

# GAP INC. 2018 SASB REFERENCE TABLE

The [Sustainability Accounting Standards Board \(SASB\)](#) is an independent, private-sector standards-setting organization dedicated to enhancing the efficiency of the capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. This table references the Standard for the Apparel, Accessories & Footwear industry as defined by SASB’s Sustainable Industry Classification System (SICS) with the location of that information in Gap Inc.’s 2018 Global Sustainability Report (GSR) and [gapinc.sustainability.com](#).

Topic	Activity Metric	Category	Unit of Measure	Code	Data	Reference
	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	Number	CG-AA-000.A	<p>As of 2/1/2018 (FY'18), we sourced from 774 Tier 1 branded apparel supplier facilities, defined as direct-relationship cut-and-sew facilities and their associated embroidery, laundry and screen-printing facilities.</p> <p>We have mapped out 203 mill facilities that represent about 75% of our business in 2018.</p>	<ul style="list-style-type: none"> <li>• <a href="#">Social: Supply Chain</a></li> <li>• <a href="#">GSR: Supplier Sustainability (p.29)</a></li> <li>• <a href="#">GSR: Mill Sustainability Program (p.48)</a></li> </ul>
<b>Management of Chemicals in Product</b>	Description of processes to maintain compliance with restricted substances regulations	Discussion and Analysis	N/A	CG-AA-250a.1		<ul style="list-style-type: none"> <li>• <a href="#">Environment: Chemicals</a></li> <li>• <a href="#">GSR: Chemicals Management (p.52)</a></li> </ul>
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	N/A	CG-AA-250a.2		<ul style="list-style-type: none"> <li>• <a href="#">Environment: Chemicals</a></li> <li>• <a href="#">GSR: Chemicals Management (p.52)</a></li> </ul>
<b>Environmental Impacts in the Supply Chain</b>	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreements	Quantitative	Percentage (%)	CG-AA-430a.1	<p>100% of Tier 1 supplier denim laundries are expected to have wastewater meeting or exceeding legal requirements, in accordance with our Water Quality Program (WQP). In 2018, we enhanced the program by adopting Zero Discharge of Hazardous Chemicals (ZDHC) Wastewater Guidelines as WQP requirements for wastewater sampling and testing; 47 denim laundries participated, with 90% meeting conventional parameters and 78% meeting ZDHC parameters.</p> <p>Supplier Facilities beyond Tier 1</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul> <p>By 2020, we expect strategic Gap Inc.-approved mill facilities to participate in and report for the Sustainable Apparel Coalition (SAC) Higg FEM 3.0 and Zero Discharge of Hazardous Chemicals (ZDHC) MRSL and Wastewater Guidelines.</p>	<ul style="list-style-type: none"> <li>• <a href="#">Environment: Mills + Laundries</a></li> <li>• <a href="#">GSR: Water Stewardship (p.48)</a></li> </ul>
	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition’s Higg Index Facility Module (Higg FEM) assessment or an equivalent environmental data assessment	Quantitative	Percentage (%)	CG-AA-430a.2	<p>100% of Tier 1 suppliers were requested to complete the SAC’s Higg Index Facility Environmental Module.</p> <ul style="list-style-type: none"> <li>• 95% of active Tier 1 branded apparel suppliers completed the 2018 data request.</li> </ul> <p>Suppliers beyond Tier 1 were requested to complete the Higg Index FEM.</p> <ul style="list-style-type: none"> <li>• 169 out of 194 Tier 2 mills have completed the Higg Index FEM (87% of strategic mills).</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">Measuring Our Progress: Environmental</a></li> <li>• <a href="#">GSR: Water Stewardship (p.48)</a></li> </ul>

# GAP INC. 2018

## SASB REFERENCE TABLE

Topic	Activity Metric	Category	Unit of Measure	Code	Data	Reference																							
<b>Labor Conditions in the Supply Chain (continued)</b>	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	Quantitative	Percentage (%)	CG-AA-430b.1	<p>92.6% of Tier 1 branded apparel suppliers that were active for the full year were audited to our Code of Vendor Conduct (COVC) during the fiscal year.</p> <ul style="list-style-type: none"> <li>30% of audits were conducted by a third-party assessor, primarily through ILO Better Work.</li> <li>Facilities with a consistently low non-conformance rate may be assessed on a biannual basis; all facilities are audited prior to initial production. Suppliers beyond Tier 1 audited to COVC</li> <li>N/A</li> </ul> <p>In March 2017, as part of our Mill Sustainability Program, we communicated to our entire mill base our expectations of their social and environmental performance, which are requirements of doing business with us.</p>	<ul style="list-style-type: none"> <li><a href="#">Measuring Our Progress: Working Conditions</a></li> <li><a href="#">Social: Working Conditions</a></li> <li><a href="#">Gap Inc. Code of Vendor Conduct (COVC)</a></li> <li><a href="#">Gap Inc. Supplier Facility List</a></li> <li><a href="#">Environment: Mills + Laundries</a></li> <li><a href="#">GSR: Assessment + Remediation (p.30)</a></li> </ul>																							
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	CG-AA-430b.2	<p>As of fiscal year 2018, 2% of facilities received red ratings during assessments against our Code of Vendor Conduct.</p> <p>For issues open as of 2/1/2018, 88% of corrective action plans were resolved by 1/31/2019.</p>	<ul style="list-style-type: none"> <li><a href="#">Measuring Our Progress: Working Conditions</a></li> <li><a href="#">GSR: Assessment + Remediation (p.30)</a></li> </ul>																							
	Discussion of greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	Discussion and Analysis	N/A	CG-AA-430b.3	<ul style="list-style-type: none"> <li><a href="#">Environment: Supply Chain</a></li> <li><a href="#">GSR: Water Stewardship (p.44)</a></li> <li><a href="#">GSR: Chemicals Management (p.52)</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Social: Working Conditions</a></li> <li><a href="#">GSR: Supplier Sustainability (p.29)</a></li> </ul>																							
<b>Raw Material Sourcing</b>	Discussion of environmental and social risks associated with sourcing priority raw materials	Discussion and Analysis	N/A	CG-AA-440a.1		<ul style="list-style-type: none"> <li><a href="#">Environment: Raw Materials</a></li> <li><a href="#">GSR: Raw Materials (p.62)</a></li> </ul>																							
	Percentage of raw materials third-party certified to an environmental and/ or social sustainability standard, by standard	Quantitative	Percentage (%) by weight	CG-AA-440a.2	<table border="1"> <thead> <tr> <th>Fiber Type</th> <th>% of Fiber Type</th> </tr> </thead> <tbody> <tr> <td colspan="2"><b>Natural Fibers</b></td> </tr> <tr> <td>Organic Cotton</td> <td>0.2% of cotton</td> </tr> <tr> <td>BCI Cotton</td> <td>40% of cotton</td> </tr> <tr> <td>Recycled Wool</td> <td>3.5% of wool</td> </tr> <tr> <td>RWS Wool</td> <td>01% of wool</td> </tr> <tr> <td colspan="2"><b>Synthetics</b></td> </tr> <tr> <td>Recycled Nylon</td> <td>0.3% of nylon</td> </tr> <tr> <td>Recycled Polyester</td> <td>0.7% of polyester</td> </tr> <tr> <td colspan="2"><b>Man-Made Cellulosics</b></td> </tr> <tr> <td>Lenzing Modal</td> <td>3.9% of rayon</td> </tr> <tr> <td>TENCEL</td> <td>6.1% of rayon</td> </tr> </tbody> </table>	Fiber Type	% of Fiber Type	<b>Natural Fibers</b>		Organic Cotton	0.2% of cotton	BCI Cotton	40% of cotton	Recycled Wool	3.5% of wool	RWS Wool	01% of wool	<b>Synthetics</b>		Recycled Nylon	0.3% of nylon	Recycled Polyester	0.7% of polyester	<b>Man-Made Cellulosics</b>		Lenzing Modal	3.9% of rayon	TENCEL	6.1% of rayon
Fiber Type	% of Fiber Type																												
<b>Natural Fibers</b>																													
Organic Cotton	0.2% of cotton																												
BCI Cotton	40% of cotton																												
Recycled Wool	3.5% of wool																												
RWS Wool	01% of wool																												
<b>Synthetics</b>																													
Recycled Nylon	0.3% of nylon																												
Recycled Polyester	0.7% of polyester																												
<b>Man-Made Cellulosics</b>																													
Lenzing Modal	3.9% of rayon																												
TENCEL	6.1% of rayon																												