

# LR Independent Assurance Statement

Relating to Gap, Inc.'s Greenhouse Gas Inventory for the calendar year 2020

This Assurance Statement has been prepared for Gap, Inc. in accordance with our contract.

## Terms of Engagement

Lloyd's Register Quality Assurance (LR) was commissioned by Gap, Inc. (Gap) to provide independent assurance of its greenhouse gas (GHG) emissions inventory ("the Report") for the 2020 calendar year (January – December 2020) and Gap's 2020 fiscal year (February 2020 – January 2021) against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using ISO 14064 - Part 3 for greenhouse gas emissions.

Our assurance engagement covered Gap's operations and activities in operationally controlled retail stores, office space and warehouse locations worldwide. Specifically, this engagement covered the following requirements:

- Verifying conformance with:
  - Gap's reporting methodologies for the selected datasets; and
  - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD GHG Protocol) for the GHG data<sup>1</sup>.
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
  - Direct (Scope 1), Energy Indirect (Scope 2) and Other Indirect (Scope 3) GHG emissions. Scope 3 GHG emissions verified by LR only include Business Travel (air and rental cars); and electricity consumption in franchise locations; and
  - Energy Consumption

Fugitive emissions from hydrofluorocarbons (HFCs) in refrigerants have been excluded based on their de minimis contribution to the inventory.

LR's responsibility is only to Gap. LR disclaims any liability or responsibility to others as explained in the end footnote. Gap's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of Gap.

## LR's Opinion

Based on LR's approach nothing has come to our attention that would cause us to believe that Gap has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Table 1 below.

The opinion expressed is formed on the basis of a limited level of assurance<sup>2</sup> and at the materiality of the professional judgement of the verifier.

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<sup>1</sup> <http://www.ghgprotocol.org/>

<sup>2</sup> The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

**Table 1. Summary of Gap's GHG Emissions for CY 2020 and FY 2020:**

Scope of GHG emissions	CY 2020	FY 2020	Units
Scope 1 GHG emissions	24,993	25,352	Tonnes CO <sub>2</sub> e
Scope 2 GHG emissions (Location-based) <sup>1</sup>	246,218	244,823	Tonnes CO <sub>2</sub> e
Scope 2 GHG emissions (Market-based) <sup>1</sup>	218,801	215,372	Tonnes CO <sub>2</sub> e
Scope 3 GHG emissions: Electricity use at franchise locations	16,527	15,911	Tonnes CO <sub>2</sub> e
Scope 3 GHG emissions: Business Travel <sup>2</sup>	720	619	Tonnes CO <sub>2</sub> e
Energy Consumption – Scope 1	136,282	138,191	MWh
Energy Consumption – Scope 2	712,423	707,928	MWh

1. Scope 2, Location-based and Scope 2, Market-based are defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015

2. Business Travel includes air and rental cars.

### LR's Approach

LR's assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- assessing Gap's data management systems to confirm they are designed to prevent significant errors, omissions or mis-statements
- interviewing relevant employees of the organization responsible for managing GHG emissions data and records;
- verifying historical GHG emissions data and records at an aggregated level for the calendar and fiscal year 2020.

### LR's Standards, Competence and Independence

LR implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

LR ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

Signed



Dated: 26 July 2021

Brooke Farrell  
LR Lead Verifier

On behalf of Lloyds Register Quality Assurance, Inc. 1330 Enclave Pkwy, Suite 200 Houston, TX 77077  
LR reference: UQA00000004

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