcing 100% of cotton from more sustainable sources by 2025 and sourcing 45% of polyester from recycled sources by 2025. Our brands also have specific product sustainability goals that are included in performance evaluations and monetary compensation for relevant teams. Furthermore, Gap Inc. logistics network measures energy consumption in all of our buildings and is committed to lowering our energy consumption through the use of more efficient LED lighting, low voltage conveyor, motion sensing on inactive equipment, energy storage and the use of renewable energy. Progress against maintaining these commitments is evaluated as part of the Head of Logistics and Operation's annual performance review.

**Entitled to incentive**

All employees

**Type of incentive**

Monetary reward

**Incentive(s)**

Bonus – set figure

**Performance indicator(s)**

Achievement of climate transition plan KPI  
Implementation of an emissions reduction initiative  
Energy efficiency improvement  
Increased share of renewable energy in total energy consumption  
Reduction in total energy consumption  
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)  
Implementation of employee awareness campaign or training program on climate-related issues

**Incentive plan(s) this incentive is linked to**

Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**

The Exceed Award is Gap Inc.'s company-wide spot bonus program. The cash award is designed as a tool to reward team members in real-time who demonstrate superior performance and generate results above and beyond the expected job scope.

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**

The Exceed Award may be given to an individual or a team for outstanding performance in any variety of areas, which includes environmental sustainability initiatives such as work on reducing emissions, meeting targets, leading emissions reduction initiatives, piloting innovative programs which actively respond to environmental issues, or any other example.

C2. Risks and opportunities

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C2.1

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**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

C2.1a

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**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	5	
Long-term	5	10	

C2.1b

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**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

In 2022, we continued to define substantive strategic impact from climate-related risks to be one that has a high likelihood to (a) adversely impact the Company's annual consolidated revenues by at least \$500 million and/or annual operating income by at least \$10 million and/or (b) have a materially adverse impact on our business operations defined as a major operating failure impacting the business for days to weeks including impact to people, process and/or technology.

C2.2

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**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Annually

**Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

**Description of process**

Each year, our management and Internal Audit teams work together to identify, assess, and respond to the greatest existing and emerging risks (climate-related risks are integrated into this multi-disciplinary approach) across our upstream, downstream, and direct operations that could impact the Company's operations or ability to achieve its objectives within the short- (1-3 years), medium- (3-5 years), and long- (5-10 years) term time horizons. The Risk Committee, which includes leaders that represent the Senior Leadership team, provides oversight of the annual Enterprise Risk Assessment (ERA) process, which consists of three iterative steps: (1) Identification: Senior executives and VPs provide input to identify risks and mitigations via an online questionnaire or an interview; (2) Assessment: The Risk Committee reviews results, identifies any other key risks, and prioritizes them in the appropriate quadrants based on two components: risk exposure and mitigation maturity; and (3) Response: The CEO, Board, and Senior Leadership team use the ERA to monitor and mitigate risks, as well as to update policies and include in business continuity planning where required. The ERA informs our annual Internal Audit Plan and ongoing Board oversight items. Climate-related risks are prioritized based on the Risk Committee's determination of whether the risk is financially substantive, which is based on whether it has high likelihood to (a) adversely impact the Company's annual consolidated revenues by at least \$500 million and/or annual operating income by at least \$10 million and/or (b) have a materially adverse impact on our business operations defined as a major operating failure impacting the business for days to weeks including impact to people, process and/or technology. The Audit & Finance Committee of the Board of Directors oversees the ERA.

Additionally, specific to climate-related events in the short-, medium-, and long-term, our Business Continuity Planning ("BCP") team analyzes, prioritizes and helps to mitigate asset-level risks resulting from extreme weather, natural hazards and other external events. The BCP team uses predictive and actual models from the National Oceanic and Atmospheric Administration ("NOAA") and other national and international agencies as well as integrated Google Earth tracking tools that are overlaid against all of Gap Inc.'s facilities for tracking potential and actual impacts. The BCP team uses a Risk Assessment Tool ("RAT") to determine the event, Company risk and the residual risk remaining after preparedness plans are developed.

Informed by the ERA and BCP teams, Gap Inc.'s process to responding to climate risks and opportunities is collaborative and as follows. Our ESG Reporting and Sustainability teams, Chief Supply Chain, Strategy, and Transformation Officer, and other executives regularly evaluate climate-related risks with the Risk Management and Internal Audit teams to develop recommendations. Our responses include actions such as climate resiliency strategy work, goal setting, and coordination with our brands and business functions (such as store audits, logistics and sourcing) to ensure that we are appropriately assessing the risk, possible interventions, and associated investments prior to making a decision. We also develop country-specific strategies that take into consideration local context for our international operations. We also already require Tier 1 suppliers of branded products, and strategic Tier 2 suppliers, to use the Sustainability Apparel Coalition (SAC) Higg index to perform environmental self-assessments that are then verified by third-party verifiers to mitigate environmental risk. For opportunities, we evaluate the cost, savings, alternatives, and potential side effects before pursuing any climate-related projects such as our VPPA (Virtual Power Purchase Agreement) offsites.

**Physical Risk Case Study**

Through our Supply Chain Strategy and Network Team which oversees supply chain risk, it was identified through supply chain risk mapping and research from sustainability experts that there was a potential for extreme weather events, such as flooding or drought, in countries in which we source cotton. This was assessed as a likely risk, with a medium magnitude of impact. Through engagement with the Sustainability team, it was determined that in order to mitigate cotton-related sourcing risks, we should refocus our textile fiber strategy to be more diversified. As such, we took steps to source fibers that are more sustainable (defined as those that have a lower carbon footprint and/or reduced impact on biodiversity or lower water footprint compared to conventional materials), such as recycled polyester, recycled nylon, organic, recycled, Better Cotton Initiative (BCI) cotton, and man-made cellulosic materials (Lenzing). In 2022, 81% of cotton used was sourced from more sustainable sources, and 16% of polyester used was from recycled sources.

**Transitional Risk Case Study**

Through benchmarking, the Risk Management team has identified the transitional risks of current and emerging regulations as it relates to climate change and the GHG emissions of Gap Inc. This was assessed as a likely risk, with a large magnitude of impact as non-compliance to these mandates can result in extreme fines. Through the Global Sustainability and ESG Reporting teams leveraging benchmarking and current research on climate scenarios, we are working to achieve our goal of sourcing 100% renewable energy for Company-operated facilities globally by 2030 to reduce our dependence on fossil fuels and mitigate potential impacts resulting from the use of fossil fuels. In addition, we incorporated climate impacts in our evaluation of preferred fibers within our raw materials sourcing strategy with a goal to reduce Scope 3 emissions related to purchased goods and services by 30% by 2030 compared to the Company's 2017 levels to minimize both the climate and water impacts of our raw materials. This process was also incorporated in setting our science-based target to reduce our Scope 1 and 2 emissions by 90% from a 2017 baseline.

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**C2.2a**

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**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation directly impacts our operations, manufacturing and sourcing, and is considered within our risk assessments. Current regulations on climate change can impact energy prices, compliance costs, sourcing availability and costs as well as the ability to operate in markets. Specifically, in our supply chain, China has implemented the Chinese Environmental Law, which sets regional caps on GHG emissions. We consider existing regulations in deciding where we source and how we aim for compliance. We use our supplier selection process, combined with monitoring of regulatory landscapes to monitor potential impacts.
Emerging regulation	Relevant, always included	Emerging regulation potentially impacts our operations, manufacturing and sourcing, and is considered within our risk assessments. Emerging regulation on climate change can impact energy prices, compliance costs, sourcing availability and material costs as well as ability to operate in markets. For example, the U.S. Securities Exchange Commission has proposed rules that would require registrants to include certain climate-related disclosures in their registration statements and periodic reports, including disclosure of a registrant's GHG emissions. Additionally, the California Senate passed the Climate Corporate Data Accountability Act (SB 253) and the Climate-Related Financial Risk Disclosure Act (SB 261) that will require companies doing business in California and generating over \$1 billion annually in revenue to disclose their GHG emissions. The implementation of these rules will increase compliance costs for Gap Inc., as well as potential fines for noncompliance.
Technology	Relevant, always included	Technology-related risks are assessed through our annual climate risk assessments. Achieving our emission reduction targets depends on the availability and successful deployment of technology solutions including renewable energy generation, low-carbon raw material inputs and energy-efficient processing techniques.  An example of a technology risk to Gap Inc. is the lack of a cost-effective, clean energy alternative to high-temperature coal boilers. Apparel production requires high temperatures for production and electrical and biomass boilers are currently unable to compete commercially with coal boilers where high temperatures are required. There are also risks around the technology needed to accelerate renewable energy options in our sourcing countries and the related infrastructure for the distribution of energy.
Legal	Relevant, always included	Litigation associated with failure to comply with climate-related legislation is a risk to the business. Legal risks are assessed annually through our climate risk assessments. Gap Inc. could face legal risks including heavy fines if it is found to have made misleading claims (via marketing, advertising, or product details) about the environmental or climate performance of its products.
Market	Relevant, sometimes included	Market shifts have implications for our sourcing, production and business. Our consumer insights surveys show increased awareness of our sustainability efforts year over year, and market research shows that consumer demand for sustainably produced clothing with low environmental and social impacts has increased over time, especially with younger generations. We face a risk to lose market share based on our ability to attract consumers who demand clothing from organizations that share their values. We respond to this by using more sustainable raw materials in our products, evidenced by our goals to achieve 100% more sustainable cotton and 45% recycled polyester by 2025.  Additionally, in 2018, we completed and rolled out our Preferred Fiber & Materials Toolkit. The tool empowers product teams to select the best fibers based on sustainability impacts such as emissions / energy, alongside water, chemicals, land use, biodiversity, social conditions, animal welfare, potential for circularity, improved conditions for women, and commercial and performance considerations. We update this toolkit periodically as industry research becomes available and our product teams continue to be trained on how to use this resource. This toolkit was gifted to Textile Exchange in 2020 with the hope of open sourcing this information to guide the industry towards meaningful change.
Reputation	Relevant, always included	Failure to meet rising stakeholder expectations to manage our impact on communities and the environment, including climate change could result in damage to our reputation and brand. Every year, we conduct a sustainability consumer insights study to better understand the reactions and motivations of customers towards sustainability, and the results of this survey are used to guide investment and programmatic resources into our brands sustainability initiatives. We also consider our ESG ratings and rankings from prominent data providers such as MSCI, Sustainalytics, and ISS to consider our stakeholders' priorities.
Acute physical	Relevant, always included	The supply and cost of certain agricultural commodities, particularly cotton, are critical to our business. Cotton is used in the majority of our products, and Gap Inc. is a major buyer of cotton in the apparel industry. Acute physical climate-related events such as typhoons, droughts, or extreme heat can cause changes in agricultural production, precipitation, or weather in key cotton-producing countries (e.g., India, Pakistan, U.S.). This could impact the availability and cost of the cotton that is used to make many of our apparel products. We use forecasting to predict risks and use tools such as our Preferred Fiber Toolkit to shift our sourcing choices to those that have lower climate change risks and impacts. We also work with suppliers and expert stakeholders, such as Better Cotton, to evaluate how to build resilient supply chains.
Chronic physical	Relevant, sometimes included	Chronic physical climate-related impacts such as rising sea levels, rising temperatures, and desertification affect a substantial share of the global cotton supply and could lead to an increase in the cost of sourcing our products. In 2011, a severe drought in a major cotton-producing country contributed to increased product costs. In 2020, we saw a 60% year-over-year increase in direct costs from our cotton suppliers in the Indian states of Madhya Pradesh and Maharashtra due to drought and heat in these areas. Chronic physical risks are assessed by our Business Continuity Planning team at the asset level, using predictive and actual models from the NOAA and other national and international agencies. When impacted by chronic physical impacts, we evaluate financial and physical impacts and build those risks into future planning processes.

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.3a**

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Current regulation	Enhanced emissions-reporting obligations
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

The following regulatory risk(s) were identified by our Government Affairs and ESG Reporting teams, who track and assess regulatory demands that will impact Company behavior and performance.

As stated in our Annual Report on Form 10-K, increasingly, regulators are focusing on ESG matters and related disclosures. These developments have resulted in increased general and administrative expenses and increased management time and attention spent complying with or meeting ESG-related requirements and expectations. For example, collecting, measuring and reporting ESG-related information and metrics can be costly, difficult and time-consuming and is subject to evolving reporting standards. Required ESG-related initiatives and goals could be difficult and expensive to implement, the technologies needed to implement them may not be cost-effective and may not advance at a sufficient pace, and we could be criticized for the accuracy, adequacy or completeness of the disclosure. If our ESG-related data,



processes and reporting are incomplete or inaccurate, or if we fail to achieve progress with respect to our ESG-related goals on a timely basis, or at all, Gap Inc. risks incurring fines and penalties from the regulatory bodies, and risks to reputation, business, financial performance and growth.

We have identified three regulations to monitor that apply to Gap Inc. Because Gap Inc. is a public apparel company headquartered in California with annual revenues over \$10 billion, would be subject to disclose to: (1) the Securities and Exchange Commission (SEC) Proposed Enhancement and Standardization of Climate-Related Disclosures for Investors; (2) California Senate Bill (SB) 253 Climate Corporate Data Accountability Act; (3) California SB 261: Greenhouse gases: climate-related financial risk; and (4) potentially additional European Union regulations such as the Extended Producer Responsibility on textiles, Corporate Sustainability Reporting Directive (CSRD), and Corporate Sustainability Due Diligence Directive (CSDDD) with specific apparel-sector requirements such as product circularity and supply chain labor standards.

All 4 regulations would increase Gap Inc.'s risk of needing to calculate and report on Scope 1, 2, and 3 emissions, determine financial risks and opportunities related to climate, and align with TCFD (Taskforce on Climate-Related Financial Disclosures) recommendations potentially starting as early as 2024.

**Time horizon**

Short-term

**Likelihood**

More likely than not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

0

**Potential financial impact figure – maximum (currency)**

8400000

**Explanation of financial impact figure**

Our estimated potential impact figure represents the potential or estimated fees incurred should Gap Inc. fail to comply with climate-related regulations from the SEC or California Senate Bills 253 and 261. We intend to fully comply, and therefore the minimum risk of financial impact is \$0.

However, there is always the risk of data inaccuracy, unavailability, or other constraints related to the evolving field of climate data and emissions calculations. Therefore, we have prepared a range of potential non-compliance costs.

SEC: The SEC may bring charges against violating entities. Therefore, if we are unable to satisfy the requirements of the climate-related disclosures or otherwise provide insufficient data, the SEC may execute punitive enforcement actions. In 2022, for example, the commission filed 760 enforcement actions and recovered \$6.4 billion in penalties and disgorgement (an average of \$8.4 million per case). While we do not anticipate penalties for climate-related disclosures to reach a level of \$8.4 million (higher ticket enforcement actions may relate to more severe violations such as fraud, market abuses, and bribery), we have set this as an estimate for the potential maximum impact figure.

SB 253: Authorizes the California Attorney General to bring a civil action seeking penalties against companies for the violations of the bill's requirements. SB 261 states, "The bill provides that a company that violates the bill's reporting requirements may be liable for a civil penalty of up to \$500,000, which may be recovered in a civil action brought by the Attorney General in the name of the people of the State of California." As we do not have a quantity for potential financial impacts from SB 253, we use the civil penalty of \$500,000 from SB 261 as an additional estimated impact figure. As it is less than \$8.4 million, we include it in our potential range of \$0 to \$8.4 million.

**Cost of response to risk**

640000

**Description of response and explanation of cost calculation**

[Situation]: Gap Inc. may be subject to disclose to climate-related reporting regulations, such as the proposed SEC disclosure.

[Task]: Our timeline according to the proposed SEC rule is the current compliance date for large, accelerated filers to disclose Scope 1 and 2 emissions starting in 2023 (filed in 2024). The timeline is followed by Scope 3 disclosures in 2024 (filed in 2025). Therefore, we have prioritized our response by first assessing our current state of climate disclosures, targets, and governance components.

[Action]: We will need to meet expectations for emissions reporting. In order to produce reliable data, we may employ the use of consultants, technologies, assurance providers, training programs, energy efficiency initiatives, scenario analysis providers, additional headcount, and more. We identified several areas for immediate action and began these processes in 2022, with the plan to continue through 2024: (1) develop a climate transition plan; (2) conduct an updated climate scenario analysis using an external provider; (3) prepare our Scope 1, 2, and 3 emissions data for verification; and (4) obtain higher levels (reasonable vs. limited) of emissions verification for select categories.

[Result]: As a result of the three primary actions begun in 2022, we have (1) compiled the necessary components of a climate transition plan for approval in 2023; (2) built a list of requirements for a climate scenario analysis, and engaged our financial audit and risk teams in the process. We plan to finish the analysis in 2023, which will help satisfy TCFD reporting in line with SEC and SB 261 proposed requirements; and (3) conducted an audit-readiness assessment with a consulting firm to identify data gaps. As a result of that process, we are documenting our emissions data input streams and methodologies. In 2022, we increased our verification to include a new Scope 3 category, Business Travel. We plan to verify all categories by fiscal year 2024 to meet the proposed disclosure timeline.

[Cost Calculation]: The cost of response is the sum of response for the SEC climate-related disclosures. Because SB 253 and SB 261 have similar reporting requirements to the more comprehensive SEC disclosures, we anticipate its cost of response will encapsulate all components of responding to other regulations. The first-year cost of compliance provided by the SEC proposal is \$640,000 (\$180,000 for internal costs and \$460,000 for outside professional costs).

**Comment**

**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Upstream

**Risk type & Primary climate-related risk driver**

Chronic physical	Changing precipitation patterns and types (rain, hail, snow/ice)
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

The following risk has been identified in our annual enterprise risk assessments as well as our climate scenario analysis.

Raw materials and fibers used to make apparel products, particularly cotton, are at risk of chronic physical conditions due to climate change. The majority of Gap Inc.'s products are made from cotton (approximately 72% of fiber content in Gap Inc.'s 2022 production was cotton). Therefore, Gap Inc. is highly dependent on the ability to source quality, affordable cotton for manufacturing apparel to deliver to our customers. India and Pakistan represent a significant percentage of our cotton sourcing (also representing approximately half the world's production). These regions have a high probability of facing continued climate-related ecological impacts such as extreme and prolonged weather patterns, drought, monsoons, and flooding. For example, in the Germanwatch 2021 Global Climate Risk Index (ranked from highest to lowest risk), India is ranked seventh and Pakistan is eighth. In 2022, we saw a clear example of the impact of these risks in Pakistan, as floods devastated the country between June and October. The damage affected 40% of its cotton crop, according to Disaster Philanthropy.

Climate-related physical impacts contribute to low cotton yields, creating volatile cotton market prices and risk to Gap Inc.'s sourcing costs and product margins. Due to a fluctuation of supply and demand, we may face sourcing risks and increasing costs. In 2022, cotton prices reached the highest rate since 2011, peaking at \$1.55/pound and with an average closing cost of \$1.13/pound. In 2020, for example, we saw a 60% year-over-year increase in direct costs from our cotton suppliers in the Indian states of Madhya Pradesh and Maharashtra due to the scarcity caused by drought and heat in these areas. Overall, cotton prices have increased over time, with a range between \$0.50 and \$1.60 per pound since 2020 vs. a range between \$0.50 and \$0.80 in the early 2000s. A report by Grand View Research anticipates cotton having a Compound Annual Growth Rate (CAGR) of 4% from 2022 to 2030, making this a long-term risk for the Company.

If cotton prices rise, apparel companies like Gap Inc. may incur higher costs and smaller margins, including if customers do not accept price increases.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

228150134

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure**

Cotton costs are expected to increase due to climate-related risks in our global supply chain. Commodity prices of cotton are variable and fluctuate based on market forces and external impacts such as drought, flooding and consumer sentiment.

Our estimated potential impact figure represents the anticipated increase of conventional cotton costs in 2030, and is based on the difference between two components: (1) Gap Inc.'s approximate business spend on cotton in 2022, and (2) the projected cost in 2030 using the Compound Annual Growth Rate formula below.

Component 1 = Gap Inc. approximate cotton usage and cost in 2022

$\$722,150,000 = \$5,555,000,000 \text{ first business cost of products} \times 20\% \text{ (portion of cost from raw materials)} \times 65\% \text{ (approximate, average annual portion of fabric that is cotton)}$

\*Please note that the first business cost of products used in this equation is NOT equal to our total Cost of Goods Sold amount in our Annual Report due to additional costs unrelated to cotton consumption.

Component 2 = Gap Inc. approximate cotton usage (assuming flat growth) and cost in 2030

$\text{Future Value} = \text{Present Value} (1 + \text{CAGR})^{\text{time}}$

$\$950,300,134 = \$722,150,000 (1 + 0.04)^7 \text{ years}$

The difference from 2022 to 2030 is 32% = \$228,150,134

**Cost of response to risk**

153600000

**Description of response and explanation of cost calculation**

[Situation]: Cotton costs are expected to increase by 2030 in part due to climate-related risks in the global supply chain. Gap Inc.'s cotton-sourcing regions include areas at a high risk of climate-related disasters and drought.

[Task]: To mitigate the risk of increased costs, we seek to build a resilient supply chain and understand our sourcing risks.

[Action and Result]: We have taken action to (1) diversify our cotton sources and (2) source more sustainable cotton.

(1) We need a reliable supply of fibers outside of high-risk areas – for example, we source cotton from the United States and increasingly, South American hubs like Brazil. The outcome of this approach is to ensure that if a climate event increases the cost of materials in one region of the world, we will have alternative sources to maintain our business production. In 2022, Gap Inc. shared plans to increase sourcing and producing in North and Central America by approximately \$50 million per year, for a total growth commitment of \$150 million by 2025. We've acted by working with our International Sourcing team to identify new suppliers. Nearshoring our fiber sourcing and manufacturing has many cost benefits and increased cotton yield security from diversification. (2) We define "more sustainable" cotton as Better Cotton, verified U.S.-grown cotton (USCTP), organic, in-conversion to verified organic, recycled, or regenerative cotton. We have a goal to source 100% more sustainable cotton by 2025 and are on track to meet this goal (81% in 2022, 79% in 2021, and 54% in 2020). This risk response is in the interest of reducing negative climate impacts long-term. Sustainable farming practices for cotton emit less greenhouse gases. Gap Inc. design employees use life cycle assessment data on fiber indicators (including global warming potential, water use and eutrophication, biodiversity, circularity, chemistry, land-use change) to make more sustainable choices for our products. Working with Better Cotton comes with a membership cost.

[Cost Calculation]: Sum of the below two components as a one-time anticipated sum in the year of 2025: (1) 3 times (2023, 2024, and 2025) the annual Better Cotton fees of approximately \$1.2 million (for three years = \$3.6 million) (2) Sourcing increase commitment from Central America of \$150,000,000 by 2025  
\$153,600,000=\$3,600,000+ \$150,000,000

**Comment**

**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Cyclone, hurricane, typhoon
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**Primary potential financial impact**

Decreased revenues due to reduced production capacity

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

The following risk has been identified by our Business Continuity Planning (BCP), Risk, and Insurance teams.

As stated in our Annual Report on Form 10-K, natural disasters, such as hurricanes, tornadoes, floods, earthquakes, wildfires, and other extreme weather conditions; negative global climate patterns; or other catastrophic events or disasters occurring in or impacting the areas in which our stores, distribution centers, corporate offices or our vendors' manufacturing facilities are located, whether occurring in the United States or internationally, could disrupt our, our franchisees' and our vendors' operations.

With almost 2,700 company-operated stores (in 2022) and other owned & operated facilities globally, Gap Inc.'s operations are at physical risk to the changing climate including fires, floods, and other extreme weather events that may damage facilities and make them unable to operate their normal business functions. Much of our North American sites are exposed to extreme weather. This region comprises 90% of our owned and operated stores (approximately 2,700 stores at risk) and has been selected as the focus for our acute physical risk mitigation. In detail, the Western and Mountain states in America and Canadian provinces are all subject to higher wildfire risk and associated air quality issues. The Gulf states and most of the Eastern seaboard are subject to hurricane risk, the Midwest and Mid-South are subject to tornado risk, and the Upper Midwest and Northeast are subject to strong winter storms.

Given that many of our stores are at risk of some level of extreme weather, providing an exact scope or number of sites at risk is difficult to provide due to the dynamic nature of assessing climate risk. However, we use an actual example from 2022 as a proxy. In September 2022, Hurricane Ian caused 93 store closures, which were closed for various periods of times depending on the destruction caused by the storm. With most hurricanes, we see closures for 1 to 3 days. If a store is directly impacted by a hurricane, it could be closed for weeks or months depending on the amount of time to rebuild. As a result of this climate-related extreme weather event and others like it that may occur in the future, Gap Inc. faces risks to our operations from damaged property costs, lost inventory costs, and lost sales due to store closures.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

14700000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Our financial impact figure represents an example of the cost to Gap Inc. as a result of extreme weather events related to climate change that result in the temporary or permanent closure of our stores, distribution centers, and offices that either increase cost or create loss of revenue.

As a result of the September 2022 Hurricane Ian store closures, 93 stores were impacted, with three stores completely lost to damages. For those, we filed an insurance claim that settled for \$12 million. The settlement represents the financial impact of those three store losses, but our total financial impact also includes the lost sales from the 90 stores that had temporary closures. An average store in the United States yields daily gross sales of approximately \$10,000. For 90 stores that were closed 3 days of the year due to Hurricane Ian, this is an additional \$2.7 million cost in lost potential sales. Therefore, our combined financial impact figure is \$14,700,000.

$(90 \times 3 \times \$10,000) = \$2,700,000 + \$12,000,000 = \$14,700,000$

**Cost of response to risk**

31000000

**Description of response and explanation of cost calculation**

[Situation]: Gap Inc. has thousands of sites across North America that are subject to acute physical risks related to climate change. Store closures and damages from extreme weather events like hurricanes pose a risk to the company's sales and operating costs.

[Task]: While Gap Inc. cannot control the weather, we do take action to reduce risks to our business from these events by transferring risks to insurance.

[Action]: We consider catastrophic events as part of our disaster recovery and business continuity planning each year. For example, Gap Inc. monitors sources such as NOAA and Everbridge Visual Command Center to track potential and occurring extreme weather events that may impact our direct operations. Everbridge VCC contains a

map with all our locations (stores, distribution centers, and offices) geolocated and overlays weather on the map, which is tracked daily. Even so, our planning may not be sufficient in all instances (e.g., Hurricane Ian in 2022). Therefore, on an annual basis with our insurer, we review options to purchase additional insurance with Catastrophe Coverage for wind, flood, hurricane, and earthquakes.

[Result]: Because we invest in additional catastrophe coverage on our property insurance, we mitigate some of the financial risk of extreme weather business interruptions and can receive settlement funds from the insurer. Additionally, when impacted from events such as hurricanes, we evaluate financial and physical impacts and build those risks into future planning processes. We implement our business continuity plans, for example, at some of our stores following severe storms and continue to pay for employees affected by the event. This better prepares the company for any future events.

[Cost Calculation]: We submit to our insurance brokers a schedule of values for all our locations with building, contents, inventory at selling price, and business interruption insured values. The broker runs a model for us to understand our potential exposure to wind, storm surges, earthquakes, and hurricanes. The cost for insurance, including catastrophe coverage, represents our cost of response to this risk. In North America, on average, our catastrophe insurance rate offerings were 636% higher than non-catastrophe rates. As a result, in 2022, we paid \$31 million for property insurance across our fleet, including catastrophe coverage.

#### Comment

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## C2.4

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### (C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

## C2.4a

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### (C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

#### Identifier

Opp1

#### Where in the value chain does the opportunity occur?

Direct operations

#### Opportunity type

Energy source

#### Primary climate-related opportunity driver

Use of lower-emission sources of energy

#### Primary potential financial impact

Reduced direct costs

#### Company-specific description

Through our science-based target to source 100% clean energy for company-operated facilities globally by 2030, which fits into our long-term time horizon, we identified the opportunity to source lower-emission energy, thereby reducing our direct costs of energy. We define clean or lower-emission energy as energy from renewable sources such as solar and wind power.

We recognize the opportunity to use lower-emission sources of energy like renewable energy that will keep our operating costs low, keeping price of our products reasonable for customers, all while supporting our science-based targets.

As of the end of 2022, 89% of our Scope 2 energy consumption (nearly 1 million MWh) was consumed in the United States. Because of this, we see our biggest opportunity to source and generate lower-emissions energy to be located in the United States.

As a result, we launched three renewable energy projects to reduce our impact in North America:

- (1) In 2018, we finalized a 3-megawatt solar array at our Fresno, California distribution center, which began generating energy in March 2020.
- (2) In 2019, we partnered with four other companies to develop the 42.5-megawatt Fern Solar VPPA in North Carolina that has offset 100% of the energy load for our Athleta Company-operated stores (approximately 7.5 megawatts). The project began generating energy in December 2020.
- (3) In August 2019, we signed a 90-megawatt VPPA for the Aurora Wind Project in North Dakota, which came online in late 2020.

These projects impact Gap Inc. by reducing direct costs (depending on market rates, the Fresno Solar installation produces renewable energy at a lower cost rate than conventional energy market rates) and by generating additional revenue (Aurora and Fern VPPAs may result in monthly revenue when the market rate is higher than our contracted fixed rate).

We also benefit from reduced emissions due to the use and production of renewable energy. We monitor progress for each of these projects through monthly energy generation reports from the VPPA developers, as well as actual energy production and use utility statements at our Fresno distribution center.

#### Time horizon

Long-term

#### Likelihood

Very likely

#### Magnitude of impact

High

#### Are you able to provide a potential financial impact figure?

Yes, an estimated range

#### Potential financial impact figure (currency)

<Not Applicable>

#### Potential financial impact figure – minimum (currency)

2420000

**Potential financial impact figure – maximum (currency)**

8420000

**Explanation of financial impact figure**

We forecast earnings from our two VPPA projects (Aurora Wind and Fern Solar) between \$2.42 million and \$8.42 million annually, based on two years of history and future financial projections. These earnings are dependent on two monthly factors: (1) solar and wind production; and (2) energy pricing. Due to the varied weather events earlier this year, we have seen that these forecasts are extremely unreliable. Our two renewable energy projects are contracted for difference structured VPPAs in which we have committed to paying a fixed price for the clean power generated. That fixed price will be settled against the fluctuating market price, which creates the potential for cost or revenue for Gap Inc. depending on future energy prices. To date, we have primarily experienced a favorable return on our investment.

Over the projects' history in 2021 and 2022, energy prices for Aurora wind ranged from a \$10 to \$60 range, and the megawatt hours produced ranged from the low ten to thirty thousands. Likewise, with Fern solar, energy prices ranged from a \$20 to \$100 range, and the megawatt hours produced ranged from the low hundreds to nearly two thousand. Based on these variable production amounts and energy prices, as well as our actual earnings from 2022, we've projected minimum annual earnings for the two projects combined as \$2 million, and the maximum as \$8 million.

We also estimate a cost savings annually from our onsite Fresno, California solar installation of approximately \$420,000. The \$420,000 was derived from the assumed energy priced around 7 cents/kWh with the project yielding about 6 million kWh annually (6million kWh X \$0.07/kWh = \$420,000) for the Fresno solar project. We estimate these costs through our agreement to purchase this energy at a fixed price over a period of time.

Therefore, the total annual cost savings is between \$2.42 million and \$8.42 million, with the added savings from Fresno's solar array = \$2,420,000 (low) and \$8,420,000 (high).

**Cost to realize opportunity**

720000

**Strategy to realize opportunity and explanation of cost calculation**

The cost to realize this opportunity is based on the costs for the Fresno solar installation project (\$420,000) plus the legal fees incurred for the two VPPA projects (\$300,000). The VPPA projects did not incur any installation costs (\$420,000 + \$300,000=\$720,000).

**Case study:**

Gap Inc. identified the opportunity of lower-emissions energy sources to stabilize energy costs and to meet our science-based Scope 1 and 2 target by 2030. The process included identifying the sites and regions to start projects, working with industry partners, and assessing financial implications. The decision to engage two VPPA contracts was made by assessing projections for renewable energy production and prices and agreeing to take on the increased financial risk in order to bring additional renewable energy onto the U.S. electrical grid and hedge against potential increases in brown power prices.

Gap Inc. chose to pursue three projects: (1) In June 2018, we finalized an agreement to develop a 3-megawatt solar array at our Fresno, California distribution center. The project offsets 50-80% of the energy at our Fresno facility and reduces energy expenses. The project began generating energy in March 2020. (2) In 2019, we partnered with Bloomberg, Cox Enterprises, Salesforce, and Workday to form a first-of-its-kind Virtual Power Purchasing Agreement ("VPPA") that is enabling us to procure 42.5 megawatts of a 100-megawatt solar project in North Carolina ("Fern Solar"). Gap Inc. has contracted 7.5 megawatts of solar energy, which we plan to offset 100% of the energy load for our Athleta company-operated North American retail stores. The project began generating energy in December 2020. (3) In August 2019, we signed a 90-megawatt VPPA for the Aurora Wind Project with Enel Green Power North America. The 12-year agreement helped us reach our 2020 goal to reduce absolute Scope 1 and 2 emissions by 50% compared to 2015 levels by providing an estimated 374-gigawatt hours of renewable energy each year. The project came online in late 2020.

As a result of our work, after launching the VPPAs in late 2020, our percentage of direct electricity consumed from renewable sources increased from 17% in 2020 to 36% in 2022. We anticipate by 2026, we will achieve 85% of electricity produced from renewable sources, making progress towards our science-based target of 100% by 2030. In order to meet our goal, we are exploring an additional VPPA and international Renewable Energy Credits.

**Comment**

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### C3. Business Strategy

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#### C3.1

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**(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?**

Row 1

**Climate transition plan**

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

**Publicly available climate transition plan**

<Not Applicable>

**Mechanism by which feedback is collected from shareholders on your climate transition plan**

<Not Applicable>

**Description of feedback mechanism**

<Not Applicable>

**Frequency of feedback collection**

<Not Applicable>

**Attach any relevant documents which detail your climate transition plan (optional)**

<Not Applicable>

**Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

While we do not yet have a cohesive climate transition plan that meets all criteria described by CDP, we do have various elements of a plan including a detailed strategy to achieve our emissions goals that are aligned with a 1.5-degree world and have integrated our climate approach across several core Company functions. Our low-carbon climate strategy is influenced by climate-related risks and opportunities we have identified in our supply chain and operations. At the foundation of our approach are goals that align with the scientific consensus of the Paris Agreement to pursue efforts to limit global temperature rise to less than 1.5 degrees Celsius. Our strategy includes reducing emissions and investing in renewable energy projects to reduce our Scope 1 and 2 footprints and working closely with our strategic suppliers on programs to address our Scope 3 emissions. We have formally approved science-based targets to reduce Scope 1 and 2 by 90%, reduce Scope 3 by 30%, and use 100% renewable energy in our Company-operated facilities by 2030. We also announced our intention to establish a new Net Zero target in 2022 and are working to have it approved by the Science Based Target initiative this year.

In 2023, we began drafting an internal climate transition plan, which we will review with the Governance and Sustainability Committee of the Board of Directors.

We have also completed a climate scenario analysis and materiality assessment, which we intend to use to inform strategy discussions with executives and the Governance and Sustainability Committee of the Board of Directors, including a transition plan aligned to a 1.5-degree world. As a first step, we will obtain leadership approval and support to integrate with financial planning.

Scenario analysis will support our annual assessment of existing and emerging risks that could impact the Company’s operations or ability to achieve its objectives. This review is performed by management and Internal Audit. The Risk Committee, made up of leaders that represent the Senior Leadership team, provides oversight over the annual Enterprise Risk Assessment (ERA) process. The ERA is used by the CEO, Board, and senior leadership to monitor and mitigate emerging or persistent risks, update policies, and include in Business Continuity Planning where required.

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

C3.2

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

**(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.**

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices		
<table border="1"> <tr> <td>Transition scenarios</td> <td>IEA 450</td> </tr> </table>	Transition scenarios	IEA 450	Company-wide	<Not Applicable>	<p>In our 2C scenarios we assume ambitious action is taken to mitigate climate change, limiting temperature increase to 2°C and meeting the objective of the Paris Agreement. There is greater policy action than currently exists, but timing, consistency and coordination of policy implementation is less certain than in the 1.5C scenario.</p> <p>Increase in technology advances provide wider access to low emission products and services and renewables increase from 3% of global electricity generation in 2015 to more than 20% by 2040. There is an increase in carbon capture and sequestration technology and by 2040, 80% of coal-fired generation capacity is CCS equipped.</p> <p>Global population grows 0.9% per year. ~9 billion in 2040 and world GDP assumed to grow at rate of 3.4% between 2012-2040. After 2020, a CO2 price is adopted in OECD countries and fossil fuel subsidies removed in all regions except the Middle East by 2035. CO2 prices in most OECD markets reach \$140/ton in 2040 and global energy demand grows on average by 0.6% per year.</p> <p>This scenario has a timeframe of 2012-2040</p>
Transition scenarios	IEA 450				

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	RCP 2.6	Company-wide	<Not Applicable>	<p>In our 2C scenarios we assume ambitious action is taken to mitigate climate change, limiting temperature increase to 2°C and meeting the objective of the Paris Agreement. There is greater policy action than currently exists but an increase in physical climate-related impacts. Global emissions decline 25% by 2030, and extreme weather events increase in frequency and magnitude. There are increasing signs of climate instability, for example sea level rise, loss of sea ice and decline in biodiversity.</p> <p>Timing, consistency and coordination of policy implementation is less certain than in the 1.5C scenario.</p> <p>This scenario has a timeframe of 2012-2040</p>
Physical climate scenarios	RCP 3.4	Company-wide	<Not Applicable>	<p>In our 2C scenarios we assume ambitious action is taken to mitigate climate change, limiting temperature increase to 2°C and meeting the objective of the Paris Agreement. There is greater policy action than currently exists but an increase in physical climate-related impacts. Global emissions decline 25% by 2030, and extreme weather events increase in frequency and magnitude. There are increasing signs of climate instability, for example sea level rise, loss of sea ice and decline in biodiversity.</p> <p>Timing, consistency and coordination of policy implementation is less certain than in the 1.5C scenario.</p> <p>This scenario has a timeframe of 2012-2040</p>
Physical climate scenarios	RCP 4.5	Company-wide	<Not Applicable>	<p>In our 2C scenarios we assume ambitious action is taken to mitigate climate change, limiting temperature increase to 2°C and meeting the objective of the Paris Agreement. There is greater policy action than currently exists but an increase in physical climate-related impacts. Global emissions decline 25% by 2030, and extreme weather events increase in frequency and magnitude. There are increasing signs of climate instability, for example sea level rise, loss of sea ice and decline in biodiversity.</p> <p>Timing, consistency and coordination of policy implementation is less certain than in the 1.5C scenario.</p> <p>This scenario has a timeframe of 2012-2040 and is quantitative and qualitative.</p>
Physical climate scenarios	RCP 6.0	Company-wide	<Not Applicable>	<p>In our 2.6C or 'current status quo' scenario, existing climate-related policies (NDCs) and actions remain the same, causing temperatures to increase to c.2.6°C and physical impacts of climate change are increasingly damaging.</p> <p>Global emissions continue to rise at current rates and extreme weather events become increasingly damaging with signs of climate instability globally and increasing risk to human health. Current country-level commitments to reduce emissions are maintained but no further international mechanisms are implemented. There is no change in demand for low-emission goods and services and world GDP is assumed to grow at a rate of 3.4% between 2012-2040. Population grows by 0.9% per year. ~9 billion in 2040.</p> <p>Technology advancements are required to manage physical climate impacts And energy demand increases. The NDCs achieve decoupling of power generation emissions, which remain broadly flat to 2030, and electricity demand, which grows by 40%. Low-carbon sources fuel 70% of additional power generation by 2030. Full implementation of NDCs requires a USD 13.5 trillion investment in energy efficiency and low-carbon technologies – 40% of total energy sector investment to 2030 and no carbon price is implemented.</p> <p>This scenario has a timeframe of 2012-2030 and is quantitative and qualitative.</p>
Physical climate scenarios	RCP 8.5	Company-wide	<Not Applicable>	<p>In our 4C scenario, limited climate action and lack of coordination result in a temperature increase of 4°C or above and significant disruption globally due to catastrophic physical climate impacts. There is no peak in global emissions by 2040 and climate-related impacts result in severe damages, displacement and economic instability.</p> <p>Due to a lack of robust action to reduce emissions, countries fail to meet Paris Agreement commitments and there is no change in demand for low-emission goods and services. The global population grows by 1.7 billion people, mostly in urban areas of developing economies and world GDP is assumed to grow at rate of 3.4% between 2012-2040</p> <p>Under current and planned policies, modelled in the New Policies Scenario, energy demand is set to grow by more than 25% to 2040 and fossil fuels will still contribute 75% of energy demand by 2040. The share of renewables in generation rises to over 40% by 2040 but coal remains the largest source and gas remains the second-largest.</p> <p>This scenario requires more than \$2 trillion a year of investment in new energy supply with modest rates of energy intensity improvements and technology advancement. Significant increase in new climate adaptation technology is required and no carbon tax is implemented.</p> <p>This scenario has a timeframe of 2012-2040 and is quantitative and qualitative</p>
Transition scenarios	Customized publicly available transition scenario	Company-wide	1.5°C	<p>In our 1.5 C scenario we used the IPCC Report. we assume rapid transition to a low carbon world in the next decade, limiting temperature increase to 1.5°C. There is a high degree of transformation across the economy and a slight increase in physical climate-related impacts. Global emissions decline 45% by 2030.</p> <p>All regions demonstrate strong leadership in reducing emissions and a global price on carbon implemented.</p> <p>Technology disruptions are required to drive the transition and new markets are created for energy efficient and zero emission products and services. Global population reaches between 8.5 - 10 billion people by 2050 and world GDP is assumed to grow at a rate of 3.4% between 2012-2040.</p> <p>This scenario has a timeframe of 2010 – 2050 and is quantitative and qualitative</p>
Physical climate scenarios	Customized publicly available physical scenario	Company-wide	1.5°C	<p>This scenario is SSP1. Modelling suggests the price of emissions to limit to 1.5 would be 3-4 times higher than limiting to 2C with an estimated price per tCO2e range from 135–6050 USD in 2030, and 245–14300 USD in 2050. Investment in low-carbon technologies is rapidly upscaled by a factor of 6 compared to 2015 and by 2050, renewables supply 52-67% of primary energy.</p> <p>This scenario has a timeframe of 2010 – 2050 and is quantitative and qualitative.</p>

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	Customized publicly available transition scenario	Business division	2.1°C - 3°C	<p>This scenario is IEA INDC. In our 2.6C or 'current status quo' scenario, existing climate-related policies (NDCs) and actions remain the same, causing temperatures to increase to c.2.6°C and physical impacts of climate change are increasingly damaging.</p> <p>Global emissions continue to rise at current rates and extreme weather events become increasingly damaging with signs of climate instability globally and increasing risk to human health. Current country level commitments to reduce emissions are maintained but no further international mechanisms implemented. There is no change in demand for low-emission goods and services and world GDP is assumed to grow at rate of 3.4% between 2012-2040. Population grows 0.9% per year. ~9 billion in 2040.</p> <p>Technology advancements are required to manage physical climate impacts And energy demand increases. The NDCs achieve a decoupling of power generation emissions, which remain broadly flat to 2030, and electricity demand, which grows by 40%. Low-carbon sources fuel 70% of additional power generation by 2030. Full implementation of NDCs requires a USD 13.5 trillion investment in energy efficiency and low-carbon technologies – 40% of total energy sector investment to 2030 and no carbon price is implemented.</p> <p>Population grows 0.9% per year. ~9 billion in 2040.</p> <p>This scenario has a timeframe of 2012-2030 and is quantitative and qualitative.</p>
Transition scenarios	Customized publicly available transition scenario	Company-wide	3.1°C - 4°C	<p>This scenario is IEA WEO New Policies. In our 4C scenario, limited climate action and lack of coordination result in a temperature increase of 4°C or above and significant disruption globally due to catastrophic physical climate impacts. There is no peak in global emissions by 2040 and climate-related impacts result in severe damages, displacement and economic instability.</p> <p>Due to a lack of robust action to reduce emissions, countries fail to meet Paris Agreement commitments and there is no change in demand for low-emission goods and services. The global population grows by 1.7 billion people, mostly in urban areas of developing economies and world GDP is assumed to grow at rate of 3.4% between 2012-2040</p> <p>Under current and planned policies, modelled in the New Policies Scenario, energy demand is set to grow by more than 25% to 2040 and fossil fuels will still contribute 75% of energy demand by 2040. The share of renewables in generation rises to over 40% by 2040 but coal remains the largest source and gas remains the second-largest.</p> <p>This scenario requires more than \$2 trillion a year of investment in new energy supply with modest rates of energy intensity improvements and technology advancement. Significant increase in new climate adaptation technology is required and no carbon tax is implemented.</p> <p>This scenario has a timeframe of 2012-2040 and is quantitative and qualitative.</p>

### C3.2b

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

#### Row 1

##### Focal questions

1. How will the cost of raw materials be impacted as a result of four different climate scenarios?
2. For each climate scenario, what risks are most influential to our financial bottom line?
3. What opportunities are most cost effective/beneficial?

##### Results of the climate-related scenario analysis with respect to the focal questions

1. Raw material costs for cotton are expected to increase by 4% by 2030 (with respect to the 1.5-, 2-, 2.6-, and 4-degree scenarios) as a result of chronic physical risks such as drought, heat, changes in precipitation patterns, and extreme weather that result in diminished production. This is a substantive financial impact. We source cotton from regions with high water stress (which we consider to be above 3.5 on WWF's scale) and high Global Climate Index rankings, including India, China, and Pakistan. As a response to this substantial risk, we have integrated into our strategy efforts to diversify our cotton portfolio and invest in more sustainable sources. This goal has a short-term timeline of reaching 100% more sustainable cotton by 2025.
2. In the 1.5-degree scenario, the transitional risk of enhanced emerging obligations is anticipated to increase utility costs by ~125% as it would be required to phase out fossil fuels. In the 2-degree scenario, the transitional technology risk of substituting products with lower emissions options remains highly impacted (~22%), however, the costs are amplified by rises in chronic and acute physical risks. The scenario with the largest negative impact on the Company based on our analysis was 2.6 degrees, in which there are risks that decreased revenue and increased costs, meanwhile, it assumes we would invest expenses in climate action without significant results. Specifically, the 2.6-degree scenario heavily impacted our operational expenses (increase labor costs by ~100%) and revenue (decreased by 1.5%) due to the acute physical risks such as hurricanes, fires, and floods closing our store locations. Finally, in the 4-degree scenario, chronic physical risks such as drought and extreme precipitation are most influential by raising raw material costs by ~3%. The transitional reputation risk of consumer preferences was impactful to revenue with a predicted decrease by ~30% if we take no action on climate and lose market share from climate-concerned customers. With our customers and the planet in mind, as well as the financial impacts of the scenarios, our strategy will continue to focus on aligning with a 1.5-2-degree world.
3. We have the biggest financial opportunity in transitioning to lower emissions energy sources such as renewable wind and solar energy. This has the potential to reduce our utility costs by ~70% at the 1.5-degree scenario and has the potential to increase revenue by ~5% at the 1.5-degree scenario by generating renewable energy at a market rate. The importance of renewable energy has influenced our strategy to procure solar and wind energy through our VPPAs in North Carolina and North Dakota as well as our solar onsite in Fresno, California. In response to this finding, we continue to work toward achieving our goal of 100% renewable electricity for our Company-operated facilities globally by 2030.

### C3.3



**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>Climate change risks and opportunities from droughts and floods have large impacts on our product strategy in the short (1-3 year) and medium (3-5 year) time horizon. Our raw materials are subject to climate change risks. This is particularly true of cotton, which is an extremely important input for Gap Inc. The most substantial strategic decision that has been made was to set a goal to source 100% sustainable cotton across all our brands by 2025, which lowers the climate change and water impact of our products and builds resiliency into our supply chain. Additionally, Gap Inc. was the first brand to sign up to the new U.S. Cotton Trust Protocol (USCTP), in 2020, and is now leading a pilot to deploy USCTP's platform for tracing products with U.S.-grown cotton through the supply chain., mitigate cotton risks, and diversify sources.</p> <p>In addition, in response to the climate change risks and opportunities to cotton, our Athleta, Gap, Old Navy, and Banana Republic brands are taking steps to source more sustainable synthetic fibers, including recycled polyester and recycled nylon, and have joined the Textile Exchange's 2025 Recycled Polyester Challenge which is committed to increasing recycled polyester in the fashion industry from 14% to 45% by 2025, which also reduces greenhouse gases.</p>
Supply chain and/or value chain	Yes	<p>Climate change risks and opportunities from increasing environmental regulatory enforcements have impacted our supply chain/value chain strategy in the short-term (1-3 year) time horizon. The most substantial strategic decision we made was the implementation of the Higg Index to gather environmental performance of our suppliers, and to identify and address violations. For example, our fabric mills in China are subjected to an annual evaluation by the Institute of Public and Environmental Affairs ("IPE") where they measure the pollutants released and transferred in real time. This data gets sent through the Higg platform where we can identify climate-related and water-related violations and work with the mills to implement corrective actions.</p> <p>In 2020, we completed a full evaluation of our Tier 1 and 2 suppliers against the monthly IPE database to check and update the system and monitored each new factory in China. We found that 7 Tier 1 and 7 Tier 2 mills were found with climate-related violation records in the IPE database. We sent out a public explanation and delisting audit requests immediately once the violation records were identified. We were able to remove 9 facilities from the violation records successfully by the end of the year.</p> <p>By the end of 2022, 100 percent of our Tier 1 and 73 percent of our strategic Tier 2 suppliers used the Sustainable Apparel Coalition's Higg Index 3.0 Facility Environmental Module self-assessment to communicate their water and energy use from 2021, along with chemicals and waste management; 77 percent (557 facilities) verified their responses.</p>
Investment in R&D	Yes	<p>Climate change risks and opportunities from the shift towards circularity have impacted our strategy investments in R&amp;D in the short-term (1-3 year) time horizon. We partnered with the Hong Kong Research Institute of Textiles and Apparel (HKRITA) to move from a linear to a circular process across the life cycle of textiles. Research conducted with HKRITA consists of finding solutions to separate spandex from used garments and denim decolorization. Another project with HKRITA is studying the desired hydroponic farming conditions for growing extra-long staple (ELS) cotton in an urban environment to enable a consistent, stable, transparent supply of cotton in an urban environment, supporting our goals for fiber traceability. This project won the Silver Award at the 2022 International Exhibition of Inventions of Geneva.</p> <p>We work with our packaging supplier to introduce more recycled content into our mailer used for shipping online orders. We were able to launch the new mailer in 2021, which had 50% recycled content without compromising on quality and performance. As of 2022, we use 50 percent recycled plastic in our business-to-consumer packaging and 100 percent recycled plastic in our logistics polybags. We continue to participate in The Fashion Pact's Ocean Pillar R&amp;D project for paper polybags, which tests different combinations of additives and paper substrates to create a paper polybag replacement that can withstand the mechanical and weather-resistance needs of our customers.</p> <p>In 2021, we signed on to the Microfibre Roadmap as part of our commitment to The Microfibre Consortium (TMC). We are also contributing fiber samples for a research collaboration between TMC and the University of Leeds (U.K.) to improve our understanding of techniques that reduce the shedding of microplastics in garment production.</p> <p>We distributed Preferred Fiber Toolkits to our designers and developers to educate them on sustainable fiber choices starting in 2018. The toolkits were built using data sourced from the SAC Material Sustainability Index and developed in partnership with the Made-By and Textile Exchange. The toolkits account for climate change-related impacts, as well as water resource risk, among other impacts, to assist our teams in developing more sustainable products.</p>
Operations	Yes	<p>Physical climate change risks have impacted our operations strategy, on a facility-level, in the long-term (5-10 year) time horizon. With almost 2,700 company-operated stores globally, Gap Inc.'s operations are at physical risk to climate change impacts including floods, hurricanes and other extreme weather events that damage facilities and make them unable to operate their normal business functions. For example, in response to Hurricanes Maria, Irma and Harvey, Gap Inc. stores were evacuated due to flood and damage risk and employees provided with support during recovery periods.</p> <p>To manage these risks Gap Inc. is building its online business to increase resilience to localized physical disruptions. Additionally, Gap Inc. has a diversified supply chain with over 900 suppliers across Tier 1 &amp; Tier 2. The likelihood of regional climate-related issues having an impact that limits our ability to source and sell product is low. In 2022, we also continued diversifying our sourcing in Mexico and Central America.</p>

**C3.4**

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Indirect costs	<p>As found by our climate scenario analysis, our biggest financial opportunity in climate action is in the renewable energy space.</p> <p>In response to unpredictable indirect costs in the form of energy spend, we have invested in both onsite and offsite renewable energy. The long-term contracts provide a combination of price stability and hedging against future volatility in power prices. Our investment in renewable energy is predominately in the form of forward-looking financial risk tolerance (rather than Capex) that we believe will hedge against future price increases. For example, it is anticipated that future price increases in deregulated energy markets may increase indirect costs to procure utility power for our store fleet, but we believe that our 'contract-for-difference' renewable energy projects may allow us to earn revenue from those same market price increases.</p> <p>One of the renewable energy investments was the Aurora Wind Project which began to generate power in 2020. This 90-megawatt off-site, North Dakota wind farm – one of the largest utility-scale installations ever contracted by a retail company – generates enough clean power to cover nearly 50% of our North American energy use across Gap Inc. We also anticipate that the project, made possible through Gap Inc.'s commitment to purchase power from it for 12 years, will also green the electricity grid, supporting our nation's transition to a low-carbon economy.</p>

**C3.5**

**(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?**

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

## C4. Targets and performance

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### C4.1

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#### (C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

### C4.1a

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#### (C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

**Target reference number**

Abs 1

**Is this a science-based target?**

Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**

1.5°C aligned

**Year target was set**

2019

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

Scope 2

**Scope 2 accounting method**

Market-based

**Scope 3 category(ies)**

<Not Applicable>

**Base year**

2017

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

27220

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

361860

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

389079

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

100

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:**

**Purchased goods and services (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not Applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

<Not Applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

90

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

38907.9

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

42296

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

60482

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

102778

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

81.7603165995138

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

This target covers our Company-operated facilities (Scope 1 and 2 market-based emissions). We revised this baseline in 2021 from previously reported numbers to account for our acquisition in 2019 and divestiture in 2021 of Janie and Jack, as well as the divestiture of Intermix in 2021.

**Plan for achieving target, and progress made to the end of the reporting year**

Our strategy for achieving this target is multi-faceted, including the reduction of energy use at our Company-operated facilities through updating our store facilities with energy-efficient lighting and HVAC systems, as well as our renewable energy projects in Fern, NC, Aurora, ND, and Fresno, CA.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not Applicable>

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**Target reference number**

Abs 2

**Is this a science-based target?**

Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**

2°C aligned

**Year target was set**

2019

**Target coverage**

Company-wide

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not Applicable>

**Scope 3 category(ies)**

Category 1: Purchased goods and services

**Base year**

2017

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)**

6365327

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**

6365327

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

6365327

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

<Not Applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

<Not Applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)**

100

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not Applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

69

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

69

**Target year**

2030

**Targeted reduction from base year (%)**

30

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

4455728.9

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

5026092

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

5026092

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

5026092

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

70.131772753649

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

Our Scope 3 emission reduction target focuses on purchased goods & services. Our purchased goods & services impacts include emissions from our Tier 1 & 2 suppliers (i.e., cut & sew facilities, dyeing facilities, fabric mills, etc.) as well as the embodied carbon of our products (the upstream impact of the cotton, wool, leather, polyester, etc. supply chains). Our target is intended to address the main sources of these GHG emissions by reducing our supply chain's energy and emission footprint, shifting to renewable sources of energy, encouraging our suppliers to set their own SBTs when feasible, and using less carbon-intensive materials in the design phase (such as organic cotton or recycled inputs).

While the consumer use of sold products can comprise as much as 26% of emissions, our influence is low (i.e., consumer behavior drives how clothes are washed and at what frequency) and policies to reduce this may increase emissions from a systems basis (for example, making a garment less durable reduces its use phase emissions but increases other categories). The Apparel and Footwear Sector Science-based Target Guidance (November 2018 V2.0) has the provision to exclude use of sold products from Scope 3 calculations for these reasons. In accordance with this sector guidance, we are excluding this Scope 3 category from the overall calculations to derive the 66% criteria for setting a science-based target. Purchased goods & services comprises 81% of all scopes when product use phase is excluded and meets the criteria for Scope 3 targets (>66% of all Scope 3 categories).

**Plan for achieving target, and progress made to the end of the reporting year**

Our strategy to achieving this target is multifaceted, including making better materials choices for our products by implementing the Preferred Fibers Toolkit and educating

our design employees on sustainable material choices to reduce the carbon footprint of our assortment. Additionally, we work with our suppliers to reduce energy and water usage during production, including the phase-out of coal.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not Applicable>

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**Target reference number**

Abs 3

**Is this a science-based target?**

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

**Target ambition**

1.5°C aligned

**Year target was set**

2022

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

Scope 2

Scope 3

**Scope 2 accounting method**

Market-based

**Scope 3 category(ies)**

Category 1: Purchased goods and services

Category 4: Upstream transportation and distribution

Category 9: Downstream transportation and distribution

**Base year**

2017

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

27220

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

361860

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)**

6365327

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)**

514832

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)**

55379

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)**

<Not Applicable>



**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**

6935538

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

7324618

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

100

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)**

100

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**

100

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**

100

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**

<Not Applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

100

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2050

**Targeted reduction from base year (%)**

100

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

0

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

42296

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

60482

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**

5026092

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

169045

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**

83633

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**

&lt;Not Applicable&gt;

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

5278770

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

5381548

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

26.5279363374308

**Target status in reporting year**

New

**Please explain target coverage and identify any exclusions**

Our intent to publish a Net Zero target was announced in 2022 as a continuation of our previous carbon neutrality goal, and we are currently undertaking a baselining exercise to confirm our 2017 emissions as well as define the scope 3 categories that will be included. We anticipate the selected categories as our primary focus (Purchased Goods and Services, Upstream and Downstream transportation). However, the boundaries may change as we complete our verification with the Science Based Targets initiative.

**Plan for achieving target, and progress made to the end of the reporting year**

In 2022, we announced this target to strengthen our previous commitment to reach carbon neutrality and began the road-mapping process to achieve it by 2050. We will have more updates next year after the exercise is complete and our SBT is approved.

**List the emissions reduction initiatives which contributed most to achieving this target**

&lt;Not Applicable&gt;

## C4.2

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### (C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production  
Net-zero target(s)

## C4.2a

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### (C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

**Target reference number**

Low 1

**Year target was set**

2017

**Target coverage**

Company-wide

**Target type: energy carrier**

Electricity

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Base year**

2017

**Consumption or production of selected energy carrier in base year (MWh)**

0

**% share of low-carbon or renewable energy in base year**

0

**Target year**

2030

**% share of low-carbon or renewable energy in target year**

100

**% share of low-carbon or renewable energy in reporting year**

57

**% of target achieved relative to base year [auto-calculated]**

57

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

Yes, this target contributes to emission reduction targets Abs1.

**Is this target part of an overarching initiative?**

Science Based Targets initiative

**Please explain target coverage and identify any exclusions**

This target contributes to Gap Inc.'s emission reduction targets Abs1, which are Company-wide.

**Plan for achieving target, and progress made to the end of the reporting year**

Our strategy to achieve this target consists of (1) an agreement to develop an additional 3-megawatt solar array at our Fresno, California distribution center; (2) a first-of-its-kind Virtual Power Purchasing Agreement (a "VPPA") partnership that is enabling us to procure a total of 42.5 megawatts of a 100-megawatt solar project in North Carolina; and (3) a 90 megawatt VPPA for the Aurora Wind Project with Enel Green Power North America, marking one of the largest offsite renewable energy contracts by an apparel retailer.

In 2022, our renewable electricity projects produced 400,553-kilowatt hours of electricity that were applied to our emissions inventory, which accounted for 57% of our Scope 2 electricity use.

**List the actions which contributed most to achieving this target**

<Not Applicable>

## C4.2c

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**(C4.2c) Provide details of your net-zero target(s).**

**Target reference number**

NZ1

**Target coverage**

Company-wide

**Absolute/intensity emission target(s) linked to this net-zero target**

Abs1

Abs2

Abs3

**Target year for achieving net zero**

2050

**Is this a science-based target?**

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

**Please explain target coverage and identify any exclusions**

Our net zero target includes Scope 1, 2, and all material categories from Scope 3. In 2023, we are undergoing a baselining and strategy exercise in order for our commitment to be verified as a science-based target.

**Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?**

Yes

**Planned milestones and/or near-term investments for neutralization at target year**

We are exploring options to use offsets for the remaining 10% of our emissions at the target year.

**Planned actions to mitigate emissions beyond your value chain (optional)**

For supply chain emissions, we tailor our sustainability programs to meet suppliers where they're at, engaging high-ranking suppliers on more ambitious programs, such as setting science-based targets, and working with lower-ranking suppliers to assess their carbon footprint. We ensure suppliers' environmental compliance through our Code of Vendor Conduct (COVC) assessments and in China, we partner on assessments of Tier 1 and 2 factories with IPE. We are also exploring how to build a fully closed-loop apparel recycling system in California, and we engage customers through existing Clean Out partnerships with thredUP®, which helped customers collect and sell more than 2.4 million units of apparel since 2020.

**C4.3**

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	7	181125
Implemented*	4	245700
Not to be implemented	0	0

**C4.3b**

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative category & Initiative type**

Low-carbon energy generation	Solar PV
------------------------------	----------

**Estimated annual CO2e savings (metric tonnes CO2e)**

5000

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

500000

**Investment required (unit currency – as specified in C0.4)**

150000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

This is a virtual power purchase agreement for the Fern Solar Farm in North Carolina. The VPPA required no upfront cost other than the combined legal fees to execute the Fern and Aurora agreements (\$300k/2 = \$150k). All information provided on the payback period and savings is estimated based on market rate projections for solar energy pricing. Thus, these can change drastically month-over-month due to any un-forecasted climate hazards or transmission issues. In 2022, we received a total annual CO2e savings of 6,310.

The predicted annual monetary savings are calculated as the amount Gap Inc. is paid for the generation of clean energy. These amounts vary by month due to market fluctuations in energy prices as well as the amount of energy produced. Based on 2022 performance, we anticipate an average annual rate of approximately \$500,000.

**Initiative category & Initiative type**

Low-carbon energy generation	Wind
------------------------------	------

**Estimated annual CO2e savings (metric tonnes CO2e)**

120000

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

5800000

**Investment required (unit currency – as specified in C0.4)**

150000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

The 90-megawatt Aurora Wind Farm in North Dakota has been generating energy since January 2020. The VPPA required no upfront cost other than the combined legal fees to execute the Fern and Aurora agreements (\$300k/2 = \$150k), and the payback is dependent on future market prices for energy which will dictate potential revenue or cost to the organization, with an average estimate of \$5.8 million in revenue/year. In 2022, the project offset 171,917 mtons of CO2e.

**Initiative category & Initiative type**

Low-carbon energy generation	Solar PV
------------------------------	----------

**Estimated annual CO2e savings (metric tonnes CO2e)**

1700

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

502000

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

&lt;1 year

**Estimated lifetime of the initiative**

16-20 years

**Comment**

These savings represent our Fresno Solar PPA (3 MW install – projected annual generation 6,300 MWh). In June 2018, we signed a 20-year power purchase agreement for 3 megawatts of onsite solar at our Fresno distribution center with the developer SunPower. Construction was completed in February 2020 and the project has begun to offset the majority (approximately 50-80%) of the Fresno distribution center's energy needs annually. We also estimate a cost savings annually from our onsite Fresno, California solar installation of approximately \$502,000. The \$502,000 was derived from the assumed energy priced around 8 cents/kWh with the project yielding about 6.3 million kWh annually (6.3 million kWh X \$0.08/kWh = \$502,000) for the Fresno solar project. We estimate these costs through our agreement to purchase this energy at a fixed price over a period of time.

**Initiative category & Initiative type**

Energy efficiency in production processes	Process optimization
---	----------------------

**Estimated annual CO2e savings (metric tonnes CO2e)**

119000

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 3 category 1: Purchased goods &amp; services

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

8866000

**Investment required (unit currency – as specified in C0.4)**

7194000

**Payback period**

No payback

**Estimated lifetime of the initiative**

Ongoing

**Comment**

As a founding member of Aii, we have used this program as our primary engagement opportunity for supplier efficiency projects. In 2022, we engaged 56 suppliers in projects like Clean by Design that, together, avoided 119,000+ metric tons of CO2e, for a total of 310,000+ metric tons saved since 2014. We also worked with Aii on how to set science-based targets for our top six suppliers. Since 2020, we have participated in Aii's Carbon Leadership Program (CLP), which promotes brand collaboration to standardize approaches to reducing supply chain emissions. In 2022, we engaged over 30 facilities with CLP's Carbon Tech Assessment, which helps us understand each facility's emissions and their suitability for setting goals through CLP.

**C4.3c****(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Financial optimization calculations	Return on Investment (ROI) calculations are a key method for driving investments in emission reduction activities, especially as a selling point to upper management and leaders within the business groups. Investments which have a 1-3 year ROI are the types of activities we have typically engaged in the past.
Employee engagement	In surveys across the Company, a significant majority of our employees are proud of Gap's Inc. reputation within the community, believe in our values and feel that our leadership demonstrates a high degree of integrity in the communities we live and work in. Engaging our employees on environmental and social issues like climate change issues allows us to reflect on a common set of values, promote healthy and sustainable living and working and contributes to recruitment and retention rates within the Company. To that end, we have communicated our GHG goal to the entire Company to give visibility to the goal and help drive engagement on environmental initiatives. Employees play a key role in meeting our goals and integrating sustainability further into our business.
Lower return on investment (ROI) specification	Setting public goals has helped drive investment toward emission reduction activities. We have also begun comparing the ROI and Internal Rate of Return (IRR) on the various paths of investment necessary to achieve our 2030 GHG emissions reduction goal to help drive investment in energy related projects earlier in the goal term.

**C4.5****(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

No

**C5. Emissions methodology****C5.1****(C5.1) Is this your first year of reporting emissions data to CDP?**

No

**C5.1a**

**(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?**

Row 1

**Has there been a structural change?**

No

**Name of organization(s) acquired, divested from, or merged with**

<Not Applicable>

**Details of structural change(s), including completion dates**

<Not Applicable>

## C5.1b

**(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?**

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

## C5.2

**(C5.2) Provide your base year and base year emissions.**

### Scope 1

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

27270

### Comment

This applies to our Abs1 science-based target to reduce emissions by 90% by 2030.

The baseline was adjusted in 2021 based on our April and May 2021 divestitures from Janie and Jack and Intermix (respectively).

### Scope 2 (location-based)

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

379837

### Comment

The baseline was adjusted in 2021 based on our April and May 2021 divestitures from Janie and Jack and Intermix (respectively).

### Scope 2 (market-based)

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

361860

### Comment

This applies to our Abs1 science-based target to reduce emissions by 90% by 2030.

The baseline was adjusted in 2021 based on our April and May 2021 divestitures from Janie and Jack and Intermix (respectively).

### Scope 3 category 1: Purchased goods and services

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

6365327

### Comment

Baseline recalculated in 2021 using supplier data submitted through Higg FEM as well as product and supplier-specific estimates.

**Scope 3 category 2: Capital goods**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not calculated, not relevant.

**Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

83144

**Comment**

**Scope 3 category 4: Upstream transportation and distribution**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

514832

**Comment**

**Scope 3 category 5: Waste generated in operations**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

20857

**Comment**

**Scope 3 category 6: Business travel**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

40240

**Comment**

**Scope 3 category 7: Employee commuting**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

20400

**Comment**

**Scope 3 category 8: Upstream leased assets**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant, not calculated



**Scope 3 category 9: Downstream transportation and distribution**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

55379

**Comment**

**Scope 3 category 10: Processing of sold products**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant, not calculated

**Scope 3 category 11: Use of sold products**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

2095886

**Comment**

**Scope 3 category 12: End of life treatment of sold products**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

369

**Comment**

**Scope 3 category 13: Downstream leased assets**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant, not calculated

**Scope 3 category 14: Franchises**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

28531

**Comment**

**Scope 3 category 15: Investments**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant, not calculated

**Scope 3: Other (upstream)**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant, not calculated

**Scope 3: Other (downstream)**

**Base year start**

February 1 2017

**Base year end**

January 31 2018

**Base year emissions (metric tons CO2e)**

0

**Comment**

Not relevant, not calculated

C5.3

---

**(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019  
IPCC Guidelines for National Greenhouse Gas Inventories, 2006  
Smart Freight Centre: GLEC Framework for Logistics Emissions Methodologies  
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)  
The Greenhouse Gas Protocol: Scope 2 Guidance  
US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data

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C6.1

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**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

42296

**Start date**

January 29 2022

**End date**

January 28 2023

**Comment**

C6.2

---

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

C6.3

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Reporting year**

**Scope 2, location-based**

247233

**Scope 2, market-based (if applicable)**

60482

**Start date**

January 29 2022

**End date**

January 28 2023

**Comment**

**C6.4**

---

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

**C6.5**

---

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

5026092

**Emissions calculation methodology**

Supplier-specific method

Hybrid method

Average product method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

40

**Please explain**

By the end of 2022, 100% of our Tier 1 and 91 percent of our strategic Tier 2 suppliers completed the Sustainable Apparel Coalition's Higg Index 3.0 Facility Environmental Module (FEM) self-assessment to communicate their water and energy use, along with chemicals and waste management from 2021.77% of facilities verified their responses. Data for our purchased goods and services footprint includes Tier 1 & 2 suppliers as well as upstream embodied carbon of materials based on actual material quantities purchased but estimated emission factors. Tier 1 & 2 is based on Higg FEM data from suppliers reporting in 2022, representing 2021 data that has been traced as attributable fabric production for Gap Inc. Embodied carbon is calculated based on material quantity and emission factors per type of material using fiber-specific inputs from the Higg Materials Sustainability Index (Higg MSI). These two factors combine to 40% of the emissions calculated from actual supplier data. We are currently working with the SAC and Higg organization to develop a better methodology that allows us to have better visibility into our Scope 3 purchased goods and services via their Higg FEM and Higg MSI products.

**Capital goods**

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Capital goods are incorporated into purchased goods & services category.

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**

Not relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

13299

**Emissions calculation methodology**

Distance-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

This information is estimated using data from our Scope 1 and 2 emissions, which are based on utility provider electricity, natural gas, steam, and chilled water usage.

**Upstream transportation and distribution**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

169045

**Emissions calculation methodology**

Distance-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Emissions are calculated using primary tonne.km information at a haul level from Gap Inc. internal systems, multiplied by Defra product transportation emission factors. This represents emissions from our suppliers to our distribution centers.

**Waste generated in operations**

**Evaluation status**

Not relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

9423

**Emissions calculation methodology**

Spend-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

Emissions are calculated using utility bills supplied by waste management providers across our operations.

**Business travel**

**Evaluation status**

Not relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

3219

**Emissions calculation methodology**

Hybrid method  
Fuel-based method  
Distance-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

Includes air travel and car rentals, with air travel provided at a haul level per passenger. Emissions calculated using Defra 2019 factors based, assuming radiative forcing.

**Employee commuting**

**Evaluation status**

Not relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

140338

**Emissions calculation methodology**

Average data method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Calculated using the home and local office/store/distribution center work address for each of our approximately 95,000 employees.

#### Upstream leased assets

##### Evaluation status

Not relevant, explanation provided

##### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

Gap does not have upstream leased assets.

#### Downstream transportation and distribution

##### Evaluation status

Not relevant, calculated

##### Emissions in reporting year (metric tons CO2e)

83633

##### Emissions calculation methodology

Distance-based method

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

76

##### Please explain

Emissions calculated using primary tonne.km information at a haul level from Gap Inc. internal systems, multiplied by Defra product transportation emission factors. We also receive emissions information from UPS, which represents emissions from online shipments from DCs to customers or from Ship-From-Store methods. The UPS data is verified by SGS and represents 76% of the total emissions which are provided by our supplier.

#### Processing of sold products

##### Evaluation status

Not relevant, explanation provided

##### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

Based on industry guidance, processing of sold products is not relevant to Gap's business model. Intermediate products are products that require further processing, transformation, or inclusion in another product before use, and Gap Inc. only sells completely finished products, therefore we have no intermediate product processing to report.

#### Use of sold products

##### Evaluation status

Not relevant, calculated

##### Emissions in reporting year (metric tons CO2e)

1177004

##### Emissions calculation methodology

Average product method

Methodology for indirect use phase emissions, please specify (Methodology was to multiply our number of products sold x the average number of washes in a lifetime x the electricity used per wash x the CO2 emission factor.)

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

##### Please explain

GHG Protocol guidance for the formula and for the mid-range estimate of electricity used per wash cycle (0.5 kWh per wash at an average temperature). EPA Emissions Factors resource for an average USA electric power factor.

#### End of life treatment of sold products

##### Evaluation status

Not relevant, calculated

##### Emissions in reporting year (metric tons CO2e)

164976

##### Emissions calculation methodology

Average product method

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

##### Please explain

The calculation is based on the fiber weight (kg) by fiber type (cotton, polyester, etc.) of our products manufactured in 2022.

**Downstream leased assets****Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Gap does not have downstream leased assets.

**Franchises****Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

15358

**Emissions calculation methodology**

Site-specific method

Franchise-specific method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Franchise specific method considers the emissions factors for each location of our international franchise sites and applies the factors to site-specific square footage data to estimate annual energy usage.

**Investments****Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Gap doesn't have investments that meet the Scope 3 criteria of relevancy. As per GHG Protocol Technical Guidance, "Category 15 is designed primarily for private financial institutions (e.g., commercial banks), but is also relevant to public financial institutions (e.g., multilateral development banks, export credit agencies) and other entities with investments not included in scope 1 and scope 2." This does not apply to Gap Inc. as an apparel retailer. Any investments made by the Company are not of material impact or are reflected in other categories of our Scope 3 emissions.

**Other (upstream)****Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

None to report

**Other (downstream)****Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

None to report

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**(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.****Past year 1****Start date**

January 30 2021

**End date**

January 29 2022

**Scope 3: Purchased goods and services (metric tons CO2e)****Scope 3: Capital goods (metric tons CO2e)****Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)****Scope 3: Upstream transportation and distribution (metric tons CO2e)**

670820

**Scope 3: Waste generated in operations (metric tons CO2e)****Scope 3: Business travel (metric tons CO2e)****Scope 3: Employee commuting (metric tons CO2e)****Scope 3: Upstream leased assets (metric tons CO2e)****Scope 3: Downstream transportation and distribution (metric tons CO2e)**

117670

**Scope 3: Processing of sold products (metric tons CO2e)****Scope 3: Use of sold products (metric tons CO2e)****Scope 3: End of life treatment of sold products (metric tons CO2e)****Scope 3: Downstream leased assets (metric tons CO2e)****Scope 3: Franchises (metric tons CO2e)****Scope 3: Investments (metric tons CO2e)****Scope 3: Other (upstream) (metric tons CO2e)****Scope 3: Other (downstream) (metric tons CO2e)****Comment**

Due to improved data quality made available in 2022, we have recalculated our Scope 3 Upstream and Downstream transportation emissions from FY2021.

With the new data, our Upstream emissions decreased from 4,429,802 to 670,820. Due to the significant change, we have elected to restate this metric.

For Downstream, our emissions increased from 13,404 to 117,670 due to the new inclusion of our shipment data from our UPS partner. Due to the significant exclusion of this information from the previously reported emissions, we are restating.

**Past year 2**

**Start date**

February 1 2020

**End date**

January 30 2021

**Scope 3: Purchased goods and services (metric tons CO2e)**

**Scope 3: Capital goods (metric tons CO2e)**

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

**Scope 3: Upstream transportation and distribution (metric tons CO2e)**

**Scope 3: Waste generated in operations (metric tons CO2e)**

**Scope 3: Business travel (metric tons CO2e)**

**Scope 3: Employee commuting (metric tons CO2e)**

**Scope 3: Upstream leased assets (metric tons CO2e)**

**Scope 3: Downstream transportation and distribution (metric tons CO2e)**

105309

**Scope 3: Processing of sold products (metric tons CO2e)**

**Scope 3: Use of sold products (metric tons CO2e)**

**Scope 3: End of life treatment of sold products (metric tons CO2e)**

**Scope 3: Downstream leased assets (metric tons CO2e)**

**Scope 3: Franchises (metric tons CO2e)**

**Scope 3: Investments (metric tons CO2e)**

**Scope 3: Other (upstream) (metric tons CO2e)**

**Scope 3: Other (downstream) (metric tons CO2e)**

**Comment**

Due to improved data quality made available in 2022, we have recalculated our Scope 3 Downstream transportation emissions from FY2020. The previously stated metric was 130,604.

**C6.7**

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

**C6.10**

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.0000065816

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

102778

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

1561600000

**Scope 2 figure used**

Market-based

**% change from previous year**

21.77

**Direction of change**

Decreased

**Reason(s) for change**

Change in renewable energy consumption

**Please explain**

We have seen a decrease due to the solar and wind projects initiatives and due to store closures and shifting Company-operated stores to franchises as a result of change in business strategy. Gap Inc.'s emissions decreased by approximately 36,000 metric tons CO2e between FY2021 and FY2022. Although revenue also decreased, our relative decrease in emissions was greater.



C7. Emissions breakdowns

C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	30073	IPCC Sixth Assessment Report (AR6 - 100 year)
CH4	16	IPCC Sixth Assessment Report (AR6 - 100 year)
N2O	26	IPCC Sixth Assessment Report (AR6 - 100 year)
HFCs	12181	IPCC Sixth Assessment Report (AR6 - 100 year)

C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.**

Country/area/region	Scope 1 emissions (metric tons CO2e)
Canada	3429
Japan	1522
United Kingdom of Great Britain and Northern Ireland	89
United States of America	37257

C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

C7.3a

**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric ton CO2e)
Distribution Centers	6025
Corporate Headquarters	14271
Retail Locations	21971

C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.**

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Bangladesh	34	34
Canada	7825	7167
China	11047	11047
France	3	3
Hong Kong SAR, China	328	328
India	555	555
Indonesia	2	2
Japan	16243	16243
Mexico	1268	1268
Puerto Rico	3961	3961
Sri Lanka	4	4
Taiwan, China	1273	1273
Turkey	26	26
United Kingdom of Great Britain and Northern Ireland	557	1001
United States of America	203934	17396
Viet Nam	174	174
Cambodia	1	1

**C7.6**

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By business division

**C7.6a**

**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Distribution Center	35481	32177
Corporate Headquarters	9075	6003
Retail Locations	202661	22287

**C7.7**

**(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?**

No

**C7.9**

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

**C7.9a**

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	17112	Decreased	12	In 2022, Gap Inc. had an increase in renewable energy generated by VPPA projects and Fresno on-site solar project. Total change in renewable energy consumption from 2021 to 2022 was 17,112; 2021's Scope 1 and 2 emission total was 138,899; therefore: $17,112/138,899 \times 100 = 12\%$
Other emissions reduction activities	0	No change	0	In 2022, Gap Inc. did not identify any change in emissions from specific emissions reduction activities not otherwise listed here. While we conducted emissions reduction activities in Scope 2 and 3, there is not adequate data to track their direct impact on emissions. Therefore, $0/138,899 \times 100 = 0$
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	2262	Increased	2	In 2022, Gap Inc.'s active sites contributed more emissions than the active sites in 2021, for an increase in emissions by 2,262. 2021's Scope 1 and 2 emission total was 138,899. Therefore, $2,262/138,899 \times 100 = 2\%$
Change in methodology	801	Decreased	1	In 2022, we used emission factors that led to a decrease in emissions by 801 metric tons. 2021's Scope 1 and 2 emission total was 138,899. Therefore, $801/138,899 \times 100 = 1\%$
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	20470	Decreased	15	A combination of unknown or unmeasurable factors (examples may include: (1) weather (decreased heating/cooling); (2) increased grid efficiencies; (3) utility emissions factors and metering is becoming more precise; and/or (4) site closures and transitions to franchise, primarily in the UK and China. Overall, the unidentified impacts contributed 20,470 metric tons of decreased emissions in 2022. In 2021, Scope 1 and 2 emissions totaled 138,899. Therefore, $20,470/138,899 \times 100 = 15\%$
Other	0	No change	0	

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	No

### C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	164084	164084
Consumption of purchased or acquired electricity	<Not Applicable>	394722	705585	1106139
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	3463	3463
Consumption of purchased or acquired cooling	<Not Applicable>	0	706	706
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	394722	873839	1274392

**C8.2b**

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Sustainable biomass**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

None consumed

**Other biomass**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

None consumed

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

None consumed

**Coal**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

None consumed

**Oil**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

None consumed

**Gas**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

15890

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

Includes natural gas and propane

**Other non-renewable fuels (e.g. non-renewable hydrogen)**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

5104

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

Jet fuel from corporate jet

**Total fuel**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

164083

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

Sum of natural gas, propane, and jet fuel

**C8.2e**

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

**Country/area of low-carbon energy consumption**

United States of America

**Sourcing method**

Financial (virtual) power purchase agreement (VPPA)

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

377928

**Tracking instrument used**

US-REC

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Are you able to report the commissioning or re-powering year of the energy generation facility?**

Yes

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or re-powering)**

2020

**Comment**

Aurora Wind Farm VPPA in North Dakota, USA

---

**Country/area of low-carbon energy consumption**

United States of America

**Sourcing method**

Financial (virtual) power purchase agreement (VPPA)

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

22626

**Tracking instrument used**

US-REC

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Are you able to report the commissioning or re-powering year of the energy generation facility?**

Yes

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or re-powering)**

2020

**Comment**

Fern Solar VPPA in North Carolina, USA

---

**Country/area of low-carbon energy consumption**

United States of America

**Sourcing method**

Purchase from an on-site installation owned by a third party (on-site PPA)

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

5832

**Tracking instrument used**

US-REC

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Are you able to report the commissioning or re-powering year of the energy generation facility?**

Yes

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or re-powering)**

2020

**Comment**

Fresno Solar array on-site installation at Gap Inc. Distribution Center in Fresno, California USA

---

**C8.2g**

**(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.**

---

**Country/area**

Bangladesh

**Consumption of purchased electricity (MWh)**

63

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

63

---

**Country/area**

Cambodia

**Consumption of purchased electricity (MWh)**

2

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2

---

**Country/area**

China

**Consumption of purchased electricity (MWh)**

17888

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

6

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

17894

---

**Country/area**

France

**Consumption of purchased electricity (MWh)**

52

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

52

---

**Country/area**

Hong Kong SAR, China

**Consumption of purchased electricity (MWh)**



511

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

511

---

**Country/area**

Indonesia

**Consumption of purchased electricity (MWh)**

2

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2

---

**Country/area**

Japan

**Consumption of purchased electricity (MWh)**

32710

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

10396

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

43106

---

**Country/area**

Mexico

**Consumption of purchased electricity (MWh)**

3172

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

3172

---

**Country/area**

Puerto Rico

**Consumption of purchased electricity (MWh)**

5584

**Consumption of self-generated electricity (MWh)**

0

---

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

5584

---

**Country/area**

Sri Lanka

**Consumption of purchased electricity (MWh)**

6

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

6

---

**Country/area**

Taiwan, China

**Consumption of purchased electricity (MWh)**

2323

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2323

---

**Country/area**

Turkey

**Consumption of purchased electricity (MWh)**

62

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

62

---

**Country/area**

United Kingdom of Great Britain and Northern Ireland

**Consumption of purchased electricity (MWh)**

2851

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

490

---

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3341

---

Country/area

United States of America

Consumption of purchased electricity (MWh)

580252

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

138506

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

718758

---

Country/area

Viet Nam

Consumption of purchased electricity (MWh)

276

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

276

---

Country/area

Canada

Consumption of purchased electricity (MWh)

59030

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

18855

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

77885

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## C9. Additional metrics

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### C9.1

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(C9.1) Provide any additional climate-related metrics relevant to your business.

## C10. Verification

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## C10.1

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(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

## C10.1a

---

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**

assurance-statement-for-2021-greenhouse-gas-emissions-and-energy-data.pdf

**Page/ section reference**

<https://www.gapinc.com/en-us/values/sustainability/esg-resources/assurance-statements>

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

## C10.1b

---

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**

assurance-statement-for-2021-greenhouse-gas-emissions-and-energy-data.pdf

**Page/ section reference**

<https://www.gapinc.com/en-us/values/sustainability/esg-resources/assurance-statements>

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 2 approach**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Underway but not complete for reporting year – previous statement of process attached

**Type of verification or assurance**

Limited assurance

**Attach the statement**

assurance-statement-for-2021-greenhouse-gas-emissions-and-energy-data.pdf

**Page/ section reference**

<https://www.gapinc.com/en-us/values/sustainability/esg-resources/assurance-statements>

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

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## C10.1c

---

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

**Scope 3 category**

Scope 3: Business travel

Scope 3: Franchises

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Underway but not complete for current reporting year – first year it has taken place

**Type of verification or assurance**

Limited assurance

**Attach the statement**

assurance-statement-for-2021-greenhouse-gas-emissions-and-energy-data.pdf

**Page/section reference**

Attached is a previous year's assurance statement for Scope 3, which includes Business Travel but not Franchises. Franchises will be added to our assurance for 2022 data.

<https://www.gapinc.com/en-us/values/sustainability/esg-resources/assurance-statements>

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

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## C10.2

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**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, but we are actively considering verifying within the next two years

## C11. Carbon pricing

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### C11.1

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**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, but we anticipate being regulated in the next three years

### C11.1d

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**(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?**

Our strategy is to work with our Government Affairs, Risk Management, Tax Strategy, and Legal teams to remain aware of current and emerging regulations that may impact our industry and note trends in markets where we do not operate. Gap Inc. also mitigates future regulations including but not limited to carbon pricing systems by improving energy efficiency and increasing our renewable energy generation in the United States in order to meet our science-based targets. We anticipate being regulated on emerging carbon border adjustment tax from the EU and potentially the United States within five years.

Our Government Affairs, ESG Reporting and Global Sustainability teams are dedicated to monitoring the regulatory landscape. We conduct, at minimum, annual reviews of reporting requirements and review updates from any commitments we are a signatory to (such as Fashion Pact or the science-based targets). We are also involved in industry discussions regarding the U.S. Securities and Exchange Commission's proposed climate change rules. We are also part of the BSR (Business for Social Responsibility) Future of Reporting group which offers insight into the changes in reporting frameworks internationally and helps us learn from cross-industry peers on how to plan for upcoming regulations and reporting requirements. With the influence of these engagements, we have developed short and long-term reporting strategies to increase the environmental data that is tracked and verified to meet and exceed expectations of anticipated regulation. We also work across industry partners to advocate key sourcing country governments to evolve regulation in energy to support renewables.

### C11.2

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**(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?**

Yes

### C11.2a

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**(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.**

**Project type**

Other, please specify (Improved Forest Management)

**Type of mitigation activity**

Emissions reduction

**Project description**

Bear Creek Watershed Forest Carbon Project

**Credits canceled by your organization from this project in the reporting year (metric tons CO2e)**

972

**Purpose of cancellation**

Voluntary offsetting

**Are you able to report the vintage of the credits at cancellation?**

Yes

**Vintage of credits at cancellation**

2015

**Were these credits issued to or purchased by your organization?**

Purchased

**Credits issued by which carbon-crediting program**

ACR (American Carbon Registry)

**Method(s) the program uses to assess additionality for this project**

Other, please specify (Unknown)

**Approach(es) by which the selected program requires this project to address reversal risk**

Other, please specify (Unknown)

**Potential sources of leakage the selected program requires this project to have assessed**

Other, please specify (Unknown)

**Provide details of other issues the selected program requires projects to address**

Terrapass describes their portfolio procurement standards as follows:

"First, We only buy carbon offsets that have been inspected and validated by the most highly regarded independent registries that ensure transparency and quality in the creation, quantification, and verification of offset projects. These standards require that offsets be real, additional ( i.e. e., they wouldn't have happened under a "business as usual" scenario), permanent, quantifiable, never double counted or double sold, and independently verified. These registries include Verra, Gold Standard, Climate Action Reserve and American Carbon Registry, among others.

Second, we only purchase carbon offsets that have been generated within the last 5 years or less. This ensures that our customers' purchases support incremental carbon emission reduction and create demand for new project development.

Third, we only purchase from project types that use highly regarded and widely accepted scientific methodologies for carbon emission reduction. These project types include Methane Capture and Destruction, HFC/ODS Industrial Gas Destruction, Renewable Energy and Forestry."

**Comment**

In partnership with the Terrapass Solairus Aviation Clear Sky Program, we purchased 1,791 carbon credits in 2022 in order to offset our 2021 corporate jet fuel usage (included in Scope 1).

In 2022, Terrapass organized this purchase through several projects (listed separately here).

---

**Project type**

Landfill gas

**Type of mitigation activity**

Emissions reduction

**Project description**

Anson County Landfill

**Credits canceled by your organization from this project in the reporting year (metric tons CO2e)**

657

**Purpose of cancellation**

Voluntary offsetting

**Are you able to report the vintage of the credits at cancellation?**

Yes

**Vintage of credits at cancellation**

2019

**Were these credits issued to or purchased by your organization?**

Purchased

**Credits issued by which carbon-crediting program**

CAR (The Climate Action Reserve)

**Method(s) the program uses to assess additionality for this project**

Other, please specify (Unknown)

**Approach(es) by which the selected program requires this project to address reversal risk**

Other, please specify (Unknown)

**Potential sources of leakage the selected program requires this project to have assessed**

Other, please specify (Unknown)

**Provide details of other issues the selected program requires projects to address**

Terrapass describes their portfolio procurement standards as follows:

"First, We only buy carbon offsets that have been inspected and validated by the most highly regarded independent registries that ensure transparency and quality in the creation, quantification, and verification of offset projects. These standards require that offsets be real, additional ( i.e. e., they wouldn't have happened under a "business as usual" scenario), permanent, quantifiable, never double counted or double sold, and independently verified. These registries include Verra, Gold Standard, Climate Action Reserve and American Carbon Registry, among others.

Second, we only purchase carbon offsets that have been generated within the last 5 years or less. This ensures that our customers' purchases support incremental carbon emission reduction and create demand for new project development.

Third, we only purchase from project types that use highly regarded and widely accepted scientific methodologies for carbon emission reduction. These project types include Methane Capture and Destruction, HFC/ODS Industrial Gas Destruction, Renewable Energy and Forestry."

**Comment**

In partnership with the Terrapass Solairus Aviation Clear Sky Program, we purchased 1,791 carbon credits in 2022 in order to offset our 2021 corporate jet fuel usage (included in Scope 1).

In 2022, Terrapass organized this purchase through several projects (listed separately here).

---

**Project type**

Mixed renewables

**Type of mitigation activity**

Emissions reduction

**Project description**

Capricorn Ridge 4 Wind Farm

**Credits canceled by your organization from this project in the reporting year (metric tons CO2e)**

41

**Purpose of cancellation**

Voluntary offsetting

**Are you able to report the vintage of the credits at cancellation?**

Yes

**Vintage of credits at cancellation**

2019

**Were these credits issued to or purchased by your organization?**

Purchased

**Credits issued by which carbon-crediting program**

VCS (Verified Carbon Standard)

**Method(s) the program uses to assess additionality for this project**

Other, please specify (Unknown)

**Approach(es) by which the selected program requires this project to address reversal risk**

Other, please specify (Unknown)

**Potential sources of leakage the selected program requires this project to have assessed**

Other, please specify (Unknown)

**Provide details of other issues the selected program requires projects to address**

Terrapass describes their portfolio procurement standards as follows:

"First, We only buy carbon offsets that have been inspected and validated by the most highly regarded independent registries that ensure transparency and quality in the creation, quantification, and verification of offset projects. These standards require that offsets be real, additional ( i.e. e., they wouldn't have happened under a "business as usual" scenario), permanent, quantifiable, never double counted or double sold, and independently verified. These registries include Verra, Gold Standard, Climate Action Reserve and American Carbon Registry, among others.

Second, we only purchase carbon offsets that have been generated within the last 5 years or less. This ensures that our customers' purchases support incremental carbon emission reduction and create demand for new project development.

Third, we only purchase from project types that use highly regarded and widely accepted scientific methodologies for carbon emission reduction. These project types include Methane Capture and Destruction, HFC/ODS Industrial Gas Destruction, Renewable Energy and Forestry."

**Comment**

In partnership with the Terrapass Solairus Aviation Clear Sky Program, we purchased 1,791 carbon credits in 2022 in order to offset our 2021 corporate jet fuel usage (included in Scope 1).

In 2022, Terrapass organized this purchase through several projects (listed separately here).

**Project type**

Other, please specify (Livestock gas capture/combustion)

**Type of mitigation activity**

Emissions reduction

**Project description**

Scenic View Dairy I

**Credits canceled by your organization from this project in the reporting year (metric tons CO2e)**

41

**Purpose of cancellation**

Voluntary offsetting

**Are you able to report the vintage of the credits at cancellation?**

Yes

**Vintage of credits at cancellation**

2012

**Were these credits issued to or purchased by your organization?**

Purchased

**Credits issued by which carbon-crediting program**

CAR (The Climate Action Reserve)

**Method(s) the program uses to assess additionality for this project**

Other, please specify (Unknown)

**Approach(es) by which the selected program requires this project to address reversal risk**

Other, please specify (Unknown)

**Potential sources of leakage the selected program requires this project to have assessed**

Other, please specify (Unknown)

**Provide details of other issues the selected program requires projects to address**

Terrapass describes their portfolio procurement standards as follows:

"First, We only buy carbon offsets that have been inspected and validated by the most highly regarded independent registries that ensure transparency and quality in the creation, quantification, and verification of offset projects. These standards require that offsets be real, additional ( i.e. e., they wouldn't have happened under a "business as usual" scenario), permanent, quantifiable, never double counted or double sold, and independently verified. These registries include Verra, Gold Standard, Climate Action Reserve and American Carbon Registry, among others.

Second, we only purchase carbon offsets that have been generated within the last 5 years or less. This ensures that our customers' purchases support incremental carbon emission reduction and create demand for new project development.

Third, we only purchase from project types that use highly regarded and widely accepted scientific methodologies for carbon emission reduction. These project types include Methane Capture and Destruction, HFC/ODS Industrial Gas Destruction, Renewable Energy and Forestry."

**Comment**

In partnership with the Terrapass Solairus Aviation Clear Sky Program, we purchased 1,791 carbon credits in 2022 in order to offset our 2021 corporate jet fuel usage (included in Scope 1).

In 2022, Terrapass organized this purchase through several projects (listed separately here).

**Project type**

Waste management



**Type of mitigation activity**

Emissions reduction

**Project description**

Cottonwood Dairy Organic Waste Digestion Project.

**Credits canceled by your organization from this project in the reporting year (metric tons CO2e)**

41

**Purpose of cancellation**

Voluntary offsetting

**Are you able to report the vintage of the credits at cancellation?**

Yes

**Vintage of credits at cancellation**

2009

**Were these credits issued to or purchased by your organization?**

Purchased

**Credits issued by which carbon-crediting program**

CAR (The Climate Action Reserve)

**Method(s) the program uses to assess additionality for this project**

Other, please specify (Unknown)

**Approach(es) by which the selected program requires this project to address reversal risk**

Other, please specify (Unknown)

**Potential sources of leakage the selected program requires this project to have assessed**

Other, please specify (Unknown)

**Provide details of other issues the selected program requires projects to address**

Terrapass describes their portfolio procurement standards as follows:

"First, We only buy carbon offsets that have been inspected and validated by the most highly regarded independent registries that ensure transparency and quality in the creation, quantification, and verification of offset projects. These standards require that offsets be real, additional ( i.e. e., they wouldn't have happened under a "business as usual" scenario), permanent, quantifiable, never double counted or double sold, and independently verified. These registries include Verra, Gold Standard, Climate Action Reserve and American Carbon Registry, among others.

Second, we only purchase carbon offsets that have been generated within the last 5 years or less. This ensures that our customers' purchases support incremental carbon emission reduction and create demand for new project development.

Third, we only purchase from project types that use highly regarded and widely accepted scientific methodologies for carbon emission reduction. These project types include Methane Capture and Destruction, HFC/ODS Industrial Gas Destruction, Renewable Energy and Forestry."

**Comment**

In partnership with the Terrapass Solairus Aviation Clear Sky Program, we purchased 1,791 carbon credits in 2022 in order to offset our 2021 corporate jet fuel usage (included in Scope 1).

In 2022, Terrapass organized this purchase through several projects (listed separately here).

**Project type**

Landfill gas

**Type of mitigation activity**

Emissions reduction

**Project description**

Greater Lebanon Refuse Authority Landfill Gas

**Credits canceled by your organization from this project in the reporting year (metric tons CO2e)**

21

**Purpose of cancellation**

Voluntary offsetting

**Are you able to report the vintage of the credits at cancellation?**

Yes

**Vintage of credits at cancellation**

2015

**Were these credits issued to or purchased by your organization?**

Purchased

**Credits issued by which carbon-crediting program**

VCS (Verified Carbon Standard)

**Method(s) the program uses to assess additionality for this project**

Other, please specify (Unknown)

**Approach(es) by which the selected program requires this project to address reversal risk**

Other, please specify (Unknown)

**Potential sources of leakage the selected program requires this project to have assessed**

Other, please specify (Unknown)

**Provide details of other issues the selected program requires projects to address**

Terrapass describes their portfolio procurement standards as follows:

"First, We only buy carbon offsets that have been inspected and validated by the most highly regarded independent registries that ensure transparency and quality in the creation, quantification, and verification of offset projects. These standards require that offsets be real, additional ( i.e. e., they wouldn't have happened under a "business as usual" scenario), permanent, quantifiable, never double counted or double sold, and independently verified. These registries include Verra, Gold Standard, Climate

Action Reserve and American Carbon Registry, among others.

Second, we only purchase carbon offsets that have been generated within the last 5 years or less. This ensures that our customers' purchases support incremental carbon emission reduction and create demand for new project development.

Third, we only purchase from project types that use highly regarded and widely accepted scientific methodologies for carbon emission reduction. These project types include Methane Capture and Destruction, HFC/ODS Industrial Gas Destruction, Renewable Energy and Forestry."

**Comment**

In partnership with the Terrapass Solairus Aviation Clear Sky Program, we purchased 1,791 carbon credits in 2022 in order to offset our 2021 corporate jet fuel usage (included in Scope 1).

In 2022, Terrapass organized this purchase through several projects (listed separately here).

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**Project type**

Other, please specify (Improved Forest Management)

**Type of mitigation activity**

Emissions reduction

**Project description**

Arcata Sunnybrae Tract

**Credits canceled by your organization from this project in the reporting year (metric tons CO2e)**

16

**Purpose of cancellation**

Voluntary offsetting

**Are you able to report the vintage of the credits at cancellation?**

Yes

**Vintage of credits at cancellation**

2007

**Were these credits issued to or purchased by your organization?**

Purchased

**Credits issued by which carbon-crediting program**

CAR (The Climate Action Reserve)

**Method(s) the program uses to assess additionality for this project**

Other, please specify (Unknown)

**Approach(es) by which the selected program requires this project to address reversal risk**

Other, please specify (Unknown)

**Potential sources of leakage the selected program requires this project to have assessed**

Other, please specify (Unknown)

**Provide details of other issues the selected program requires projects to address**

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In 2022, Terrapass organized this purchase through several projects (listed separately here).

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**Project type**

Landfill gas

**Type of mitigation activity**

Emissions reduction

**Project description**

Erie County Landfill

**Credits canceled by your organization from this project in the reporting year (metric tons CO2e)**

2

**Purpose of cancellation**

Voluntary offsetting

**Are you able to report the vintage of the credits at cancellation?**

Yes

**Vintage of credits at cancellation**

2018

**Were these credits issued to or purchased by your organization?**

Purchased

**Credits issued by which carbon-crediting program**

CAR (The Climate Action Reserve)

**Method(s) the program uses to assess additionality for this project**

Other, please specify (Unknown)

**Approach(es) by which the selected program requires this project to address reversal risk**

Other, please specify (Unknown)

**Potential sources of leakage the selected program requires this project to have assessed**

Other, please specify (Unknown)

**Provide details of other issues the selected program requires projects to address**

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**Comment**

In partnership with the Terrapass Solairus Aviation Clear Sky Program, we purchased 1,791 carbon credits in 2022 in order to offset our 2021 corporate jet fuel usage (included in Scope 1).

In 2022, Terrapass organized this purchase through several projects (listed separately here).

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**C11.3**

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**(C11.3) Does your organization use an internal price on carbon?**

No, but we anticipate doing so in the next two years

**C12. Engagement**

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**C12.1**

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**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, other partners in the value chain

**C12.1a**

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**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Engagement & incentivization (changing supplier behavior)

**Details of engagement**

Climate change performance is featured in supplier awards scheme

**% of suppliers by number**

100

**% total procurement spend (direct and indirect)**

100

**% of supplier-related Scope 3 emissions as reported in C6.5**

100

**Rationale for the coverage of your engagement**

We created a Vendor Scorecard that is updated monthly and used internally by our buyers, quality assurance, and supplier sustainability teams, and shared externally (with partial visibility) with individual suppliers so that they are aware of their performance and incentivized to improve their score (which is grouped into red, yellow, and green ratings). We ask 100% of our suppliers to respond to the scorecards on an annual basis. It is important for us to rate 100% of suppliers in order to understand the current state of our sourcing and incentivize improvement equally. We use the vendor scorecard as a core part of how we evaluate suppliers and how we can incorporate this knowledge into our sustainability long-term goals. The Vendor Scorecard includes information about each supplier's production quality, social compliance, and participation in the SAC Higg FEM Index (which measures carbon emissions, energy usage, water consumption, and waste practices). In order to reach our goal of having 80% of Gap Inc. sourcing from green-rated suppliers by 2025, it is critical that we have a vendor rating for 100% of suppliers.

**Impact of engagement, including measures of success**

We measure our success based on the increased percentage of business given to green-rated suppliers. We have set a goal to ensure that 80% of Gap Inc. sourcing will be allocated to green-rated suppliers by 2025. We are at 78% as of the end of 2022, which is an increase from 68% in 2021 - we see this as evidence of the success and progress of our engagement. This rating is based on our supplier's performance on the Vendor Scorecard - its outputs are ranked as Green, Yellow, or Red. Sustainability components account for 30% of the weighted vendor score. The measurement components include Code of Vendor Conduct compliance (20% - including environmental compliance and safety), which includes a section on environmental management practices, Higg FEM Participation (5% - measures carbon emissions, energy usage, water consumption, and waste practices), and P.A.C.E./RISE participation (5% - a program that empowers women workers in our supply chain).

As an example of positive sustainability outcomes following Vendor Scorecard engagement, we are able to identify factories that are particularly capable of exploratory energy efficiency programs. Specifically, as a founding member of Aii, we have used this program as our primary engagement opportunity for supplier efficiency projects. In 2022, we engaged 56 suppliers in projects that, together, avoided 119,000+ metric tons of CO<sub>2</sub>e, for a total of 310,000+ metric tons saved since 2014. We also worked with Aii on how to set science-based targets for our top six suppliers. Since 2020, we have participated in Aii's Carbon Leadership Program (CLP), which promotes brand collaboration to standardize approaches to reducing supply chain emissions. In 2022, we also engaged over 30 facilities with CLP's Carbon Tech Assessment, which helps us understand each facility's emissions and their suitability for setting goals through CLP.

**Comment**

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**Type of engagement**

Information collection (understanding supplier behavior)

**Details of engagement**

Collect GHG emissions data at least annually from suppliers

Collect other climate related information at least annually from suppliers

**% of suppliers by number**

100

**% total procurement spend (direct and indirect)**

100

**% of supplier-related Scope 3 emissions as reported in C6.5**

100

**Rationale for the coverage of your engagement**

We ask 100% of our Tier 1 suppliers of branded products and our strategic Tier 2 suppliers to respond to the Sustainable Apparel Coalition's Higg Facility Environmental Module (FEM) questionnaire on an annual basis to help us better understand their environmental footprint. In order to have a more accurate understanding of our Scope 3 Purchased Goods and Services category emissions, we aim to collect 100% of our suppliers' environmental data. For data that is not directly supplied, we use estimates. The Higg FEM includes collecting information on their carbon emissions, water, and waste data. Our Tier 1 vendors are those that we have direct procurement spend with and are the first line of engagement into our supply chain. We choose this high level of engagement because it allows us to have a clear understanding of our supply chain operations and understand where and which types of engagement are needed.

**Impact of engagement, including measures of success**

Success in supplier engagement is measured by the percentage of Tier 1 & Tier 2 suppliers who submit their annual climate data using the Higg Index FEM. We consider this engagement to be successful if 100% for Tier 1 and 80% for Tier 2 or more of suppliers submit to the Higg Index. In 2022, 100% of our Tier 1 manufacturing facilities and 73% of our Tier 2 strategic mills completed the Higg FEM. Therefore, we see Tier 1 as having complete success, and Tier 2 as an area for continued growth as we improve the traceability of our supply chain. We have also begun tracking the number of verified responses to the questionnaire, and 77% of facilities verified their responses in 2022, compared to 64% in 2021 - the increase in verification is also an indication of success and improved data quality.

Based on the responses collected in the Higg FEM, we are then able to work with our suppliers on a number of initiatives specific to their operations that are aimed to lower emissions in accordance with our Scope 3 goal - reducing our emissions from purchased goods and services by 30% from a 2017 baseline by 2030. For example, we are working with cKinetics to increase the accuracy of factory-level data for calculating purchased goods and services emissions and identifying top-performing mills and vendors to clarify their emissions-reduction targets and strategies.

**Comment**

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**C12.1d**

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**(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

As per the guidance, our Gap Inc. and corporate brand employees (worldwide) are an important part of our value chain, and a partner that we engage with often through ESG-related announcements and targeted trainings. Certain Gap Inc. employees receive training on the Company's material ESG topics (including climate change, water efficiency, responsible sourcing, and more) and strategy for improvement. It is important that all Gap Inc. employees are aligned to our Company values and Words To Live By (WTLB) – one of which is “Do the Right Thing” and supports our mission to be Inclusive, By Design. This element of our culture incorporates making environmentally responsible decisions through material and fiber choices in the design of our products. We strategize to support our merchandisers and product designers as a particularly important part of our value chain in the employee group due to their proximity to our raw materials selection. As such, we provide them training on our Preferred Fibers Kit. This tool can be used to empower them to make more sustainable choices in our raw materials (such as choosing recycled polyester over conventional synthetics) and be able to communicate the decision-making process behind these choices to key stakeholders in the supply chain (such as explaining the reduced carbon footprint and waste generated during production). The measurement of success for this engagement is ultimately shown by our progress towards our 100% sustainable cotton and 45% recycled polyester goals – if we are training employees successfully, their decisions will be reflected in our fiber consumption reports.

In 2022, our Sustainability team developed an online learning on Sustainability Product Claims Training, which over 400 employees completed. Through the training, participating employees gained a greater understanding in Gap Inc.'s approach to sustainable fibers and how to avoid misleading sustainability marketing claims. We also offer product design teams training and Fiber Toolkits that help them contribute to achieving our sustainability goals in their design choices for our apparel. This has resulted in more conversation about integrating sustainability throughout our business, as more of our workforce want to understand how they can contribute to and integrate sustainability in their own roles.

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**C12.2**

**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**

Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

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**C12.2a**

**(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.**

**Climate-related requirement**

Climate-related disclosure through a non-public platform

**Description of this climate related requirement**

We ask 100% of our Tier 1 suppliers to respond to the Sustainable Apparel Coalition's Higg Facility Environmental Module (FEM) questionnaire on an annual basis to help us better understand their environmental footprint. The Higg FEM includes collecting information on their carbon emissions, water, and waste data. Our Tier 1 vendors are those that we have direct procurement spend with and are the first line of engagement into our supply chain. In 2022, 100% of our Tier 1 manufacturing facilities completed the Higg FEM and 77% verified their responses.

If a supplier fails to report to the Higg FEM, we will mark this as a Code of Vendor Conduct violation in their annual assessment. This impacts their vendor rating score, which is used as a business-decision-making input for our production teams. Vendor ratings are color coded as green, yellow, and red (with red indicating more severe violations). Higg FEM participation constitutes 5% of the weighted vendor rating.

**% suppliers by procurement spend that have to comply with this climate-related requirement**

100

**% suppliers by procurement spend in compliance with this climate-related requirement**

100

**Mechanisms for monitoring compliance with this climate-related requirement**

Supplier self-assessment  
Supplier scorecard or rating

**Response to supplier non-compliance with this climate-related requirement**

Retain and engage

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**C12.3**

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**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

**Row 1**

**External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

Yes, we engage directly with policy makers  
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate  
Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

Yes

**Attach commitment or position statement(s)**

See "Alignment with International Frameworks" - <https://www.gapinc.com/en-us/values/sustainability/esg-resources/governance-and-strategy/management-approach>

**Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan**

GAP INC. POLITICAL ENGAGEMENT POLICY: At Gap Inc., we believe that it is important to participate in political and regulatory processes on issues that affect our business and community interests. We work proactively to enable Gap Inc.'s strategies through public policy and government advocacy. We also participate in political activities and advocate for legislation when there is a connection to our business and our ability to grow the business in a way that is consistent with our values, our legal obligations, and our Codes of Business Conduct and Vendor Conduct. For example, in the past we have been active in policy discussions and have lobbied on issues related to trade, tax, workforce, privacy, ports/infrastructure, and environmental issues. Gap Inc. only takes positions on ballot measures, initiatives or propositions that have a direct impact on our business. Our Government Affairs department manages and oversees the Company's political activities. All corporate political contributions are reviewed and approved in advance by both the (i) Vice President of Government Affairs and (ii) the Chief Supply Chain, Strategy, and Transformation Officer (who oversees our environmental sustainability and climate efforts). Our corporate contributions are reviewed annually by the Board. The Board also receives periodic updates regarding our political activities.

Our organization has a process in place in which our ESG Reporting and Government Affairs teams collaborate cross-functionally to assess the alignment between our climate objectives and political activities and provide recommendations on how best to advocate for practical, impactful climate-related legislation.

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**C12.3a**

**(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?**

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

California Senate Bills:  
Climate Corporate Data Accountability Act (SB 253 Wiener)  
Climate-Related Financial Risk Disclosure Act (SB 261 Stern)

**Category of policy, law, or regulation that may impact the climate**

Climate change mitigation

**Focus area of policy, law, or regulation that may impact the climate**

Climate-related reporting  
Transparency requirements

**Policy, law, or regulation geographic coverage**

Sub-national

**Country/area/region the policy, law, or regulation applies to**

United States of America

**Your organization's position on the policy, law, or regulation**

Neutral

**Description of engagement with policy makers**

Gap Inc. engaged with the non-profit, Ceres, throughout the development of California Senate Bill 253 and 261. They served as educators about the developing bills through webinars and convened companies that would be impacted by the bills to discuss any proposed alternative approaches. We engaged in this dialogue but did not propose any exceptions.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

<Not Applicable>

**Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

**Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?**

<Not Applicable>

**C12.3b**

**(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.**

**Trade association**

Other, please specify (Retail Industry Leaders Alliance (RILA))

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

No, we did not attempt to influence their position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

RILA advances the retail industry through public-policy advocacy and promotes operational excellence and innovation. And through research and thought leadership, RILA propels developments that foster both economic growth and sustainability. Gap Inc. is active in RILA's Environmental and Energy Management Committee and Compliance Group and meets with the groups once per month, and is working to build climate priorities.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

**Trade association**

Other, please specify (American Apparel and Footwear Association (AAFA))

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

No, we did not attempt to influence their position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

Representing more than 1,000 world-famous name brands, AAFA is the trusted public policy and political voice of the apparel and footwear industry, its management and shareholders, its nearly four million U.S. workers, and its contribution of more than \$400 billion in annual U.S. retail sales. Gap Inc.'s Head of Government Affairs is the Chair of the Trade Policy Leadership Committee. The Trade Policy Committee serves as the principal "eyes and ears" for AAFA on trade and other legislative and regulatory matters at national and international levels. It directs lobbying and advocacy responses for matters affecting the U.S. apparel and footwear industry. It advises the AAFA's board and executive committee on policy positions.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

**Trade association**

Other, please specify (Sustainable Apparel Coalition)

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

No, we did not attempt to influence their position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

The SAC comprises over 250 leading apparel, footwear and textile brands, retailers, suppliers, service providers, trade associations, non-profits, NGOs, and academic institutions working to reduce environmental impact and promote social justice throughout the global value chain. Gap Inc. staff participate in task teams related to climate issues for the Higg Facility Environmental Module (FEM) and helps shape long term plans for environmental performance and supply chain.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

**Trade association**

Other, please specify (Textile Exchange)

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

No, we did not attempt to influence their position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

Textile Exchange is a global non-profit that creates leaders in the preferred fiber and materials industry. They develop, manage, and promote a suite of leading industry standards, as well as collect and publish critical industry data and insights that enable brands and retailers to measure, manage and track their use of preferred fiber and materials.

In September 2020, Gap Inc. partnered with Textile Exchange to release the Preferred Fiber Toolkit (PFT), a resource to be used by sourcing and design teams to inform companies on meeting their sustainability goals. With this partnership, the Toolkit will be developed as a publicly available, industry-wide resource, providing companies with consolidated, validated guidance so that together we can create healthier communities while better protecting the planet.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Other, please specify (Accelerating Circularity)

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

No, we did not attempt to influence their position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

Accelerating Circularity is a collaborative industry project developed to accelerate the textile industry's move from linear to circular. Its project partners are ensuring broad stakeholder representation by collaborating with industry organizations on this work including sharing information, amplifying key messages & streamlining of efforts. Our Waste and Circularity team is currently on the steering committee of Accelerating Circularity.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Other, please specify (The Fashion Pact)

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

No, we did not attempt to influence their position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

This coalition of leading apparel and textile companies has established a common agenda to reach 100 percent renewable energy use, reduce GHG emissions, increase biodiversity, and focus on resilient development by 2050. Interim CEO Bob L. Martin was on the steering committee in 2022.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Business Roundtable

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

No, we did not attempt to influence their position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

We are in agreement with Business Roundtable's approach and belief that market-based solutions are the best approach to combating climate change. They expect member organization's CEOs to call for a complementary suite of policies to drive innovation, significantly reduce greenhouse gas emissions and limit global temperature rise.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Other, please specify (National Retail Federation)

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

No, we did not attempt to influence their position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

As members of the National Retail Federation (NRF), we are aligned with their position on climate policy, which states that individuals, businesses, communities, nonprofit organizations and governments around the world will need to work collaboratively to prevent, mitigate and adapt to climate change. NRF supports pragmatic, cost-effective, economy-wide climate policy solutions and practices including ongoing support for market-based incentives for decarbonization, efficiency, recycling, and net-zero research.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**



Yes, we have evaluated, and it is aligned

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### C12.3c

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**(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.**

**Type of organization or individual**

Other, please specify (Industry and trade organizations)

**State the organization or individual to which you provided funding**

We provide funding through our trade associations and industry groups, at the national and regional level.

**Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)**

740770

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Gap Inc. is a member of various industry and trade associations that further our business, economic and community interests. These associations keep us informed on developments and trends in our industry and help us focus our advocacy in the most effective way. We often communicate and advocate our positions through our membership in concert with our industry partners. All dues paid to these trade associations are made with corporate funds. In Calendar Year (CY) 2022, the estimated expenditure was \$740,770, 51% of which supported non-deductible lobbying activities.

Organizations supported include:

American Apparel and Footwear Association  
National Association of Business Political Action Committees  
National Retail Federation  
Retail Industry Leaders Association

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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### C12.4

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**(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

2023-GPS-Proxy-3-29-23-Final.pdf

**Page/Section reference**

Gap Inc. Proxy, page 18-20

[https://s24.q4cdn.com/508879282/files/doc\\_financials/2023/ar/2023-GPS-Proxy-3-29-23-Final.pdf](https://s24.q4cdn.com/508879282/files/doc_financials/2023/ar/2023-GPS-Proxy-3-29-23-Final.pdf)

**Content elements**

Governance

Strategy

Risks & opportunities

**Comment**

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

gap-inc-esg-report-2022.pdf

gap-inc-esg-report-2022.pdf

**Page/Section reference**

Gap Inc. 2022 ESG Report - Page 8, 10, 42, 44-45

<https://gapinc-prod.azureedge.net/gapmedia/gapcorporatesite/media/images/values/sustainability/documents/2023/gap-inc-esg-report-2022.pdf>

**Content elements**

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

**Comment**

**C12.5**

**(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.**

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Certified B Corporation Science Based Targets Network (SBTN) Task Force on Climate-related Financial Disclosures (TCFD) UN Global Compact We Mean Business	<p>Certified B Corporation - Our Athleta brand is certified as a benefit corporation ("B Corp"), furthering its commitment to using business as a force for good to drive social and environmental impact by meeting rigorous standards across social and environmental performance, accountability and transparency. Additionally, to further uphold Athleta's commitments to people and the planet, Athleta, Inc. amended its legal charter to become a Delaware Public Benefit Corporation.</p> <p>Science-Based Targets Network - We have three active science-based targets: Reduce Scope 1 and 2 greenhouse gas (GHG) emissions by 90% from a 2017 baseline; Reduce Scope 3 GHG emissions from purchased goods and services by 30% from a 2017 baseline; and Source 100% renewable electricity for our company-operated facilities globally.</p> <p>TCFD - Gap Inc. has aligned its operations with the TCFD guidance and has reported to the TCFD framework for two years (2021 and 2022).</p> <p>UN Global Compact - Gap Inc. has been a member of the UNGC since 2003. We engage with their CEO Water Mandate and Women's Empowerment Principles. Gap Inc. has identified six SDGs (5, 6, 8, 10, 12, and 13 - Climate Action) as most relevant to our business; also recognizing SDGs 4, 7, and 17 as interconnected to our strategy.</p> <p>We Mean Business - In 2021, we became one of 408 businesses and investors with a footprint in the United States that signed an open letter to President Biden indicating support for the Biden administration's commitment to climate action, and for setting a federal climate target to reduce emissions.</p>

**C15. Biodiversity**

**C15.1**

**(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?**

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, and we do not plan to have both within the next two years	<Not Applicable>	<Not Applicable>

**C15.2**

**(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Other, please specify (100% of cellulose are not sourced from ancient or endangered forests)	SDG Other, please specify (Fashion Pact and CanopyStyle)

**C15.3**

**(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?**

**Impacts on biodiversity**

**Indicate whether your organization undertakes this type of assessment**

No, but we plan to within the next two years

**Value chain stage(s) covered**

<Not Applicable>

**Portfolio activity**

<Not Applicable>

**Tools and methods to assess impacts and/or dependencies on biodiversity**

<Not Applicable>

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

<Not Applicable>

**Dependencies on biodiversity**

**Indicate whether your organization undertakes this type of assessment**

No, but we plan to within the next two years

**Value chain stage(s) covered**

<Not Applicable>

**Portfolio activity**

<Not Applicable>

**Tools and methods to assess impacts and/or dependencies on biodiversity**

<Not Applicable>

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

<Not Applicable>

**C15.4**

**(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?**

Not assessed

**C15.5**

**(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water management

**C15.6**

**(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?**

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	Other, please specify (% of cellulose from ancient or endangered forests)

**C15.7**

**(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Other, please specify (Biodiversity approach and future strategy )	Page 46-47 gap-inc-esg-report-2022.pdf

**C16. Signoff**

**C-FI**

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

**C16.1**

**(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Chief Supply Chain, Strategy, and Transformation Officer	Chief Operating Officer (COO)

**SC. Supply chain module**

**SC0.0**

**(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

**SC0.1**

**(SC0.1) What is your company's annual revenue for the stated reporting period?**

	Annual Revenue
Row 1	

**SC1.1**

**(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.**

**SC1.2**

**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

**SC1.3**

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
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SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms