The Gap, Inc. (Gap Inc., the “company,” “we,” and “our”) is a collection of lifestyle brands offering apparel, accessories, and personal care products for women, men, and children under the Old Navy, Gap, Banana Republic, and Athleta brands. Gap Inc. is an omni-channel retailer, with sales to customers both in stores and online, through company-operated and franchise stores, company-owned websites, and third-party arrangements.

As of February 3, 2024, we had company-operated stores in the United States, Canada, Japan, and Taiwan. In fiscal 2022, we signed agreements with a third party, Baozun Inc. (Baozun), to operate Gap China and Gap Taiwan (Gap Greater China) stores and the in-market website as a franchise partner. On January 31, 2023, the Gap China transaction closed with Baozun. The Gap Taiwan operations will continue to operate as usual until regulatory approvals and closing conditions are met.

We have franchise agreements to operate Old Navy, Gap, Banana Republic, and Athleta throughout Asia, Europe, Latin America, the Middle East, and Africa. Under these agreements, third parties operate, or will operate, stores and websites that sell apparel and related products under our brand names. We also have licensing agreements with licensees to sell products using our brand names. In addition to operating in the specialty, outlet, online, and franchise channels, we use our omni-channel capabilities to bridge the digital world and physical stores to further enhance the shopping experience for our customers. Our omni-channel services, including buy online pick-up in store, order-in-store, find-in-store, and ship-from-store, as well as enhanced mobile-enabled experiences, are tailored uniquely across our collection of brands.

Since 2018, Athleta has been certified as a benefit corporation (“B Corp”), furthering its commitment to using the business as a force for good to drive social and environmental impact. The company continues to meet rigorous standards across social and environmental performance, with accountability and transparency. With this accreditation, Gap Inc. is one of the largest publicly traded retail companies with a B Corp-certified subsidiary apparel brand.

Learn more:
> Annual Filings

The inclusion of information contained in this report is being made in good faith based on information that is available to Gap Inc. as of February 3, 2024 (unless otherwise specified). Given the inherent uncertainty in predicting and modeling future conditions, caution should be exercised when interpreting the information included 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.

For questions regarding Gap Inc.’s sustainability efforts or the content of this report, please contact sustainability@gap.com.
At Gap Inc., we believe there is a world of good in our shared humanity. It’s why we’ve been bridging gaps since 1969… and we’re just getting started.

When Don and Doris Fisher opened the very first Gap store in 1969, they bridged the generation gap with clothing and experiences that spoke to an energetic new idealism. One that questioned convention and imagined better.

Today, 55 years later, the people of Gap Inc. are still bridging gaps, inspired by our shared humanity, to create a better world. A world where purpose and profit co-exist in path-breaking ways that better the well-being of people and the planet.

BRIDGING THE CLIMATE GAP

We are dedicated to protecting natural resources and ensuring healthy communities for generations to come.

Earlier this year, in partnership with Arvind Limited, Gap Inc. was proud to launch an opensource water innovation center to accelerate water-saving innovations across the apparel supply chain in India. Additionally, we scaled the U.S. Agency for International Development (USAID) Gap Inc. Women + Water Alliance to reach more than 2.5 million people, improving their access to clean water and sanitation. And we’ve just launched an entirely new Water Collaborative with the Water Resilience Coalition and WaterAid, with the support of Cargill and GSK, that expands clean water access in even more communities that are connected to our global supply chain.

BRIDGING THE EQUITY GAP

Women comprise the majority of our customers, leaders, employees, and apparel supply chain. So, Gap Inc. makes industry-leading investments to ensure that women are empowered to reach their full potential.

In 2007, we launched P.A.C.E. (Personal Advancement & Career Enhancement), a groundbreaking initiative designed to support women and girls connected to our global supply chain with a practical education curriculum. More than 15 years later, this remarkable program has reached an impressive milestone, uplifting more than 1.4 million women and girls.

This year, Gap Inc. merged P.A.C.E. Workplace programming into RISE, a powerful partnership we created in 2019 alongside BSR (Business for Social Responsibility), HERproject™, CARE International, and ILO-IFC Better Work. RISE actively promotes gender equality through partnerships with local civil society organizations to improve workplace systems and practices, while simultaneously encouraging greater leadership from brands, buyers, suppliers, and worker representatives.

BRIDGING THE OPPORTUNITY GAP

Gap Inc. is committed to creating sustainable economies and a culture of equality and belonging, which means we use the assets and scale of our business to provide opportunity access for historically marginalized people and communities.

Our This Way ONward initiative was created to unlock career potential, one young person at a time, with a focus on underserved communities. Since 2007, the program has provided one-on-one mentorship, coaching, and on-the-job skill building, as a pathway to a more secure future. And, to date, we’re on track to hire more than 20,000 young people by 2025 through This Way ONward.

BRIDGING THE INCLUSION GAP

Inclusion has been integral to our business approach since we opened in 1969. Gap Inc.’s comprehensive Equity & Belonging effort, rooted in ethical governance, focuses on embedding belonging into every aspect of our business.

This year, we launched our Inclusive Leadership Coaching Series — facilitated by a third-party expert and focused on building allyship in action and a sense of belonging — as well as our Inclusive Hiring Training, which aims to actively mitigate bias and any form of discrimination in the recruitment process.

Our founders understood the transformative power of mattering well before most and built a company with the scale to make a real difference.

TODAY, WE BRIDGE GAPS TO CREATE A BETTER WORLD

We are remarkably proud of the meaningful change we created in fiscal 2023. And this year, we’re motivated to matter even more.

As a signatory of the United Nations Global Compact for two decades, Gap Inc.’s 2023 ESG Report serves as our Communication on Progress, providing transparent updates on the company’s work toward building a more sustainable and inclusive business.

Thank you for your interest in our work. To stay connected, please visit us at gapinc.com.

Onward!
We consider environmental and social factors as part of our end-to-end business strategy. Our value creation model demonstrates how our business creates environmental, social, and economic value through our brands and operations.

Our Value Creation Model

**Inputs**
- **Natural Capital**
  - Water: for operations, apparel manufacturing, and growing cotton and other fibers
  - Energy and fuel: for operations, production, and logistics
  - Raw materials: including natural fibers like cotton, synthetics like polyester and nylon, and manmade cellulose fibers
  - Chemicals: for using pesticides and fertilizers in cotton growth and dyeing and finishing fabrics in manufacturing
- **Human and Social Capital**
  - 85,000 employees (approximately)
  - Over 250 vendors with factories in approximately 30 countries
- **Financial Capital**
  - $14.9 billion in net sales, with 37% related to online sales
  - 2,562 company-operated and 998 franchise stores in about 40 countries

**Our Business**

**Impact**
- **For the Environment**
  - Water stewardship
  - Chemicals management
  - Climate change response and emissions reduction
  - Circular economy and waste
  - Responsible land and natural resource use
- **For Workers**
  - Fair employment and labor standards
  - Gender equity
  - Diversity, equity, inclusion, and belonging
  - Workforce development
  - Health and safety
  - Human rights protections
  - Social involvement
- **For Customers**
  - Product quality and safety
  - Responsible marketing and consumer engagement
  - Data privacy and cybersecurity
- **For Communities**
  - Engagement, development, and investment
- **For Investors**
  - Financial value
  - Transparent reporting

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1. Online sales primarily include sales originating from our online channel, including those that are picked up or shipped from stores and net sales from revenue-generating strategic initiatives.
**OUR PRODUCT LIFE CYCLE**

We seek to improve the sustainability performance of our business at every stage of a product’s life, from the first design concepts through materials sourcing, manufacture, and distribution to sale, use, and end-of-life.

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. <strong>PRODUCT DEVELOPMENT</strong></td>
<td>Our Product Development teams are encouraged to design and manufacture more sustainable products and have influence over who makes our clothes. This enables us to address our wider environmental footprint and improve working conditions in factories. See more about our supplier assessments, water, chemicals, management, materials, and circularity practices in the Environment and Social – Supply Chain sections.</td>
</tr>
<tr>
<td>2. <strong>RAW MATERIALS</strong></td>
<td>To minimize the impacts of the fibers we use in our products, we place a special focus on cotton, and are taking steps toward sourcing more sustainable synthetic and manmade cellulosic fibers. See more about our water and climate practices in the Environment section.</td>
</tr>
<tr>
<td>3. <strong>TEXTILE MANUFACTURING</strong></td>
<td>Fabric mills use large quantities of energy and water, as well as chemicals that may impact local watersheds if not treated properly. Through our Mill Sustainability Program, we integrate clear environmental and social standards into our sourcing decisions. See more about our supplier assessments, labor, water, chemical, and climate practices in the Environment and Social – Supply Chain sections.</td>
</tr>
<tr>
<td>4. <strong>PRODUCT &amp; FINISHING</strong></td>
<td>Our comprehensive approach for improving working conditions in our supply chain combines factory monitoring and capability building programs that engage our vendors to measure and address their environmental and social impacts. See more about our supplier assessments, capability building, P.A.C.E./RISE, water, chemical, and climate practices in the Environment and Social – Supply Chain sections.</td>
</tr>
<tr>
<td>5. <strong>LOGISTICS</strong></td>
<td>We use a mix of transportation methods via sea, air, truck, and railroad to move products from suppliers to our distribution centers (DCs), and then to stores and customers. We are working to conserve energy, implement electric vehicles, and reduce waste at our DCs, where we also support hiring programs for refugees and immigrants. See more about our climate and opportunity hiring programs in the Environment and Social – Workplace and Community sections.</td>
</tr>
<tr>
<td>6. <strong>RETAIL</strong></td>
<td>Our stores are where our products, employees, and customers interact, and we aim to foster an equitable and inclusive environment for all. For example, This Way ONward at our Old Navy stores helps young people experiencing barriers to employment obtain their first jobs. See more about This Way ONward and our Equality &amp; Belonging initiatives in the Social – Workplace and Community sections.</td>
</tr>
<tr>
<td>7. <strong>CONSUMER USE &amp; CIRCULARITY</strong></td>
<td>We use product labeling, catalogs, social media, and blog posts to educate our customers on how they can wear, care for, and discard their clothes to reduce our products’ total environmental footprint. We also engage in and contribute to industry wide solutions to reduce end-of-life impacts. See more about our circularity in the Environment section.</td>
</tr>
</tbody>
</table>
ESG THROUGH THE YEARS

Reflecting on 2023, we celebrate 20 years of ESG reporting, as well as the progress made toward social and environmental sustainability over the past three decades.

We recognize that there is still more work to be done, and that future progress against our goals will require deepened partnership with priority stakeholders and further integration of sustainability objectives across our business.

1994: Supplier Sustainability program established

2003: Published first Social Responsibility Report

2004: Launched Water Quality Program (now This Way Onward); our award-winning Opportunity Hiring program

2007: Published first GRI and UN Global Compact indices

2008: Conducted our first environmental footprint assessment

2010: Published first TCFD index

2011: Achieved B Corp status for Athleta

2014: Signed on to the Science Based Targets initiative (SBTi); launched the USAID Gap Inc. Women + Water Alliance public-private partnership

2016: Published first SASB index

2017: Published first SBTi index

2018: Achieved equal pay for equal work – the first Fortune 500 company to do so

2019: Set our 2050 net-zero emissions target

2020: Set our 2030 water goals and exceeded our goal to reach 2 million people with improved access to water and sanitation by 2022

2021: Published first TCFD index

2022: Set our 2030 water goals and exceeded our goal to reach 2 million people with improved access to water and sanitation by 2022

2023: See 2023 Highlights on p. 8
### 2023 HIGHLIGHTS

**GAP INC. AND OUR PARTNERS LAUNCHED THREE MAJOR PROGRAMS:**

**WOMEN + WATER COLLABORATIVE**
with partners WaterAid, Cargill, and GSK to improve access to clean water and sanitation in India

**GWICA**
(the Global Water Innovation Centre for Action) in partnership with Arvind Limited

**RISE**
in collaboration with BSR, HERproject, CARE, and Better Work to accelerate women’s empowerment programs across the apparel supply chain

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**FIBER GOALS PROGRESS**

- **98%** of cotton was from more sustainable sources
- **19%** of polyester was from recycled sources

**CLIMATE GOALS PROGRESS**
(as of the end of FY 2022)

- **58%** of electricity in direct operations is from renewable sources
- **77%** reduction in Scope 1 and 2 emissions since 2017

**OPPORTUNITY HIRING AND EMPLOYEE ENGAGEMENT**

- **19.6k** youth engaged in This Way ONward since 2007
- **45%** of employees volunteered

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**AWARDS AND RECOGNITION**

- **American Opportunity Index**
  7th in Retail and 54th of nearly 400 overall

- **CDP Climate Change response**
  scored an A- and CDP Water Security scored a B in 2023

- **Ceres**
  \[Valuing Water Finance Initiative Benchmark report - top 11 “On Track” of 72 companies (and the only apparel company in that group)\]

- **Newsweek** – America’s Best Retailers:
  Athleta 2nd in Athletic Apparel; Banana Republic 10th overall

- **Newsweek** – America’s Most Responsible Companies:
  1st in retail

- **FTSE Diversity & Inclusion Index** – 2nd most diverse and inclusive company

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**Gap Inc. fiber data is derived on a seasonal calendar from purchase order materials data for all brands, excluding BR Home products. We currently do not trace fiber consumption for franchises or VMI (vendor managed inventory) because their data is not in our booking system. We have limited visibility into third-party licensing and accessories, but are continuously improving the connection.**

**Defined as: Better Cotton (formerly BCI), verified U.S.-grown cotton (USCTP), organic, in conversion (to verified organic), recycled, or regenerative.**

**Scope 1: Direct emissions; Scope 2: Indirect emissions from purchased electricity use at company-operated facilities.**

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**AWARDS AND RECOGNITION**

- **World Benchmarking Alliance Gender Benchmark** – 4th of 112 companies

- **Ceres’ Valuing Water Finance Initiative Benchmark report** – top 11 “On Track” of 72 companies (and the only apparel company in that group)

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**Newsweek** – America’s Best Retailers:
- Athleta 2nd in Athletic Apparel; Banana Republic 10th overall

**Newsweek** – America’s Most Responsible Companies:
- 1st in retail

**FTSE Diversity & Inclusion Index** – 2nd most diverse and inclusive company

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**TIME** – World’s Best Companies:
- 50th for sustainability

**3BL**
- 100 Best Corporate Citizens
At Gap Inc., we lead with our values and think holistically about how environmental and social responsibility is embedded within our business.

The ESG framework guides our business to integrate sustainable and responsible practices both in our direct operations and across our value chain.

Gap Inc’s three sustainability pillars – Empowering Women, Enabling Opportunity, and Enriching Communities – are complemented by our Equality & Belonging work. Our internal pillars align with the broader ESG framework, with ethical governance as a foundation. Our focus areas are informed by our materiality assessment.

Learn more: > Materiality

Another critical component of our approach is industry collaboration and international coalitions. We are proud signatories, members, or active participants of the following organizations:

- 15 Percent Pledge
- Better Cotton
- Better Than Cash Alliance
- Black In Fashion Council
- Boys & Girls Clubs of America
- Business for Social Responsibility (BSR)
- Cascale, Inc.
- CEO Water Mandate
- The Fashion Pact
- International Labour Organization (ILO) and International Finance Corporate (IFC) Better Work programme
- International Accord for Health and Safety in the Textile and Garment Industry
- Nirapon
- Life and Building Safety (LABS) Initiative
- Open to All
- RISE (Rising Industry to Support Equality, formerly Empower@Work)
- Social & Labor Convergence Program (SLCP)
- Textile Exchange
- thredUp®
- UN Free & Equal
- UN Global Compact (UNC)
- UN Framework Convention on Climate Change (UNFCCC) Fashion Industry Charter
- Water Resilience Coalition (WRC)
- Welcome US
- YWCA USA
We work closely with our suppliers to reflect our dedication to human rights, women’s empowerment, and environmental sustainability across the value chain.

Our Supplier Sustainability program focuses on both social and environmental issues. Through remediation practices and business decisions based on our compliance rating system, we incentivize suppliers to implement proper labor, health and safety, and environmental standards in their facilities. This approach aims to protect and support workers, improve air and water quality, increase energy efficiency, and minimize the risk of violations across our supply chain.

Our rating systems focus on the following areas as metrics to track factory performance and progress:
- Labor and working conditions
- Environmental compliance
- Participation in women’s empowerment programs

### 2023 Progress

Our Supplier Sustainability team and its programs – which include social and environmental compliance, as well as a portfolio of capability building programs focused on women’s empowerment, water, and climate – have historically focused on Tier 1’s of our supply chain.

We have a role to play in advancing our sustainability objectives farther upstream in our supply chain and are taking meaningful steps to expand our efforts to Tier 2 suppliers and beyond.10 We continue increasing our visibility to Tier 2 and 3 and are working to develop policies to extend additional oversight and governance of tiers upstream in our supply chain.

We continue increasing our visibility to Tier 2 and 3 and are working to develop policies to extend additional oversight and governance of tiers upstream in our supply chain.

### Understanding Our Supply Chain

#### Traceability

We publish our Tier 1 factory list twice a year and are improving visibility into Tier 2 and beyond.

#### Collaboration

- Tier 1 and 2 suppliers
- Industry partners
- Innovation and technology partners
- NGOs
- Stakeholder Engagement

### Rating Our Suppliers

We calculate a Compliance and Sustainability score for each facility as part of our Tier 1 Vendor Scorecards, which are a rating system of red, yellow, or green (most favorable). We assess suppliers for social and environmental compliance using a variety of methods.

### Encouraging Action

We aim to support worker well-being, respect human rights, reduce environmental impacts, and improve business performance – while helping our suppliers and their factories improve efficiencies with streamlined industry tools and processes.

#### Remediation Practices

Our remediation process collaborates with all stakeholders to develop corrective action plans.

- Assessment and Remediation

#### Purchasing Practices

At least 80% of Gap Inc.’s sourcing spend is from green-rated factories.

- Purchasing Practices

#### Capability Building and Efficiency Programs

Supplier engagement programs support suppliers in their own journey toward more positive working conditions and environmental impacts.

- Water: Reduce and Replenish
- Climate Action
- Capability Building

8 Tier 1: Cut and sew garment factories.
9 Tier 2: Fabric knitting, weaving, and dyeing mills.
10 “Beyond” refers to Tier 3 (yarn spinners) and Tier 4 (suppliers of raw materials such as farmers and ginners).
### ENVIRONMENT

#### Water Stewardship
- **Goal**: Empower 5 million people touched by the apparel industry to improve their equitable access to clean water and sanitation.
- **Target Year**: 2030
- **Status**: 2.5 million people reached since 2017
- **Progress**: 50%

- **Goal**: Reduce water use and replenish water to nature, equivalent to 100% of the water used in manufacturing apparel and in our company-operated facilities.
- **Target Year**: 2030
- **Status**: 15%
- **Progress**: In 2022, we reduced or replenished 4.8 billion liters total, and consumed 33 billion liters in supply chain manufacturing and company operations.

- **Goal**: Achieve net positive water impact in water-stressed regions.
- **Target Year**: 2050
- **Progress**: Building roadmaps to achieve intermediary 2030 goals

- **Goal**: Support a water-resilient supply chain.
- **Target Year**: 2050
- **Progress**: Building roadmaps to achieve intermediary 2030 goals

#### Climate Action
- **Goal**: Reduce Scope 1 and 2 greenhouse gas (GHG) emissions by 90% from a 2017 baseline.
- **Target Year**: 2030
- **Status**: 77% reduction from 2017 to 2022, 2023 data will be available on our website later this year.
- **Progress**: 2022 data was available on our website later this year.

- **Goal**: Reduce Scope 3 GHG emissions from purchased goods and services by 30% from a 2017 baseline.
- **Target Year**: 2030
- **Status**: 16% reduction from 2017 to 2022, 2023 data will be available on our website later this year.

- **Goal**: Source 100% renewable electricity for our company-operated facilities globally.
- **Target Year**: 2030
- **Status**: 58% of electricity use from company-operated facilities was from renewable sources in 2022. 2023 data will be available on our website later this year.

- **Goal**: Achieve net-zero carbon emissions across our value chain.
- **Target Year**: 2050
- **Progress**: 77% of electricity use from company-operated facilities was from renewable sources in 2022. 2023 data will be available on our website later this year.

#### Raw Materials and Product
- **Goal**: Source 100% of cotton from more sustainable sources.
- **Target Year**: 2025
- **Status**: 98%

- **Goal**: Source at least 45% of polyester from recycled sources.
- **Target Year**: 2025
- **Status**: 19%

#### Circularity and Waste
- **Goal**: Eliminate unnecessary or problematic plastics in packaging to consumers by 2025 and in packaging to businesses by 2030, in line with our Fashion Pact commitments.
- **Target Year**: 2025/2030
- **Progress**: 47% of unnecessary or problematic plastics in packaging to consumers has been eliminated and replaced with paper or other reusable alternative.

- **Goal**: Ensure at least half of all plastic packaging is 100% recycled content, for packaging to consumers by 2025 and in packaging to businesses by 2030, in line with our Fashion Pact commitments.
- **Target Year**: 2025/2030
- **Status**: 80% of all plastic packaging to consumers is made with 100% recycled content – achieving the 2025 target.

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11 All target years reference the end of fiscal year, unless otherwise stated.
12 Water consumption data for our supply chain is collected through the Higg FEM, which results in a one-year delay for our reporting.
13 Scope 1: Direct emissions; Scope 2: Indirect emissions from purchased electricity use at company-operated facilities; and Scope 3: Indirect emissions from value chain activities such as goods production, transportation, and franchise emissions.
14 As part of our SBT update in 2023, we recalculated our 2017 baseline and 2022 emissions. As a result, these updated metrics may not match our previous CDP Climate submission or align with previous ESG Reports.
15 Data is subject to change on a five-year cycle each year as we gain better visibility into our respective share of emissions with each of our suppliers.
16 Gap Inc. fiber data is derived on a seasonal calendar from purchase order materials data for all brands, excluding BR Home products. We currently do not trace fiber consumption for franchises or VMI (vendor managed inventory) because their data is not in our booking system.
17 Defined as: Better Cotton (formerly BCI), verified U.S.-grown cotton (USCTP, organic), in conversion (to verified organic), recycled, or regenerative.
18 In line with our commitment to The Fashion Pact’s Ocean Pillar, we use the Ellen MacArthur Foundation’s definition of unnecessary and problematic plastic that consists of five criteria.
### GAP INC. GOALS AND PROGRESS – CONTINUED

<table>
<thead>
<tr>
<th>Goal</th>
<th>Target Year</th>
<th>Status</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SOCIAL – SUPPLY CHAIN</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>100% of our in-scope Tier 1 facilities will participate in industrywide efforts by 2023, including SLCP and/or ILO-IFC Better Work, and 100% of Tier 2 strategic mills will participate by 2025</td>
<td>2023/2025</td>
<td>⬤</td>
<td>100% of in-scope Tier 1 facilities are participating(^{19}) 95% of Tier 2 strategic mills are participating</td>
</tr>
<tr>
<td>100% of vendors comprising 90% of Gap Inc.'s business spend are invited to participate in Better Buying, with scores isolated across brands</td>
<td>2025</td>
<td>⬤</td>
<td>100% of vendors comprising 90% of our business spend have been invited to participate in Better Buying. We continue working toward sharing updates on purchasing practices improvements.</td>
</tr>
<tr>
<td>80% of Gap Inc. sourcing will be allocated to green-rated factories</td>
<td>2025</td>
<td>⬤</td>
<td>87% of our business spend was allocated to green-rated factories</td>
</tr>
<tr>
<td>100% of workers employed in our strategic factories(^{20}) will have their voices heard through representative workplace committees</td>
<td>2025</td>
<td>⬤</td>
<td>91% strategic factories have representative workplace committees(^{21})</td>
</tr>
<tr>
<td>100% of our strategic factories will have achieved gender parity at the supervisor level</td>
<td>2025</td>
<td>⬤</td>
<td>22% of strategic factories have achieved gender parity at the supervisor level(^{22}) 49% of supervisors in our suppliers' strategic factories are women, globally</td>
</tr>
<tr>
<td>100% of our factories will have prevention and response management systems and trainings in place to address gender-based violence and harassment</td>
<td>2025</td>
<td>⬤</td>
<td>84% of factories have prevention and response management systems and trainings in place to address gender-based violence and harassment 91% sourcing factories have functioning grievance mechanisms for complaints and suggestions, including gender-based violence and harassment 89% of factories have 100% of employees trained on gender-based violence and harassment prevention and response each fiscal year</td>
</tr>
<tr>
<td>100% of our strategic factories are investing in women's empowerment through participation in P.A.C.E./RISE</td>
<td>2025</td>
<td>⬤</td>
<td>54% of strategic factories have at least 50% of their female workers enrolled in or completed the P.A.C.E./RISE curriculum 98% of strategic factories have institutionalized P.A.C.E./RISE as part of their HR management systems</td>
</tr>
</tbody>
</table>

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<tr>
<td><strong>SOCIAL – WORKPLACE AND COMMUNITY</strong></td>
<td></td>
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</tr>
<tr>
<td>Enabling Opportunity and Social Impact</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hire 5% of Old Navy entry-level store employees from This Way ONward annually</td>
<td>2025</td>
<td>⬤</td>
<td>4.3%</td>
</tr>
<tr>
<td>Reach 20,000 youth through This Way ONward</td>
<td>2025</td>
<td>⬤</td>
<td>19,600 youth reached since 2007</td>
</tr>
<tr>
<td>Equality &amp; Belonging</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Double the representation of Black and Latinx employees at all levels in our U.S. HQ offices, relative to a June 2020 baseline (4% Black, 10% Latinx)</td>
<td>2025</td>
<td>⬤</td>
<td>7% of our U.S. HQ employees identify as Black (2025 goal: 8%) 11% of our U.S. HQ employees identify as Latinx (2025 goal: 20%)</td>
</tr>
<tr>
<td>Increase representation of Black employees by 50% in our store leader roles in the U.S., relative to a June 2020 baseline (8%)</td>
<td>2025</td>
<td>⬤</td>
<td>8% of our store leaders (defined as General Managers) in the U.S. identify as Black (2025 goal: 13%)</td>
</tr>
</tbody>
</table>

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19 Excludes Banana Republic Home factories.
20 Strategic factories are those representing 85% of our total business spend (defined as Purchase Order first cost).
21 Defined as meeting at least 70% of relevant Better Work Academy Social Dialogue Indicators (SDI) and minimum requirement indicators (SDI 9, SDI 17, and SDI 18).
22 Macroeconomic challenges have negatively impacted factory growth, resulting in reduced turnover and limited advancement opportunities for new female supervisors. While factories across geographies are training potential female supervisors, progress has been slower than anticipated.
OUR HOUSE OF BRANDS

Our brands are built to have a lasting positive impact on people and the planet. While Gap Inc. develops and manages shared sustainability goals, each of our four brands contribute to our impact in uniquely positioned ways.23

Old Navy is a global apparel and accessories brand that makes current American essentials accessible to every family. Originated in 1994, the brand celebrates the democracy of style through on-trend, playfully optimistic, affordable, and high-quality products.

GAP

Gap is a globally recognized icon of casual American style. Founded in San Francisco in 1969, Gap champions originality by creating loved essentials and delivering culturally relevant experiences that celebrate individuality.

BANANA REPUBLIC

Banana Republic is a premium lifestyle brand driven by a passion for exploration and self-expression. Founded in 1978 in San Francisco, Banana Republic delivers timeless, versatile, and exceptionally made pieces — offering men’s and women’s apparel, accessories, and Home for a life well lived.

ATHLETA

A Certified B Corporation, Athleta is a premium performance lifestyle brand with a mission of empowering women and girls to build confidence, strength, and belonging through movement. Athleta’s versatile apparel is anchored in performance and empowers her with beautiful feminine design and thoughtful innovation for all the ways she moves — from yoga and training to travel and recovery. In 2016, the company launched Athleta Girl, mirroring its signature performance in styles for the next generation.

23 Revenue/net sales are for fiscal 2023, which ended February 3, 2024. Store counts are as of February 3, 2024 and do not include franchise stores.
<table>
<thead>
<tr>
<th>BRAND PROGRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>IN SUPPORT OF GAP INC. GOALS</td>
</tr>
</tbody>
</table>

### OLD NAVY
- **16%** of polyester is from recycled sources
- **67%** of fibers in products are from more sustainable sources
- **78%** of plastic shopping bags have been eliminated and replaced with a paper or other reusable alternative

### GAP
- **17%** of polyester is from recycled sources
- **100%** of cotton is from more sustainable sources
- **72%** of plastic shopping bags have been eliminated and replaced with a paper or other reusable alternative
- **99%** of eligible denim and woven bottoms are made using Washwell, a water-saving technique

### BANANA REPUBLIC
- **22%** of polyester is from recycled sources
- **91%** of cotton is from more sustainable sources
- **62%** of fibers in products are from more sustainable sources, surpassing the brand’s goal to reach 50% by 2030
- **100%** of plastic shopping bags have been eliminated and replaced with a paper or other reusable alternative
- **99%** of eligible denim and woven bottoms are made using Washwell, a water-saving technique

### ATHLETA
- **75%** of polyester is from recycled sources
- **100%** of cotton is from more sustainable sources
- **100%** of Athleta's shopping bags are reusable and made with recycled materials
- **100%** of Athleta’s products are made with recycled or regenerative materials
- **65%** of eligible denim and woven bottoms are made using Washwell, a water-saving technique

**Notes:**
- Gap Inc. fiber data is derived on a seasonal calendar from purchase order materials data for all brands, excluding BR Home products. We currently do not trace fiber consumption for franchises or VMI (vendor-managed inventory) because their data is not in our booking system. We have limited visibility into third-party licensing and accessories, but are continuously improving this connection.
- Scope includes U.S. and Canada stores.
- In line with Gap Inc.’s Fashion Pact commitments.
- Defined as: Better Cotton (formerly BCI), verified U.S.-grown cotton (USCTP), organic, in conversion (to verified organic), recycled, or regenerative.
- 12% of Gap cotton is from regenerative, organic, in conversion to organic, recycled, and US Cotton Trust Protocol (USCTP)-verified sources.
We recognize our industry has planetary impacts, and Gap Inc. is committed to safeguarding the environment. We strive to reduce and replenish our water use, reduce our emissions, design our products with preferred fibers, reimagine packaging for circularity, and protect natural resources for generations to come.
WATER STEWARDSHIP

As one of the world’s most vital natural resources – and one our industry is heavily reliant on – safeguarding water sources is an imperative for Gap Inc. We aim to create positive impact for nature and communities by strengthening water resilience throughout our value chain.

CHALLENGE

At Gap Inc., we believe access to water is a human right, and also recognize that the decreasing availability of clean water in certain geographies is a significant challenge that requires multi-stakeholder collaboration. If unaddressed, it is estimated that half the global urban population will face water scarcity by 2050.10 The water crisis is already acute in many of the apparel industry’s key sourcing countries and communities, with women often facing disproportionate barriers to safely access water, sanitation, and hygiene (WASH) services. Beyond its implications for human health and hygiene, water stress also impacts biodiversity and water ecosystems, including in areas where cotton is grown.

STRATEGY

Water challenges are multidimensional and require a holistic approach – with consideration of the intersectionality between humans, climate, water, biodiversity, and soil health. In response, our strategy focuses on three interconnected areas:

Access: Improve equitable access to clean water and sanitation in communities impacted by our industry.

Reductions: Minimize our freshwater footprint by reducing water used in manufacturing, increasing recycling, and improving wastewater quality. Assess upstream supply chain impacts, develop a framework for long-term, context-based targets, and engage suppliers in implementing water quality and efficiency projects.

Replenishment: Restore and replenish water in priority water-stressed basins29 where our cotton is grown, our clothing is manufactured, and our customers and employees live. In March 2023, we announced two new goals to achieve by 2030:

• Empower 5 million people touched by the apparel industry to improve and sustain their equitable access to clean water and sanitation.
• Reduce water use and replenish water to nature, equivalent to 100 percent of the water used in manufacturing apparel and in our company-operated facilities.

As a founding member of the UN Global Compact’s Water Resilience Coalition (WRC), we have a commitment to achieve net positive water impact by 2050. These 2030 goals serve as interim targets to advancing progress and meeting our long-term goals.

Our Board of Directors’ Governance and Sustainability Committee receives regular updates on progress against our water strategy and progress toward our goals, sharing relevant information with the full Board of Directors as appropriate.

IMPACT

Clean drinking water supports human health and hygiene, which strengthens the overall resiliency of key cotton-sourcing regions with high water stress. For raw materials producers, suppliers, and Gap Inc., water resilience supports business continuity, reduces water risks and operating costs, and increases the reliability of raw materials. It also helps us meet growing investor, customer, and community expectations around water.

PARTNERSHIPS

Gap Inc. has a history of designing innovative programs in collaboration with NGOs (non-governmental organizations), nonprofits, and public and private sectors to address water stress, improve access to clean water and sanitation, and advance water-saving manufacturing innovations.

To drive progress on our water goals, we continued active engagement with the UN Global Compact’s CEO Water Mandate and its key initiatives, WASH4Work and the WRC. Throughout 2023, we verified our strategic alignment with the global ambition to achieve net positive water impact by 2050 by participating in working groups and consulting on the WRC’s Net Positive Water Impact draft framework.

In March 2023, Gap Inc. joined the World Resources Institute’s (WRI) Aquaduct Alliance to share strategic guidance and industry insights on improving sustainable water management across sectors. To reduce suppliers’ manufacturing water footprint – which often aligns with efforts to reduce energy – we partner with groups such as the Apparel Impact Institute (Aii) and the Alliance for Water Stewardship (AWS). We also partner closely with implementing NGOs and experts for projects focused on water access and replenishment.

We are actively engaged in the investor-led Ceres Valuing Water Finance Initiative (VWFI). In 2023, Ceres published its inaugural Valuing Water benchmark report, in which Gap Inc. ranked as the only apparel company in the top 11 “On Track” of 72 companies.

29 UNESCO
30 IEA. Water stress occurs when the demand for water exceeds the available amount during a certain period or when poor quality restricts its use.
31 Blain. The geographical region in which water is captured, flows through, and eventually discharges – in the area from which a site extracts water or discharges effluent.

A CALL TO WATER ACTION

At the historic UN Water Conference in March 2023, Gap Inc. joined over 50 leading companies and founding partners united under the CEO Water Mandate’s WRC. At the conference, we signed the Business Leaders Open Call to Accelerate Water Action, which articulates a shared vision to achieve net positive water impact in 100 water-stressed basins by 2030. We also aligned with the Water Resilience pillar of the UN Global Compact’s Forward Faster initiative, committing to publicly declare our targets, highlight the actions we undertake to meet the targets, and report progress annually.

Also in 2023, Gap Inc. joined the World Resources Institute’s (WRI) Aquaduct Alliance to share strategic guidance and industry insights on improving sustainable water management across sectors. To reduce suppliers’ manufacturing water footprint – which often aligns with efforts to reduce energy – we partner with groups such as the Apparel Impact Institute (Aii) and the Alliance for Water Stewardship (AWS). We also partner closely with implementing NGOs and experts for projects focused on water access and replenishment.

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Gap Inc.
ACCESS: COMMUNITY WATER RESILIENCE

We are strengthening value chain water resilience, improving long-term, sustained access to clean drinking water and sanitation in communities touched by the apparel industry.

<table>
<thead>
<tr>
<th>GOAL BY 2030</th>
<th>PROGRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMPOWER 5 MILLION PEOPLE</td>
<td>2.3 million people reached since 2017</td>
</tr>
<tr>
<td>touched by the apparel industry to improve their equitable access to clean water and sanitation</td>
<td>On track</td>
</tr>
</tbody>
</table>

**CHALLENGE**

In 2020, approximately 2 billion people lived in water-stressed areas and did not have access to safely managed drinking water services. Almost half of the global population lacked access to safely managed sanitation. 32

If no action is taken, it is predicted that within the next 10 years, the world will face a 40 percent shortfall in freshwater supply. 33

Access to WASH services is a major challenge in several of the apparel industry’s key sourcing countries.

<table>
<thead>
<tr>
<th>PROGRAM SPOTLIGHT</th>
<th>IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>USAID Gap Inc. Women + Water Alliance</td>
<td>2.4M</td>
</tr>
<tr>
<td>WaterEquity Global Access Fund IV: Women + Water Collaborative; Ongoing partnerships</td>
<td>100k+</td>
</tr>
</tbody>
</table>

**STRATEGY**

Working with relevant stakeholders – including the private sector, NGOs, local governments, multi-lateral institutions, and local communities – is essential to creating large-scale impact in watersheds where cotton is grown or apparel is manufactured. Our strategy to strengthen community water resilience encompasses a range of interventions through collective action partnerships, including the Women + Water Collaborative, and the Water Equity Global Access Fund IV, both launched in 2023.

Within Gap Inc. partner facilities, our Code of Vendor Conduct (COCV) also requires that essential WASH needs of garment workers are met. In addition, our RISE/Personal Advancement & Career Enhancement (P.A.C.E.) workplace and P.A.C.E. Community programs bring WASH education to women globally.

**IMPACT**

Our water access initiatives catalyze women as active participants and leaders in advancing local WASH improvements, helping enhance access to clean drinking water and sanitation for cotton-growing and production worker communities. Supporting human health and hygiene strengthens business resilience across our operations, supply chain, and raw material sourcing regions.

**2023 PROGRESS**

In early 2023, we completed the Women + Water Alliance, our six-year public-private partnership program between USAID and Gap Inc. This initiative empowered more than 2.4 million people to improve access to clean water and sanitation in communities touched by the apparel industry in India. We evolved our collective action in two main ways during 2023:

- The Women + Water Collaborative: Together with the Water Resilience Coalition (WRC) and WaterAid, we developed the Women + Water Collaborative with the support of private sector partners Cargill and ESK. The Collaborative aims to improve health, livelihoods, and climate resilience by providing water-stressed communities in India improved and sustained access to climate-resilient WASH. It will also improve the availability and quality of water in priority river basins through water replenishment and conservation.
- To strengthen its community-level impact and long-term sustainability, the program incorporates a modified version of Gap Inc.’s P.A.C.E. Community programming to bolster women’s leadership.

WaterEquity: Gap Inc. is proud to partner with the U.S. International Development Finance Corporation (DFC) alongside Starbucks, Ecolab, Reckitt, and DuPont to invest in WaterEquity’s Global Access Fund IV. This $150 million fund will support financial institutions and enterprises in developing markets to scale water and sanitation lending activities, such as loans that enable low-income and marginalized customers to install household water and sanitation solutions.

**HOW KUSUM LED HER COMMUNITY TO CLEAN WATER ACCESS**

Kusum comes from a village where water is scarce, with women having to walk nearly three hours each day to collect water. As the leader of her community, Kusum received water quality monitoring and conservation training with the Women + Water Alliance. This enabled her to act as a catalyst for women and others in her community and to support the development of a village water security plan.

“It’s very important that water reaches every household in our village. Access to water is important for me and my family and for our entire village. Water is our fundamental right, and women are working wholeheartedly to achieve water access.”

Kusum’s bold leadership and her community’s efforts led to the construction of new water pipelines, putting an end to long hours spent walking for water. Thanks to Kusum’s initiative, she has helped the 300 families in her village pursue a brighter future.

This approach to enable better WASH access continues through the new Women + Water Collaborative.

Watch Kusum’s Video.
REDUCTION AND REPLENISHMENT: TACKLING WATER CONSUMPTION

Our supply chain capability-building programs help drive compliance, monitor suppliers’ environmental impacts, and reduce water (and energy) used in manufacturing processes.

GOAL BY 2030

REDUCE WATER USE AND REPLENISH WATER TO NATURE, equivalent to 100% of all the water used in manufacturing apparel and in our company-operated facilities

PROGRESS 2022

15%

In 2022, we reduced or replenished 4.6 billion liters total, and consumed 338 billion liters in supply chain manufacturing and company operations.

On track

GOALS BY 2050

ACHIEVE NET POSITIVE water impact in water-stressed regions

PROGRESS

Building roadmaps to achieve intermediary 2030 goals

On track

Support a WATER-RESILIENT SUPPLY CHAIN

Building roadmaps to achieve intermediary 2030 goals

On track

CHALLENGE

Each region’s water challenges are complex and require locally tailored solutions.

Diminished water availability can lead to inadequate WASH, increased waterborne and infectious disease risk, and compromised nutrition. Water-stressed habitats and ecosystems can also experience biodiversity disruptions, natural wetlands destruction, and species extinction threats.

Water stress impacts several of our key sourcing regions and puts communities at risk of water and food insecurity. From a business perspective, Gap Inc. depends on reliable water availability to grow cotton, manufacture our products, and meet customer demand.

IMPACT

Gap Inc.’s water stewardship approach aims to improve the health of water sources we all rely on, as well as strengthen supply chain resilience and mitigate the impact on local biodiversity. Supplier assessments help drive compliance while capability-building programs support supplier efforts to reduce freshwater use in manufacturing.

Setting context-based water targets can:

Reduce water risk: Setting targets can reduce water and climate-related risks by improving overall business sustainability, protecting jobs, safeguarding business continuity, and increasing customer and investor confidence.

Generate cost-saving opportunities: Factory pre-treatment of wastewater may reduce municipal charges and provide cleaner wastewater that can be repurposed or recycled, reducing freshwater intake requirements.

Improve long-term water security: Addressing shared water challenges will support long-term water security across the basin, enhance stakeholder relationships, and strengthen vendor reputation and social license to operate.

2023 PROGRESS

REDUCTION

Context-Based Water Targets: We used the World Wildlife Fund (WWF) Water Risk Filter to assess water risks faced by priority facilities. In partnership with the WWF, we finalized a framework for setting context-based water targets with suppliers. We launched learning pilots with select suppliers to assess watershed risks and develop action plans, including through participation in the Alliance for Water Stewardship’s Impact Accelerator in Chennai, India.

Resource Efficiency Programs: We nominate and subsidize select suppliers, including our top mill suppliers, to participate in initiatives such as Aii’s Clean by Design. Supplier pilots typically see operational cost savings after the investment payback period, in addition to water and energy savings. See our water savings data on the next page. We also continue helping suppliers implement industry and Gap Inc. programs, such as our Mill Sustainability Program (MSP), to improve water quality.
**REPLACEMENT**

In 2023, we began creating a portfolio of replacement projects to strengthen basin health in priority, high-water-stressed regions along the value chain. We partnered with ALC Advisors to analyze risks and root causes to design a pilot project in a key cotton-growing region in India, set to begin development in 2024.

**WATER RISK MAPPING**

Mapping and addressing our water risk is a critical enabler of our climate-related efforts. For example, floods in Pakistan in 2022 impacted 40 percent of the country’s cotton crop, resulting in losses for farmers and increasing cotton costs in the market. By identifying chronic and acute risks, we can develop more robust business continuity plans.

In 2023, we mapped nearly all our Tier 1 and 2 manufacturing sites for water risk and stress using the WRI Aqueduct and WWF Water Risk Filter tools and are now focusing on high-risk sites for interventions. This led us to concentrate on priority countries in South and Southeast Asia as well as Central America. The same assessment has been done for company-operated sites in the U.S., with a focus on regions that have a higher risk of drought and flooding. We are also conducting scenario mapping, through 2030 and 2050 to understand and plan for long-term climate and water risks.

Learn more about how we manage climate risks in the Risk Management and Climate sections.

**WATER SAVINGS**

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total liters of water saved in fiscal year</td>
<td>3.1 billion</td>
<td>4.8 billion</td>
<td>3.5 billion</td>
</tr>
<tr>
<td>Liters of water saved by Washwell in fiscal year</td>
<td>1.1 billion</td>
<td>1.4 billion</td>
<td>985 million</td>
</tr>
<tr>
<td>Liters of water saved through Arvind Water Partnership in fiscal year</td>
<td>1.8 billion</td>
<td>1.3 billion</td>
<td>1.1 billion</td>
</tr>
<tr>
<td>Liters of water saved by supply chain resource efficiency programs (like Aii) in fiscal year</td>
<td>193 million</td>
<td>1.4 billion</td>
<td>261 million</td>
</tr>
<tr>
<td>Liters of water replenished to nature in fiscal year</td>
<td>–</td>
<td>730 million</td>
<td>1.2 billion</td>
</tr>
</tbody>
</table>
CHEMICALS MANAGEMENT

At Gap Inc., effective chemicals management is crucial for protecting our customers, suppliers, and employees. We adhere to rigorous guidelines for our finished products and are taking steps to eliminate the use of hazardous chemicals in our supply chain.

CHALLENGE

The use of chemicals is integral to product manufacturing. However, some chemicals can negatively impact the health of people or ecosystems if not managed properly.

Gathering comprehensive, trustworthy data on supply chain chemical use can be complex and time-intensive. Identifying less-hazardous or lower-impact chemicals can also be challenging, as it requires significant internal and external collaboration, with engagement from industry experts, as well as internal teams including Fabric Development, Quality, Supplier Sustainability, and Sourcing.

Even with stringent manufacturing controls, finished products may still contain traces of unintentional chemicals from causes outside our control, including environmental contamination and recycled material sources. We monitor this by conducting random testing of all products to help identify violations.

STRATEGY

Our approach to managing chemicals responsibly consists of three aspects:

1. Uphold stringent standards for production and finished product: We expect suppliers to follow industry guidelines, including the Apparel and Footwear International RSL Management (AFIRM) Group Restricted Substances List (RSL), the Zara Discharge of Hazardous Chemicals (ZDHC) Manufacturing Restricted Substances List (MRSL), and the ZDHC Wastewater Guidelines. We track emerging chemical issues and update our approach as needed.

2. Assess supplier performance against established quality and safety parameters through third-party testing, verification, and audits: Suppliers are expected to complete and verify the Cascade Higg Facility Environmental Module (FEM), which assesses chemicals management practices. Additionally, we assess strategic suppliers’ adherence to the ZDHC Wastewater Guidelines and ZDHC MRSL, and we audit products for RSL compliance.

3. Strengthen supply chain capabilities and remediate noncompliance issues: Using our MSP and Water Quality Program (WQP), we support key suppliers in identifying and applying necessary corrective measures to improve chemicals and wastewater management. The MSP encompasses industry-aligned tools and robust wastewater testing and chemical management expectations. All our strategic mills are expected to participate in the MSP.

IMPACT

Not only is effective chemicals management crucial for product safety, protecting human health, and preventing ecosystem degradation, but it also delivers a range of benefits for the business.

Proactively addressing chemicals of concern helps prepare Gap Inc. for compliance with future regulations, and in some cases, phasing out a chemical of concern has the potential to result in lower water and energy usage in production processes.

HOW WE MANAGE CHEMICALS

1. INPUT MANAGEMENT

The selection of better chemical inputs and starting materials is essential to reducing the use and discharge of hazardous chemicals.

2. PROCESS MANAGEMENT

Adherence to chemical management best practices during manufacturing is critical for reducing both human and environmental risks.

3. OUTPUT MANAGEMENT

The outputs of apparel and footwear manufacturing include finished products and wastewater.

2023 PROGRESS

In 2023, Gap Inc. met its goal to not source any fabrics intentionally treated with per- and polyfluoroalkyl substances (PFAS). Throughout the year, more than 99 percent of shipped items with water- or stain-repellent qualities were made without PFAS treatments. 37 We continue to strengthen our documentation and product-testing strategy to support continued compliance with regulatory bans on PFAS-based finishes.

We also took steps to begin addressing two other chemicals of concern in our supply chain:

- Dimethylformamide (DMF), used in the production of conventional polyurethane-coated fabrics. Our Quality team began to explore alternatives to conventional synthetic leather. We also partnered with our Quality team to develop a polyurethane fabric mill audit and training approach to assess suppliers’ emissions and exposure controls for DMF and to provide these mills with guidance on why and how to convert production to safer alternatives.

- Potassium permanganate (PP), used primarily in the bleaching of denim garments. We worked with an external expert to develop technical training for suppliers, including guidance about engineering controls that should be in place if PP is used, and how and why to replace PP with safer alternatives.

WATER QUALITY PROGRAM PROGRESS

During 2023, we expanded our Water Quality Program (WQP) to knit and sweater laundries, for a total of 170 participating facilities. Through a partnership with Bureau Veritas, 328 suppliers were trained on the MRSL to help strengthen chemicals and wastewater management capabilities, particularly for facilities that are newer to the program.

In 2024, we plan to further expand WQP to include all remaining Tier 1 suppliers that use wet processing and/or chemicals in production. 38

Appendix 20
Our climate initiatives aim to reduce our emissions across Scope 1, 2, and 3.39 Our science-based targets (SBTs) are aligned with the Paris Agreement, The Fashion Pact, and UN Framework Convention on Climate Change (UNFCCC) commitments.40

**CLIMATE ACTION**

<table>
<thead>
<tr>
<th>GOALS BY 2030</th>
<th>PROGRESS 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>REDUCE SCOPE 1 AND 2 greenhouse gas (GHG) emissions by 10% from a 2017 baseline</td>
<td>77% reduction from 2017 to 2022. On track</td>
</tr>
<tr>
<td>REDUCE SCOPE 3 GHG emissions from purchased goods and services by 30% from a 2017 baseline</td>
<td>16% reduction from 2017 to 2022. Submitted an update of our science-based target to align with well below 2°C climate scenario. On track</td>
</tr>
<tr>
<td>SOURCE 100% renewable electricity for our company-operated facilities globally</td>
<td>58% of electricity use from company-operated facilities was from renewable sources in 2022. On track</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GOAL BY 2050</th>
<th>PROGRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACHIEVE NET-ZERO carbon emissions across our value chain</td>
<td>Worked toward submitting our net-zero target to SBTi for approval and developed a long-term strategic roadmap. On track</td>
</tr>
</tbody>
</table>

**CHALLENGE**

Climate change has wide-ranging social and economic impacts. It significantly contributes to issues such as water scarcity, frequent and severe weather-related disasters, sickness and displacement, food insecurity, biodiversity disruptions, and mass species extinction. While climate change impacts populations globally, it has been widely documented that its impacts are most acutely felt across marginalized communities.23 Raw fibers such as cotton are at risk of chronic physical conditions caused by climate change such as extreme weather, drought, flooding, and monsoons.23 This issue is increasingly prevalent in some of the apparel industry’s sourcing regions, such as India and Pakistan.

Natural disasters and extreme weather conditions can also impact Gap Inc. stores, distribution centers (DCs), and corporate offices. Some of our North American sites—which comprise 90 percent company-operated stores—are exposed to risks of extreme weather, wildfires, hurricanes, and strong winter storms.

Moreover, our company and the apparel industry at large contribute to climate change primarily through activities with high emissions rates, such as the growth and processing of materials, apparel manufacturing, and upstream and downstream distribution. Without urgent action, scientists have stated business-as-usual will increase the average global temperature 3.5°C by 2100—providing a clear imperative for businesses to address this issue. We are also seeing increased urgency from governments and other stakeholders to set actionable plans and commitments regarding emissions and energy consumption.

**STRATEGY**

Through our climate and renewable electricity commitments, we support the wider global agenda by addressing United Nations Sustainable Development Goals (SDGs) 13 (Climate Action) and 7 (Affordable and Clean Energy).

We have a three-pronged strategy to mitigate climate risks and achieve our SBTs.

1. **Reduce:** Identify energy-efficiency opportunities across stores, DCs, and the supply chain, including lighting, building protocols, heating, ventilation, and air conditioning (HVAC) systems, and logistics transportation methods.

2. **Convert:** Transition away from non-renewable electricity sources for our own operations and in our supply chain by investing in more sustainable alternatives, Virtual Power Purchase Agreements (VPPAs), onsite solar, and encouraging supply chain use of renewable energy credits where feasible. Convert fibers in our products to lower-impact materials.

3. **Inset™ and Offset™:** Explore nature-based solutions, such as regenerative agriculture and watershed restoration, that generate emissions reductions within our supply chain. Carefully consider carbon offset opportunities when necessary and allowed by our SBT commitment.

**Supply Chain:** With most emissions coming from Scope 3 purchased goods and services, we partner with our suppliers and industry organizations to accelerate decarbonization strategies throughout our supply chain. For example, we require all Tier 1 factories to complete and verify the Higg FEM. We also support suppliers in setting their own carbon-reduction strategies and targets.

We recognize environmental issues are interdependent, and many of our environmental capability-building programs—including our MSP and WQP—are designed to address water and climate impacts simultaneously.

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39. Scope 1. Direct emissions. Scope 2. Indirect emissions from purchased electricity use at company-operated facilities, and Scope 3. Indirect emissions from value-chain activities such as goods production, transportation, and franchise emissions.
40. As part of our SBT update in 2023, we recastulated our 2017 baseline and 2022 emissions. As a result, these updated metrics may not match our previous CDP Climate submission or align with previous ESG Reports.
41. Due to calculation and verification timelines, our 2023 emissions data will be available on our website later this year.
42. Data subject to change retrospectively each year as we gain better visibility into our respective share of emissions with each of our suppliers.
43. World Bank
44. Germanwatch 2021 Global Climate Risk Index
45. The World Counts
46. Insetting: The implementation of nature-based solutions, such as reforestation, agroforestry, renewable energy, and regenerative agriculture, to reduce GHG emissions from one’s own supply chain. Some insetting activities also improve the livelihoods of Indigenous communities as a result.
47. Offsetting: A way for entities to reduce their carbon footprint by paying money to another entity that works to reduce the total emissions emitted.
Governance and Transparent Reporting

Our Board of Directors’ Governance and Sustainability Committee oversees programs, policies, and practices related to environmental issues, including reviewing climate-related risks and opportunities and overseeing progress against SBTIs.

Our Global Sustainability team is part of Gap Inc.’s Supply Chain and Transformation function, and our teams work together to help ensure climate objectives are considered in our operations. To hold ourselves accountable for transparent reporting, we verify Scope 1, 2, and partial Scope 3 emissions categories and report to the CDP and the Task Force on Climate-related Financial Disclosures (TCFD).

IMPACT

We aim to reduce our negative impacts on the environment while improving resilience for our business, suppliers, and communities across our value chain.

Reducing Scope 1 and 2 emissions through energy-efficiency measures can also deliver utility cost savings. For example, by using energy management systems (EMS) and HVAC- and lighting-efficiency protocols, we saved approximately $1.5 million in 2023. VPPAs can also provide a potential reduction in direct costs or the generation of additional revenue (dependent on variable market rates) in addition to reduced emissions from the use and production of renewable electricity.

Similarly, by addressing Scope 3 emissions through lower-impact transportation methods – for example utilizing ocean instead of air freight – we can reduce costs while lowering emissions.

OUR NET ZERO ROADMAP

SETTING OUR TARGET AND FIRST STEPS

2017-2022

- We calculated our GHG emissions and focused on our value chain to lower water and energy consumption.
- We started procuring renewable electricity for our company-operated assets.
- We set SBTs aligned with latest SBTi guidance.

DELIVERING OUR NEAR-TERM SBTs

2023-2030

- We submitted updated SBTs to align with latest SBTi guidance.
- We are developing a strategy to lower our company-operated emissions via improved efficiency, VPPA contracting, onsite renewable electricity, and renewable energy credit purchases.
- We are engaging with our suppliers to set decarbonization targets across our supply chain via new investment mechanisms.
- We are converting to preferred fibers with lower carbon and water impacts.

DEEPER CHANGES TO NET ZERO

2031-2050

- We will continue supporting supplier decarbonization via efficiency, renewable electricity procurement, and coal phase out.
- We will partner with our providers to decarbonize upstream and downstream transportation.
- We will adapt circular practices to decarbonize our end-of-life emissions.

- Illustrative representation of potential emissions reductions resulting from actions to be taken on our path to our 2050 net zero target.

THE BIG PICTURE  ENVIRONMENT  SOCIAL | SUPPLY CHAIN  SOCIAL | WORKPLACE AND COMMUNITY  GOVERNANCE  APPENDIX
2023 PROGRESS

In 2023, we began the process to update our SBTIs and establish our net zero emissions by 2050 target to align with the latest UNFCCC guidance. We also conducted a Forest, Land, and Agriculture (FLAG) assessment and land use emissions inventory.

We began developing a time-bound climate transition plan, as well as an updated climate scenario analysis, to assess our physical and transitional climate-related risks. We are also preparing for emerging climate-focused regulations.

SCOPE 1 AND 2 PROGRESS

Reduce: Our Global Sustainability and Store Operations teams implement measures that reduce our company-operated energy use. From June through August 2023, we conducted a pilot with facil.ai to optimize our HVAC and lighting controls in 783 EMS-enabled stores. In October 2023, we began scaling the artificial intelligence (AI) software to all EMS-enabled stores, or approximately one-third of our total company-operated stores in North America since 2021. 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 of our Fresno DC. To meet our 2030 Scope 1 and 2 goals, we are exploring additional VPPAs and international renewable energy credits.

Scope 3 Progress

We regularly monitor emissions associated with purchased goods and services. In 2023, we continued working with the following organizations to improve our data collection and accuracy:

• xKinetics: We work with xKinetics to collect monthly energy and water consumption data from our strategic Tier 1 and 2 suppliers.
• Cascade’s Higg FEM: We use the Higg FEM to evaluate suppliers’ performance on energy, emissions, water, chemicals, and labor. In 2023, 100 percent (3659) of Tier 1 suppliers completed and 84 percent (478) verified their responses; and 73 percent (301) of Tier 2 completed and 87 percent (234) verified.
• Institute of Public & Environmental Affairs (IPE): The IPE’s platform allows us to monitor pollution data from suppliers in China and support environmental compliance. In cases of violations, the platform facilitates corrective action with suppliers. As of the end of 2023, 33% of our Tier 1 and 29% Tier 2 suppliers were registered to the IPE platform for monitoring.

Reduce: Our suppliers continued partnering with the AI of which Gap is a founding member. Four of our strategic mill facilities completed Aii’s Carbon Leadership Program (CLP), which supports the development of a decarbonization action plan at the facility level. We also engaged three strategic suppliers in a nine-month pilot to support setting SBTIs across their Scope 1, 2, and 3. The pilot contributed to the launch of the SAC’s Manufacturer Climate Action Program (MCAP). In 2023, we contributed $84,000 to supplier efficiency programs, which saved approximately 19,000 metric tons of CO2e.

Convert: As an active member of the UNFCCC working group on coal phase-out, in 2023 we established a baseline of our suppliers’ current coal use. The results indicated an industry phase-out is in process, with 74 suppliers having plans to transition from coal to more sustainable sources by 2025 or 2030. We also enhanced our facility approval process for Tier 1 vendors by prohibiting any new facilities that utilize onsite coal. When a vendor submits a request to add a facility, we now require them to disclose any coal usage. If coal usage is identified, our sourcing team will either deny the request or develop a coal phase-out plan with the vendor before their facility can be approved.

Through our UNFCCC working group, we supported shaping responsible biomass guidelines with peers to prevent increased deforestation as a result of suppliers converting coal or natural gas to biomass thermal energy. We focused our efforts in Cambodia, where biomass-driven deforestation is a known issue.

COMPANY EMISSIONS (METRIC TONS CO2E) BY SCOPE

We actively work with the UNFCCC policy group to advocate for increased access of renewable electricity to our suppliers. As of the end of 2023, 12 of our strategic suppliers have VPPAs. For distribution, we implemented electric vehicles (EVs) at our Fishkill DC in 2023 and are evaluating energy and cost savings for future implementation.

Company Emissions (Metric Tons CO2e) by Scope

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY 2021</th>
<th>FY 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>27,220</td>
<td>27,762</td>
</tr>
<tr>
<td>Scope 2 (location-based)</td>
<td>379,837</td>
<td>247,925</td>
</tr>
<tr>
<td>Scope 2 (market-based)</td>
<td>361,734</td>
<td>111,138</td>
</tr>
<tr>
<td>Scope 3: Purchased goods and services</td>
<td>4,730,372</td>
<td>4,786,266</td>
</tr>
<tr>
<td>Scope 3: Fuel- and energy-related activities</td>
<td>15,518</td>
<td>83,144</td>
</tr>
<tr>
<td>Scope 3: Upstream transportation and distribution</td>
<td>554,833</td>
<td>670,820</td>
</tr>
<tr>
<td>Scope 3: Waste generated in operations</td>
<td>14,645</td>
<td>20,857</td>
</tr>
<tr>
<td>Scope 3: Business travel</td>
<td>48,801</td>
<td>1,774</td>
</tr>
<tr>
<td>Scope 3: Employee commuting</td>
<td>256,355</td>
<td>20,400</td>
</tr>
<tr>
<td>Scope 3: Downstream transportation and distribution</td>
<td>55,379</td>
<td>117,670</td>
</tr>
<tr>
<td>Scope 3: End-of-life treatment of sold products</td>
<td>119,353</td>
<td>369</td>
</tr>
<tr>
<td>Scope 3: Franchises</td>
<td>28,531</td>
<td>16,529</td>
</tr>
</tbody>
</table>

49 As part of our SBT update in 2023, we recalculated our 2017 baseline and 2022 emissions. As a result, some updated metrics may not match our previous CDP Climate submission or align with previous ESG Reports.
50 Our Scope 3, Scope 2, Scope 3-6, and Scope 3-14 emissions have been verified by Lloyd’s Register Quality Assurance.
51 FY 2023 data will be available later in 2024.
52 The Scope 3 Increase in 2021 was driven by the new inclusion of hydronium carbon emissions (HFC).
53 We improved our methodology to calculate Scope 3.3, 3.7, and 3.12. FY 2021 data was from an estimation tool and is not representative of actual emissions.
54 Business travel decreased in 2020 and 2021 due to the coronavirus pandemic.
We work internally, with suppliers, and with industry partners to increase the use of preferred fibers in our clothing, aiming to improve our social and environmental impact.

**CHALLENGE**

Across Gap Inc. brands, our fiber portfolio includes cotton, synthetics, and cellulosics. The cultivation of cotton — our most used fiber — impacts land use, soil health, water consumption, biodiversity loss, climate change, and labor and human rights risks.

Synthetics, such as polyester and nylon, are commonly derived from non-renewable, petroleum-based sources, which often have a higher emissions footprint. Manmade cellulosic fibers (MMCFs), such as rayon, modal, viscose, and lyocell, are derived from wood pulp, whose cultivation can impact fragile forest ecosystems. Fiber production both impacts and is impacted by the environment, and is at risk of adverse effects from climate-related flooding, drought, and heatwaves.

**GOALS BY 2025**

- **SOURCE 100% OF COTTON** from more sustainable sources

- **SOURCE 45% (at least) of polyester from recycled sources**

**STRATEGY**

We evaluate how different raw materials impact climate, water, biodiversity, and human and animal welfare. By validating the origin and attributes of materials, we aim to build confidence in our sustainability claims through traceability programs.

1. **Preferred Raw Materials**: We engage with suppliers and brands to identify and source preferred fibers to convert to lower-impact materials.

2. **Traceability**: Both internally and through industry collaboration, we seek to enhance traceability and strengthen certification standards for preferred fiber production, and are working to establish full upstream supply chain visibility. For example, we are scaling the traceability of preferred fiber using blockchain-based technology with TextileGenesis. We are also participating in the Better Cotton traceability panel to support tracing our largest preferred cotton sources by volume.

3. **Product Impact Claims**: Our product claims process evaluates whether product marketing and communications are truthful, accurate, and substantiated. We strengthen our claims through the use of strategic blockchain-based technology and by aligning with best practices through industry collaborations. We support teams in making accurate claims and informed decisions by offering training sessions, an internal Product Claims Toolkit, seasonal fiber consumption reports, and an emissions calculator to estimate the product footprint impact of different fibers.

**IMPACT**

Our raw materials and product strategy enables brand teams to embed more sustainable materials into designs, while sourcing teams work to establish long-term supplier partnerships and diversify sourcing regions. This work contributes to our wider ambitions of achieving net-zero carbon emissions and net positive water impact by 2050 — as well as our external commitments to The Fashion Pact and the UNFCCC Fashion Industry Charter for Climate Action.

By validating more sustainable raw materials claims, we work diligently to avoid greenwashing and legal action associated with invalid claims, while simultaneously building trust with customers and empowering them to make informed purchasing decisions.

**APPENDIX**

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55 Defined as: Better Cotton (formerly BCI), verified U.S.-grown cotton (USCTP), organic, in conversion (to verified organic), recycled, or regenerative.
56 Some brands have higher goals.
57 Gap Inc.’s Wood-Derived Fabric policy prohibits sourcing of wood pulp for the production of cellulosic-based textiles, including, but not limited to, rayon, viscose, lyocell, and modal from ancient and endangered high-carbon-value forests.
58 Gap Inc. fiber data is derived on a seasonal calendar from purchase order materials data for all brands, excluding BIG Home products. We currently do not track fiber consumption for franchises or VMI (vendor managed inventory) because their data is not in our booking system. We have limited visibility into third-party licensing and accessories, but are continuously improving this connection.
2023 PROGRESS

PREFERRED RAW MATERIALS

Natural Fibers: In 2023, Gap brand introduced regenerative cotton into core styles across its specialty adult khakis range. Gap Inc. introduced European Flax Standard–certified flax fiber as a preferred linen option and continued collaborating with Better Cotton and industry peers.

Synthetics: We continue increasing the proportion of recycled polyester used in production to make progress toward the Textile Exchange 2025 Recycled Polyester Challenge. Our brands have developed roadmaps detailing steps to achieve 45 percent recycled polyester, including strategic investments, scaled conversions, funding, and leadership support.

Cellulosics: To deliver on our Wood-Derived Fabric policy, which focuses on not sourcing cellulosics derived from endangered, ancient, and high-carbon-value forests, we partner with CanopyStyle by setting policies and completing assessments. For example, we only work with MMCF suppliers that receive a ranking of “green shirt” or “dark green shirt” in the Canopy Hot Button Report – indicating strict adherence to forest protection best practices. We’re also partnering with CanopyStyle on next-generation cellulosics derived from endangered, ancient, and high-carbon-value forests, including strategic investments, scaled conversions, funding, and leadership support.

PRODUCT IMPACT MEASUREMENT AND CLAIMS

Brand Certifications: In 2023, we completed brand certification to Textile Exchange’s Content Claim Standard (CCS 3.0). With this achievement, we are now eligible to use the new Textile Exchange eTrackit and dTrackit systems once fully launched. This will enable Gap Inc. to better support franchise partners in making sustainability claims while strengthening our overall claims approval process. We have already used the eTrackit system to pilot assessments of Gap Inc. product claims against Textile Exchange’s Global Recycled Standard and Recycled Claim Standard criteria.

Throughout 2023, several of our brands began exploring additional fiber claims, including:

- **Athleta**: Responsible Wool Standard certification
- **Gap**: Approval received to make Better Cotton, U.S. Cotton Trust Protocol, and regenerative cotton claims substantiated by the regenerable standard
- **Old Navy**: Approval received to make Better Cotton claims on qualifying products
- **Banana Republic**: European Flax Standard certification

NATURE

As a procurer of natural materials that carry land use and management impacts, we are developing a multifaceted approach that considers nature as a complex system that has impacts on climate, water, biodiversity, and local communities in our supply chain.

CHALLENGE AND IMPACT

The state of the natural world is shifting on a global scale, with biodiversity loss happening faster than at any other time in human history. Nature degradation could lead to water shortages and stress, deforestation, pollinator loss, and soil degradation.108 We recognize the need to restore and protect natural spaces and biodiversity. In response, we look to the recently published guidelines from the Taskforce on Nature-related Financial Disclosures (TNFPD) to guide our approach.

STUDY AND 2023 PROGRESS

We are in the early stages of exploring our approach to nature. In 2023, we engaged Conservation International to conduct a life-use assessment of our natural fibers and leather. This work allowed us to understand the impact of our raw material usage on land use and management. We are also analyzing a Forest, Land, and Agriculture (FLAG) inventory alongside our energy-related GHG emissions to incorporate relevant nature-based actions into our developing climate transition plan.

To evolve our stance on animal welfare, in May 2023 we updated our Animal Welfare Policy. The expanded policy expects all suppliers to source products in an ethical, responsible manner with any animal-derived materials sourced only from animals bred for food and never from species listed under Appendices I, II, and III of the Convention on International Trade in Endangered Species of Wild Fauna or Flora (CITES). We also continued editing our Wood-Derived Fabric policy to incorporate more nature-related expectations around land use, deforestation and forest conservation, timber use, and paper packaging.

PREFERRED MATERIALS PORTFOLIO

Gap Inc. and our brands engage with various industry standards, working groups, and organizations to advance preferred raw material sourcing and claims, including:

- rPET Round Table
- Biobiosynthetic Working Group
- Organic Cotton Round Table
- Unified Standard system
- Leather Working Group
- U.S. Cotton Trust Protocol
- Better Cotton
- The Aid by Trade Foundation (ABTF) Good Cashmere Standard
- European Flax Standard
- The Micofibre Consortium
- CanopyStyle
We approach our clothing with the full life cycle in mind, aiming to support a systemic shift toward a circular business model for the apparel industry. This entails maximizing each garment’s value and considering the product’s end-of-life options throughout the design process.

**CHALLENGE**
Currently, textiles are handled in a primarily linear system, constituting the fastest-growing waste stream in the U.S., with more than 30 billion pounds of clothing disposed annually. To prevent unnecessary overproduction that may contribute to apparel waste, Gap Inc. requires increasingly precise forecasting, efficient inventory management, and quality assurance in production and distribution to decrease the disposal of damaged items.

As an apparel producer, we face industrywide challenges to implementing circular business models – for example, compared to natural fibers, synthetics have fewer end-of-life solutions, and the apparel industry lacks widespread infrastructure to recycle synthetic textiles. This makes apparel products made of spandex and nylon more difficult to transition to a circular model. The absence of efficient, large-scale recycling infrastructure means textile-to-textile recycled fibers come at a high cost, making it harder to scale solutions. As a result, fashion retailers may use recycled bottles as source material instead of recycled synthetic garments, which disrupts the plastic bottle industry’s largely closed-loop system.

**STRATEGY**
We support circularity initiatives and objectives, with all our brands adopting efforts aligned to at least one of the four parts of our strategy:

1. **Design for Circularity:** Prioritizing product longevity, reuse, and recyclability in our designs.
2. **Materials and Manufacturing:** Maximizing use of safe, renewable, and recycled materials, and innovating for circular manufacturing.
3. **Advanced Resource Recovery:** Support systems for collecting, sorting, and recycling worn textiles into new materials for the fashion industry.
4. **Circular Business Models:** Exploring partnerships that can create new value propositions for our customers and brands.

**IMPACT**
Embracing circular methods sets us up to meet future extended producer responsibility (EPR) regulations while enhancing our brand reputation, especially among a growing number of environmentally conscious consumers. Designing garments with their end-of-life in mind will streamline their processing, alleviating strain on the emerging textile-to-textile recycling sector.

Our circularity programs help consumers rethink how to interact with their garments. We want consumers to understand their garments still have value long after the typical use cycle. As more industries, including apparel and retail, move toward circular systems, this will change how society interacts with the products they buy. Programs such as thredUP's Clean Out Kit and Athleta's Preloved site invite consumers to resell clothes they no longer use, helping us keep garments out of landfills and attract new consumer audiences.

By utilizing more preferred fibers and recycled content, we drive down the overall impact of our garments.
2023 PROGRESS

Design for Circularity: Gap Inc. hosted a "Design for Circularity" workshop for our brand designers, product developers, R&D, and Merchandise teams. We encouraged all stakeholders involved in the product design and development cycle to learn what it means to produce a "circular product" and their role in the process.

Gap brand released its second collection of BetterMade Denim, which stemmed from its participation in the Ellen MacArthur Foundation’s The Jeans Redesign from 2019–2023, an initiative between leading brands, mills, and manufacturers to redesign jeans for a circular economy. Aligned with the initiative, the brand made jeans that are more durable, easier to recycle, and sourced from lower-impact, transparently sourced materials.

Advanced Resource Recovery: In September 2023, Gap Inc. hosted an event with the California Product Stewardship Council (CPSC) and Sortile, a fiber sortation startup. The event briefed brand designers on garment recycling processes and the latest industry innovations. Sortile also demonstrated a device that uses near-infrared technology and AI to identify garment fibers.

We also funded a CPSC pilot project with the city of Los Angeles. The project aimed to establish a centralized textile circularity hub in line with LA’s Green New Deal goals. CPSC purchased a fiber identification device for a garment sorting facility and developed training materials for staff.

We supported the Apparel Training & Design Centre’s inaugural Incubation Centre by donating funding and fabric for reuse. The Centre hosted 30 female students, selected from P.A.C.E./RISE program graduates, who underwent training in entrepreneurship, tailoring, creative skills, and online platform sales.

Materials and Manufacturing: We’re exploring partnerships with innovative fiber producers and pursuing textile-to-textile recycling for polyester and cellulosic fibers. However, many producers still lack the necessary scale to widely implement these techniques. Our recent partnership with The Hong Kong Research Institute of Textiles and Apparel Limited (HKRITA) drove innovation in these areas, and we are working with our suppliers to scale learnings from the partnership.

Some of the current preferred materials we use, such as Lenzing Group’s TENCEL™ Lyocell fibers, are produced in a closed-loop process which recovers water and 99.8 percent of the solvent, which transforms wood pulp into cellulosic fibers with high resource efficiency and low environmental impact. We encourage all of our cellulosic suppliers to adopt closed-loop manufacturing processes where possible.

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Circular Business Models: As of the end of 2023, our brands’ thredUP® partnerships have helped customers collect and sell more than 4.4 million units of apparel since 2020. Additionally, Athleta has continued its Athleta Preloved site with thredUP®, which has collected and sold nearly 20,000 items since the start of the program.

Additionally, Banana Republic began developing a tailoring and alteration program in select stores. So far, the service has been met with positive feedback and processes an average of approximately 40 units per location per week. The brand is currently assessing plans to expand in 2024.
We are working to optimize packaging size, minimize unnecessary plastic, divert packaging waste from landfills, and test alternative materials.

**GOALS BY 2025/2030**

**ELIMINATE** unnecessary or problematic plastics in packaging to consumers by 2025 and in packaging to businesses by 2030, in line with our Fashion Pact commitments.

17% of unnecessary or problematic plastics in packaging to consumers has been eliminated and replaced with paper or other reusable alternative, including brands’ progress in transitioning shopping bags.

**ENSURE** at least half of all plastic packaging is 100% recycled content, for packaging to consumers by 2025 and in packaging to businesses by 2030, in line with our Fashion Pact commitments.

80% of all plastic packaging to consumers is made with 100% recycled content – achieving the 2025 target.

**CHALLENGE**

Plastic waste can be detrimental to humans and animals, polluting our planet and damaging ecosystems. It is estimated that more than 430 million metric tons of plastic are produced each year, two-thirds of which are sent to waste after only one use, with 11 million metric tons of plastics entering the ocean annually.

62 Fashion retailers rely heavily on plastics to protect garments in supply chains, and due to limited U.S. recycling capabilities for soft plastics and mixed recycling, these often end up in landfills. While our teams have explored store-specific recycling opportunities, we face challenges with recycling due to insufficient store-generated volumes, as the quantities generated at individual stores are not large enough to meet minimum volume requirements for plastic film recyclers.

**STRATEGY**

Following a three-part strategy, our aim is to combat unnecessary and problematic plastic packaging waste.

**Elimination:** Eliminate and substitute plastic packaging with non-plastic alternatives.

**Conversion:** Convert necessary plastics to non-virgin materials when feasible.

**Diversion:** Divert plastics from landfill through recycling when feasible and where we have control over packaging disposal.

**2023 PROGRESS**

**Elimination:** Gap brand stopped sourcing plastic shopping bags as of September 2023. Old Navy also switched to paper shopping bags and is currently moving through the plastic shopping bags that remain in its store inventories.

**Conversion:** Following rigorous testing of material alternatives, we established that plastic polymers are necessary for keeping our products protected. Our updated plastic polymers rolling out in 2024 are made with 100% recycled plastic content. Across our brands, we are conducting tests for accessory bags and hangers to identify additional opportunities to reduce plastic content. Old Navy’s hanger recycling program is ongoing; the brand will transition its garment-on-hanger program to 100% recycled content, with new hangers set for store use in early 2024.

**IMPACT**

By shifting from virgin plastic to recycled content, we stimulate demand for recycled materials. This can encourage the market to improve collection and recycling infrastructure. By optimizing packaging sizes and folding standards, we can enhance shipping efficiency and reduce packaging costs and regulatory fees.

**Gap Inc. monitors state and local legislation relating to packaging given the recent rise in EPR bills and single-use plastic bans. These regulations will impact our future waste and circularity actions.**

62 UN Foundation
63 All our B2C packaging is categorized as necessary, unnecessary, problematic, or non-problematic. Depending on the category, it is either set for elimination, diversion, or conversion.
Since the start of our factory compliance program in 1994 and our P.A.C.E. program in 2007, Gap Inc. has led and participated in initiatives designed to respect human rights, improve labor standards, remove barriers, and enhance empowerment for supply chain workers. We are particularly committed to investing in gender equality, as most workers in the apparel industry are women.
**HUMAN RIGHTS**

We uphold our commitment to respecting human and labor rights and cultivating dialogue across our supply chain through our assessment and remediation and capability-building programs, and through meaningful engagement with relevant stakeholders and experts who share insights that help inform our larger strategy.

**OUR HUMAN RIGHTS ISSUES**

- Child Labor and Young Workers
- Discrimination and Harassment
- Gender-Based Violence and Harassment and Gender Equality and Inclusion
- Wages and Benefits
- Occupational Health and Safety (including Fire, Building, and Electrical Safety)
- Grievance Mechanisms
- Short-Term Contracts
- Human Trafficking and Forced Labor
- Working Hours
- Humane Treatment
- Freedom of Association
- Foreign Contract Workers and Recruitment
- Unauthorized Subcontracting

**CHALLENGE**

Workers in global apparel supply chains may experience unjust or unsafe work environments. Women, who comprise the majority of the apparel workforce globally, are more likely to be impacted by workplace discrimination, financial challenges, and may also face gender-based violence and harassment (GBVH).

Consumers are increasingly seeking responsibly produced garments, and investors are prioritizing human rights compliance.

**STRATEGY**

We are committed to supporting the people who make our clothes and safeguarding their well-being. Our Human Rights Policy, approach to key issues listed to the left, and Code of Vendor Conduct (COVC) form the foundation of our holistic human rights and social dialogue strategy. These policies are based on internationally recognized frameworks, including the UN Guiding Principles on Business and Human Rights, UN Global Compact (UNGC), Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and the International Labour Organization’s (ILO) Core Conventions. Our policies also account for local labor laws in each country where we do business.

To uphold our policies and improve supply chain working conditions, we focus on two areas:

**Enabling Compliance:** Our assessment and remediation program monitors factories for compliance with our COVC and applicable laws, followed by partnering with suppliers to remediate identified issues.

**Empowering Women:** Our suite of capability-building programs engage suppliers and key stakeholders with training and tools to improve labor standards and benefit their workers, particularly women.

Complying with international labor standards and relevant laws is a requirement of doing business with Gap Inc. We incentivize supplier performance improvements by incorporating COVC audit scores and capability-building program participation into our vendor scorecard, which allows us to prioritize business with suppliers that achieve the highest social and environmental compliance.

**IMPACT**

We seek to create an ecosystem that protects the safety and well-being of workers while enabling opportunities for them to advance personally and professionally. By identifying and mitigating human rights issues and their root causes, we enhance worker recruitment, retention, motivation, and productivity.

Our commitment in these areas can also enhance brand image, corporate reputation, and customer loyalty. Effectively, by following our ethical standards and consistently meeting our human rights commitments, we believe we can deliver increased value for all stakeholders.

**FAIR TRADE**

Since 2016, Athleta has contributed over $2.8 million in community development funds directly to factory workers of four Fair Trade Certified™ factories. In 2023, 14 percent of the brand’s products were purchased from Fair Trade™ factories.
HUMAN RIGHTS – CONTINUED

BASIC NEEDS MUST BE MET FOR PEOPLE TO THRIVE AT WORK AND IN THEIR COMMUNITIES.

2023 PROGRESS

In 2023, we revised our Human Rights Policy to explicitly encompass our stance on freedom of association, the right to collective bargaining, and safeguards against forced labor, child labor, and discrimination. We also do not tolerate threats or attacks against any person defending human rights.

Emphasizing our dedication to worker safety, we signed the International Accord and joined the Pakistan Accord, a pivotal agreement aimed at enhancing health and safety standards within factories in Pakistan. This builds upon our track record of advancing worker safety in Bangladesh through the Alliance for Bangladesh Worker Safety and now Nirapon, as well as through the Life and Building Safety initiative in Cambodia, India, Indonesia, and Vietnam.

In 2023, the one-year progress report on the Dindigul Agreement was released and highlights our commitment to accountability and provides an update on our progress against the agreement’s principles.

Looking ahead, we aim to pilot select wage tools within our supply chain to help analyze more detailed wage data, working mainly with Tier 1 suppliers. This will be a key input to assess wages within our supply chain.

PURCHASING PRACTICES

Purchasing practices of the private sector can affect what happens in the supply chain, including excessive overtime, issues related to wages and benefits, and unauthorized subcontracting to factories with poor or unsafe working conditions. Therefore, we participate in Better Buying, an initiative that promotes responsible labor practices and the protection of human rights in the supply chain, reflecting our ongoing efforts to promote supply chain transparency and fair labor practices. Using feedback collected from our vendors through Better Buying, we can reduce these issues and improve our purchasing decisions and practices. We continue to encourage our vendors to participate in Better Buying, as their inputs and feedback are critical to helping us improve our sourcing practices. We will continue to report on this program and how it is informing our practices in future reports.

GOALS BY 2025

100% of vendors comprising 90% of Gap Inc.’s business spend are invited to participate in Better Buying

PROGRESS

100% of vendors comprising 80% of our business spend have been invited to participate in Better Buying. We continue working toward sharing updates on purchasing practices improvements.

GOVERNANCE

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THE BIG PICTURE

ENVIRONMENT

SOCIAL | SUPPLY CHAIN

SOCIAL | WORKPLACE AND COMMUNITY

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100% of vendors comprising 90% of Gap Inc.’s business spend are invited to participate in Better Buying

PROGRESS

100% of vendors comprising 80% of our business spend have been invited to participate in Better Buying. We continue working toward sharing updates on purchasing practices improvements.

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Our assessment and remediation program monitors factories for compliance with international labor standards and laws related to environmental, labor, and occupational health and safety (OHS) issues as outlined in the Gap Inc. Code of Vendor Conduct (COVC) and Casacle’s Higg FEM.

**ASSESSMENT AND REMEDIATION**

**GOAL BY 2025**

80% of Gap Inc. sourcing will be allocated to green-rated factories.

**PROGRESS**

87% of our business spend was allocated to green-rated factories.

@ Achieved

**GOAL BY 2023/2025**

100% of our in-scope Tier 1 facilities will participate in industrywide efforts by 2023, including SLCP and/or ILO-IFC Better Work, and 100% of Tier 2 strategic mills will participate by 2025.

**PROGRESS**

100% of in-scope Tier 1 facilities are participating.

@ Achieved

95% of Tier 2 strategic mills are participating.

@ On track

**CHALLENGE**

Violations of our COVC pose risks to the well-being of the individuals and communities comprising our supply chain and can undermine our company values.

Because several companies sourcing from the same factory may have different compliance processes, suppliers may experience “audit fatigue” by spending time and resources on company-specific audits that could otherwise be used to address the root cause of issues and action remediation.

**STRATEGY**

Our COVC has been in place since 1996, and we actively engage with suppliers to address violations relating to worker safety, labor standards, and environmental compliance. Our Supplier Sustainability Assessment Manual outlines the protocols we use to assess and remediate labor and working conditions issues.

We work closely with suppliers to help ensure compliance with relevant laws, following a three-part approach:

1. **Assessment:** We conduct three types of assessments: initial assessments to approve entry into our supplier base, annual full assessments of our complete COVC, and follow-up assessments to monitor progress against corrective action plans as needed. By leveraging ILO-IFC Better Work assessments in in-scope countries, we monitor regional compliance. For non-Better Work countries, we also pursue Social & Labor Convergence Program (SLCP) verification to reduce duplicative assessments and emphasize effective remediation and capability-building programs. Finally, we conduct a small portion of our own assessments (see Appendix for details).

2. **Rating:** Suppliers receive a color-coded rating based on assessment performance: green for high-performing factories with minimal violations, yellow for average performers, and red for those with serious issues. Our approval process prevents red-rated factories from entering our sourcing base.

3. **Remediation:** We follow a structured remediation process, collaborating with stakeholders, conducting investigations and due diligence, and performing root cause analyses by working with the complainant(s), the factory and vendor, local and international stakeholder groups, and other brands sourcing from the same factory.

If COVC violations or Human Rights Policy breaches are identified, parties are informed, and corrective action plans are developed. These plans must include actions to address findings, eliminate root causes, and assign accountability with clear deadlines for each action. Our timeline for corrective actions and escalation is within 60 days of identification, with the development of a long-term prevention plan extending up to a maximum of 120 days. Closure of corrective plans align with our assessment and remediation framework, ensuring resolutions meet COVC and Human Rights Policy expectations. For ongoing non-compliances, we implement a responsible exit plan, monitoring the factory to address any pending issues during deactivation.

**GAP INC.**

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A critical element and outcome of our assessment and remediation program is engaging workers and relevant stakeholders to understand how labor practices are implemented in the factories where they work. We aim to improve worker well-being, respect human rights, reduce environmental impacts, and improve business performance – while helping our suppliers and their factories improve efficiencies with streamlined industry tools and processes.

We aim to reduce the challenge of audit fatigue and the duplication of industry efforts, leveraging industry initiatives and tools such as the SLCP, Higg FEM, and ILO-IFC Better Work.

Effective assessment and remediation practices can help limit harm to workers and reduce disruptions in our supply chain.

### 2023 PROGRESS

We continue to see improvements in our factories’ assessment scores. At the end of 2023, 71 percent of suppliers were rated green (increased from 74 percent in 2022), 19 percent yellow, and 1 percent red. 87 percent of our business spend was allocated to green-rated factories, surpassing our target of sourcing a minimum of 80 percent from green-rated suppliers by 2025.

In terms of assessments, throughout 2023, 9 percent were conducted by Gap Inc., 34 percent by ILO-IFC Better Work, and 49 percent through SLCP.

For a summary of the issues found in our factories from the past three years of COVC audits, please see our [Code of Vendor Conduct Findings](#).

Learn more:
- Supplemental Data

### CASE STUDY

#### COLLABORATING FOR MORE EFFECTIVE GRIEVANCE MECHANISMS: GBVH PREVENTION PROGRAMS IN TAMIL NADU

Effective grievance mechanisms and collaboration of factory management, workers, and unions are critical in addressing GBVH. The Dindigul Agreement was created to prevent and address GBVH at Natchi Apparel, an Eastman Exports factory and spinning mill in Tamil Nadu, India. The Agreement incorporates key principles, definitions, and standards from ILO Convention No. 190 on ending workplace violence and harassment. Although Gap Inc. has never sourced from this factory, we have a relationship with factories operated by its parent company, Eastman Exports.

In 2022, we worked with three labor organizations – the Tamil Nadu Textile and Common Labour Union (TTCLU), Asia Floor Wage Alliance (AFWA), and Global Labor Justice-International Labor Rights Forum (GLJ-ILRF) – to address GBVH at Natchi Apparel, following the loss of garment worker, Jeyasre Kathiravel.

We signed the three-year agreement to support regular GBVH training for employees and a grievance process with independent oversight. TTCU recruited and trained workers as shop floor monitors to serve as both peer educators and monitors to detect and report incidents of inappropriate behavior.

Building on our experience working with suppliers through similar GBVH Prevention and Response programs, we aim for all factories to have GBVH training and response systems in place by 2025.

Learn more
- One-year progress report on the Dindigul Agreement

#### AWARD

In 2022, the U.S. Department of State honored Gap Inc. with the Secretary of State’s Award for Corporate Excellence (ACE) for Responsible Business Operations for promoting human rights in our supply chain. Gap Inc. was recognized for our work with industry partners and human rights NGOs to lead industrywide action ensuring that workers in the southern Indian state of Karnataka were paid owed wages, allowances, and arrears, despite legal challenges from local industry. Leveraging our scale and influence, our team played a key role in achieving a landmark victory for workers, not just in Gap Inc.’s supply chain, but in the larger apparel sector of Karnataka, which employs over 400,000 people.

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© We do not directly source products from Natchi Apparel but maintain relationships with other factories operated by its parent company, Eastman Exports. See our [2022 Statement](#).
Our programs address opportunities to create better working conditions for factory employees, with a focus on protecting women’s safety and rights while supporting their leadership potential.

**GOALS BY 2025**

<table>
<thead>
<tr>
<th>Goal Description</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% of workers employed in our strategic factories will have their voices heard through representative workplace committees</td>
<td>91% On track</td>
</tr>
<tr>
<td>100% of our strategic factories will have achieved gender parity at supervisor level</td>
<td>92% On track</td>
</tr>
<tr>
<td>100% of our factories will have prevention and response management systems and trainings in place to address gender-based violence and harassment</td>
<td>84% On track</td>
</tr>
</tbody>
</table>

**CHALLENGE**

Assessment programs alone do not resolve complex workplace issues such as worker-management relationships, social dialogue, and GBVH. Issues related to these more complex topics may go undetected through a factory assessment, and even if they are identified, they can be difficult to resolve through traditional compliance approaches. Unresolved issues can negatively impact workers’ well-being and morale, increase absenteeism and turnover, and reduce overall productivity.

**STRATEGY**

We work to engage suppliers, giving them the tools, training, and resources needed to address challenges related to labor, human rights, and gender equality through our capability-building programs:

- Workplace Cooperation Program (WCP)
- Supervisory Skills Training (SST)
- Gender-Based Violence and Harassment (GBVH) Prevention and Response
- Digital Wages
- P.A.C.E Workplace/RISE

**IMPACT**

The aim of our programs is to guide suppliers in fostering equitable, empowering workplaces where employees, especially women, are encouraged to advance professionally. When employees receive relevant training and advancement opportunities, they often feel more empowered to advocate for better conditions in their factories. This helps our suppliers become preferred places to work and can lower their costs through a more productive and consistent workforce. We aim for suppliers to view these programs not as expenses, but as investments in their systems and people.

This also amplifies our reputation by championing programs that generate significant social impacts.

**WORKPLACE COOPERATION PROGRAM**

Launched in 2016, WCP provides training to workers and management representatives in factory bipartite committees, which include elected representatives from management and line employees, to build stronger industrial relations, foster constructive dialogue, and enable issue resolution.

Although workers on the factory floor have the most visibility into challenges, they are not always empowered to share their grievances and ideas for solutions with managers or communicate effectively. When workers are enabled to proactively flag issues with their supervisors, problems can be more quickly solved, resulting in safer, more effective workplaces. By also addressing gender dynamics, especially where managers are predominantly male and workers are female, WCP aims to bridge the gender gap in communication.

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67 Strategic factories are those representing 80% of our total business spend (defined as Purchase Order first cost).
68 Macroeconomic challenges have negatively impacted factory growth, resulting in reduced turnover and limited advancement opportunities for new female supervisors. While factories across geographies are training potential female supervisors, progress has been slower than anticipated.

ILO-IFC Better Work supported the development of WCP, SST, and GBVH Prevention and Response; they also aided their implementation through the Better Work Academy, which Gap Inc. helped establish in 2018. We support our suppliers in running these programs, but our ultimate mission is to build factories’ capacity to sustain them on their own.

We continue to operate our Workforce Engagement Program, which opens communication channels and offers an approach in which workers can confidentially report workplace-related grievances to facility management via worker surveys, interviews, and messaging applications. This program contributes to an enabling environment to improve worker-management relationships and drives facility improvements.

We also offer environmental capability-building programs.

Learn more:
- Reduction and Replenishment: Tackling Water
- Consumption
- Chemicals Management
- Climate Action

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**DISCLAIMER**

The BIG PICTURE

The Big Picture is a living document, updated regularly to reflect new information and insights. This document aims to provide a comprehensive overview of the company’s activities, challenges, and strategies in various areas such as environment, sustainability, supply chain, workplace, and community. It reflects the company’s commitment to responsible business practices and transparency. Please note that some sections may contain data indicative of a specific timeline or year, and the content is subject to change as new information becomes available. The information provided is intended to give a broad understanding of the company’s initiatives and is not exhaustive. For more detailed information, please refer to the company’s annual reports, sustainability reports, and other publicly available documents. The content is protected by copyright and may not be reproduced without permission.
Launched in 2018, SST is a three-day training program that bolsters leadership skills among middle managers and supervisors, fostering improved relations and communication with workers.

When supervisors don’t receive formal training in people management and leadership, it can lead to workplace challenges for teams. For women, this can be exacerbated by gender imbalances in leadership. These issues lead to lower productivity and efficiency and higher costs of training and retraining workers.

SST helps solve these challenges, upskilling existing and prospective supervisors in areas such as listening, fairness, conflict resolution, and time management. It also focuses on educating supervisors about stereotypes, enabling them to recognize potential biases and practice fairer, more inclusive management. We encourage our strategic factories to prioritize the inclusion of women in SST to support our goal for gender parity in supervisory roles.

As a result of training, supervisors are more respectful, treat workers better, and are well equipped to respond to workers’ grievances, which can improve workplace culture and working conditions.

SUPERVISORY SKILLS TRAINING

SST is active in 408 factories. Approximately 18,000 supervisors and prospective supervisors have completed training by Gap Inc. teams, Better Work, or factory trainers (46% of trainers are women). At 145 factories, at least 90% of current supervisor staff have undergone training.

GENDER-BASED VIOLENCE AND HARASSMENT PREVENTION AND RESPONSE

We maintain a zero-tolerance policy for physical, psychological, and sexual harassment. However, we cannot rely solely on assessments to detect and address these challenges. Launched in 2018, our GBVH prevention and response training plays a central role in raising awareness among employees – from line workers to top management – on this important issue. We review and improve our factories’ GBVH policies and grievance mechanisms, support government policies that address this issue, and tailor our training programs to align with such legislation.

GBVH issues can surface due to power imbalances, high-stress environments, lack of awareness, and inadequate supportive policies. When an employee is not provided with a congenial working environment, it can affect their morale and mental well-being, potentially creating a hostile work environment or leading to decreased productivity.

Our strategy focuses on three areas:

- Raising awareness of GBVH, why it happens, and what can be done about it.
- Investing in preventing and addressing the issue in the workplace.
- Using our prevention and response spectrum to identify, address, and remediate issues immediately.

When we identify GBVH cases, we collabo rate closely with factories, leveraging their established policies and protocols to conduct investigations, provide protection for the survivor, and resolve issues. For past identified incidents, each factory treated the cases with the utmost seriousness, with perpetrators facing consequences and possible dismissal, as outlined in Gap Inc.’s policy. Our top priority, which underpins our approach, is safeguarding survivors. We work to guarantee their job security is not at risk and continue to foster a safe environment for employees to report cases without fear of retaliation.

WCP enhances the effectiveness of factories’ bipartite committees with comprehensive training sessions covering various topics, including roles and responsibilities, workplace communication, risk assessment, problem-solving, health and safety, and ILO’s Core Conventions on fundamental rights. Additionally, in selected factories, we provide train-the-trainer workshops, enabling onsite trainers to independently carry out WCP.

We measure progress through baseline and endline surveys from participants. Survey data demonstrates that, when factories have functioning bipartite committees, workers feel confident in voicing concerns, generally leading to faster resolutions. When factories resolve issues internally, this also reduces the number of issues that need to be addressed through traditional assessment and remediation processes.

WCP has been implemented in about 330 factories across nine countries.

573 facilities are participating in our GBVH Prevention and Response program.

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DIGITAL WAGES

In 2017, we began working with partners, such as the UN Better Than Cash Alliance, to help our Tier 1 factories transition from cash-based to digital wage payment systems, including mobile wallets, bank accounts, and debit cards.

We have increased the share of Tier 1 suppliers offering digital wage payment systems from 68% to 98% since 2017.

Workers may also have limited knowledge of the banking system, lack trust in the financial services industry, or have lower financial literacy rates. Our goal is to promote financial inclusion through digital wage programming. When workers have financial control, achieved through prudent saving and spending, they can direct their earnings toward the right channels, thus preventing issues that can negatively impact their well-being, such as debt-related anxiety and stress.

We simultaneously address obstacles to digital wages through financial literacy workshops delivered through P.A.C.E./RISE, factory education on the business case for digital wages, and engagement with banks and governments to resolve regulatory barriers and create accessible, affordable options.

Workers seeking formal financial services such as insurance, credit, or savings.
GAP INC. P.A.C.E. AND RISE

To amplify the Gap Inc. Personal Advancement & Career Enhancement (P.A.C.E.) program, we have begun integrating P.A.C.E. Workplace into Reimagining Industry to Support Equality (RISE), an industry collaboration created to advance gender equality in global garment, footwear, and home textiles supply chains.

Strategically, we deliver the P.A.C.E. program globally across multiple industries and settings in partnership with local NGOs, governments, brands, and schools. P.A.C.E. Workplace/RISE: Focused on workers in our supply chain, this program offers curriculum modules on self-management, communication, problem-solving, decision-making, time and stress management, execution excellence, financial literacy, worker rights and responsibilities, basic health, and sexual and reproductive health. P.A.C.E. Workplace/RISE is also integrated into our Supplier Sustainability program through our vendor scorecard, signaling to vendors that the program is a strategic priority and an expectation of our partnership with them.

P.A.C.E. Community: We expanded P.A.C.E. in 2013 by forming strategic partnerships with governments, educational institutions, and other organizations to innovate programs empowering women and advancing gender equality in communities in our top sourcing regions. Targeting different age groups and demographics, the goal is to not only assist women in progressing in their careers but educating boys and men about their role in advancing equality.

Because gender inequality intersects with environmental issues like water scarcity, in 2017, we launched a WASH (water access, sanitation, and hygiene) curriculum to address water issues through the lens of people and human rights to support our community water resilience efforts.

Impact: Through P.A.C.E./RISE programming, we seek to promote gender equality by strengthening knowledge and skills for workers and managers and embedding gender equality in community practice.

Advancing a world where women and girls can realize their full workplace potential delivers benefits to both society and the economy. A 2015 research study indicated that, if women’s workforce participation matched that of men, it would unlock an additional gross domestic product (GDP) opportunity of $28 trillion by 2025.

A 2022 Global Communities report indicated that, among 719 women who graduated from P.A.C.E. Community in Guatemala, confidence levels increased by 19 percent. Additionally, there was notable enhancement in problem-solving abilities. At a personal level, women felt more confident in their ability to make life decisions and that they could occupy a leadership position within their group and community.

A 2023 endline study by Project Concern International India assessed psychosocial competencies and leadership skills among community leaders after using tools that included the P.A.C.E. curriculum. The study found that 69 percent reported personal resilience levels well above the baseline. Additionally, these participants demonstrated a 32 percent improvement in communication confidence and a 23 percent increase in commitment to supporting gender equality.

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Resilience was calculated based on 14 statements that cover a person’s ability to adapt, work in adverse situations, manage anxiety, and stay strong.

Along with Business for Social Responsibility’s (BSR) HERproject™, CARE International, and ILO-IFC Better Work, Gap Inc. is a founding member of RISE. As of August 2023, RISE participants have jointly deployed over 7,000 training programs to more than 5 million workers to increase skills, knowledge, and confidence.

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2023 PROGRESS

Men and boys play a critical role in achieving gender equality. Knowing the importance of men’s engagement, we are creating training spaces for mixed groups, including our Ministry of Rural Development (MoRD) partnership, Apparel Training & Design Centre (ATDC) Vocational Training Centers, and RISE programs.

P.A.C.E. Workplace/RISE: Partnering with BSR, CARE, and ILO-IFC Better Work, we officially launched RISE in March 2023. Now fully staffed, RISE has begun to roll out workplace programs with its 27 member brands and has designed two training models: local partner-led peer-to-peer learning and a specialist training-led integrated module. Local expert organizations were identified and trained in five priority countries – Bangladesh, Cambodia, India, Vietnam, and China – for the peer-to-peer learning model, also set to roll out in Guatemala, Pakistan, and Egypt. Gap Inc. delivered similar training to our internal team of specialists in 2023.

P.A.C.E. Community: Through P.A.C.E. Community programs, we continued to support and scale strategic partnerships in select countries:

**BANGLADESH**

The NGOs Network for Radio and Communication hosted P.A.C.E. programming across 10 community radio stations to reach young people – particularly women – in rural areas. Between broadcasts and social media streaming, the program reached approximately 4 million people with episodes on self-management, communication, problem-solving and decision-making, time and stress management, WASH, and financial literacy.

**GUATEMALA**

International NGO Barefoot College delivered P.A.C.E. programs to 350 women. An endline report indicated that 77 percent of participants achieved an increase in savings, while 87 percent had taken steps to develop family budgets.

**CAMBODIA**

Since 2018, we have partnered with Kampuchea Action to Promote Education (KAPE) to extend the reach of our adolescent P.A.C.E. program, delivering the curriculum to 28 schools and more than 21,000 young people.

**INDONESIA**

Plan International enrolled over 1,500 young people and 386 new schools in a P.A.C.E. semester that ran from August to November 2023.

**INDIA**

Through a collaboration with the MoRD, P.A.C.E. life skills have been incorporated into existing national skills development and vocational training curriculums. As a result, more than 70 master trainers and nearly 400 trainers have been upskilled in the fundamentals of P.A.C.E.

We continued piloting the P.A.C.E. environment module with our partner, the Humara Bachpan Trust. The aim of the module is to help participants understand how they are impacted by climate change and their own potential for leading positive change. The pilot finished in December 2023 and impacted more than 46,000 women and girls.

A survey of participants who had at least six months’ exposure to the module highlighted that 83 percent agreed climate change was negatively impacting their environment; 69 percent were highly concerned, and 52 percent believed they were capable of individual pro-climate action. Finally, ATDC surpassed their target to reach 26,000 women and girls by 2023. Gap Inc. India teams supported 181 beneficiaries across 17 ATDC locations across the country with scholarships worth about $173,000.
SUPPLY CHAIN AND COMMUNITY STORIES

Our suite of capability programs, P.A.C.E./RISE, and P.A.C.E. Community create an ecosystem of empowerment for our supply chain workers, particularly women. Individuals have participated in multiple programs to further advance their careers and personal lives.

EMPOWERING AND ADVANCING WORKERS

INDIA – KAVITA

Born in a small village in Rewari, Kavita was a quick learner and diligent student. In 2000, she started working at a garment factory in Gurugram as a helper with no sewing skills. Kavita worked tirelessly to learn new skills. Participating in various training programs with the Gap Inc. team, including P.A.C.E., WCP and SST, helped her advance, she says, propelling her to achieve her latest position as supervisor.

CAMBODIA – VOUEN RAI

“I was a fine worker, and I have been promoted to a fine leader for two years after completing P.A.C.E. program. I met a lot of challenges after I took a leading role as a line leader as it was a new job to me with more responsibilities. I joined P.A.C.E. in 2022, and I have learned a lot from the training, including effective communication, influential leadership, and dealing with different types of people. I can recognize different characteristics of my team and deal with them in different ways. I can manage my work better, and there is good communication and collaboration among my team members.”

VIETNAM – NGA

Vu Thi Thuy Nga started working as a garment factory sewing worker in March 2023. Her participation in the P.A.C.E. program led to her becoming a bipartite committee member, enabling her to work alongside employee and managerial electives to improve the workplace. P.A.C.E. supported her development of communication and problem-solving skills, helping her become more open and confident when speaking to supervisors and coworkers, and enabling her to respond to problems more positively. As a member of the bipartite committee, she can share the knowledge and skills she learned from P.A.C.E. with coworkers, giving them the confidence to voice their opinions and work together to come up with constructive ideas and solutions.

CHINA – WEI YIN

Wei Yin has been working in Suzhou Industrial Park Zhengda Knitting Co. Ltd. For 11 years and joined the bipartite committee as a worker representative. Initially, she was too shy to speak, but thanks to her hard work and determination, bolstered by communication skills learned during WCP and SST training sessions, her confidence grew exponentially and she was able to excel. Because she was involved in the decision-making process of the factory, she learned to think strategically about how operations could be improved. After WCP launched in her factory in 2019, and following her outstanding performance after joining the bipartite committee, she was promoted to line leader. She also became the internal trainer, responsible for delivering SST to other line leaders – a huge personal success and great source of pride for her and her family.

INDONESIA – SAHID

As a factory mechanic operator, Sahid has observed GBVH firsthand and seen how it unfolds both within his factory and department. Sahid was aware of instances when his team members would touch the sewing operators or call them “honey.”

As a result of the factory providing in-depth training to all employees, there is greater awareness around what constitutes GBVH. Furthermore, the facility has posted anti-GBVH posters, broadcasted an “anti-GBVH everyday” campaign, and provided channels to report cases that occur.

Sahid is appreciative of the actions his facility has taken to increase employee awareness around GBVH.

“I’m now aware of GBVH and its consequences. I always warn my coworkers about GBVH if I see any hint of it, saying: Hey! We must be careful of our actions. Remember the GBVH campaign.”

IMPLEMENTING LEARNINGS FROM GBVH TRAINING

INDONESIA – POONAMBEN

When her father died, Poonamben Balasaheb Shirgule and her family were left in a financially precarious situation. Things took another bad turn when she married and moved into her in-laws’ home, where she faced difficulties and social pressures that caused her to return to her family and a life of laborious farm work.

The tide turned for Poonamben in May 2022, when she met a Self-Employed Women’s Association (SEWA) leader. What followed was a remarkable journey of personal transformation.

Poonamben was selected for a 15-day SEWA training program, where, alongside 40 other women, she delved into SEWA’s 11 questions. Following this, she participated in P.A.C.E. to further enhance her growth, self-confidence, and skills that would ultimately lead to her being offered the role of SEWA master trainer in her new role. Poonamben has trained nearly 1,500 women and established 15 Bachat Mandals (savings groups) to help members avoid financial exploitation.

“I thought I was seeing a beautiful dream. I could not believe that L had studied only up to the 10th grade and had been considered unworthy, was being offered a job as a trainer! My heartfelt gratitude to SEW3 and Gap Inc. P.A.C.E. program for their confidence in my abilities.”

A barrier faced by women in Poonamben’s community is their inability to leave home without familial and societal criticism. Drawing from her own experience, Poonamben encouraged women to be resilient. Poonamben’s impact has been felt far beyond her own village, as she has inspired neighboring Adivasi women to create their own Bachat Mandals.

SEWA’s core values, combined with Gap Inc.’s P.A.C.E. program, were instrumental in Poonamben’s journey. They equipped her with the tools to overcome adversity, positioning her as a beacon of change in her community.

P.A.C.E. COMMUNITY IMPACT

INDIA – POONAMBEN

Sahid is appreciative of the actions his facility has taken to increase employee awareness around GBVH.

“As a factory mechanic operator, Sahid has observed GBVH firsthand and seen how it unfolds both within his factory and department. Sahid was aware of instances when his team members would touch the sewing operators or call them "honey." As a result of the factory providing in-depth training to all employees, there is greater awareness around what constitutes GBVH. Furthermore, the facility has posted anti-GBVH posters, broadcasted an "anti-GBVH everyday" campaign, and provided channels to report cases that occur.

Sahid is appreciative of the actions his facility has taken to increase employee awareness around GBVH.

"I'm now aware of GBVH and its consequences. I always warn my coworkers about GBVH if I see any hint of it, saying: Hey! We must be careful of our actions. Remember the GBVH campaign."
Creating sustainable economies and a culture of equality and belonging means using the assets and scale of our business to enable access to opportunity for the people and communities we serve. Our programs and partnerships are opening doors to underrepresented talent across gender, race, age, and more.
Gap Inc.’s Enabling Opportunity and Social Impact programs leverage our business assets and capabilities to empower economically marginalized individuals across North America. This Way ONward became our first Opportunity Hiring program in 2007 with a focus on youth from underserved communities. Since then, we have extended support to refugees and immigrants to fill essential roles across our stores and distribution centers (DCs) while advancing opportunity and prosperity in the communities we touch.

CHALLENGE

Our efforts focus on marginalized groups facing some of the highest barriers to employment. We acknowledge the role Gap Inc. can play in addressing the distinct challenges faced by different groups while recognizing the untapped source of talent they represent for our business.

The business imperative to address this is clear. As the largest American specialty apparel company, our stores and DCs require thousands of employees to serve our customers, especially during the holiday peak season. To address the employment barriers faced by underrepresented groups, Gap Inc. creates access to job opportunities for these talent pools.

In addition, young adults are frequently overlooked for employment opportunities. Currently, one in nine young individuals are neither enrolled in school nor part of the workforce. In the U.S., nearly 5 million young adults, aged 16 to 24, fall into this category of “opportunity youth.” With around 80 percent of today’s jobs gained through networking, those with limited social capital are at a clear disadvantage. Securing first jobs can be a challenge, compounded by the lack of career growth and advancement opportunities offered by many entry-level positions. While this does represent a challenge for the youth demographic, it is one that is being addressed by leveraging brands like Old Navy to create thousands of jobs and workforce development opportunities for first-time workers every year.

Refugees and immigrants often face similar employment challenges. In the past two years, the U.S. welcomed nearly 100,000 refugees through sponsorship and traditional resettlement pathways, up from 13,400 in 2021. Refugees, over 1.2 million adults in the U.S. have limited English proficiency, the majority of whom are Spanish speakers facing ongoing and significant barriers to employment and financial stability. Such barriers include education and language constraints, discrimination, and limited access to transportation and professional networks for economic advancement. We know adults with English proficiency experience higher earnings outcomes, and yet language learning resources remain inaccessible and unaffordable for many. Supporting these communities in learning English could open a whole new pool of talent while helping them secure financial stability.

STRATEGY

Our Enabling Opportunity and Social Impact strategy is based on leveraging the scale of our business to expand opportunity and mobility for economically marginalized individuals. We do this by providing a:

Way In: We build robust local hiring pipelines while removing barriers to employment by investing in critical wraparound supports.

Way Up: We help enable career mobility and remove barriers to equitable advancement.

Way for All: We lead by example and influence other employers to create pathways for economic mobility.

The success of our business depends on equal economic opportunities. We aim to open doors within Gap Inc. – starting with entry-level roles – and seek influence the industry to follow suit.

Our people-first approach prioritizes societal impact and meaningful partnerships with NGOs, public-private collaboratives, and other employers.

Through these programs and partnerships, we create opportunities for underrepresented talent across race, nationality, language, age, gender, and more.
Impact

Gap Inc. currently stands as the largest specialty apparel retailer in America. Through our Enabling Opportunity and Social Impact programs, we help thousands of individuals build invaluable skills, such as confidence, financial literacy, interpersonal communication, and problem-solving, boosting their employability and income prospects for the future.

By creating equal access to jobs and opportunities, we can build a strong and inclusive talent pipeline. Additionally, research highlights that investing in training and mentorship for hourly, frontline workers drives higher productivity, enhanced customer service, and improved hiring and retention rates. 79

Our DC pilot programs have shown that our refugee hires have lower attrition and higher productivity rates than their peers, demonstrating the ability of programming to simultaneously create positive societal impact and address our business’s labor needs.

This Way ONward supports our efforts to cultivate diverse talent, with 70 percent of alumni identifying as People of Color. It also encourages partnerships with local community organizations, strengthening connections between stores and the communities they serve, resulting in improved employee engagement for volunteers who support the program. Surveys from our third-party evaluation partner consistently show that This Way ONward participants exhibited longer job tenures and higher engagement scores than their peers at Old Navy.

These programs also generate a positive impact at a societal level, helping refugees and immigrants feel more connected to their new home, increasing confidence for youth kickstarting their careers, and increasing economic opportunity and mobility for the communities where we operate. Studies also suggest that employing the younger generation could potentially save the U.S. $93 billion annually through reduced social services and increased revenues. 80

Partnerships

Strategic Partners

Distribution Centers
- National Immigration Forum
- Second Chance Business Coalition (SCBC)
- Tent Partnership for Refugees
- Welcome.US

This Way ONward
- CoLab
- Jobs for the Future (JFF)
- NRF Foundation
- Opportunity@Work

Implementing Partners

Distribution Centers
- EnGen
- Honest Jobs
- Jewish Family Service (JFS)
- WorkLife Partnership

This Way ONward
- Archdiocesan Youth Employment Services, Los Angeles
- Boys & Girls Clubs of America
- BGC Canada
- Cambridge Housing Authority
- Enterprise for Youth
- Goodwill of North Georgia
- Jobs for America’s Graduates (JAG)
- Northern California College Promise Coalition (NCCPC)
- Orlando Community & Youth Trust
- Pacific Community Resources Society (PCRS)
- Sacramento Employment and Training Agency (SETA)
- The City of Calgary Youth Employment Centre (YEC)
- The Door
- Youth Co-Op
- Youth Employment Service (YES)
- Youth Job Center (YJC)

79 Harvard Business School
80 Panorama Global
This Way Onward unlocks potential for economically marginalized, early-career talent aged 16 to 24 and provides access to valuable talent for our Old Navy stores. By partnering with community-based organizations across the U.S. and Canada, This Way Onward has paved the way to employment and financial stability through skills training, wraparound supports, mentorship, and work experience.

WAY UP
In 2023, our strategic partnership with CoLabL enabled us to build our Way Up strategy. CoLabL helped design and facilitate signature networking and skills development events for program alumni, as well as strengthened opportunities for one-on-one mentoring, group coaching, and leadership development.

CoLabL created tailored store leader training sessions for managers to promote relationship-centered, inclusive leadership practices to foster an ecosystem of support for This Way Onward alumni. This work has facilitated our Learning and Development team to embed best practices for upskilling and mentorship into our standard operating procedures.

WAY FOR ALL
In collaboration with Jobs for the Future (JFF), we were able to share the lessons learned from This Way Onward as part of a strategy playbook for supporting early-career frontline talent. Gap Inc. was also a founding coalition member of Opportunity@Work’s Tear the Paper Ceiling campaign, supporting STARs – individuals Skilled Through Alternative Routes other than a bachelor’s degree.

In our 2023 evaluation, This Way Onward participants continued to demonstrate individual benefits such as increased confidence, increased capacities in interpersonal communication, problem-solving, time management, and conflict resolution, increased financial literacy and mental arithmetic, increased opportunities for advancement, expanded professional networks (social capital), and increased income.

This Way Onward also has meaningful ripple effects on participants’ communities and families, increasing community engagement, positive relationships with friends and family, and, due to better job prospects, reduced financial stress for their families.

**TEARING THE PAPER CEILING**

As a young adult, Benny joined the workforce immediately after receiving his GED (General Education Development) qualification. Despite a lack of retail experience, he started in 1998 as a part-time seasonal Store Associate at an Old Navy retail store, alongside a warehouse job. After the holiday season, Benny was invited to continue with the company thanks to his transferable skillset of problem-solving, operational skills, data management, inventory, scheduling, and billing.

Benny was a perfect example of what Ad Council and Opportunity@Work’s Tear the Paper Ceiling campaign calls a STAR. These individuals are often confronted with the “paper ceiling” – the invisible barrier for workers without a bachelor’s degree.

After joining Old Navy full time, Benny worked his way up to General Manager of his local store by 2003. At that time, most retail companies required the next step, a District Manager, to have a bachelor’s degree. Despite this roadblock, Benny was promoted to District Manager in 2007.

Benny’s success is thanks to his hard work and the valuable role played by his mentors, and he’s paying it forward by supporting the next generation of workers through This Way Onward.

“In my career has been because I’ve had a mentor to encourage me and keep me on the right track. I feel like I have a responsibility to continue to pay it forward.”

Video: Benny’s Journey

This Way Onward Youth

Old Navy Field Leaders

Old Navy stores hire for potential

Old Navy store employees volunteer

Community partners train and recruit youth

This Way Onward Y outh

Community Partners

Old Navy Community Leaders

Old Navy Field Leaders

Support post-hire

PROGRESS

HIRE 5% of Old Navy entry-level store employees from This Way Onward annually

REACH 20,000 youth through This Way Onward

GOALS BY 2025

4.3%
On track

19,600 youth reached since 2007
On track

2023 PROGRESS IN OUR STORES

42
In our DCs, we strive to fill essential roles with individuals from all backgrounds to support the communities where we operate, with a focus on supporting local refugee and immigrant talent pools. As part of this, we cater to the specific context and requirements of each DC, with pilots focusing on our top-volume DCs with the highest hiring demands.

**REFUGEE AND IMMIGRANT HIRING**

Our efforts in 2023 focused on standardizing hiring and onboarding processes and collaborating with local organizations to better support our approach to employing refugees and immigrants. We also focused on providing better support to English language learners (ELLs), including conducting a comprehensive document translation exercise, linking ELLs with bilingual trainers and supervisors and ensuring new employee orientation is set up for bilingual facilitation. We demonstrated success in implementing digital translation support on the DC floor to help ensure employees have support during their shifts.

**WRAPAROUND SUPPORT**

Gap Inc. is dedicated to addressing potential barriers to our workforce in sustaining employment, and investing in organizations that provide wraparound support services to do so. For example, in 2023, we launched a pilot with WorkLife Partnership in our Fresno, California, DC. The pilot offered employees and their families confidential one-on-one support to work through issues like transportation and housing access, or addressing financial burdens. To date, 28 participating employees accessed personalized guidance on local community resources, incentives, and support that directly caters to their needs. We’re also seeing ripple effects through the employees’ family members and children (totaling nearly 100 people) that have gained from these immediate-term supports. We’re exploring ways to bring this type of support to additional frontline employees in 2024.

**STORY**

**FINDING STABILITY WITH GAP INC.**

“When I came here from my country, I thought it was going to be more frustrating because of the change in language, but when I got here, I found a big family. My team is incredibly supportive and they’ve taught me a lot of things I didn’t know. Regardless of religion, ethnicity… we are all supported here at Gap. This is like my second home.”

Fiol Jiménez, Merchandise Handler at Fishkill DC
Inclusion has been integral to our business approach since we opened in 1969. Our dedicated Equality & Belonging team helps us remain focused on our goals, embedding belonging into every aspect of our business. We believe that when you make inclusion an imperative, it closes the gaps between us and opens a world of possibility.

**GOALS BY 2025**

**DOUBLE** the representation of Black and Latinx employees at all levels in our U.S. HQ offices relative to a June 2020 baseline (4% Black, 10% Latinx)

**INCREASE** representation of Black employees by 50% in our store leader roles in the U.S. relative to a June 2020 baseline (9%)

**PROGRESS**

7% of our U.S. HQ employees identify as Black (2025 goal: 8%)

11% of our U.S. HQ employees identify as Latinx (2025 goal: 20%)

5% of our store leaders (defined as General Managers) in the U.S. identify as Black (2025 goal: 13%)

**CHALLENGE**

Establishing our commitments in 2020 marked a critical moment in our Equality & Belonging journey. Established during a collective moment of awareness and desire for change, these goals aimed to be a force for good and break down the centuries-old systems that have held back Black and Brown communities.

Across industries, surveys reveal that 62 percent of workers feel diversity, equity, and inclusion (DEI) programs are ineffective, and 46 percent say the programs have failed them personally. Even relatively diverse companies face challenges in creating work environments characterized by inclusive leadership and accountability among managers, equality and fairness of opportunity, openness, and freedom from bias and discrimination.

**LEADING COMPANY FOR DIVERSITY AND INCLUSION**

As a reflection of our progress, Gap Inc. ranked #2 on the FTSE Diversity and Inclusion Index. As with every big or small win for inclusivity, we accept this honor knowing we have more work to do to make sure our teams, customers, and communities feel seen and heard – but moments like this one confirm we’re headed in the right direction.

**STRATEGY**

To build a stronger sense of belonging across all of our employees and communities, our strategy anchors on our commitments in three critical areas:

1. **Employee Belonging:**
   - Create a culture of inclusion where everyone feels they belong and can reach their potential.
   - **Transparency:** Increase transparency, accelerate progress, and contribute to industry learning.
   - **Representation:** Double representation of Black and Latinx employees in our U.S. headquarters. Increase representation of Black employees by 50 percent in U.S. store leader roles by 2025.
   - **Gender and pay equity:** Complete independent assessment to measure disparities in race/ethnicity and gender pay.

2. **Customer Belonging:**
   - Offer products and experiences that make all customers feel seen and welcome.
   - **Create for all, with all:** Include diverse voices and inclusive practices throughout our brands’ creative pipeline.
   - **Amplify Black voices:** Amplify diverse voices in creative and marketing.
   - **Online and store experiences:** Foster belonging and allyship among employees to deliver inclusive service and stores that are Open to All.

3. **Community Belonging:**
   - Create collective understanding, shared responsibility, and amplify positive impact for vulnerable or underserved communities.
   - **Civic engagement:** Invest in education and awareness initiatives to help employees and customers register and exercise their right to vote.
   - **Access and pipeline:** Achieve and retain diverse representation in our pipeline and entry-level programs, including creating new pipelines to increase Black representation.
Equality & Belonging – Continued

Impact

Inclusion is vital to any successful, thriving business today. The impact of an inclusive workplace includes improved collaboration, innovation, recruitment, employee satisfaction, customer satisfaction, and employee engagement and retention. These help employees stay motivated at work and help companies achieve their long-term strategic goals. Research demonstrated that workplace diversity is also linked to greater profitability for companies.

2023 Progress

Our People – Employees

Building Inclusive Capabilities

In 2023, we focused on building shared capabilities across our leadership cohort. The Inclusive Leadership Coaching Series, facilitated by long-time partner Amber Cabral, was our new training strategy aimed to empower senior leaders through sessions focused on topics such as allyship in action, building a sense of belonging, mitigating bias, and inclusive decision-making.

Additionally, we created an inclusive hiring training in partnership with Talent Acquisition teams to actively mitigate bias and any form of discrimination in the recruitment process. It established consistent processes that assess and embrace a wide range of qualities and perspectives that candidates bring to our organization.

We focus on holding leaders equally accountable for driving belonging across the organization. Although this began at a senior level, we are integrating the approach throughout business functions, accompanied by appropriate training.

Equality & Belonging Employee Ecosystem

Fostering an inclusive culture in which employees feel a deep sense of belonging and community has been our priority since the formation of our first Equality & Belonging Group (EBG) over 15 years ago. Our Employee Ecosystem, which now includes both our EBGs and the Color Proud Council (CPC), helps to foster unity, allyship, and collaboration among our vast employee population.

Our EBGs play a pivotal role in driving toward our “Create for all, with all” commitment. We continue to invest in the evolution and growth of our groups to grow our community of allies, cultivate meaningful employee experiences, and amplify diverse voices to better inform our business practices and decisions. We currently have seven EBGs: API@Gap Inc., BLACK@Gap Inc., HOLAGap Inc., Parents@Gap Inc., PRIDEP@Gap Inc., VETERANS@Gap Inc., and WOMEN@Gap Inc. Examples of work our EBGs have achieved in 2023 include:

- API@Gap Inc. teamed up with HOLAGap Inc. to hold an employee donation action, with all proceeds benefiting the Salvage Fund, which supported those affected by the devastation left by the Maui fires.
- HOLAGap Inc. built a mentorship program with employees at our DCs to support Spanish-speaking refugees as part of our commitment with Tant Partnership for Refugees.
- PRIDEP@Gap Inc. worked to build a gender-neutral capsule for Old Navy and celebrated the return of the Denim Divas for a virtual drag performance in our San Francisco HQ.
- The CPC aims to increase the bottom line through embedding diversity and inclusion strategies that impact both product and customer experience. CPC focuses on all areas of diversity including, but not limited to, gender, race, ethnicity, body type, sexual orientation, age, religion, and those with disabilities.
- NRF Foundation Emerging Leaders Summit

In support of our focus on internal development and mobility of Black and Latinx talent, we invited DEI practitioners and merchants from across our brands to participate in the inaugural NRF Foundation Emerging Leaders Summit. Geared toward young professionals of color, the event allowed our teams to hear from – and gain access to – top retail industry leaders to garner exclusive insights, professional development, and support to become stronger future leaders. Further, the summit’s investment in early careerists of color helps advance the retailer community in building a more diverse and inclusive workforce.

Heritage Months and Cultural Activations

Heritage Months and Cultural Activations are strategic initiatives that emphasize the concept of mattering and foster a workplace culture of belonging. They offer a platform for cultural exploration that engages employees and empowers leaders to exhibit inclusive behaviors and shared allyship, thus contributing to driving the business forward. We focus on these community-centered months with the most opportunity to impact employees and customers: February – Black History Month; March – Women’s History Month; May – Asian and Pacific Islander (API) Heritage Month; June – Pride Month, and Sept/Oct – Latinx Heritage Month.

Two ways we celebrated our communities through Heritage Month activations include:

Latinx Heritage Month

We hosted multiple events during Latinx Heritage Month, including:

- A broadcast of Honoring and Celebrating Diverse Latinx Identities at Gap Inc., through which we engaged in candid conversations rooted within the Latinx diaspora while highlighting the community’s rich cultural diversity.
- HOLAGap, our Latinx EBG, held a virtual celebration for members where we featured employees’ stories.
- Our second annual Tardeada (afternoon gathering), hosted by Old Navy during a special gathering of the brand’s store leadership in San Francisco. The event served as an homage to the Latinx community through music, art, and food.

Pride

As a San Francisco-based retailer that began standing up for LGBTI+ rights decades before most companies, Pride is a special time of year at Gap Inc. We organized a special broadcast, “Inclusion Beyond the Flag,” where we took an in-depth look at the journey of inclusion at the company. Team members across our company showed their support for Pride on social media.

B3 Business Leadership Today

B-4 McKinsey & Company

B3 Business Leadership Today

B-4 McKinsey & Company
Old Navy

Old Navy’s first Pride assortment was in 2011, starting with a handful of graphic tees. Since then, the brand’s Pride collections have expanded to multiple categories. This year, Old Navy’s design team reinvented its approach to Pride by forming the Old Navy Pride Proud Team (PPT). The PPT was built with nominated individuals who reflect the LGBTQ+ community. They worked to develop seven key pillars that guided the 2023 Pride collection with an inclusivity mindset focused on our diverse customer base: History, Resilience, Community, Evolution, Unapologetic, Self-Expression, and Human. The final assortment challenged the status quo, featuring non-binary designs for all customers.

Athleta

In honor of Women’s History Month and International Women’s Day, Athleta launched The Power of She Collective, a community of influential athletes like Simone Biles. Athleta donated $175,000 to the Women’s Sports Foundation from The Power of She Fund, reinforcing its commitment to supporting women’s equality in sports and beyond. Athleta also hosted an inclusion session, led by Amber Cabral, during Athleta Renew, an employee–centered team-building conference. The teams were coached on how to provide feedback, remain curious, and drive accountability.

Banana Republic

To celebrate Women’s History Month, the Banana Republic field team hosted a Women’s Leadership Panel during the General Manager meeting. The panel consisted of leaders who started their careers in stores and discussed how they have spiderwebbed across the brand to find the role that best suits their strengths. Each panelist shared their career journeys and their excitement for the path forward.

Banana Republic also activated their Amplify Voices series through social media to give rise to influencers and culture shifters who aligned with Black History Month, Women’s History Month, API Month, and Pride. They helped ensure that the stories shared celebrated creative voices and world travelers.

Gap

In 2023, Gap drove customer impact across a number of product launches and customer activations. One was the spring product collaboration with The Brooklyn Circus, a menswear brand that finds inspiration in the pages of history books.

The student-inspired collection included a range of products that featured the best of both brands (including logo-inspired sweatshirts and jackets). The campaign features an array of cultural icons and artists within The Brooklyn Circus community, including the late Stephen “tWitch” Boss, fashion icon Bethann Hardison, and actress Indya Moore.

Through the partnership, the brands hosted activations at ongoing community partner The Brotherhood Sister Sol (BroSis) and even rang the closing bell at the New York Stock Exchange in honor of Black History Month.

Athleta Power of She Collective members Monique Billings, Katie Zaferes, Heather O’Reilly and Natalie Coughlin

AfroTech 2023 Women’s Summit Stage Presented by Gap Inc.
At Gap Inc., we put people first. In an increasingly competitive talent market, we aim to remain an employer of choice through our talent development and retention efforts. We are building workplace equity and offering fair development opportunities, secure benefits, and an environment that promotes health, safety, and well-being.

ENSURING EQUAL OPPORTUNITIES AND EQUAL PAY

We are an equal opportunity employer and recruit, hire, train, and promote qualified people of all backgrounds, regardless of status. We are also committed to creating a workplace free from harassment and discrimination.

Equal Pay: Globally dollar-for-dollar, Gap Inc. pays women and men equal pay for equal work. In 2014, Gap Inc. was the first Fortune 500 company to announce equal pay for equal work, and, since then, we have conducted internal pay equality reviews using a leading third-party firm.

Notably in 2023, Gap Inc. Legal achieved the Mansfield Certification Plus, a designation reserved for legal departments that measure the outcomes of their inclusivity processes. The certification confirms that Gap Inc. met the goal of at least 50 percent lawyer representation from historically underrepresented identities in a number of current leadership roles.

Our Board diversity data can be found in the Appendix.

LEARNING AND DEVELOPMENT

Our learning and development programs meet people where they are on their professional journey. They include:

- Retail Academy: A comprehensive program suite that combines classroom sessions, rotational training, business simulations, and sustainability. It aids new hire onboarding and development through functional and tech training across various teams.
- Rotational Management Program (RMP): Supports diverse, emerging talent in becoming future leaders across various brand and product functions, including an introductory ESG course. It also provides Gap Inc. with a diverse talent pipeline; participants in the 2023 cohort were 54 percent People of Color and 82 percent female.
- Gap Tech Rotational Program (GRP): An 18-month early-talent program to develop full-stack engineer leaders who embrace the DevSecOps model to drive process, value, and speed. Participants in the 2023 cohort were 81 percent People of Color and 40 percent female.
- Sustainability Product Claims training: Our Global Sustainability team developed a Product Claims virtual training in 2022, which over 1,200 people have completed to date. As of 2023, our company-wide onboarding sessions also embedded sustainability topics.

Year Up: An initiative to connect young adults with career opportunities and higher education through upskilling and giving them the tools, experiences, and support to achieve their full potential.

Field to HQ: Promotes opportunities for store employees to transition into entry-level headquarters roles.

Inclusion and equity training: Supports inclusive habits and practices. We provide racial equity and unconscious bias training, employee onboarding and new leader workshops, and inclusive design courses.

Sustainability Product Claims training: Our Global Sustainability team developed a Product Claims virtual training in 2022, which over 1,200 people have completed to date. As of 2023, our company-wide onboarding sessions also embedded sustainability topics.

EMPLOYEE PERFORMANCE AND SATISFACTION

We use our GPS (Set Goals. Talk Performance. Reward Success.) system to help ensure all employees receive quarterly feedback, including a year-end performance review. The GPS cycle begins with goal-setting, moving to performance discussions, and ends with an assessment to determine annual rewards for each employee.

Our bonus plan allows managers to consider individual achievements, including achievement of our ESG goals, when determining final bonus allocations.

We use Pulse surveys to understand employee sentiment, reaching out to HQ and Upper Field employees each time with an aim to have all global employees participate once a year.

FINANCIAL WELL-BEING

GapShare 401(k) retirement plan: We help employees build financial security by matching employee contributions up to 4 percent of base pay, with 100 percent immediate vesting if full-time or meeting minimum service hours. For those part-time or meeting minimum service hours, we offer the option to contribute on day one of employment.

Employee stock purchase plan (ESPP): We allow all U.S. and Canada employees to purchase Gap Inc. stock at a 15 percent discount quarterly.

72% of employees who participated in our survey in 2023 demonstrated satisfaction by answering “Agree” or “Strongly Agree” to the question “I intend to stay with this company for at least the next 12 months.”
Employee merchandise discount program: We offer qualifying employees up to 50 percent off regular-priced merchandise in our stores.

Education: We offer tuition reimbursement and tuition-free higher education options for full-time employees and student loan refinancing resources to all employees. All employees have access to discounted tuition courses and degree programs.

Commuter benefits: Administered by WageWorks, employees can save on eligible commuting costs through automatic, pre-tax payroll deductions.

Aycio digital financial consulting platform: Enables full- and part-time employees to assess their financial health and take full control of their finances.

Financial risk protection: We offer all full-time employees company-paid life and disability insurance. Part-time and seasonal employees can access free life insurance and purchase additional protection coverage lines through Avibra.

Legal Service Plan: Full-time employees can pay a nominal fee per paycheck to receive unlimited access to a network of attorneys for legal counsel.

Legal and flexible work: Paid time off (PTO): We provide PTO, including sick and personal holiday days, which increases with seniority, up to 30 days for full-time employees.

Directors and higher employees are provided “As Needed” PTO.

Parental leave: U.S. employees have 12 weeks paid parental leave.

This is available to full-time employees after six months of service and to part-time employees who have worked at least 24 hours a week for the six months prior to parental leave. This is in addition to pregnancy disability leave.

Adoption assistance and surrogacy support: Gap Inc. offers the Adoption/Surrogacy Assistance Reimbursement Plan for full-time employees, providing financial support for costs associated with public, private, or international adoptions of children under 18 years of age, or if building a family via a surrogate.

Phase in/out of: Eligible employees can temporarily reduce work hours before, during, or after parental or family leave of absence.

Caregiver assistance: U.S. full- and part-time employees have online access to child, elder, and pet-care resources, and benefit from back-up child care and priority access to nationwide child-care centers.

Old Navy recently launched a year-long partnership with Thrive Global, a behavior-change technology company that aims to help people develop greater well-being and mental resilience.

LEAVE AND FLEXIBLE WORK

Paid time off (PTO): We provide PTO, including sick and personal holiday days, which increases with seniority, up to 30 days for full-time employees.

Directors and higher employees are provided “As Needed” PTO.

Parental leave: U.S. employees have 12 weeks paid parental leave.

This is available to full-time employees after six months of service and to part-time employees who have worked at least 24 hours a week for the six months prior to parental leave. This is in addition to pregnancy disability leave.

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HEALTH AND WELL-BEING

We offer full-time employees comprehensive medical, dental, and vision coverage. Part-time employees have access to Stesse Health, which provides consultation on securing coverage through healthcare exchanges. We also provide access to free mental health therapy sessions, along with other resources, via our Lyra Mental Health and employee assistance program (EAP) for all U.S. employees.

We offer a fertility/family planning education platform to all employees through FertilityIQ. Those who participate in our medical plan also have access to advanced fertility medical treatment care.

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EMPLOYEE ENGAGEMENT AND CORPORATE GIVING

Through employee engagement, donation matching, volunteering, in-kind donations, and meaningful strategic partners, we leverage our strengths to create impact for our people, our communities, and our partners.

EMPLOYEE ENGAGEMENT

With multiple opportunities to engage, learn, and connect with their local communities, employees contribute to social and environmental causes important to both them and our company. Through company-, brand-, and employee-led activities, we aim to bring positive change to communities across the globe.

STORY

DONATING TIME AND CREATING POSITIVE IMPACT

As a District Manager at Old Navy, Robin Seifert rallied her team during Volunteer Rally to support a local organization, Stepping Stones, which offers adult day services for individuals with disabilities in the area.

“Grateful to work for an organization that prioritizes giving back, and thankful to lead a team that makes it so much fun!”

Robin Seifert, District Manager at Old Navy

STRAATEGY

We encourage employee engagement through several initiatives:

Community Leader program: From companywide initiatives to teaming up with local organizations, community leaders unite their teams, harnessing employees' talents and skills to maximize engagement and impact.

Take Five volunteering: Exempt employees can devote their time to the causes they want, when they want, by volunteering for five “on-the-clock” hours per month.

Field Team Grants: When a store or DC team volunteers 25 hours to support an eligible community organization, they can also request a $250 grant to further support the organization.

Money for Time: For every 15 hours an employee volunteers for an eligible nonprofit in a calendar year, we make a $150 donation to the organization.

IMPACT

These initiatives allow our employees to connect with communities and support the causes they care about, which amplifies positive impact, creates a shared sense of purpose, and improves employee well-being. Employees who actively engage in our community initiatives tend to stay longer at Gap Inc., with an average turnover of 33 percent compared to 126 percent for non-volunteers. Not only that, but they also have a more fruitful career path, including greater rate of promotions – across both store and HQ volunteer employees.

2023 PROGRESS

Walk for Water: Annually, for World Water Day in March, our employees participate in a 1.2-mile walk to raise awareness of women’s water accessibility challenges. In 2023, around 11,500 employees participated across 11 countries – a 45 percent increase from 2022. Once again, we met our maximum donation match, generating a $12,000 grant to WaterAid.

Earth Day: This Earth Day, we encouraged all employees to live more sustainably with educational webinars and hands-on sessions. Gap Inc. partnered with thredUP® as part of Athleta’s B Corp Month initiatives to teach employees about the ways that our business can be used for good.

World Refugee Day: We partnered with Welcome US to offer employees donation opportunities and volunteer opportunities to help Afghan asylum seekers complete their applications for re-parole to temporarily extend their time in the U.S.

Volunteer Rally and Doris Fisher Day of Service: Every year, we honor our co-founder, Doris Fisher, through Volunteer Rally. Generating over $36,000 in grants, this year’s Rally also saw more than 13,000 employees across eight countries volunteer over 44,000 hours in their communities.

Gap Inc. Gives: In our annual tradition of giving back to our communities during the holiday season, teams partner with a local organization to provide gifts or essential items to those who would otherwise go without. In addition, for every 10 hours a team volunteers to support Gap Inc. Gives, we give $100 to their designated community organization. In 2023, Gap Inc. Gives supported 200 families and contributed over $184,000 in grants.

Community Leader Appreciation Day: Our community leaders were encouraged to select from three nonprofits aligned to our sustainability pillars, to which Gap Inc. will donate $25. This year, donations totaled $12,500 across the three charities.

86 The Big Picture: How to make and keep a good life, a week of full-on volunteer work by the team at Gap Inc., taking time out of their week to work with community partners, doing a week of volunteer work with a community partner at Gap Inc., and making a difference that makes it so much fun.

87 These findings are based on fiscal 2022 engagement data, and are representative of correlation, not necessarily causation.
CORPORATE GIVING

Combating large-scale social problems relies on collaboration with the public and private sector. It is through this combining of resources and investment in initiatives that we can create meaningful change.

STRATEGY

Our corporate giving is rooted in strategic partnerships, employee engagement, and in-kind donations:

Strategic partnerships promote system-level changes across Gap Inc.’s sustainability pillars: Empowering Women, Enabling Opportunity, and Enriching Communities.

Employee engagement amplifies our impact through donation matches, investments, and partnerships, with our employee engagement program representing the largest donation size of our initiatives and biggest impact across our local communities.

In-kind donations support our circularity goals and maximize the value of our products. We donate excess inventory where need arises globally.

We also offer several standard donation methods:

**Donation Matches**: We match donations dollar for dollar, up to $1,000 for part-time employees and $15,000 for full-time employees.

**Board Service Grants**: We contribute funding to eligible nonprofits of which our employee leaders serve as board members, up to the following limits, ranging from $1,000 for Regional Directors to up to $10,000 for Senior Vice Presidents and above.

**Disaster Response and Salvage Fund** – Through the Salvage Fund, our disaster relief fund created to support Gap Inc. employees in times of need, we distributed $61,500 to employees in 2023 in aid of the Maui wildfires, as well as Hurricanes Fiona and Idalia.

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### Metric FY 2023**

<table>
<thead>
<tr>
<th>Metric</th>
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</thead>
<tbody>
<tr>
<td>% of employees volunteered</td>
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<tr>
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<tr>
<td>Total Gap Foundation giving value</td>
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</tbody>
</table>

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**Prior years’ data for employee engagement was calculated on a calendar year basis. From 2023 onward, we are using fiscal year data.**
Effective corporate governance balances the needs and concerns of various stakeholders for the benefit of our planet and communities, while aiming to ensure we operate with integrity and in compliance with applicable laws and regulations.
EFG OVERSIGHT

We hold ourselves accountable for environmental and social issues in our business operations with a strong governance structure. Our actions are overseen by the Board of Directors, Board Committees, Chief Legal and Compliance Officer, Chief Financial Officer, Chief Supply Chain and Transformation Officer, and Chief People Officer and other senior leaders across the company.

CHALLENGE AND IMPACT

Our operational scope offers opportunities for scaled impact. To be environmental and social stewards, we must carefully monitor all company activities. Effective governance helps support our sustainability projects throughout the business, create long-term value for all our stakeholders, and enable our business to thrive for generations to come.

STRATEGY

We have a clear management approach to all our environmental and social activities.

Business integration: The Global Sustainability team is part of Gap Inc.’s Supply Chain and Transformation department. This team works to maximize cross-departmental collaboration to meet current and future consumer and industry demands. For example, we integrate our sustainability goals into revenue-driving business functions by engaging our brands’ Product and Marketing teams. Together, teams can more effectively monitor fiber conversion to more sustainable sources, enable P.A.C.E./RISE implementation in factories, and validate sustainability product claims.

Global Sustainability and ESG Reporting teams frequently collaborate with leaders from Gap Inc.’s Equality & Belonging, Human Resources, Supply Chain Strategy, Government Affairs, Legal, and Gap Foundation functions. For long-term integration, we consider the financial risks and opportunities relating to our environmental and social initiatives as part of the company’s planning and risk management process.

Oversight structure: Each of our three Board committees (Governance and Sustainability, Compensation and Management, and Audit and Finance) oversees relevant ESG topics. Regular updates on ESG topics and developments are provided to the Board and its committees by the Chief Supply Chain and Transformation Officer; Chief Legal and Compliance Officer; and other senior leaders.

Goals and progress measurement: We have set ambitious goals and interim targets across environmental and social issues through 2050. Our ESG Reporting team tracks Gap Inc. and brands’ key performance indicators to confirm work is on track and provides updates to business functions quarterly or annually. We also report transparently in line with the Science Based Targets Network (SBTN), Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), UN Guiding Principles on Business and Human Rights, UN Sustainable Development Goals (SDGs), Paris Agreement on Climate Change, and Task Force on Climate-related Financial Disclosures (TCFD).

Partnerships: We support more sustainable, industry-wide solutions and greater equality by partnering with local and global organizations. Partnerships are key to how we scale collective impact throughout our business, industry, and beyond.

GOVERNANCE & SUSTAINABILITY COMMITTEE

- Oversight Areas:
  - Sustainability programs, policies, and practices
  - Philanthropy and community giving
  - Board composition, structure, and evaluation
  - Corporate governance matters
  - Political activities

COMPENSATION & MANAGEMENT DEVELOPMENT COMMITTEE

- Oversight Areas:
  - Employee engagement, retention, and recruiting
  - Talent development, including opportunity hiring
  - Diversity, equity, and inclusion, and pay equity
  - Compensation, workplace, and employment practices
  - Succession planning

AUDIT & FINANCE COMMITTEE

- Oversight Areas:
  - Financial matters, reporting, and audits
  - Legal and regulatory compliance
  - Corporate compliance
  - Enterprise risk management
  - Internal controls and procedures
  - Data privacy and cybersecurity

GOVERNANCE & APPENDIX

OVERSIGHT STRUCTURE

The Chief Legal and Compliance Officer periodically reports to the Audit and Finance Committee of Gap Inc.’s Board of Directors on the effectiveness of the company’s corporate compliance program.

Cross-company teams, including Global Sustainability, Equality & Belonging, Product Marketing, Human Resources, Supply Chain Strategy, Government Affairs, Legal, and Gap Foundation engage on ESG topics.

Our Board of Directors currently has 11 members, 10 determined to be independent under the rules of the New York Stock Exchange. We require 100% membership independence on our three standing committees. The Board receives regular reports from the Board committees on their areas of ESG oversight responsibility and monitors ESG-related risks and opportunities.

THE BIG PICTURE

ENVIRONMENT

SOCIAL | SUPPLY CHAIN

SOCIAL | WORKPLACE AND COMMUNITY

GOVERNANCE

APPENDIX
RISK MANAGEMENT

Annually, we identify and assess existing and emerging risks that have the greatest potential to impact company operations and our ability to achieve our objectives.

CHALLENGE AND IMPACT

Unmitigated risks can pose financial, legal, and reputational threats to the company.

With effective risk management, we can minimize negative impacts while optimizing positive potential opportunities, helping to ensure our resiliency and ability to meet stakeholder expectations.

STRATEGY

Enterprise level: The Risk Committee, currently comprising the full Senior Leadership Team, oversees an annual enterprise risk management (ERM) assessment, facilitated by our Internal Audit team. The ERM assessment results are presented to the Board to facilitate discussion of high-risk areas, and provide the foundation for the annual Internal Audit plan, management’s ongoing monitoring and risk mitigation efforts, and ongoing Board-level oversight. The Risk Committee meets quarterly throughout the year to review ERM mitigation plans and progress, as well as selected risks, third-party dependencies and critical risk events. The company also has a Risk Steering Committee, which currently includes a subset of the Senior Leadership Team, that meets monthly and sets the agendas for the Risk Committee meetings. On a quarterly basis, our Chief Audit Executive updates the Audit and Finance Committee on the Internal Audit plan and any changes to the company’s enterprise risk profile.

Climate and sustainability-related risks are considered as part of the ERM assessment process. Our Board of Directors and senior leaders across the company monitor climate and sustainability-related risks and opportunities.

Physical asset level: The Business Continuity (BC) team analyzes, prioritizes, and helps mitigate physical risks resulting from extreme weather, natural hazards, and other external events to protect company-operated sites. The BC team uses predictive and actual models from national and international agencies such as the U.S. National Oceanic and Atmospheric Administration to track potential and actual impacts. The team uses this information to determine the event, company risk, and residual risk remaining after preparedness plans are developed.

In 2022, we completed our first climate scenario analysis to understand the financial impact of climate-related risks and opportunities under four different global warming scenarios (see more in our CDP Climate response). In 2023, we set the groundwork for a second climate scenario analysis in 2024 to better understand the impact of acute and chronic physical risks related to climate change.

We also use the WWF Water Risk Filter to assess our sourcing from water-stressed regions, and we have focused our context-based water targets on those regions. In 2023, we also mapped our company-operated sites to their water basin source to identify areas for local projects.

Learn more:
- Responsible Business Practices
- Climate Action
- Water Stewardship: Reduce and Replenish

ENTERPRISE RISK MANAGEMENT PROCESS

AUDIT AND FINANCE COMMITTEE OF THE BOARD OF DIRECTORS
Oversees enterprise risk management.

SENIOR EXECUTIVES AND VICE PRESIDENTS
Provide input on risks and mitigations via an online questionnaire or interview.

RISK COMMITTEE
Reviews results, identifies key risks, and prioritizes them in the appropriate quadrants based on risk exposure and mitigation maturity.

BOARD OF DIRECTORS, CEO, AND SENIOR LEADERSHIP TEAM
Use ERM assessment results to monitor and mitigate risks, update policies, and develop business continuity plans where required.

ERM ASSESSMENT
Informs annual Internal Audit plan and ongoing Board oversight.
STAKEHOLDER AND POLITICAL ENGAGEMENT

Stakeholder engagement and partnerships with expert organizations are critical to inform our ESG strategy and materiality assessments and to help maximize the positive impact of our programs.

**STRATEGY**
We regularly engage with a broad set of stakeholders to better understand the issues that affect them, our industry, and society. The frequency of our stakeholder engagement is based on their connection to our business, our ability to impact them, and the salience of the issue being addressed. This dialogue helps us improve our strategies, set goals, focus action, and scale up industry solutions.

To capture feedback, respond accordingly, and drive improvements across our business, we use several engagement methods, including:

- Convening industry and stakeholder partners to discuss systemic issues that require collaboration.
- Implementing formal and informal consultations with expert organizations on material issues.
- Contributing our voice to ESG-related policy issues through government engagement.

Our stakeholder engagements include, but are not limited to:

Supply chain human rights: We are dedicated to upholding the rights of supply chain workers, following the International Labour Organization’s (ILO) Core Conventions. We actively engage in ongoing discussions with international labor and human rights organizations and expect our business partners, including suppliers, to share our values. Our Supplier Sustainability team gathers insights in 25 countries to understand factory employment practices and working conditions. We assess our Tier 1 suppliers through evaluations, training, and surveys, with input from workers and their representatives. To enable a clear understanding of our Human Rights Policy and relevant practices, we provide specific information in 24 local languages. Additionally, our sourcing department uses an integrated vendor scorecard to measure supplier performance, including on social, labor, and environmental issues.

Worker communications: We routinely engage Tier 1 supply chain workers through interviews with worker representatives to learn about human rights issues and develop or improve our women’s empowerment programs.

NGOs and trade unions: Our Supplier Sustainability and Human Rights and Labor teams regularly engage NGOs and trade unions in the countries from which we source, particularly when labor-related factory issues are identified. Engagements with global groups help us further improve our labor and human rights efforts.

Industry initiatives: We participate in initiatives like the American Apparel & Footwear Association (AAFA) Social Responsibility Committee and the Retail Industry Leaders Association (RILA) ESG Committee, which convene brands to scale and amplify collective efforts related to human rights and environmental impacts.

Consumer insights: At least once annually, we conduct a 10-minute quantitative online survey with shoppers from the Gap Inc. Insiders community. Through it, we ask how fashion brands’ social and environmental practices influence customer mindsets, as well as how customers perceive our brands are doing in these areas.

Political engagement: We participate in political and regulatory processes on issues that affect our business and community interests, working proactively to enable our strategies through public policy, government, and legislative advocacy – always in line with our values, legal obligations, and Code of Business Conduct and Code of Vendor Conduct. We take positions on ballot measures, initiatives, or propositions only when they have a direct impact on our business.
2023 PROGRESS

**SUPPORTING REFUGEE RESETTLEMENT**

Gap Inc.’s Head of Enabling Opportunity and Social Impact attended the Tent Partnership for Refugees Corporate Workshop in April 2023, focused on how companies in the U.S. can set up and implement effective refugee hiring programs. In addition to representatives from the White House Domestic Policy Council, Amazon, Chobani, Hilton, Pfizer, Tyson Foods, and Uniqlo, she participated in a panel conversation on integrating refugees and helping their communities grow at Gap Inc.

Gap Inc. CEO Richard Dickson attended a meeting organized by The White House Chief of Staff and the Welcome.US CEO Council to discuss collaborative solutions to refugee resettlement. In support of immigrant hires and refugee resettlement, Gap Inc. also joined 60 companies and national trade associations in sending a letter to Majority Leader Schumer, Democratic Leader Jeffries, and Republican Leader McConnell urging them to work together to advance a permanent legislative solution for Dreamers.

**SUPPORTING INCARCERATED POPULATIONS**

Banana Republic made an in-kind donation of hundreds of chinos and khakis to the New York State Department of Corrections to help with Governor Hochul’s Jails to Jobs. This initiative supported incarcerated individuals in NY state’s Edgecombe Correctional Facility by providing them with professional attire for employment opportunities. We engaged Governor Hochul’s Economic Development team in New York regarding our ELL (English language learner) program at our DC in Fishkill, New York, facilitating a visit for the senior regional economic development official to showcase the program’s benefits to the surrounding community.

**G20 EMPOWER ALLIANCE**

This year, Sally Gilligan, Gap Inc.’s Chief Supply Chain and Transformation Officer, was nominated by the U.S. Department of State to be the U.S. private sector representative at this year’s G20 EMPOWER Alliance. G20 EMPOWER seeks to accelerate women’s leadership by bringing together business leaders and governments across the G20 countries.

Our Head of Global Sustainability and President of Gap Foundation, Dan Fibiger, spoke at the second G20 EMPOWER meeting in India, focusing on how Gap Inc. enables leadership across all levels. He discussed our P.A.C.E. program and journey to become one of the founding members of RISE.

**SUPPORTING DEMOCRACY AND SUSTAINABLE SUPPLY CHAINS**

Gap Inc.’s Head of Women’s Empowerment and Human Rights attended the Business & Democracy Forum as part of the Summit for Democracy to highlight the role of the private sector to advance democracy globally, including concrete commitments in four areas (advancing labor rights, fighting corruption, countering the misuse of technology, and protecting civic space).

Fibiger also spoke at the 2023 World Bank Spring Meeting, participating in a panel conversation entitled “Incentivizing Inclusive and Sustainable Supply Chains.” Here, he discussed our signature programs that not only help us meet our sustainability goals but also enable us to better protect the environment, our workers, and our communities.
Our corporate compliance program is designed to help employees and our Board of Directors meet legal requirements while operating responsibly, ethically, and with integrity.

**CODE OF BUSINESS CONDUCT**

Our Code of Business Conduct (COBC) has been the foundation of our corporate compliance program since 1998 and has been managed by the Global Integrity team since 2003. The COBC sets out the foundation of our corporate compliance program, as well as compliance-related risks. The company’s Chief Legal and Compliance Officer chairs this committee.

The Audit and Finance Committee has oversight responsibility for the effectiveness of the corporate compliance program, and receives regular updates from the Chief Legal and Compliance Officer. We are committed to continually evolving the program in line with legal and regulatory requirements, corporate ethics best practices, and our own ambitious standards.

Learn more:
- Corporate Compliance

**CODE OF VENDOR CONDUCT**

To help our manufacturing partners adhere to our social and environmental compliance standards, we require all factories that produce goods for Gap Inc. to meet our Code of Vendor Conduct (COVC) requirements. Our policies are based on the principles outlined in the Universal Declaration of Human Rights (UDHR), UNGC, OECD Guidelines for Multinational Enterprises, and the ILO’s Core Conventions.

The COVC also outlines our environmental standards for all factories to comply with relevant environmental laws and regulations. To help our manufacturing partners adhere to our social and environmental compliance standards, we require all factories that produce goods for Gap Inc. to meet our Code of Vendor Conduct (COVC) requirements. Our policies are based on the principles outlined in the Universal Declaration of Human Rights (UDHR), UNGC, OECD Guidelines for Multinational Enterprises, and the ILO’s Core Conventions.

**ANTI-CORRUPTION AND BRIBERY**

As a publicly traded company, we uphold rigorous anti-corruption policies and associated procedures, such as the Anti-Corruption Due Diligence Process (ACDD). These measures are designed to support compliance with the U.S. Foreign Corrupt Practices Act and local anti-bribery laws. Gap Inc. has a global anti-corruption policy.

To promote compliance, we have implemented targeted processes:
- Our companywide compliance system monitors and addresses anti-corruption risks and enforces our anti-corruption and anti-bribery policies.
- To promote compliance, we have implemented a system that monitors and addresses anti-corruption risks and enforces our anti-corruption and anti-bribery policies.

We also deliver anti-corruption training (available to all employees) to global directors and above, managers and above in high-risk functions. At times, Gap Inc. also delivers ad hoc anti-corruption contexts to high-risk markets (e.g. when we are traveling in market).

To evaluate the effectiveness of the anti-corruption program, related questions are featured in our COBC Assessments, which are conducted annually in different markets.

**ENVIRONMENT**

Many of the countries we operate in have competition laws, or “anti-trust” laws. These laws reinforce our own standards – everyone needs to be able to compete fairly in a free market.

To prevent any misconduct, employees and directors are required to comply with our internal Competition Law Policy and local laws. Any employee who violates this policy may be subject to disciplinary action, including termination, significant monetary damages or fines, and even legal action.

**DATA PRIVACY**

To foster customer trust, we follow seven principles in our approach to data use, modern technologies, and services: consent, control, fairness, minimization, confidentiality, access, and accountability.

Our Privacy Policy aligns with laws across the jurisdictions where we operate. We also abide by widely accepted security standards and practices to guide our decisions around securing personal information.
INFORMATION SECURITY AND CYBERSECURITY

Safeguarding our information systems as well as the information that we receive and store about our customers, employees, vendors, and others is a priority for Gap Inc. We maintain a cybersecurity program with technical and organizational safeguards that is designed to identify, assess, manage, mitigate, and respond to cybersecurity threats, including threats associated with the use of third-party systems.

Annually, employees receive cybersecurity training, and we provide additional targeted cybersecurity awareness and education activities throughout the year. In partnership with external consultants, we periodically conduct “tabletop” exercises with management and members of our Information Security, Information Technology, and Privacy teams, during which we simulate real-life cybersecurity incident scenarios to assess our preparedness, test our incident response plans, and highlight potential areas for improvement. Audits of our cybersecurity risk management processes are conducted periodically in order to test the effectiveness of controls designed to prevent and respond to cyberattacks at different levels within Gap Inc.

Gap Inc.’s Chief Information Security Officer (CISO) oversees the cybersecurity program and reports to the Chief Digital & Technology Officer (CDTO). The CISO and/or CDTO provide a quarterly update on the cybersecurity program on an alternating basis to the Audit and Finance Committee or the full Board.

MARKETING AND PRODUCT CLAIMS

We diligently check that marketing messages and product sustainability claims we publish are accurate, substantiated, and representative of our brand’s integrity. To support this, we maintain measures that aim to ensure accurate and ethical representation of our products.

We recognize the risks associated with greenwashing and have policies requiring every product sustainability claim to be supported by verified and documented environmental or social benefits.11 We actively work to address this risk by training our employees on product claims, abiding by our Product Claims Toolkit, and maintaining a thorough review and data validation process for all public messaging.

Our Color Proud Council is devoted to improving both product and customer experience by embedding diversity and inclusion in all business operations. The Council focuses on diversity dimensions including, but not limited to, age, body type, ethnicity, gender, race, religion, sexual orientation, and those with disabilities.

11 Industry Association Engagement: During 2023, the American Apparel & Footwear Association (AAFA) submitted a statement to the Federal Trade Commission (FTC) on potential updates to environmental marketing claims guidelines, also known as Green Guides. Gap Inc. was actively involved in providing input for the AAFA’s response in support of developing more clear and robust guidelines.
# APPENDIX

**APPENDIX ESG LIBRARY**

**General**
- ESG Resources
- Gap Inc. Sustainability Policies
- SEC Filings

**Environment**
- CDP Submissions and Past Reports
- Emissions Assurance Statements

**Social**
- Equality & Belonging
- Gap Inc. Privacy Policy
- Finance and U.K. Gender Pay Gap Disclosure History

**Governance**
- Gap Inc. Governance
- Gap Inc. Corporate Compliance and Policies
- Responsible Business Practices (Managing Risks)
MATERIALLY

In a rapidly changing world, we aim to address the issues that can be most impacted by, or are most influential to, our business. By identifying material ESG topics, we can respond to matters that are most significant to our business and priority stakeholders.

MATERIALITY AND APPENDIX DISCLAIMER

For clarity, the identification of our material topics related to ESG and sustainability, the identification of SDGs as relevant, supporting, or interconnected to our business, or our identification of any material topics, impacts, risks, strategies, or opportunities in response to the GRI, SASB, or TCFD reporting frameworks on the following pages should not be construed as a characterization regarding the materiality or financial impact of any such topics, impacts, risks, strategies, or opportunities or related information to investors in Gap Inc. For a discussion of the risks that are material to investors in Gap Inc., please see our Annual Report on Form 10-K for the year ended February 3, 2024, filed with the Securities and Exchange Commission, our subsequent Quarterly Reports on Form 10-Q, and our Current Reports on Form 8-K.

To help us understand the most critical ESG issues, we conducted a materiality assessment from November 2022 to March 2023. A third-party expert consultant used processes aligned with the principles of Materiality and Stakeholder Inclusivity outlined in the Global Reporting Initiative (GRI) Reporting Standards and AA1000 AccountAbility Principles. Key stakeholders, including Gap Inc. and brand employees, customers, investors, NGO leaders, and ESG data aggregators were engaged through a survey and interviews as part of the assessment.

Learn more:
- Materiality
- SEC Filings

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<tr>
<th>MATERIAL TOPICS</th>
<th>Human rights and social impact</th>
<th>Governance and operating context</th>
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<td>Resource use, scarcity, and impact</td>
<td>Gender equity</td>
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<td>Emissions reduction</td>
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<td>Land and natural resource use</td>
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<td>Biodiversity</td>
<td>Diversity, equity, inclusion, and belonging</td>
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<td>Waste management</td>
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<td>Plastic reduction</td>
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Gap Inc.
In 2015, the United Nations established 17 Sustainable Development Goals (SDGs) as a blueprint for countries and the private sector to partner for global impact and achieve a more sustainable world by 2030.

In support, Gap Inc. has identified six SDGs (5, 6, 8, 10, 12, and 13) as most relevant to our business; also recognizing SDGs 4, 7, and 17 as interconnected to our sustainability pillars. This focus enables us to minimize harmful impacts while maximizing our opportunities to create a positive change for the future.

**EMPOWERING WOMEN**

Our business is driven by women – making up most of our customers, employees, and supply chain – and we work to empower them to reach their full potential. For this work, we align with SDGs 5, 8, and 12. Specifically, in support of SDG target 5.5 for Gender Equality – “ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life” – our 2025 goals strive for strategic factories to achieve gender parity at the supervisor level, gender-equitable workplace committees, and RISE participation. Additionally, our 2025 goal to address gender-based violence and harassment in our factories connects to SDG target 8.8 for Decent Work and Economic Growth – “protect labor rights and promote safe and secure working environments for all workers, including for young people and persons with disabilities, and equal pay for work of equal value.”

Gap Inc. also collaborates with suppliers, peers, governments, educational institutions, and NGOs to maximize potential impact, leading to pioneering industry wide programs like P.A.C.E./RISE.

**ENABLING OPPORTUNITY**

Creating more sustainable economies and a more equitable world means we use the assets and scale of our business to enable access to opportunity for economically marginalized groups. For this work, we align with SDGs 8 and 10. Our opportunity employment partnerships, such as the Second Chance Business Coalition supporting individuals who were formerly incarcerated, work to impact SDG target 8.5 for Decent Work and Economic Growth – “achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.”

Old Navy’s This Way Onward program for youth facing barriers to employment in North America supports SDG target 8.6 – “substantially reduce the proportion of youth not in employment, education or training.”

**ENRICHING COMMUNITIES**

We believe that a clean and healthy planet is a fundamental human right and commit to protecting natural resources and ensuring healthy communities for generations to come.

For this work, we align with SDGs 6, 12, and 13. Our 2050 Water Resilience Coalition commitment to support a water-resilient supply chain and our 2030 Water Access goal to facilitate access to improved drinking water and sanitation for 5 million people align with SDG target 6.4 for Clean Water and Sanitation – “substantially increase water-use efficiency across all sectors and ensure more sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.”

Additionally, our 2030 climate goals and science-based targets support SDG 13 for Climate Action, and our 100 percent company-operated renewable electricity goal specifically connects to SDG target 7.2 for Affordable and Clean Energy – “increase substantially the share of renewable energy in the global energy mix.” Our holistic approach connects climate and water impacts to our goals to create more sustainable products, reflecting our role as an apparel company to work toward SDG 12 for Responsible Consumption and Production.
Gap Inc. has reported the information cited in this GRI content index for the period January 29, 2023 to February 3, 2024 with reference to the GRI Standards (2016, 2018, 2020, and 2021). We consulted GRI 1: Foundation 2021 to build this content index. We do not report on any Sector Standards as the requirements for Textiles and Apparel have not yet been released.

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### GRI STANDARD DISCLOSURE GAP INC. REFERENCE(S)  
**GENERAL DISCLOSURES**

**GRI 2: General Disclosures 2021**

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<tr>
<td>2-2 Entities included in the organization’s sustainability reporting</td>
<td>Annual Report, Part I, Item 1, Business, p.1 Exhibit 21 “Subsidiaries of Registrant”</td>
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<td>2-3 Reporting period, frequency and contact point</td>
<td>ESG Report, The Big Picture, About This Report, p.3</td>
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<td>2-4 Restatements of information</td>
<td>2017 and 2022 emissions data has been restated as part of our science-based targets update and submission process. ESG Report, Environment, Climate Action, p.21</td>
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<td>2-5 External assurance</td>
<td>ESG Report, The Big Picture, About This Report, p.3 ESG Report, Appendix, Data Assurance, p.82 Assurance Statements</td>
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### GRI STANDARD DISCLOSURE GAP INC. REFERENCE(S)  
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<td>2-8 Workers who are not employees</td>
<td>ESG Report, Social, Supply Chain, p.29</td>
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<td>2-9 Governance structure and composition</td>
<td>ESG Report, Governance, ESG Oversight, p.52 Investor Relations Webpages, Corporate Governance Fact Sheet Investor Relations Webpages, Committees Composition Investor Relations Webpages, Board of Directors</td>
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<tr>
<td>2-10 Nomination and selection of the highest governance body</td>
<td>Investor Relations Webpages, Corporate Governance Fact Sheet Investor Relations Webpages, Board of Directors</td>
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2-11 Chair of the highest governance body
Investor Relations Webpages; Board of Directors

2-12 Role of the highest governance body in overseeing the management of impacts
ESG Report; Governance, Stakeholder and Political Engagement, p.54
ESG Report; Governance, ESG Oversight, p.52
ESG Report; Governance, Risk Management, p.53
ESG Webpages; Governance, Business Ethics and Integrity, p.56
Investor Relations Webpages; Corporate Governance Guidelines
ESG Webpages; Management Approach
2023 CDP Climate Submission, C1.d; C1.e

2-13 Delegation of responsibility for managing impacts
Investor Relations Webpages; Committee Composition
Investor Relations Webpages; Governance and Sustainability Committee Charter
ESG Report; Governance, ESG Oversight, p.52

2-14 Role of the highest governance body in sustainability reporting
Investor Relations Webpages; Governance and Sustainability Committee Charter
ESG Report; Governance, ESG Oversight, p.52

2-15 Conflicts of interest
Investor Relations Webpages; Corporate Compliance

2-16 Communication of critical concerns
ESG Report; Governance, ESG Oversight, p.52

2-17 Collective knowledge of the highest governance body
2023 CDP Climate Submission, C1.d
2023 CDP Water Submission, W6.2g

2-18 Evaluation of the performance of the highest governance body
Investor Relations Webpages; Governance
Investor Relations Webpages; Corporate Governance Guidelines
Investor Relations Webpages; Corporate Governance Fact Sheet

2-19 Remuneration policies
Proxy Statement 2023

2-20 Process to determine remuneration
Proxy Statement 2023

2-21 Annual total compensation ratio
Proxy Statement 2023; CEO Pay Ratio, p.64

2-22 Statement on sustainable development strategy
ESG Report; The Big Picture, Our ESG Approach, p.9
ESG Report; The Big Picture, Our Supplier Sustainability Approach, p.10

GRI 2: General Disclosures 2021 (cont.)

2-23 Policy commitments
Gap Inc. applies the precautionary principle to its use of chemicals through testing of its products and its commitment to the elimination of PFC-based finishes. For more information, please see Chemicals Management and ESG Report; Governance, Business Ethics and Integrity, p.56

2-24 Embedding policy commitments
ESG Report; Governance, Business Ethics and Integrity, p.56

2-25 Processes to remediate negative impacts
ESG Report; Governance, Stakeholder and Political Engagement, p.54
ESG Report; Social, Supply Chain, Assessment and Remediation, p.32

2-26 Mechanisms for seeking advice and raising concerns
Investor Relations Webpages; Corporate Compliance
Investor Relations Webpages; Code of Business Conduct
ESG Report; Governance, Business Ethics and Integrity, p.56

2-27 Compliance with laws and regulations
Investor Relations Webpages; Corporate Compliance
ESG Report; Governance, Business Ethics and Integrity, p.56

2-28 Membership associations
ESG Webpages; ESG Report; The Big Picture, p.19

2-29 Approach to stakeholder engagement
ESG Report; Governance, Stakeholder and Political Engagement, p.54

2-30 Collective bargaining agreements
ESG Webpages; Human Rights Policy

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GRI 3: Material Topics 2021
3-1 Process to determine material topics
ESG Report; The Big Picture, About This Report, p.3
ESG Report; Appendix, Materiality, p.59

3-2 List of material topics
ESG Report; Appendix, Materiality, p.59

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GRI 3: Material Topics 2021
3-3 Management of material topics
Annual Report; Part II, Item 7 Management’s Discussion and Analysis of Financial Condition and Results of Operations, p.215
Annual Report; Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk, p.35
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<td><strong>ECONOMIC PERFORMANCE 2016</strong></td>
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<td><strong>GRI 201-1 Direct economic value generated and distributed</strong></td>
<td>Annual Report; Part II, Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations; p.25</td>
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<tr>
<td><strong>GRI 201-2 Financial implications and other risks and opportunities due to climate change</strong></td>
<td>2023 CDP Climate Submission; C2.2, C2.3a, C2.3, C2.3a, C2.4, C2.4a, C3.4</td>
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<td>2023 CDP Water Submission; W3.3b, W4.1a, W4.1b, W4.1c, W4.2a, W4.2b, W4.3, W4.3a</td>
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<tr>
<td><strong>GRI 201-3 Defined benefit plan obligations and other retirement plans</strong></td>
<td>ESG Report; Social: Workplace and Community, People; p.47</td>
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<tr>
<td><strong>GRI 201-4 Financial assistance received from government</strong></td>
<td>Not applicable. Gap Inc. did not receive financial assistance from the government in 2023.</td>
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<td><strong>PROCUREMENT PRACTICES</strong></td>
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<td><strong>GRI 3: Material Topics 2021</strong></td>
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<td><strong>3-3 Management of material topics</strong></td>
<td>ESG Report; Appendix, Materiality; p.59</td>
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<td>ESG Report; Social: Supply Chain, Purchasing Practices; p.31</td>
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<td>ESG Report; Social: Supply Chain, Assessment and Remediation; p.32</td>
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<td>ESG Report; Environment, Raw Materials and Product; p.24</td>
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<td><strong>GRI 304: Procurement Practices 2015</strong></td>
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<td><strong>204-1 Proportion of spending on local suppliers</strong></td>
<td>Information unavailable/incomplete. We focus our impact and responsibility efforts on our global supply chain.</td>
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<td><strong>ANTI-CORRUPTION</strong></td>
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<td><strong>3-3 Management of material topics</strong></td>
<td>ESG Report; Governance, Business Ethics and Integrity; p.56</td>
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<td><strong>GRI 205: Anti-corruption 2016</strong></td>
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<td><strong>205-1 Operations assessed for risks related to corruption</strong></td>
<td>ESG Report; Governance, Business Ethics and Integrity; p.56</td>
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<td><strong>205-2 Communication and training about anti-corruption policies and procedures</strong></td>
<td>ESG Report; Governance, Business Ethics and Integrity; p.56</td>
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<td><strong>205-3 Confirmed incidents of corruption and actions taken</strong></td>
<td>ESG Report; Governance, Business Ethics and Integrity; p.56</td>
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<td><strong>3-3 Management of material topics</strong></td>
<td>ESG Report; Environment, Climate Action; p.21</td>
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<td>2023 CDP Climate Submission; C1.1a, C1.1b, C1.2, C1.3a</td>
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<td><strong>GRI 302: Energy 2016</strong></td>
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<td><strong>302-1 Energy consumption within the organization</strong></td>
<td>2023 CDP Climate Submission; CS 2, C8.1, C8.2a, C8.2b, C8.2c, C8.2e, C8.2g</td>
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<td>ESG Report; Environment, Climate Action; p.21</td>
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<td>ESG Report; SASB Index, CS-M6-130a1.L, p.75</td>
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<td>ESG Webpages; Assurance Statements for Environmental Data ESG Report; Appendix, Data Assurance, p.82</td>
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<td><strong>302-2 Energy consumption outside of the organization</strong></td>
<td>2023 CDP Climate Submission; CS 2, C8.1, C8.2a, C8.2b, C8.2c, C8.2e, C8.2g</td>
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<td>ESG Report; Environment, Climate Action; p.21</td>
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<td><strong>302-3 Energy intensity</strong></td>
<td>2023 CDP Climate Submission; C6 10</td>
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<td>ESG Report; Environment, Climate Action; p.21</td>
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<td>GRI 302: Energy 2016 (cont.)</td>
<td>302-4 Reduction of energy consumption</td>
<td>2023 CDP Climate Submission; C4.1a, C4.2, C4.2a, C4.3, C4.3a, C4.3b, C4.3c; ESG Report; Environment, Climate Action; p.21</td>
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<td>3-3 Management of material topics</td>
<td>ESG Report; Environment, Water Stewardship; p.16 2023 CDP Water Submission; W0.5, W0.6, W1.2, W2.1, W3.3, W3.3a, W3.3b, W4.1a, W4.2a, W6.1, W6.2a-b, W6.3, W7.3, W7.3a</td>
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<td>GRI 303: Water and Effluents 2018</td>
<td>303-1 Interactions with water as a shared resource</td>
<td>ESG Report; Environment, Access: Community Water Resilience; p.17 2023 CDP Water Submission; W1.1, W1.5, W1.5a-e, W3.3a-b, W4.2a, W8.1a-b</td>
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<td>303-2 Management of water discharge-related impacts</td>
<td>ESG Report; Environment, Water Stewardship; p.16 2023 CDP Water Submission; W1.2b, W1.3a, W1.3h</td>
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<td>303-3 Water withdrawal</td>
<td>ESG Report; Environment, Reduction and Replenishment: Tackling Water Consumption; p.18 2023 CDP Water Submission; W1.2b, W1.3a, W1.3h</td>
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<td>303-4 Water discharge</td>
<td>ESG Report; Environment, Chemicals Management; p.20 2023 CDP Water Submission; W1.2b, W1.3a, W1.3j</td>
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<td>303-5 Water consumption</td>
<td>ESG Report; Environment, Reduction and Replenishment: Tackling Water Consumption; p.18 2023 CDP Water Submission; W1.2b</td>
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<td>3-3 Management of material topics</td>
<td>ESG Report; Environment, Raw Materials and Product; p.24</td>
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<td>GRI 304: Biodiversity 2016</td>
<td>3D4-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity: value outside protected areas</td>
<td>ESG Report; Environment, Raw Materials and Product; p.24 2023 CDP Climate Submission; C1.1a, C1.1b, C2.2, C2.2a, C2.3a, C2.4a, C3.2b, C3.3, C3.4, C4.3c; ESG Report; Environment, Climate Action; p.21</td>
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<td>GRI 304: Biodiversity 2016 (cont.)</td>
<td>304-2 Significant impacts of activities, products and services on biodiversity</td>
<td>ESG Report; Environment, Raw Materials and Product; p.24</td>
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<td></td>
<td>304-3 Habitats protected or restored</td>
<td>Information unavailable as we are currently working to expand our Wood-Derived Fibers Policy to address land use, forest conservation, and deforestation risks</td>
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<tr>
<td></td>
<td>304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations</td>
<td>Information unavailable as we are currently working to expand our Wood-Derived Fibers Policy to address land use, forest conservation, and deforestation risks</td>
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<tr>
<td>GRI 305: Emissions 2016</td>
<td>305-1 Direct (Scope 1) GHG emissions</td>
<td>2023 CDP Climate Submission; C5.2, C5.3, C6.1, C6.10, C7.1, C7.1a, C7.2, C7.3a, C7.3b, C7.9a; ESG Report; Environment, Climate Action; p.21 2023 CDP Climate Submission; C5.2, C5.3, C6.2, C6.3, C6.4, C6.10, C7.5, C7.6, C7.6a, C7.6b, C7.6c; ESG Report; Environment, Climate Action; p.21 2023 CDP Climate Submission; C5.2, C5.3, C6.2, C6.3, C6.4, C6.10, C7.5, C7.6, C7.6a, C7.6b, C7.6c; ESG Report; Environment, Climate Action; p.21</td>
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<td>305-2 Energy indirect (Scope 2) GHG emissions</td>
<td>2023 CDP Climate Submission; C5.2, C5.3, C6.2, C6.3, C6.4, C6.10, C7.5, C7.6, C7.6a, C7.6b, C7.6c; ESG Report; Environment, Climate Action; p.21 2023 CDP Climate Submission; C5.2, C5.3, C6.2, C6.3, C6.4, C6.10, C7.5, C7.6, C7.6a, C7.6b, C7.6c; ESG Report; Environment, Climate Action; p.21 2023 CDP Climate Submission; C5.2, C5.3, C6.2, C6.3, C6.4, C6.10, C7.5, C7.6, C7.6a, C7.6b, C7.6c; ESG Report; Environment, Climate Action; p.21</td>
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<tr>
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<td>305-3 Other indirect (Scope 3) GHG emissions</td>
<td>2023 CDP Climate Submission; C5.2, C5.3, C6.5; ESG Report; Environment, Climate Action; p.21 2023 CDP Climate Submission; C5.2, C5.3, C6.5; ESG Report; Environment, Climate Action; p.21 2023 CDP Climate Submission; C5.2, C5.3, C6.5; ESG Report; Environment, Climate Action; p.21</td>
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<td>305-4 GHG emissions intensity</td>
<td>2023 CDP Climate Submission; C6.10; ESG Report; Environment, Climate Action; p.21 2023 CDP Climate Submission; C6.10; ESG Report; Environment, Climate Action; p.21 2023 CDP Climate Submission; C6.10; ESG Report; Environment, Climate Action; p.21</td>
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### GRI STANDARD | DISCLOSURE | GAP INC. REFERENCE(S)
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**GRI 305: Emissions 2018 (cont.)**
305-5 Reduction of GHG emissions | 2023 CDP Climate Submission, C2.4a, C4.1, C4.1a, C4.2, C4.2a, C4.3, C4.3a, C4.3b, C4.2c, C5.2 | ESG Report; Environment, Climate Action; p.21
305-6 Emissions of ozone-depleting substances (ODS) | Gap Inc. has no ozone-depleting substance emissions to report. |  
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | 2023 CDP Climate Submission; C7.1a | ESG Report; Environment, Climate Action; p.21

### WASTE

**GRI 3: Material Topics 2021**
3-3 Management of material topics | ESG Report; Environment, Circularity; p.26

**GRI 306: Waste 2020**
306-1 Waste generation and significant waste-related impacts | ESG Report; Environment, Circularity; p.26
306-2 Management of significant waste-related impacts | ESG Report; Environment, Circularity; p.26
306-3 Waste generated | ESG Report; Environment, Circularity; p.26
306-4 Waste diverted from disposal | ESG Report; Environment, Circularity; p.26
306-5 Waste directed to disposal | ESG Report; Environment, Circularity; p.26

### SUPPLIER ENVIRONMENTAL ASSESSMENT

**GRI 3: Material Topics 2021**
3-3 Management of material topics | ESG Report; Social: Supply Chain, Assessment and Remediation; p.32

**GRI 308: Supplier Environmental Assessment 2018**
308-1 New suppliers that were screened using environmental criteria | ESG Report; SASB, CG-AA-430d.1, CG-AA-430d.2, CG-AA-430b.1, CG-AA-430b.2; pp.619–70

### EMPLOYMENT

**GRI 3: Material Topics 2021**
3-3 Management of material topics | ESG Report; Social: Workplace and Community, People; p.47

**GRI 401: Employment 2016**
401-1 New employee hires and employee turnover | Proxy Statement 2023; p.64
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | ESG Report; Social: Workplace and Community, People; p.47
401-3 Parental leave | ESG Report; Social: Workplace and Community, People; p.47

### OCCUPATIONAL HEALTH AND SAFETY

**GRI 3: Material Topics 2021**
3-3 Management of material topics | ESG Report; Social: Workplace and Community, People; p.47

**GRI 403: Occupational Health and Safety 2018**
403-1 Occupational health and safety management system | ESG Report; Social: Workplace and Community, People; p.47
403-2 Hazard identification, risk assessment, and incident investigation | ESG Report; Social: Workplace and Community, People; p.47
403-3 Occupational health services | ESG Report; Social: Workplace and Community, People; p.47
403-4 Worker participation, consultation, and communication on occupational health and safety | ESG Report; Social: Workplace and Community, People; p.47
<table>
<thead>
<tr>
<th>GRI STANDARD</th>
<th>DISCLOSURE</th>
<th>GAP INC. REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 403: Occupational Health and Safety 2018 (cont.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>403-15 Worker training on occupational health and safety</td>
<td>ESG Report; Social: Workplace and Community, People; p.47</td>
<td></td>
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<tr>
<td>403-16 Promotion of worker health</td>
<td>ESG Report; Social: Workplace and Community, People; p.47</td>
<td></td>
</tr>
<tr>
<td>403-17 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</td>
<td>ESG Report; Social: Workplace and Community, People; p.47</td>
<td></td>
</tr>
<tr>
<td>403-18 Workers covered by an occupational health and safety management system</td>
<td>ESG Report; Social: Workplace and Community, People; p.47</td>
<td></td>
</tr>
<tr>
<td>403-19 Work-related injuries</td>
<td>ESG Report; Social: Workplace and Community, People; p.47</td>
<td></td>
</tr>
<tr>
<td>403-20 Work-related ill health</td>
<td>ESG Report; Social: Workplace and Community, People; p.47</td>
<td></td>
</tr>
</tbody>
</table>

**TRAINING AND EDUCATION**

| GRI 3: Material Topics 2021 | 3-3 Management of material topics | ESG Report; Social: Workplace and Community, People; p.47 |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | ESG Report; Social: Workplace and Community, People; p.47 |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | ESG Report; Social: Workplace and Community, People; p.47 |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | ESG Report; Social: Workplace and Community, People; p.47 |

| **DIVERSITY AND EQUAL OPPORTUNITY** |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | ESG Report; Social: Workplace and Community, Equality & Belonging; p.44 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | ESG Report; Social: Workplace and Community, Equality & Belonging; p.44 |
| | 405-2 Ratio of basic salary and remuneration of women to men | ESG Report; Social: Workplace and Community, Equality & Belonging; p.44 |
| | Investor Relations Webpages; Corporate Compliance France and U.K. Gender Pay Gap Disclosure History | |

**LOCAL COMMUNITIES**

<p>| GRI 3: Material Topics 2021 | 3-3 Management of material topics | ESG Report; Social: Supply Chain, Gap Inc. P.A.C.E. and RISE; p.36 |
| | ESG Report; Social: Workplace and Community, Enabling Opportunity and Social Impact; p.40 |
| | ESG Report; Environment, Access: Community Water Resilience; p.17 |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | ESG Report; Social: Supply Chain, Gap Inc. P.A.C.E. and RISE; p.36 |
| | ESG Report; Social: Workplace and Community, Enabling Opportunity and Social Impact; p.40 |
| | ESG Report; Environment, Access: Community Water Resilience; p.17 |
| | ESG Report; Environment, Water Stewardship; p.16 |
| | ESG Report; Environment, Chemicals Management; p.20 |</p>
<table>
<thead>
<tr>
<th>GRI STANDARD</th>
<th>DISCLOSURE</th>
<th>GAP INC. REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUPPLIER SOCIAL ASSESSMENTS AND LABOR</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 3: Material Topics 2021</td>
<td>3-3 Management of material topics</td>
<td>ESG Report; Social: Supply Chain, Human Rights; p.30 ESG Report; Social: Supply Chain, Assessment and Remediation; p.32 ESG Report; Social: Supply Chain, Capability Building; p.34 Gap Inc. Webpages; California Transparency in Supply Chains Act &amp; U.K. Modern Slavery Act Statement</td>
</tr>
<tr>
<td>GRI 414: Supplier Social Assessment 2016</td>
<td>414-1 New suppliers that were screened using social criteria</td>
<td>ESG Report; Social: Supply Chain, Assessment and Remediation; p.32 ESG Report; SASB, CG-AA-430b.1, CG-AA-430b.2; p.70</td>
</tr>
<tr>
<td></td>
<td>414-2 Negative social impacts in the supply chain and actions taken</td>
<td>ESG Report; SASB, CG-AA-430b.1, CG-AA-430b.2; p.70 ESG Webpages; Grievance Mechanisms</td>
</tr>
<tr>
<td>GRI 406: Non-discrimination 2016</td>
<td>406-1 Incidents of discrimination and corrective actions taken</td>
<td>ESG Report; Social: Supply Chain, Assessment and Remediation; p.32 ESG Report; Social: Supply Chain, Capability Building (Gender-Based Violence and Harassment Prevention and Response); p.35 ESG Report; SASB, CG-AA-430b.1, CG-AA-430b.2; p.70 ESG Webpages; Discrimination and Harassment</td>
</tr>
<tr>
<td>GRI 408: Child Labor 2016</td>
<td>408-1 Operations and suppliers at significant risk for incidents of child labor</td>
<td>ESG Report; Social: Supply Chain, Human Rights; p.30 ESG Report; Social: Supply Chain, Assessment and Remediation; p.32 ESG Webpages; Child Labor and Young Workers</td>
</tr>
<tr>
<td>GRI 409: Forced or Compulsory Labor 2016</td>
<td>409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor</td>
<td>ESG Report; Social: Supply Chain, Human Rights; p.30 ESG Report; Social: Supply Chain, Assessment and Remediation; p.32 ESG Webpages; Human Trafficking and Forced Labor</td>
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<tr>
<th>GRI STANDARD</th>
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<tr>
<td><strong>PUBLIC POLICY</strong></td>
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<tr>
<td>GRI 3: Material Topics 2021</td>
<td>3-3 Management of material topics</td>
<td>ESG Report; Governance, Stakeholder and Political Engagement; p.54 Gap Inc. Webpages; Political Engagement Policy</td>
</tr>
<tr>
<td>GRI 415: Public Policy 2016</td>
<td>415-1 Political contributions</td>
<td>ESG Report; Governance, Stakeholder and Political Engagement; p.54 Gap Inc. Webpages; Political Engagement Policy</td>
</tr>
</tbody>
</table>

| **CUSTOMER HEALTH AND SAFETY** | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | ESG Report; Environment, Chemicals Management; p.20 |
| GRI 416: Customer Health and Safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories | ESG Report; Environment, Chemicals Management; p.20 |
| | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | Zero incidents of non-compliance were observed in 2023. Consumer Product Safety Commission |
SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

The International Sustainability Standards Board (ISSB) of the International Financial Reporting Standards (IFRS) is an independent, private-sector standards-setting organization dedicated to enhancing the efficiency of capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. We disclose to the Standard for the Apparel, Accessories & Footwear industry, and select relevant disclosures from the E-Commerce and Multiline and Specialty Retailers & Distributors industries, as defined by the SASB Sustainable Industry Classification System (SICS).

<table>
<thead>
<tr>
<th>TOPIC/ACCOUNTING METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management of Chemicals in Product</td>
<td>APPAREL, ACCESSORIES &amp; FOOTWEAR</td>
<td>Discussion of processes to maintain compliance with restricted substances regulations</td>
<td>Discussion and Analysis</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Gap Inc. uses the following processes to assess and manage potential risks and hazards associated with their product materials and chemicals:

**Input Management:** The selection of better chemical inputs and starting materials is an essential part of reducing the use and discharge of hazardous chemicals.

**Process Management:** Adherence to chemicals management best practices during manufacturing is critical for reducing both human and environmental risks.

**Output Management:** The outputs of apparel and footwear manufacturing include finished products as well as wastewater. Gap Inc. restricts chemicals of known concern.

In 2023, Gap Inc. met its goal to not source any fabrics intentionally treated with per- and polyfluoroalkyl substances (PFAS). Throughout the year, more than 99% of shipped items with water- or stain-repellent qualities were made without PFAS treatments.

For more than 15 years, we have required our denim laundries to participate in our Water Quality Program, which allows us to actively monitor and improve wastewater quality. In 2022, we added woven and garment dye laundries to this program, and during 2023, we expanded to knit and sweater laundries, for a total of 170 Water Quality Program participants. We also conduct a Mill Sustainability Program for an additional 59 facilities in Tier 2, for a total of 229 facilities participating in wastewater testing.

Our Tier 1 and strategic Tier 2 suppliers complete the Sustainable Apparel Coalition’s Higg Index Facility Module (FEM) self-assessment to communicate their water and energy use, along with chemicals and waste management.

ESG Report; Environment, Chemicals Management; p.20

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1 A few items shipped early in the year included a PFAS-finished fabric produced and purchased prior to January 1, 2023.
## Labor Conditions in the Supply Chain

<table>
<thead>
<tr>
<th>TOPIC/ACCOUNTING METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA</th>
<th>REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>We have communicated to our entire supplier base our expectations of their social and environmental performance, which are requirements of doing business with us. Facilities with a consistently low nonconformance rate may be assessed on an annual basis; all facilities are audited prior to initial production.</td>
<td>ESG Report; Social: Supply Chain, Human Rights; p.30</td>
<td>ESG Report; Social: Supply Chain, Assessment and Remediation; p.32</td>
<td>ESG Webpages; COVC Findings ESG Report; Appendix, Supplemental Data; p.78</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>TOPIC/ACCOUNTING METRIC</th>
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<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA</th>
<th>REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority non-conformance rate and associated corrective action rate for suppliers’ labor code of conduct audits</td>
<td>Quantitative Rate</td>
<td>CG-AA-430b.2</td>
<td></td>
<td>We use a color-coded system to rate each facility’s performance. High-performing facilities with no critical and few violations are rated green; average performers are yellow; and those that need to address one or more serious issues are red. For issues open as of 2/1/2023, 78 percent of corrective action plans were resolved by 2/1/2024.</td>
<td>ESG Report; Social: Supply Chain, Human Rights; p.30 ESG Report; Social: Supply Chain, Assessment and Remediation; p.32</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>TOPIC/ACCOUNTING METRIC</th>
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<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA</th>
<th>REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description of greatest (1) labor and (2) environmental, health, and safety risks in the supply chain</td>
<td>Discussion and Analysis</td>
<td>N/A</td>
<td>CG-AA-430b.3</td>
<td>1. The labor practices and working conditions at the third-party suppliers that make apparel for Gap Inc. brands can affect reputation, business continuity, and operating costs for our brands and the company overall. Most workers in our supply chain are women, which is why in addition to labor practices, we have strong focus of empowering women to create lasting impact. 2. Excessive overtime, fire and structural safety, and gender-based violence and harassment are high-risk supply chain issues that we have specific programs in place to address. The human rights impact of these risks can be severe, and these issues can also present operational risk to our supply chain and reputational risk to our portfolio of brands.</td>
<td>ESG Report; Social: Supply Chain, Human Rights; p.30 ESG Report; Social: Supply Chain, Assessment and Remediation; p.32</td>
</tr>
</tbody>
</table>
### Topical/Accounting Metric Category

<table>
<thead>
<tr>
<th>Topic/Accounting Metric</th>
<th>Category</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>Data</th>
<th>Reference(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw Material Sourcing</td>
<td>Discussion and Analysis</td>
<td>N/A</td>
<td>CG-AA-440a.3</td>
<td>PRIORITY RAW MATERIALS</td>
<td>N/A</td>
</tr>
</tbody>
</table>

#### Environmental and/or Social Factors:

- **Cotton:** Changes in water access, drought, flooding, heat waves, soil deterioration, and other climate, water, and biodiversity impacts can affect availability, cost, and quality of cotton crops.
- **Polyester:** As a synthetic, petroleum-based synthetic fiber, polyester can contribute to anthropogenic pollution in the extraction and production phases; it does not naturally biodegrade, and there are concerns about microplastic pollution.
- **Nylon:** Conventional nylon is a petroleum-based synthetic fiber that contributes to anthropogenic pollution and greenhouse gases in the production phase and requires large amounts of water to produce.
- **Manmade cellulosic fibers:** Derived from wood and wood pulp by-products, manmade cellulosic fibers are susceptible to environmental factors such as drought, flooding, natural disasters, and disease, which could potentially impact the harvest of the materials substantially and is also connected to deforestation and decreasing biodiversity.

#### Discussion of Business Risks and/or Opportunities:

- **Cotton:** Farming and processing cotton typically involves the use of large quantities of water as well as chemicals, and often takes place in regions facing water and climate risks.
- **Polyester:** We expect the costs of raw material commodities like polyester and recycled polyester (rPET) to increase based on demand, availability, and environmental factors such as drought, flood, and natural disaster in our regions of procurement and production. The production of synthetic materials including polyester relies on fossil fuel and petroleum derivatives, and as such is susceptible to fluctuations in the cost and availability of petroleum products.
- **Nylon:** Conventional nylon's reliance on large amounts of water in the production phase makes nylon manufacturing susceptible to environmental factors such as drought, flooding, and other water related infrastructure problems.
- **Manmade cellulosic fibers:** Uncertainty in materials procurement supply chains can be a point of potential risk for organizations when sourcing manmade cellulosic fibers. We maintain a diverse supplier base, validate the source origin for our materials, and rely on industry certifications and branded cellulosic fibers sourcing which have proven to have a reduced environmental impact compared with conventional cellulosics.

#### Management Strategy:

- **Our holistic preferred fibers strategy uses life-cycle assessment (LCA) data on indicators including global warming potential, water use, and eutrophication, as well as evaluations for biodiversity, potential for circularity, chemistry, land use change, and social conditions within production.**
- **Gap Inc.’s Supply Chain and Sourcing teams monitor and respond to risks for key raw materials using a multi-factor model that includes cotton, polyester, nylon, and manmade cellulosic fibers prices.**
- **Gap Inc. takes a portfolio approach to cotton sourcing, with an emphasis on cultivating diverse sources of more sustainable cotton across several regions to reduce risk.**
- **We measure our progress by setting and working toward public goals to increase the percentage of more sustainable cotton and recycled polyester used in our products, and continue to ensure 100% of our manmade cellulosic fibers are not sourced from ancient, endangered, high-conservation-value, or high-carbon-stock forests.**
- **Partnerships are a key tenet of our approach. We have joined industry collaborations such as the Textile Exchange Recycled Polyester Challenge, rPET Round Table, and Biosynthetics Working Group to improve the sourcing of materials. We are also interested in advancing opportunities around lower-impact nylon and elastane, two critical performance fibers with few existing alternative options.**

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**ESG Report, Environment, Raw Materials and Product, p.24**

*ESG Report, Environment, Climate Action, p.81*

*ESG Report, Environment, Water Stewardship, p.36*

*2023 CDP Climate Submission: C1.3, C2.2, C2.2a*

*2023 CDP Water Submission: W3.3b*
<table>
<thead>
<tr>
<th>TOPIC/ACCOUNTING METRIC</th>
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<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA</th>
<th>REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Amount of priority raw materials purchased, by materials, and (2) amount of each priority raw material that is certified to a third-party environmental and/or social standard, by standard</td>
<td>Quantitative</td>
<td>Metric tons (t)</td>
<td>CG-AA-440a 4</td>
<td></td>
<td>ESG Report, Environment, Raw Materials and Product, p.24</td>
</tr>
</tbody>
</table>

**Priority raw material (name)** | Certification/Standard & Associated Discussion (Technical/Protocol #3-3.3)** | 2021 | 2022 | 2023 |
<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Manmade cellulose fibers</td>
<td>Lenzing, TENCEL, Viscose, Birla Liva ECO</td>
<td>13%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Cotton</td>
<td>Better Cotton Initiative (BCI), Global Organic Textile Standard (GOTS), Organic Content Standard (OCS)</td>
<td>79%</td>
<td>81%</td>
<td>88%</td>
</tr>
<tr>
<td>Polyester</td>
<td>Global Recycled Standard (GRS), Recycled Content Standard (RCS)</td>
<td>10%</td>
<td>16%</td>
<td>19%</td>
</tr>
<tr>
<td>Nylon</td>
<td>Global Recycled Standard (GRS), Recycled Content Standard (RCS)</td>
<td>10%</td>
<td>12%</td>
<td>7%</td>
</tr>
<tr>
<td>Wool</td>
<td>Responsible Wool Standard (RWS), Global Recycled Standard (GRS), Recycled Content Standard (RCS)</td>
<td>14%</td>
<td>44%</td>
<td>43%</td>
</tr>
</tbody>
</table>

1 Percentages may also include fibers that pass an internal threshold of traceability standards for more sustainable practices.

2 This number is inclusive of vendor-sourced mills.

**Activity Metric**

<table>
<thead>
<tr>
<th>Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1</th>
<th>Quantitative</th>
<th>Number</th>
<th>CG-AA-000 A</th>
<th>Tier 1 branded-apparel supplier facilities are defined as direct-relationship cut-and-sew facilities and their associated embroidery, laundry, and screen-printing facilities.</th>
<th>ESG Report, Social, Supply Chain, Assessment and Remediation, p.32</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th># of Tier 1 branded-apparel supplier factories</th>
<th># of mill facilities (Tier 2)</th>
<th>% of business from mill facilities (Tier 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>705</td>
<td>231</td>
<td>65%</td>
</tr>
<tr>
<td>2022</td>
<td>702</td>
<td>249</td>
<td>79%</td>
</tr>
<tr>
<td>2023</td>
<td>682</td>
<td>707</td>
<td>73%</td>
</tr>
</tbody>
</table>
## E-COMMERCE

### Hardware Infrastructure Energy & Water Management

<table>
<thead>
<tr>
<th>Description</th>
<th>Topic</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>Data</th>
<th>Reference(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress</td>
<td>E-COMMERCE</td>
<td>Cubic meters (m³), Percentage (%)</td>
<td>CG-EC-130a.2</td>
<td></td>
<td>See references.</td>
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<tr>
<td><strong>WATER CONSUMPTION AND RISK</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ESG Report; Environment, Water Stewardship; p.16</td>
</tr>
<tr>
<td>Company-operated water consumption (cubic meters)</td>
<td>2021</td>
<td>1.02 billion</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>2022</td>
<td>892 million</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>2023</td>
<td>885 million</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply Chain water consumption (cubic meters)</td>
<td>2021</td>
<td>218 billion</td>
<td></td>
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<tr>
<td></td>
<td>2022</td>
<td>32 billion</td>
<td>Available later in 2024</td>
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<tr>
<td>Water consumption in WWF risk level &lt;2.5</td>
<td>2021</td>
<td>2%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>5%</td>
<td>Available later in 2024</td>
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<tr>
<td>Water consumption in WWF risk level 2.5–3.5</td>
<td>2021</td>
<td>75%</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>2022</td>
<td>65%</td>
<td>Available later in 2024</td>
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<td></td>
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<tr>
<td>Water consumption in WWF risk level 3.5–4.5</td>
<td>2021</td>
<td>19%</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>2022</td>
<td>22%</td>
<td>Available later in 2024</td>
<td></td>
<td></td>
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<tr>
<td>Water consumption in WWF risk level not yet assessed</td>
<td>2021</td>
<td>4%</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>8%</td>
<td>Available later in 2024</td>
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### Data Security

<table>
<thead>
<tr>
<th>Description</th>
<th>Topic</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>Data</th>
<th>Reference(s)</th>
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</thead>
<tbody>
<tr>
<td>Description of approach to identifying and addressing data security risks</td>
<td>Data Security</td>
<td>N/A</td>
<td>CG-EC-230a.1</td>
<td>See references.</td>
<td>ESG Report; Governance, Business Ethics and Integrity; p.56</td>
</tr>
<tr>
<td></td>
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<td></td>
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<td></td>
<td>Gap Inc. Webpages; Privacy Policy</td>
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<td></td>
<td>Gap Inc.’s Code of Business Conduct</td>
</tr>
</tbody>
</table>

### Employee Recruitment, Inclusion & Performance

<table>
<thead>
<tr>
<th>Description</th>
<th>Topic</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>Data</th>
<th>Reference(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee engagement as a percentage</td>
<td>Employee Recruitment, Inclusion &amp; Performance</td>
<td>Percentage (%)</td>
<td>CG-EC-330a.1</td>
<td>In 2023, 4,982 employees filled out the HQ Pulse survey, a Gap Inc. survey that is conducted internally. We measure engagement through the following metrics: 81% responded yes to the statement: “I am proud to work here” 72% responded yes to the statement: “I intend to stay for at least the next 12 months”</td>
<td>ESG Report; Social, Workplace and Community, People; p.47</td>
</tr>
<tr>
<td>(1) Voluntary and (2) involuntary turnover rate for all employees</td>
<td></td>
<td>Rate</td>
<td>CG-EC-330a.2</td>
<td>Total employee turnover rate</td>
<td>ESG Report; Appendix, Supplemental Data; p.78</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Voluntary employee turnover rate</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2022</td>
<td>96%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2023</td>
<td>87%</td>
</tr>
</tbody>
</table>
### ESG Report: Social Workplace and Community, Equality & Belonging, p.44

#### Product Packaging & Distribution

<table>
<thead>
<tr>
<th>TOPIC/ACCOUNTING METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA</th>
<th>REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total greenhouse gas (GHG) footprint of product shipments</td>
<td>Quantitative</td>
<td>Metric tons (t)</td>
<td>CO₂-e</td>
<td>CG-EC-410a.1</td>
<td>ESG Report; Environment, Climate Action, p.21</td>
</tr>
</tbody>
</table>

#### EMPLOYEES

<table>
<thead>
<tr>
<th>Year</th>
<th>White</th>
<th>Asian</th>
<th>Black</th>
<th>Hispanic/Latinx</th>
<th>Other[^1]</th>
<th>Women</th>
<th>Men</th>
<th>Non-binary</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>45%</td>
<td>7%</td>
<td>17%</td>
<td>25%</td>
<td>6%</td>
<td>76%</td>
<td>24%</td>
<td>-</td>
</tr>
<tr>
<td>2022</td>
<td>44%</td>
<td>6%</td>
<td>16%</td>
<td>25%</td>
<td>9%</td>
<td>75%</td>
<td>24%</td>
<td>1%</td>
</tr>
<tr>
<td>2023</td>
<td>41%</td>
<td>5%</td>
<td>15%</td>
<td>24%</td>
<td>15%</td>
<td>76%</td>
<td>23%</td>
<td>1%</td>
</tr>
</tbody>
</table>

[^1]: The data combines ethnic groups identified as two or more ethnicities, Middle Eastern, Native American, or API (Asian Pacific Islanders and Native Hawaiians).

#### MANAGEMENT

<table>
<thead>
<tr>
<th>Year</th>
<th>White</th>
<th>Asian</th>
<th>Black</th>
<th>Hispanic/Latinx</th>
<th>Other[^1]</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>59%</td>
<td>24%</td>
<td>4%</td>
<td>7%</td>
<td>5%</td>
<td>63%</td>
<td>37%</td>
</tr>
<tr>
<td>2022</td>
<td>56%</td>
<td>10%</td>
<td>10%</td>
<td>17%</td>
<td>6%</td>
<td>65%</td>
<td>35%</td>
</tr>
<tr>
<td>2023</td>
<td>52%</td>
<td>8%</td>
<td>10%</td>
<td>17%</td>
<td>13%</td>
<td>66%</td>
<td>34%</td>
</tr>
</tbody>
</table>

#### TECHNICAL STAFF

<table>
<thead>
<tr>
<th>Year</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>24%</td>
<td>76%</td>
</tr>
<tr>
<td>2022</td>
<td>28%</td>
<td>72%</td>
</tr>
<tr>
<td>2023</td>
<td>29%</td>
<td>71%</td>
</tr>
</tbody>
</table>

[^1]: The data combines ethnic groups identified as two or more ethnicities, Middle Eastern, Native American, or API (Asian Pacific Islanders and Native Hawaiians).

---

---
**TOPIC/ACCOUNTING METRIC** | **CATEGORY** | **UNIT OF MEASURE** | **CODE** | **DATA** | **REFERENCE(S)**
--- | --- | --- | --- | --- | ---
Discussion of strategies to reduce the environmental impact of product delivery | Discussion and Analysis | N/A | CG-EC-410a 2 | Gap Inc. is a signatory of the Arctic Shipping Pledge. Created in partnership with Ocean Conservancy, the pledge is a commitment to never intentionally send ships through the Arctic’s fragile ecosystem. Gap Inc. is also a member of the Environmental Protection Agency’s (EPA) SmartWay Transport Partnership, an initiative which empowers businesses to move goods in the cleanest, most energy-efficient way possible to protect public health and reduce emissions. Gap Inc. was recognized by the EPA with the 2020 SmartWay Freight Partner Excellence Award | ESG Report; Environment, Climate Action; p.21

### Activity Metrics

<table>
<thead>
<tr>
<th>Topic</th>
<th>Category</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>Data</th>
<th>Reference(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entity-defined measure of user activity</td>
<td>Quantitative</td>
<td>Number</td>
<td>CG-EC-000.A</td>
<td>Year</td>
<td>Total global online orders (excluding franchises)</td>
</tr>
<tr>
<td>2021</td>
<td>83,997,807</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>80,235,600</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>76,055,779</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>This data includes orders placed in the United States Specialty (Web and App), U.S. Factory, Canada, and Japan. It does not include franchises, cancellations, or returns.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Number of shipments | Quantitative | Number | CG-EC-000.C | Year | Total global shipments to customers (excluding franchises) |
| 2021 | 124,463,015 |
| 2022 | 112,936,023 |
| 2023 | 102,829,442 |
| This data includes packages transported in the United States, Canada, and Japan. |

### MULTILINE AND SPECIALTY RETAILERS & DISTRIBUTORS

#### Energy Management in Retail & Distribution

<table>
<thead>
<tr>
<th>Topic</th>
<th>Category</th>
<th>Unit of Measure</th>
<th>Code</th>
<th>Data</th>
<th>Reference(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy consumed, percentage grid electricity, percentage renewable</td>
<td>Quantitative</td>
<td>Gigajoules (GJ)</td>
<td>CG-MR-130a 1, CG-EC-130a 1</td>
<td>Year</td>
<td>Total energy consumed at retail and distribution centers (GJ)</td>
</tr>
<tr>
<td>2021</td>
<td>3,038,091</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>2,935,820</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>2023 data will be available on our website later in 2024</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of grid electricity is not available.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>ESG Report; Environment, Climate Action; p.23</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2023 CDP Climate Submission</td>
</tr>
</tbody>
</table>
### Workforce Diversity & Inclusion

<table>
<thead>
<tr>
<th>TOPIC/ACCOUNTING METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA</th>
<th>REFERENCE(S)</th>
</tr>
</thead>
</table>

### Product Sourcing, Packaging, and Marketing

<table>
<thead>
<tr>
<th>TOPIC/ACCOUNTING METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA</th>
<th>REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products</td>
<td>Discussion and Analysis</td>
<td>N/A</td>
<td>CG-MR-410a.2</td>
<td>See CG-AA-250a.2</td>
<td>ESG Report, Environment, Chemicals Management, p.20</td>
</tr>
<tr>
<td>Discussion of strategies to reduce the environmental impact of packaging</td>
<td>Discussion and Analysis</td>
<td>N/A</td>
<td>CG-MR-410a.3</td>
<td>Following a three-part strategy, our aim is to combat unnecessary and problematic plastic packaging waste. Elimination: Eliminate and substitute plastic packaging with non-plastic alternatives. Diversion: Divert plastics from landfill through recycling when feasible and where we have control over packaging disposal. Conversion: Convert necessary plastics to non-virgin materials when feasible</td>
<td>ESG Report, Environment, Circularity, p.25; ESG Report, Environment, Waste, p.28</td>
</tr>
</tbody>
</table>

### Activity Metrics

<table>
<thead>
<tr>
<th>TOPIC/ACCOUNTING METRIC</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA</th>
<th>REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of: (1) retail locations and (2) distribution centers</td>
<td>Quantitative</td>
<td>Number</td>
<td>CG-MR-000.A</td>
<td></td>
<td>Annual Report 2023, p.29; Annual Report 2022, p.28; Annual Report 2021, p.30</td>
</tr>
<tr>
<td>Year</td>
<td>Company-operated stores</td>
<td>Franchises</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>2,835</td>
<td>564</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>2,685</td>
<td>667</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>2,562</td>
<td>998</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Total area of: (1) retail space and (2) distribution centers | Quantitative | Square feet (m²) | CG-MR-000.B | | Annual Report 2023, p.22; Annual Report 2022, p.20–21; Annual Report 2021, p.23 |
| Year | Retail space | Distribution center space |
| 2021 | 33.3 million | 9.3 million |
| 2022 | 31.8 million | 9.5 million |
| 2023 | 30.6 million | 9.6 million |
We are reporting to the TCFD for the third time this year. Our disclosures that could promote more informed investment, credit, and insurance underwriting decisions.

The TCFD is a framework of recommendations for companies to make more effective climate-related disclosures. The inclusion of information contained in this disclosure 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 February 3, 2024, filed with the Securities and Exchange Commission (SEC), and subsequent SEC filings. Given the inherent uncertainty in predicting and modeling future conditions, caution should be exercised when interpreting the information provided below. In addition, the controls, processes, practices, and infrastructures described in this disclosure are not intended to constitute any representation, warranty, or other assurance that such controls, processes, practices, and infrastructures will result in any specific outcome or result.

The TCFD METRICS: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

a) Describe the metrics used by the organization to identify climate-related risks and opportunities in line with its strategy and risk management process.

b) Describe Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.

d) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

The TCFD Metrics

<table>
<thead>
<tr>
<th>TCFD METRICS</th>
<th>GAP INC. REFERENCE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RISK MANAGEMENT: Disclose how the organization identifies, assesses and manages climate-related risks.</td>
<td>2023 CDP Climate Submission, C2.2, C2.2a \n ESG Report; Governance, Risk Management, p.53 \n ESG Report; Appendix, Materiality, p.59 \n ESG Webpages; Materiality</td>
</tr>
<tr>
<td>a) Describe the organization’s processes for identifying and assessing climate-related risks</td>
<td>2023 CDP Climate Submission, C1.2 \n ESG Report; Governance, ESG Oversight, p.52 \n ESG Report; Governance, Risk Management, p.53</td>
</tr>
<tr>
<td>b) Describe the organization’s processes for managing climate-related risks.</td>
<td>2023 CDP Climate Submission, C1.2, C2.2 \n ESG Report; Governance, Risk Management, p.53</td>
</tr>
<tr>
<td>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</td>
<td>2023 CDP Climate Submission, C2.1, C2.2 \n ESG Report; Governance, Risk Management, p.53</td>
</tr>
</tbody>
</table>

The GOVERNANCE: Disclose the organization’s governance around climate-related risks and opportunities.

a) Describe the board’s oversight of climate-related risks and opportunities.

b) Describe management’s role in assessing and managing climate-related risks and opportunities.

c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The STRATEGY: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.

c) Describe how the organization’s strategy is aligned with its strategy and risk management process.

The METRICS: Disclose how the organization identifies, assesses and manages climate-related risks.

a) Describe the organization’s processes for identifying and assessing climate-related risks.

b) Describe the organization’s processes for managing climate-related risks.

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.

d) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Gap Inc.

THE BIG PICTURE
ENVIRONMENT
SOCIAL | SUPPLY CHAIN
SOCIAL | WORKPLACE AND COMMUNITY
GOVERNANCE
APPENDIX

1 The inclusion of information contained in this disclosure 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 February 3, 2024, filed with the Securities and Exchange Commission (SEC), and subsequent SEC filings. Given the inherent uncertainty in predicting and modeling future conditions, caution should be exercised when interpreting the information provided below. In addition, the controls, processes, practices, and infrastructures described in this disclosure are not intended to constitute any representation, warranty, or other assurance that such controls, processes, practices, and infrastructures will result in any specific outcome or result.

## SUPPLEMENTAL DATA

### ENVIRONMENT

<table>
<thead>
<tr>
<th>WATER CONSUMPTION AND RISK</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-operated water consumption (cubic meters)</td>
<td>1.02 billion</td>
<td>892 million</td>
<td>895 million</td>
</tr>
<tr>
<td>Supply Chain water consumption (cubic meters)</td>
<td>26 billion</td>
<td>32 billion</td>
<td>Available later in 2024</td>
</tr>
<tr>
<td>Water consumption in WWF risk level &lt;2.5</td>
<td>2%</td>
<td>5%</td>
<td>Available later in 2024</td>
</tr>
<tr>
<td>Water consumption in WWF risk level 2.5–3.5</td>
<td>75%</td>
<td>65%</td>
<td>Available later in 2024</td>
</tr>
<tr>
<td>Water consumption in WWF risk level 3.5–4.5</td>
<td>19%</td>
<td>22%</td>
<td>Available later in 2024</td>
</tr>
<tr>
<td>Water consumption in WWF risk level not yet assessed</td>
<td>4%</td>
<td>8%</td>
<td>Available later in 2024</td>
</tr>
</tbody>
</table>

### SOCIAL – SUPPLY CHAIN

<table>
<thead>
<tr>
<th>BUSINESS FROM TIER 1 AND TIER 2 FACTORIES (SUPPLYING BRANDED CLOTHING TO GAP INC. BRANDS)</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Tier 1 factories</td>
<td>705</td>
<td>702</td>
<td>682</td>
</tr>
<tr>
<td># of mills mapped (Tier 2)</td>
<td>231</td>
<td>249</td>
<td>707</td>
</tr>
<tr>
<td>% of business from mills (Tier 2)</td>
<td>65%</td>
<td>79%</td>
<td>73%</td>
</tr>
<tr>
<td>ASSESSED FACTORY RATINGS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Green (good)</td>
<td>67%</td>
<td>74%</td>
<td>79%</td>
</tr>
<tr>
<td>Yellow (fair)</td>
<td>32%</td>
<td>25%</td>
<td>20%</td>
</tr>
<tr>
<td>Red (action required)</td>
<td>&lt;1%</td>
<td>&lt;1%</td>
<td>1%</td>
</tr>
<tr>
<td>COVC AUDITS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Tier 1 factories audited to COVC</td>
<td>83%</td>
<td>88%</td>
<td>100%</td>
</tr>
<tr>
<td>% of audits conducted by third-party (such as SLCP or ILO-IFC BetterWork)</td>
<td>68%</td>
<td>88%</td>
<td>83%</td>
</tr>
<tr>
<td>% and # of mills (Tier 2) audited to COVC</td>
<td>–</td>
<td>24% (519)</td>
<td>31% (812)</td>
</tr>
<tr>
<td>COVC ISSUE RESOLUTION RATE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of corrective actions plans resolved by end of the fiscal year</td>
<td>84%</td>
<td>81%</td>
<td>78%</td>
</tr>
</tbody>
</table>

1. This number is inclusive of vendor-sourced mills.
<table>
<thead>
<tr>
<th>SOCIAL – WORKPLACE AND COMMUNITY</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of employees at end of year, reported in our Form 10-K</td>
<td>97,000</td>
<td>95,000</td>
<td>85,000</td>
</tr>
</tbody>
</table>

**BOARD OF DIRECTORS**

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board size</td>
<td>11</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>Number of independent directors</td>
<td>9</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>Number of minority backgrounds on Board</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Number of women on Board</td>
<td>6</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

**TENURE**

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–2 years</td>
<td>4</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>2–5 years</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>5+ years</td>
<td>5</td>
<td>6</td>
<td>5</td>
</tr>
</tbody>
</table>

**AGE DISTRIBUTION**

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>40s</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>50s</td>
<td>5</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>60s</td>
<td>4</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>70s</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

**U.S. ETHNICITY REPRESENTATION**

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>45%</td>
<td>44%</td>
<td>41%</td>
</tr>
<tr>
<td>Asian</td>
<td>7%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Black</td>
<td>17%</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>Hispanic/Latinx</td>
<td>25%</td>
<td>25%</td>
<td>24%</td>
</tr>
<tr>
<td>Other¹</td>
<td>6%</td>
<td>9%</td>
<td>15%</td>
</tr>
</tbody>
</table>

**SOCIAL – WORKPLACE AND COMMUNITY**

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total minorities</td>
<td>55%</td>
<td>56%</td>
<td>59%</td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>59%</td>
<td>56%</td>
<td>52%</td>
</tr>
<tr>
<td>Asian</td>
<td>24%</td>
<td>10%</td>
<td>8%</td>
</tr>
<tr>
<td>Black</td>
<td>4%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Hispanic/Latinx</td>
<td>7%</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
<td>6%</td>
<td>13%</td>
</tr>
<tr>
<td>New Hires</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>38%</td>
<td>41%</td>
<td>38%</td>
</tr>
<tr>
<td>Asian</td>
<td>8%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Black</td>
<td>24%</td>
<td>17%</td>
<td>22%</td>
</tr>
<tr>
<td>Hispanic/Latinx</td>
<td>23%</td>
<td>26%</td>
<td>23%</td>
</tr>
<tr>
<td>Other</td>
<td>7%</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>Total minorities</td>
<td>41%</td>
<td>44%</td>
<td>48%</td>
</tr>
</tbody>
</table>

**U.S. ETHNICITY BY DIVISION**

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headquarters</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>53%</td>
<td>53%</td>
<td>49%</td>
</tr>
<tr>
<td>Asian</td>
<td>26%</td>
<td>24%</td>
<td>21%</td>
</tr>
<tr>
<td>Black</td>
<td>4%</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>Hispanic/Latinx</td>
<td>10%</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>Other</td>
<td>7%</td>
<td>9%</td>
<td>12%</td>
</tr>
</tbody>
</table>

This information is as reported in our Proxy Statements for relevant years.

¹ The data combines ethnic groups identified as two or more ethnicities, Middle Eastern, Native American, or API (Asian Pacific Islanders and Native Hawaiians).
### SOCIAL – WORKPLACE AND COMMUNITY

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Store leadership</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>68%</td>
<td>65%</td>
<td>52%</td>
</tr>
<tr>
<td>Asian</td>
<td>3%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Black</td>
<td>9%</td>
<td>10%</td>
<td>13%</td>
</tr>
<tr>
<td>Hispanic/Latinx</td>
<td>18%</td>
<td>18%</td>
<td>24%</td>
</tr>
<tr>
<td>Other1</td>
<td>2%</td>
<td>4%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Store employees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>42%</td>
<td>43%</td>
<td>42%</td>
</tr>
<tr>
<td>Asian</td>
<td>6%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Black</td>
<td>19%</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td>Hispanic/Latinx</td>
<td>27%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>Other</td>
<td>6%</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Distribution and call centers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>37%</td>
<td>34%</td>
<td>36%</td>
</tr>
<tr>
<td>Asian</td>
<td>9%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Black</td>
<td>26%</td>
<td>25%</td>
<td>24%</td>
</tr>
<tr>
<td>Hispanic/Latinx</td>
<td>22%</td>
<td>26%</td>
<td>25%</td>
</tr>
<tr>
<td>Other</td>
<td>6%</td>
<td>8%</td>
<td>8%</td>
</tr>
</tbody>
</table>

### U.S. INTERSECTIONAL REPRESENTATION

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>White female employees</td>
<td>–</td>
<td>35%</td>
<td>33%</td>
</tr>
<tr>
<td>White male employees</td>
<td>–</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td>Asian female employees</td>
<td>–</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Asian male employees</td>
<td>–</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Black female employees</td>
<td>–</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>Black male employees</td>
<td>–</td>
<td>4%</td>
<td>4%</td>
</tr>
</tbody>
</table>

1 The data combines ethnic groups identified as two or more ethnicities, Middle Eastern, Native American, or API (Asian Pacific Islanders and Native Hawaiians).

### SOCIAL – WORKPLACE AND COMMUNITY

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic/Latinx female employees</td>
<td>–</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Hispanic/Latinx male employees</td>
<td>–</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>Other ethnicity female employees</td>
<td>–</td>
<td>7%</td>
<td>11%</td>
</tr>
<tr>
<td>Other ethnicity male employees</td>
<td>–</td>
<td>2%</td>
<td>3%</td>
</tr>
</tbody>
</table>

### GLOBAL GENDER REPRESENTATION

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Women</td>
<td>76%</td>
<td>75%</td>
<td>76%</td>
</tr>
<tr>
<td>Men</td>
<td>24%</td>
<td>24%</td>
<td>23%</td>
</tr>
<tr>
<td>Non-binary</td>
<td>–</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>VP and above Women</td>
<td>58%</td>
<td>54%</td>
<td>55%</td>
</tr>
<tr>
<td>Men</td>
<td>42%</td>
<td>46%</td>
<td>45%</td>
</tr>
<tr>
<td>Director/ Senior Director Women</td>
<td>61%</td>
<td>61%</td>
<td>61%</td>
</tr>
<tr>
<td>Men</td>
<td>39%</td>
<td>39%</td>
<td>39%</td>
</tr>
<tr>
<td>Manager/ Senior Manager Women</td>
<td>57%</td>
<td>71%</td>
<td>72%</td>
</tr>
<tr>
<td>Men</td>
<td>43%</td>
<td>29%</td>
<td>28%</td>
</tr>
<tr>
<td>Store Management Women</td>
<td>75%</td>
<td>72%</td>
<td>76%</td>
</tr>
<tr>
<td>Men</td>
<td>25%</td>
<td>28%</td>
<td>24%</td>
</tr>
<tr>
<td>New Hires Women</td>
<td>74%</td>
<td>76%</td>
<td>76%</td>
</tr>
<tr>
<td>Men</td>
<td>26%</td>
<td>24%</td>
<td>24%</td>
</tr>
</tbody>
</table>

1 The data combines ethnic groups identified as two or more ethnicities, Middle Eastern, Native American, or API (Asian Pacific Islanders and Native Hawaiians).
### U.S. PROMOTION RATES BY GENDER AND POSITION

<table>
<thead>
<tr>
<th>Position</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>VP and above</td>
<td>Women</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Men</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>Director/Sr. Director</td>
<td>Women</td>
<td>22%</td>
<td>16%</td>
</tr>
<tr>
<td></td>
<td>Men</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Manager/Sr. Manager</td>
<td>Women</td>
<td>23%</td>
<td>21%</td>
</tr>
<tr>
<td></td>
<td>Men</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td>Individual contributors</td>
<td>Women</td>
<td>16%</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>Men</td>
<td>11%</td>
<td>4%</td>
</tr>
<tr>
<td>Overall</td>
<td>Women</td>
<td>19%</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>Men</td>
<td>14%</td>
<td>6%</td>
</tr>
</tbody>
</table>

### % OF POSITIONS FILLED BY WOMEN

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>STEM Positions (Science, Technology, Engineering, and Mathematics)</td>
<td>24%</td>
<td>28%</td>
<td>29%</td>
</tr>
<tr>
<td>Management positions in revenue-generating functions</td>
<td>-</td>
<td>78%</td>
<td>74%</td>
</tr>
</tbody>
</table>

### AGE REPRESENTATION

<table>
<thead>
<tr>
<th>Age Group</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;30 years old</td>
<td>61%</td>
<td>57%</td>
<td>56%</td>
</tr>
<tr>
<td>30–50 years old</td>
<td>29%</td>
<td>31%</td>
<td>31%</td>
</tr>
<tr>
<td>&gt;50 years old</td>
<td>10%</td>
<td>12%</td>
<td>13%</td>
</tr>
</tbody>
</table>

### INTERNAL HIRING RATE BY POSITION

<table>
<thead>
<tr>
<th>Position</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>VP and above</td>
<td>-</td>
<td>71%</td>
<td>96%</td>
</tr>
<tr>
<td>Director/Senior Director</td>
<td>-</td>
<td>65%</td>
<td>74%</td>
</tr>
<tr>
<td>Manager/Senior Manager</td>
<td>-</td>
<td>48%</td>
<td>55%</td>
</tr>
<tr>
<td>Overall (including Store Associates)</td>
<td>-</td>
<td>36%</td>
<td>40%</td>
</tr>
</tbody>
</table>

### EMPLOYEE ENGAGEMENT

<table>
<thead>
<tr>
<th>Question</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of employees volunteered</td>
<td>32%</td>
<td>39%</td>
<td>45%</td>
</tr>
<tr>
<td>% that responded “Yes” to: “I intend to stay for at least the next 12 months”</td>
<td>87%</td>
<td>81%</td>
<td>72%</td>
</tr>
</tbody>
</table>

### OCCUPATIONAL HEALTH AND SAFETY – INCLUDES FULL-TIME EMPLOYEES

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupational injury-related fatalities</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rate of Injury Per 1,000,000 Hours Worked (LTIFR)</td>
<td>5.25</td>
<td>4.19</td>
<td>4.08</td>
</tr>
<tr>
<td>Coverage (% of full-time employees)</td>
<td>84%</td>
<td>88%</td>
<td>94%</td>
</tr>
</tbody>
</table>
LRQA Independent Assurance Statement

Relating to Gap, Inc.’s Greenhouse Gas Emissions Inventory for the 2022 fiscal year

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

Terms of Engagement
LRQA was commissioned by Gap, Inc. (Gap) to provide independent assurance of its greenhouse gas (GHG) emissions inventory ("the Report") for the fiscal year (FY) 2022. (February 1, 2022 to January 31, 2023). Against the assurance criteria below, a limited level of assurance and materiality of the professional judgement of the verifier using LRQA’s verification procedure and ISO 14064-3 for greenhouse gas emissions. LRQA’s verification procedure is based on current best practice and is in accordance with ISO 14001 and ISO 14043.

Our assurance engagement covered Gap’s operations and activities in operationally controlled retail stores, office space and distribution centers worldwide, and specifically the following requirements:

- Verifying conformance with:
  - Gap’s reporting methodologies for the selected datasets: Gap’s Inventory Management Plan and

- Reviewing whether the Report has taken into account the requirements of the WRI/WBCSD GHG Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD GHG Protocol) for the GHG data.

- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
  - Scope 1 & 2: Energy consumption and other sources of Scope 1 & 2 emissions; and
  - Scope 2 & 3 emissions: emissions reported for franchise locations are for electricity only.

- Energy Consumption
  - Scope 1 emissions: Ward Center, based on estimated emissions from on-site fuel consumption.
  - Scope 2 emissions: Category 1: Energy Consumption

- Gap’s Inventory Management Plan states that Gap has emission from #2 Fuel Oil generators. Emissions from this source have not been included in the inventory. The impact on total emissions is immaterial.

- Basis for Qualified Opinion

Gap’s Inventory Management Plan states that Gap has emission from #2 Fuel Oil consumed in stationary generators. Emissions from this source have not been included in the inventory. The impact on total emissions is immaterial.

<p>| Table 1. Summary of Gap’s GHG Emissions and Environmental Data for Fiscal Year (FY) 2022 |</p>
<table>
<thead>
<tr>
<th>Scope of GHG emissions</th>
<th>FY 2022</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 &amp; 2 emissions</td>
<td>43,841</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Scope 1 &amp; 2 emissions (location based)</td>
<td>41,675</td>
<td>+0.2%</td>
</tr>
<tr>
<td>Scope 1 &amp; 2 emissions (location based)</td>
<td>16,839</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Scope 1 &amp; 2 emissions: Category 1 Business Travel</td>
<td>1,207</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Scope 1 &amp; 2 emissions: Category 1 Transportation (overall)</td>
<td>13,356</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Energy Consumption - Scope 1</td>
<td>162,128,545</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Energy Consumption - Scope 2</td>
<td>1,110,045,451</td>
<td>+0.3%</td>
</tr>
</tbody>
</table>

LRQA’s Approach

LRQA’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 misstatements.
- Interviewing relevant employees of the organization responsible for managing GHG emissions and energy data and records.
- Verifying historical GHG emissions and energy data and records on an aggregated level for the fiscal year 2022.
- Reviewing Gap’s base year recalculation for conformance with Chapter 5 of the WRI GHG Protocol. Base year recalculation was not required.

LRQA’s Standards and Competence

LRQA maintains and operates a comprehensive management system that meets accreditation requirements for ISO 14001:2015 and accreditation for other forms of recognition and EMAS. 2021. LRQA’s assurance engagements – requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standards on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA’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 misstatements.
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- Verifying historical GHG emissions and energy data and records on an aggregated level for the fiscal year 2022.
- Reviewing Gap’s base year recalculation for conformance with Chapter 5 of the WRI GHG Protocol. Base year recalculation was not required.

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On behalf of LRQA, Inc.
LRQA Lead Verifier
Brooke Farrell
LRQA Lead Verifier
2101 City West Blvd
Houston, TX 77024

Dated: 21 September 2023

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CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This report 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 these 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. Securities and Exchange Commission. 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.