

C0. Introduction

C0.1

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

Gap Inc. was founded in San Francisco in 1969. Today, Gap Inc. is a leading global retailer offering clothing, accessories and personal care products for men, women and children under the Old Navy, Gap, Banana Republic, Athleta, Intermix, Janie and Jack, brands, with approximately 129,000 employees, including part-time and full-time employees. Gap Inc. products are available for purchase worldwide through company-operated stores, franchise stores, and e-commerce sites. (as of FY'19).

As our business evolves, we continue to work on further integrating sustainability into our core business and interactions with all stakeholders, including the suppliers that make our branded products. We believe sustainability promotes innovation and improves employee engagement, operational efficiency, productivity, and ultimately, our profitability.

Our Athleta brand is certified as a benefit corporation ("B Corp"), furthering its commitment to using business as a force for good to drive social and environmental impact by meeting rigorous standards across social and environmental performance, accountability and transparency. Additionally, we amended Athleta's legal charter to become a Delaware Public Benefit Corporation in order to further uphold Athleta's commitments to people and the planet. We plan to leverage the learnings from Athleta as a case study for Gap Inc., providing a benchmark and roadmap of potential opportunities for greater social and environmental impact across the enterprise.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	February 1 2019	January 31 2020	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Bangladesh
- Canada
- Chile
- China
- China, Hong Kong Special Administrative Region
- France
- India
- Indonesia
- Ireland
- Italy
- Japan
- Mexico
- Pakistan
- Puerto Rico
- Sri Lanka
- Taiwan, Greater China
- Turkey
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Viet Nam

C0.4

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

USD

C0.5

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

Operational control

C1. Governance

C1.1

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

Yes

C1.1a

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

Position of individual(s)	Please explain
Director on board	The Gap Inc. Governance and Sustainability Committee of the Board of Directors assists the board in fulfilling its oversight responsibilities relating to the Company's corporate governance matters, including the development of corporate governance guidelines, periodic evaluation of the board, oversight of the Company's programs, policies and practices relating to social and environmental issues and impacts, and such other duties as directed by the board of directors. Specifically related to sustainability, the Committee's responsibilities mandates that they review and evaluate Company programs, policies and practices relating to social and environmental issues and impacts to support the sustainable growth of the Company's businesses.

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues 	<Not Applicable>	Gap Inc.'s Board of Directors, particularly the Board's Governance and Sustainability Committee, oversees the Company's Global Sustainability program and receives regular updates directly from the Chief Legal, Compliance & Sustainability Officer. The Committee oversees and approves strategy, goals and progress related to climate change and other environmental issues. The Board of Directors reviewed our enterprise goals for addressing Climate Change, with our 50% Scope 1 & 2 targets and our new science-based targets that aim to reduce absolute scope 1 and 2 GHG emissions by 90% and scope 3 GHG emissions from purchased goods and services by 30% by 2030 from a 2017 base year. As part of this science-based target, we also commit to increase annual sourcing of renewable electricity from 0% in 2017 to 100% by 2030 for our owned and operated facilities globally.

C1.2

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

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Sustainability committee <i>Board of Directors - Sustainability & Governance Committee</i>	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other C-Suite Officer, please specify (Chief Legal, Compliance and Sustainability Officer)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other committee, please specify (Board of Trustees for the Gap Inc. Foundation)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Governance and Sustainability Committee is a sub-committee of the Board of Directors (BoD), and receives regular updates from the Chief Legal, Compliance & Sustainability Officer on our environmental initiatives and performance. Our Chief Legal, Compliance & Sustainability Officer reports to the CEO and is the executive responsible for assessing and managing climate-related risks and opportunities. This individual meets regularly with the Gap Inc. CEO, Chief Operating Officer and Chief Strategy Officer to discuss social and environmental responsibility issues. Our Chief Legal, Compliance & Sustainability Officer is responsible for guiding sustainability strategy, setting of management approach and priorities and achieving climate-related goals. As the individual primarily responsible for the Global Sustainability function, they directly oversee the teams that develop and carry out the workstreams identified to address our environmental risks. While Governance is an essential function of the BoD, the addition of sustainability to their remit ensures it is elevated as a topic and considered regularly in corporate decision-making. This integration helps consider sustainability, including climate change risks, are not considered siloed topics, allowing for meaningful dialogue.

Our organizational structure requires particularly close collaboration across key departments at Gap Inc. and brands, which is why our Global Sustainability department works closely with our Supply Chain, Strategic Sourcing, Government Affairs, Public Affairs, Legal, Corporate Strategy and Gap Foundation teams, among others. Leaders from across the Company, including these functions form our Environmental Council, which also plays an active role in overseeing our environmental initiatives and performance. Alongside the Global Sustainability Department, this Council is responsible for assessing and reviewing strategy related to climate change and other environmental issues, as well as implementing initiatives and policies throughout business functions. By including individuals with subject matter expertise and responsibilities from throughout Gap Inc.'s operations, the Council enables cross-functional collaboration and achievement of sustainability activities. As an example, Council members were instrumental to developing and approving a virtual power purchase agreement (VPPA) to procure renewable energy for the Company.

C1.3

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

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

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

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Management group	Monetary reward	Emissions reduction project	We empower our employees to drive change and support our efforts to improve environmental sustainability. Many of our best ideas come from our employees, and we actively encourage and support sustainable innovation in each of our brands. The incentives we provide for innovation across the company, while not solely dedicated to climate change or the environment, may be awarded for work on reducing emissions, meeting targets, leading emissions reduction initiatives and piloting innovative programs which actively respond to environmental issues. For example, Annual Performance Bonus plans provide financial incentives to reward our employees for achieving company and/or individual performance goals, including environmental initiatives or programs. The objectives of our bonus plans are: To reward financial performance, achievement of organization and individual goals and to support the company's pay-for-performance philosophy.
All employees	Monetary reward	Efficiency target	The Exceed Award is Gap Inc.'s company-wide spot bonus program. The cash award is designed as a tool to reward team members in real-time who demonstrate superior performance and generate results above and beyond the expected job scope. The Exceed Award may be given to an individual or a team for outstanding performance in a variety of areas, including environmental sustainability initiatives such as work on reducing emissions, meeting targets, leading emissions reduction initiatives and piloting innovative programs which actively respond to environmental issues.

C2. Risks and opportunities

C2.1

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

Yes

C2.1a

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

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

C2.1b

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

Substantive financial or strategic impact is defined as an impact that has a high likelihood to disrupt our ability to operate our business. This could be impact seen in price fluctuations in sourcing volume, energy procurement, reparations for damages from natural hazards and other areas. This may also be seen in shareholder, employee, customer opinions shared via traditional media, social media, in shareholder meetings and/or external/internal surveys. We would be required to disclose these impacts in our financial filings (such as Form 10-K).

C2.2

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

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

A specific climate-related risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

With our various oversight committees, from our Board of Trustees to the Sustainability and Governance committee of the Board of Directors, we have multiple avenues for identifying, assessing and responding to climate change risks and opportunities. Our sustainability department reporting into our Chief Legal, Compliance and Sustainability Officer regularly reviews these risks across fiber sourcing, supply chain and direct options and brings recommendations for review. The process we use to evaluate these risks includes benchmarking, engagement with sustainability experts and stakeholders, supply chain risk mapping, climate resiliency strategy work, goal-setting and coordination with our brands and business functions (store audits, logistics, sourcing) to ensure that we are appropriately assessing the risk, possible interventions and associated investments prior to making a decision. For example, we incorporated climate impacts in our evaluation of preferred fibers within our raw materials sourcing strategy with a goal to reduce emissions in our Scope 3 for purchased goods and services to address both the climate and water impacts of our raw materials. This process was also incorporated in setting our Science Based Target which used the Science Based Target initiative's tool to assess overall ambition in line with the Absolute Contraction Method, which had a range of 16% (2-degree scenario) to 32.5% (WB2C). By leveraging benchmarking and current research on climate scenarios we were able to make a decision to push for 100% renewables for our owned and operated facilities globally to reduce our dependence on fossil fuels and ensure that our

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

At the enterprise level, our Internal Audit team conducts annual risk assessment interviews with more than 60 of the Company's top executives and board members. A subset of these executives (~20) is interviewed quarterly to track changes in the Company's risk profile. Our Global Sustainability team works with outside experts and stakeholders, business partners across the organization to assess and take action on environmental and social risks and opportunities. We use a variety of approaches and tools to identify and evaluate risks and opportunities, including a sustainability materiality assessment, country and region-specific risk assessments and stakeholder maps, rankings and profiles. Gap Inc. defines a substantive financial impact as an impact that has a high likelihood to disrupt our ability to operate our business. We conduct Company-wide enterprise risk assessments and asset level business continuity planning that encompass sustainability-related risks, including the risks that climate and environmental impacts could pose to our business. Within our supply chain, we require Tier 1 suppliers of branded products, and strategic Tier 2 suppliers, to use the SAC's Higg index to perform environmental self-assessments. In 2019, we continued to request verification of these assessments to improve reporting. Our Global Sustainability team works with business partners and experts to assess the importance of potential environmental and social risks and opportunities to our business and external stakeholders, including suppliers and the people who make our products. The tools we use to help prioritize risks and opportunities include a sustainability materiality assessment, life cycle assessment of representative products, country and region-specific risk assessments and a stakeholder perception index. For our materiality and other risk assessments, we consider such factors as the magnitude, likelihood and time horizon of potential impacts on stakeholders and our business. At the asset level, our Business Continuity Planning (BCP) team analyzes, prioritizes and helps to mitigate asset risks resulting from extreme weather, natural hazards and other external events. The BCP team uses predictive and actual models from the National Oceanic and Atmospheric Administration (NOAA) and other national and international agencies as well as integrated Google Earth tracking tools that are overlaid against all of Gap Inc.'s facilities for tracking potential and actual impacts. The team uses a Risk Assessment Tool ("RAT") to determine the event and Company risk and the residual risk remaining after preparedness plans are developed.

C2.2a

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation directly impacts our operations, manufacturing and sourcing, and is considered within our risk assessments. Current regulation on climate change can impact energy prices, compliance costs, sourcing availability and costs as well as ability to operate in markets. Specifically, to our supply chain, current regulations, such as regional caps on GHG emissions within China have affected textile mills and cut-sew facilities from which we source, requiring shifts in sourcing location or causing delays in production. We consider existing regulations in where we source and how we aim for compliance. We use our supplier selection process, combined with monitoring of regulatory landscapes to monitor potential impacts.
Emerging regulation	Relevant, always included	Emerging regulation potentially impacts our operations, manufacturing and sourcing, and is considered within our risk assessments. Emerging regulation on climate change can impact energy prices, compliance costs, sourcing availability and material costs as well as ability to operate in markets. For example, as China has introduced climate regulation, textile mills are being monitored for compliance to absolute caps on emissions, with the potential of halting production when caps are reached. This can adversely impact our supply chain and lead to product delays. In addition, emerging regulation, such as tariffs, may impact our sourcing locations. Product cost increases or events causing disruption of imports from Vietnam, China, or other foreign countries, including the imposition of additional import restrictions or taxes, or vendors potentially failing due to political, financial, or regulatory issues, could have an adverse effect on our operations. We consider emerging regulations in where we source and how we aim for compliance. We use our supplier selection process, combined with monitoring of regulatory landscapes to monitor potential impacts.
Technology	Not relevant, explanation provided	We have not identified technological impacts from climate-related risks in our industry, as the primary impacts appear to provide opportunities in terms of efficiency and lower production costs.
Legal	Relevant, always included	We may face legal risks from claims made on our products, by marketing or by our communications about the climate impact of our products. We train all product teams and review external material to comply with all applicable legal expectations. Though we do not currently face business level legal risks from climate change, we use disclosures such as CDP and our annual Sustainability Report to substantiate our actions and management strategy. Our Sustainability and Legal team regularly conduct risk assessments by reviewing our public-facing language against public guidance such as the US Federal Trade Commission's "Green Guides".
Market	Relevant, sometimes included	Market shifts have implications for our sourcing, production and business. As climate impacts may cause shifts in raw materials, especially cotton due to extreme weather, drought or flooding, we may face sourcing risk or costs. As a result, apparel and textile industries have shifted to build resiliency around cotton, such as BCI, which is captured in our goals to source more sustainable cotton. Awareness of the competitive landscape demonstrates that many retail and apparel companies have begun to address market risk from climate-related impacts. In 2018, we completed and rolled out our Preferred Fiber & Materials Toolkit. The tool empowers product teams to select the best fibers based on sustainability impacts such as emissions / energy, alongside water, chemicals, land use, biodiversity, social conditions, animal welfare, potential for circularity, improved conditions for women, and commercial and performance considerations. We update this toolkit periodically as industry research becomes available and our product teams continue to be trained on how to use this resource.
Reputation	Relevant, sometimes included	We believe that doing our part to address the global issue of climate change may also affect our reputation with customers, employees and investors, as well as environmental and human rights organizations and other stakeholders. We have actively leveraged our membership in Ceres' BICEP initiative to advocate for progressive policy action on climate and energy issues at the local, state and federal level, and have also publicly affirmed our commitment to the Paris Climate Agreement and the #wearestillin movement. We assess our reputation through monitoring responses and scoring of investor-facing disclosures and rankings, such as CDP, DJSI, IPE CITI Report, MSCI, ISS, and others, as well as by performing customer insight evaluations.
Acute physical	Relevant, sometimes included	The supply and cost of certain agricultural commodities, particularly cotton, is critical to our business. Cotton is used in the majority of our products, and Gap Inc. is a major buyer of cotton in the apparel industry. Droughts, extreme heat or other chronic physical impacts causing changes in agricultural production, precipitation or weather in key cotton-producing countries (e.g., China, India, Pakistan, U.S.) related to climate change could impact the availability and cost of the cotton that is used to make many of our apparel products. We use forecasting to predict risks, and work with suppliers such as BCI to evaluate how to build resilient supply chains., and tools such as our Preferred Fiber Toolkit to shift our sourcing choices to those that have lower climate change risks and impacts.
Chronic physical	Relevant, sometimes included	Flooding, drought or another extreme precipitation event that affects a substantial share of the global cotton supply could lead to a significant increase in the cost of sourcing our products. In 2011, a severe drought in a major cotton producing country contributed to lowering our gross profit margin by several percentage points, which could be seen again, as evidenced by growing cotton prices over the last few years. Chronic physical risks are assessed by our Business Continuity Planning (BCP) team at the asset level, using predictive and actual models from the National Oceanic and Atmospheric Administration (NOAA) and other national and international agencies. When impacted materially from events such as hurricanes, we evaluate financial and physical impacts and build those risks into future planning processes.

C2.3

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

Yes

C2.3a

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

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Please select

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Climate and energy regulations are expected to contribute to an increase in the costs of procuring the energy that is needed to run our 3,000+ stores, office locations, and distribution centers (DCs) in the U.S. and international markets. Our stores and DCs account for the majority of the Scope 2 climate emissions and energy consumption for Gap Inc.'s owned and operated facilities.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

10000000

Explanation of financial impact figure

The risk of abrupt and unpredictable energy price fluctuations could cause variation in our energy procurement costs. The industry's projections suggest that we are at a moderate risk of an increase of \$10,000,000 annually, given our current energy load and spend.

Cost of response to risk

4500000

Description of response and explanation of cost calculation

In 2015, we set a goal to achieve a 50% absolute reduction in GHG emissions at our owned and operated facilities globally by 2020 against a 2015 baseline. This was followed by setting a Science-Based Target to achieve a 90% reduction in Scope 1+2 emissions by 2030. To support this, we also set a goal in 2019 to source 100% renewable energy for our owned and operated facilities globally by 2030. In June 2018, we signed a 20 year power purchase agreement for 3 megawatts of onsite solar at our Fresno DC with the developer SunPower. • Construction will commence in 2019 and will offset 51% of the facility's energy needs once it is operational. • When we signed the PPA, we forecasted an \$84k annual energy savings for the facility with those savings now projected to increase due to local market electricity price increases due to wildfire risk and local utility financial obligations. In January 2019, Gap Inc. joined with four other global companies to announce the completion of an innovative power purchase agreement in which the buyers group --collectively known as the Corporate Renewable Energy Aggregation Group -- will serve as the anchor tenant for a large offsite solar project. This partnership created a new, cost-effective and replicable model that will open up the renewable energy market to companies seeking to purchase smaller volumes of power. In August 2019, we signed a 12-year 90 Megawatt (MW) virtual power purchase agreement (VPPA) for the Aurora Wind Project with Enel Green Power North America (one of the largest offsite renewable energy contracts by an apparel retailer). - This project is estimated to produce 374,000 megawatt hours each year; this will offset approximately 55% of our North American electricity consumption. - The contract is a VPPA "contract for difference" with a range of potential financial outcomes. Management costs include employee resources and time as well as the cost to make investments in increasing energy efficiency and reducing energy consumption, such as the installation of energy management systems and LED lighting in our stores and distribution centers. The installation of efficiency improvements at our retail stores and distribution centers has a payback period of 2-3 years.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

A high percentage of Gap Inc.'s product is made from cotton, primarily grown in countries such as China, United States, India and Pakistan, all of which face climate-related impacts to production. As climate impacts may cause shifts in raw materials that we use in our products, especially cotton due to extreme weather, drought or flooding, we may face sourcing risk or costs. We focus our cotton strategy around building fiber security and maintaining a comprehensive evaluation of cotton sourcing risks, as well as building a more sustainable source of cotton that is better for people and the planet. We are working closely with our top suppliers to support our company-wide policy to eliminate our use of wood-derived fibers from ancient and endangered forests by 2020. This commitment helps protect critical forests and also supports our efforts to tackle climate change, as forest ecosystems are vital natural resources that promote biodiversity, protect watersheds and help mitigate the release of carbon dioxide into the atmosphere.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Raw material costs are expected to increase due to climate related risks in our global supply chain. Currently raw material costs are stable but we anticipate variability in raw material costs in the future. Commodity prices of cotton or recycled polyester are variable and fluctuate based on market forces and external impacts such as drought, flooding and consumer sentiment.

Cost of response to risk

52000

Description of response and explanation of cost calculation

In 2019, we continued our strategy to focus on the fibers that account for approximately 97% of our fiber consumption: cotton, polyester, nylon and man-made cellulose such as rayon and modal. We are also taking steps to source more sustainable synthetic fibers, including recycled polyester and nylon, as part of our work to lower our scope 3 emissions. Gap brand, Banana Republic, and Old Navy have all committed to sourcing 100% of their cotton from more sustainable sources. This includes organic, recycled and Better Cotton Initiative (BCI) cotton. Recycled cotton has now grown to be our second-largest source of sustainable fiber after BCI Cotton. We are also in the process of identifying our raw-material suppliers in order to eliminate sourcing of wood-derived fibers from ancient and endangered forests. At this time, we have identified wood-derived fiber sources for over 80% of Gap Inc.'s cellulose fiber volume, and none source wood-derived fibers from ancient and endangered forests. Our management approach of favoring more sustainable sources of raw materials may incur direct and indirect costs. Our main raw materials are commodities, and systemic management of climate change impact requires coordinated effort across the industry. We partner with organizations such as BCI. This initiative comes with a membership cost, as well as a cost that is variable with our sourcing volumes. The number provided is the membership fee cost for large companies as defined by BCI; Retailers and Brand members pay a Membership Fee and a variable Volume Based Fee (VBF). The membership fee is calculated on total cotton lint footprint, and the VBF is calculated on how much Better Cotton is sourced.

Comment**Identifier**

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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Primary potential financial impact

Please select

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

With over 3,900 stores (in 2019) and other owned & operated facilities globally, Gap Inc.'s operations are at physical risk to the changing climate including floods, droughts and other extreme weather events that damage facilities and make them unable to operate their normal business functions. For example, in response to Hurricanes Maria, Irma and Harvey, Gap Inc. stores were evacuated due to flood and damage risk and employees provided with support during recovery periods.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Risk of natural disasters caused by extreme weather events related to climate change are increasing. For example, during Q3 of 2017, Hurricanes Harvey, Irma and Maria impacted our retail footprint for a limited duration, which included the closure of a combined total of 277 of our stores, for an average of approximately 6 days, representing 0.1% of our total store days lost. We could anticipate a substantial impact to our stores and sales, should a year including hurricane events similar to this occasion occur again.

Cost of response to risk

0

Description of response and explanation of cost calculation

To manage the cost of extreme weather events, we purchase insurance where advisable. Additionally, we maintain business continuity plans for potential impacts, including the continuation of pay for affected workers. During Q3 of 2017, Hurricanes Harvey, Irma and Maria impacted our retail footprint for a limited duration, including the closure of a combined total of 277 of our stores. When impacted from events such as hurricanes, we evaluate financial and physical impacts and build those risks into future planning processes. We implemented our business continuity plans, for example, at some of our stores following these severe storms and continued pay of employees affected by the event. Management costs are built into our overall business continuity planning, human resources and internal risk management controls. Specific management costs for climate-related risks have not been isolated.

Comment

C2.4

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

Yes

C2.4a

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

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

In June 2018, we finalized an agreement to develop an additional 3-megawatt solar array at our Fresno, California distribution center. The project, which will result in the equivalent of removing 254 passenger cars from the road annually, will offset more than half of the energy load at our Fresno facility and is projected to reduce energy expenses. Construction of this array is now complete and is generating power. We are continuing to explore the possibility of combined renewable energy and storage opportunities in our distribution center network. In 2019, together with four other companies—Bloomberg, Cox Enterprises, Salesforce, and Workday—we formed a first-of-its-kind Virtual Power Purchasing Agreement (VPPA) partnership that is enabling us to procure a total of 42.5 megawatts of a 100-megawatt solar project in North Carolina. Historically, it has been difficult for individual companies with smaller energy needs to procure solar from large projects due to high transaction costs and complicated contract processes. By joining forces, however, we have expanded our buying power, and we will be able to share best practices with other companies that wish to replicate this innovative model. Each company will receive approximately the same amount of energy from the project. Gap Inc. has contracted for 7.5 megawatts of solar energy, which will offset 100 percent of the energy load for our Athleta brand's retail stores. The project is targeted to begin generating electricity by the end of 2020. In August 2019, we signed a 90 Megawatt (MW) virtual power purchase agreement (VPPA) for the Aurora Wind Project with Enel Green Power North America, marking one of the largest offsite renewable energy contracts by an apparel retailer. The 12-year agreement will enable us to reach our 2020 goal to reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions for owned and operated facilities by 50 percent compared to 2015 by providing us an estimated 374-gigawatt hours of renewable energy (GWh) each year. The project is expected to come online in 2020 but may be under risk of completion due to COVID-19 related delays.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

80000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We estimate a cost savings annually from our onsite solar installation of approximately \$80,000, which is part of our operational costs. We estimate these costs through our agreement to purchase this energy at a fixed price over a period. In the short term, local energy prices are expected to increase which will increase the cost savings as a result of this project. Our two additional renewable energy projects are contract for difference structured PPAs in which we have committed to paying a fixed price for the clean power generated. That fixed price will be settled against the fluctuating market prices for the two separate projects, with the potential for significant incremental cost to Gap Inc. or cost savings depending on future energy prices. The decision to engage in these two VPPA contracts was done by looking at numerous forward looking financial scenarios, and agreeing to take on the increased financial risk of these transactions in order to achieve our 50% emissions reduction goal, bring additional renewable energy generation onto the U.S. electrical grid, and hedge against the potential increase in brown power prices. The combined annual financial risk of these two projects is in excess of \$5M in extreme low price scenarios.

Cost to realize opportunity

250000

Strategy to realize opportunity and explanation of cost calculation

We are installing solar production capability that will generate the majority of the electricity used by our distribution facility and are purchasing renewable energy capacity that will offset the power consumption of the majority of our operations – all three renewable energy projects are scheduled to begin operation starting in 2020/early 2021, bringing new renewable energy to the grid and helping accelerate the transition to a cleaner economy. In 2017, Gap Inc. signed on to the Science Based Targets initiative (SBTi) to align its climate goals with the scientific consensus and core commitment of the Paris Agreement to limit global warming to less than 1.5 degrees Celsius. In December 2018, Gap Inc. joined with other leading fashion brands to deepen its climate commitment by signing onto the new UN Fashion Industry Charter for Climate Action and committing to carbon neutrality by 2050. We followed up on these commitments by setting our Science Based Targets which include sourcing 100% clean energy for owned and operated facilities globally by 2030, working to reduce absolute scope 1 and 2 GHG emissions by 90% and scope 3 GHG emissions from purchased goods and services by 30% by 2030 from a 2017 base. We incurred one-time management costs of this opportunity that included external consultants and employee time.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Reduced water usage and consumption

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

We require all Tier 1 suppliers of branded products, and our identified strategic Tier 2 mills, to report on energy consumption, emissions and other environment indicators using the Sustainable Apparel Coalition's (SAC) Higg Index Facility Environment Module (FEM). Our Environmental Capability Building and Supplier Sustainability field teams actively engage suppliers to encourage and assist them with reporting. We are also working on integrating environmental data, including water use, into our sourcing scorecards and decisions for suppliers. In 2019, 97 percent of our cut and sew manufacturers and 91 percent of strategic fabric mills and dyehouses suppliers used Higg. Since 2017, we have expanded our use of the Higg Facility Environmental Module (FEM) 3.0 to collect data from mills' self-assessments. Increasingly, these self-assessments are verified by third parties. We use this data to help understand our impact and identify specific opportunities to work with our suppliers to achieve better resource efficiency.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

For one example, Gap has implemented a program called Washwell that promotes denim wash technologies and techniques that incorporate at least 20 percent water-savings. We see an opportunity for supplier-based water savings, which may present reduced operating costs to our suppliers and hence reduced emissions. With the expansion of the program, we expect the savings to be substantial, up to \$1M, but estimate a limited amount of cost savings will be passed along to us as a portion of our sourcing spend .

Cost to realize opportunity

2000000

Strategy to realize opportunity and explanation of cost calculation

We also work through various projects to improve supplier's environmental performance. As an example, we developed our own Mill Efficiency Program in China in 2017, in which we partnered with a Chinese environmental engineering firm in a year-long assessment of energy and water savings opportunities at 6 textile mill facilities. We expanded the program to 18 additional facilities in 2019. Together, these facilities achieved more than 3.76 billion liters of water savings and more than 37,000 tons of carbon dioxide equivalent per year. We work with partners to reduce their resource consumption. Our management is through many initiatives – among them: Race to the Top in Vietnam, India Water Partnership, Sustainable Apparel Coalition (SAC), the Apparel Impact Institute (Aii) and our own environmental capability building program. Costs of management include of partnerships, training partners, and salary of internal staff dedicated to managing these opportunities.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Please select

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Please select

Company-specific description

Our brands are committed to integrating sustainability into their end-to-end process: from the materials they source, to the suppliers they work with, while educating and communicating sustainability directly with our customers, through our products, on our e-commerce sites and in our stores about our efforts to produce responsibly. We have committed to sustainability goals & targets that reduce the impact of the fibers we use in our product. We have done this, by committing to sourcing more sustainable fibers, including Better Cotton , recycled cotton and recycled polyester, as well as cellulosic fiber that is not from High Carbon Stock or High Conservation Value forests, all of which have opportunities to realize reduced carbon emissions through the supply chain.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We are continuing to evaluate the full financial impact / opportunity related to shifting consumer preferences on sustainability. Estimating financial impact / opportunity is challenging, as customer choices and sales depend on a wide variety of factors, to which sustainability is but one contributing factor. Some of our more prominent sustainable product offerings to our customer base include: Gap's "Gap for Good"; Old Navy "Heart Earth", Banana Republic "Better Republic", and Athleta's B-Corp Certification. Gap, Old Navy, Athleta and Banana Republic have all committed to sustainability goals and are communicating their progress to their customers.

Cost to realize opportunity

52000

Strategy to realize opportunity and explanation of cost calculation

All our brands have established executive sustainability steering committees, defined their own priorities and goals, and led strategy workshops on sustainability with cross-functional product teams. Our Gap, Banana Republic, Old Navy, and Athleta brands have announced public sustainability goals to reduce the environmental impact of their products. Over the past three years, brands have been working to increase use of more sustainable raw materials, guided by Gap Inc.'s preferred fibers toolkit, and using more efficient fabric dyeing and finishing techniques. These materials, as demonstrated by Life Cycle Assessments, conserve water resources, use less energy, emit less greenhouse gases and hazardous chemicals than their conventional counterparts. Our management approach of favoring more sustainable sources of raw materials may incur direct and indirect costs. Our main raw materials are commodities, and systemic management of climate change impact requires coordinated effort across the industry. We partner with organizations such as BCI to reduce our risk and to promote broader change. This initiative comes with a membership cost, as well as a cost that is variable with our sourcing volumes. The number provided is the membership fee cost for large companies as defined by BCI, however our total costs may vary depending a number of factors, Retailers and Brand members pay a Membership Fee and a variable Volume Based Fee (VBF). The membership fee is calculated on total cotton lint footprint, and the VBF is calculated on how much Better Cotton is sourced.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, and we do not anticipate doing so in the next two years

C3.1c

(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

We are currently leveraging multiple data sources and touchpoints to understand the full scope of risks that climate change presents to our business. We have a strong understanding of the impacts that our business generates, both directly and indirectly, on the environment. This information is leveraged to drive meaningful impact reductions and environmental performance improvement in our facilities and our supply chain. While our understanding of climate risks is growing internally, there are other large drivers to our overall business strategy. Apparel retail, including our Gap, Banana Republic, Old Navy and Athleta brands, is an extremely competitive industry, and brick and mortar retail is in the midst of a dynamic period of change. We are focused as a Company on adapting to evolving competitor pressure and customer expectations, including speed to market and growing online orders. Our business strategy is primarily focused on remaining competitive and growing our business, while reducing our overall footprint and contribution to climate change.

Our primary focus is to adapt our apparel retail brands, including Old Navy, Gap, Banana Republic, Athleta, Intermix and Janie and Jack to evolving competitor pressure and customer expectation and currently have not allocated resources or plans towards implementing climate-related scenario analysis beyond the next two years.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate change risks and opportunities have relatively large impacts on our products primarily through our raw materials sourcing. We have worked to build resiliency into our supply chains to climate related impacts, especially cotton. With the risk of increased raw material prices, we have set goals to source 100% sustainable cotton across Gap Inc. by 2025. Our brands have also set additional goals around sustainable fiber sourcing: • Athleta –80% of materials should come from sustainable sources by 2020 (in 2019 they were at 70%). • Banana Republic – to source sustainable fibers across 50% of their portfolio by 2023.
Supply chain and/or value chain	Yes	The operations of Gap Inc.'s Global Supply Chain department has been somewhat impacted by climate-change related risks and opportunities, such as increasing environmental regulatory enforcement in China impacting product supply. For example, in China, regulatory caps on carbon emissions have resulted in the halt of production within identified preferred mill facilities that manufacture our product, occasionally abruptly, which has impacted their ability to provide finished apparel goods in a timely manner. Additionally, supply chain impacts could affect all of our raw material sourcing including cotton and polyester, if commodity prices rise in response to climate-related impacts.
Investment in R&D	Yes	We have partnered with the Hong Kong Research Institute of Textiles and Apparel (HKRITA) to move from a linear to a circular across the life-cycle of textiles to reduce the environmental impact of apparel. The initial research areas are: separating spandex from used garments and denim decolourisation. Within our production, we have incorporated improved dyeing technology alongside developing operational efficiencies, such as Gap's WashWell denim program, and partnered with mill groups on piloting and implementing new technology. Additionally, we developed and in 2018 began distributing Preferred Fiber Toolkits for our designers and developers to educate them on sustainable fiber choices. Building upon data sourced from the Sustainable Apparel Coalition's (SAC) Material Sustainability Index and developed in partnership with the Made-By and Textile Exchange, these toolkits account for climate change related impacts, as well as water resource risk, among other impacts, to assist our teams in developing more sustainable products.
Operations	Yes	Climate change related impacts have had small effects on our direct operations, including stores, distribution centers and offices. Identified risks of transition costs to lower emissions technology involve financial outlay to directly source renewable energy or purchase Renewable Energy Credits. As we explore transitioning to lower emissions technology, some facilities are impacted. With over 3,000 stores and other owned & operated facilities globally, Gap Inc.'s operations are at physical risk to the changing climate including floods, droughts and other extreme weather events that damage facilities and make them unable to operate their normal business functions. For example, in response to Hurricanes Maria, Irma and Harvey, Gap Inc. stores were evacuated due to flood and damage risk and employees provided with support during recovery periods. Our decisions to sign The Fashion Pact, invest in solar and wind-based renewables and commit to a science-based target to source 100% renewable energy by 2030 have been largely made by taking these risks into consideration.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Indirect costs Capital allocation	In response to unpredictable indirect costs in the form of energy spend, we have invested in both onsite and offsite renewable energy. The long-term contracts provide a combination of price stability and hedging against future volatility in power prices. Our investment in renewable energy is predominately in the form of forward-looking financial risk tolerance (rather than CapEx) that will hedge against future price increases. For example, future price increases in deregulated energy markets will increase indirect costs to procure utility power for our store fleet, but our 'contract-for-difference' renewable energy projects will allow us to earn revenue from those same market price increases. Additionally, in 2018 we signed a 20-year power purchase agreement with SunPower for 3 megawatts of onsite solar at its distribution center in Fresno, California. This project generates over 50% of the facility's energy needs. Not only does this directly reduce emissions from our DC, we also anticipate that the solar energy significantly decreased our annual electricity costs of \$84,000. This long-term contract is one of the renewable projects we have to help us achieve our goal of 100% renewable energy across our globally owned and operated facilities by 2030.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

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

Absolute target

C4.1a

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

Target reference number

Abs 1

Year target was set

2015

Target coverage

Please select

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2015

Covered emissions in base year (metric tons CO2e)

470075

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

50

Covered emissions in target year (metric tons CO2e) [auto-calculated]

235037.5

Covered emissions in reporting year (metric tons CO2e)

363586

% of target achieved [auto-calculated]

45.3072382066692

Target status in reporting year

Underway

Is this a science-based target?

No, but we are reporting another target that is science-based

Please explain (including target coverage)

This target covers our owned and operated facilities. 22.6% reduction from baseline year, 45% of the way complete to a 50% reduction target. We have revised this baseline from previously reported numbers to account for our acquisition of Janie and Jack which occurred in March of 2019.

Target reference number

Abs 2

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2017

Covered emissions in base year (metric tons CO2e)

406882

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

90

Covered emissions in target year (metric tons CO2e) [auto-calculated]

40688.2

Covered emissions in reporting year (metric tons CO2e)

363586

% of target achieved [auto-calculated]

11.8232476901575

Target status in reporting year

New

Is this a science-based target?

Yes, this target has been approved as science-based by the Science-Based Targets initiative

Please explain (including target coverage)

This is the first year that we are reporting out on our new science-based target which was announced in 2019. The number provided in our reporting year row represents our Scope 1+2 emissions for FY 2019 showing a 10.6% reduction from the base year (i.e. we are 11.8% of the way complete to our 90% target). As members of the G7 Fashion Pact, this target will help our longer-term goal of achieving zero GHG emissions by 2050.

Target reference number

Abs 3

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3: Purchased goods & services

Base year

2017

Covered emissions in base year (metric tons CO2e)

5182808

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

30

Covered emissions in target year (metric tons CO2e) [auto-calculated]

3627965.6

Covered emissions in reporting year (metric tons CO2e)

4984377

% of target achieved [auto-calculated]

12.762129460838

Target status in reporting year

New

Is this a science-based target?

Yes, this target has been approved as science-based by the Science-Based Targets initiative

Please explain (including target coverage)

Our Scope 3 emission reduction target focuses on purchased goods & services. Our purchased goods & services impacts include emissions from our Tier 1 & 2 suppliers (i.e., cut & sew facilities, dyeing facilities, fabric mills etc) as well as the embodied carbon of our products (the upstream impact of the cotton, wool, leather, polyester, etc. supply chains). Our target will address the main sources of these GHG emissions by reducing our supply chain's energy and emission footprint, shifting to renewable sources of energy, encouraging our suppliers to set their own SBTs when feasible, and using less carbon-intensive materials in the design phase (such as organic cotton or recycled inputs). While the consumer use of sold products can comprise as much as 26% of emissions, our influence is low (i.e., consumer behavior drives how clothes are washed and at what frequency) and policies to reduce this may increase emissions from a systems basis (for example, making a garment less durable reduces its use phase emissions but increases other categories). The Apparel and Footwear Sector Science-based Target Guidance (November 2018 V2.0) has the provision to exclude use of sold products from scope 3 calculations for these reasons. In accordance with this sector guidance, we are excluding this scope 3 category from the overall calculations to derive the 66% criteria for setting a Science-based target. Purchased goods & services comprises 81% of all scopes when product use phase is excluded and meets the criteria for scope 3 targets (>66% of all scope 3 categories).

C4.2

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

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

C4.2a

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

Target reference number

Low 1

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

<Not Applicable>

Base year

2017

Figure or percentage in base year

0

Target year

2030

Figure or percentage in target year

100

Figure or percentage in reporting year

0

% of target achieved [auto-calculated]

0

Target status in reporting year

New

Is this target part of an emissions target?

Contributes to emission reduction targets Abs1 and Abs2

Is this target part of an overarching initiative?

RE100

Please explain (including target coverage)

C4.3

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

Yes

C4.3a

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	2	157122
Implemented*	1	2528
Not to be implemented		

C4.3b

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

Initiative category & Initiative type

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

Estimated annual CO2e savings (metric tonnes CO2e)

2528

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

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

84000

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

0

Payback period

<1 year

Estimated lifetime of the initiative

16-20 years

Comment

Fresno Solar PPA (3 MW install – projected annual generation 6,300 MWh). In June 2018, we signed a 20 year power purchase agreement for 3 megawatts of onsite solar at our Fresno DC with the developer SunPower. Construction commenced in 2019 and will offset 51% of the facility's energy needs once running at capacity

Initiative category & Initiative type

Low-carbon energy consumption	Wind
-------------------------------	------

Estimated annual CO2e savings (metric tonnes CO2e)

149969

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

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

0

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

0

Payback period

<1 year

Estimated lifetime of the initiative

11-15 years

Comment

This 90 MW wind contract is scheduled to begin generating in 2020 and drive achievement to our 2020 GHG emissions reduction target. The VPPA contract structure requires no upfront cost, and the payback is dependent on future market prices for energy which will dictate potential revenue or cost to the organization.

Initiative category & Initiative type

Low-carbon energy consumption	Solar PV
-------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

7153

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

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

0

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

0

Payback period

<1 year

Estimated lifetime of the initiative

11-15 years

Comment

The deal was a first of its kind aggregation structure with 5 corporate offtakers jointly selecting and contracting an offsite solar project with Gap Inc. as anchor tenant. The

VPPA contract structure requires no upfront cost, and the payback is dependent on future market prices for energy which will dictate potential revenue or cost to the organization. In December 2018, we signed the Virtual Power Purchase Agreement (VPPA) and completed our first ever Gap Inc. offsite renewable energy contract. The deal is for 7.5 megawatts of solar energy in North Carolina on a 15 year term that will begin generating in the second half of 2020 with a projected generation of 17,697 MWh annually.

C4.3c

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

Method	Comment
Financial optimization calculations	Return on Investment (ROI) calculations are a key method for driving investments in emission reduction activities, especially as a selling point to upper management and leaders within the business groups. Investments which have a 1-3 year ROI are the types of activities we have typically engaged in the past.
Employee engagement	In surveys across the Company, a significant majority of our employees are proud of Gap's Inc. reputation within the community, believe in our values and feel that our leadership demonstrates a high degree of integrity in the communities we live and work in. Engaging our employees on environmental and social issues like climate change issues allows us to reflect on a common set of values, promote healthy and sustainable living and working and contributes to recruitment and retention rates within the Company. To that end, we have communicated our GHG goal to the entire Company to give visibility to the goal and help drive engagement on environmental initiatives. Employees play a key role in meeting our goals and integrating sustainability further into our business.
Lower return on investment (ROI) specification	Setting public goals has helped drive investment toward emission reduction activities. We have also begun comparing the ROI and Internal Rate of Return (IRR) on the various paths of investment necessary to achieve our 2020 GHG emissions reduction goal to help drive investment in energy related projects earlier in the goal term.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

February 1 2015

Base year end

January 31 2016

Base year emissions (metric tons CO2e)

27469

Comment

Adjusted for Janie and Jack acquisition

Scope 2 (location-based)

Base year start

February 1 2015

Base year end

January 31 2016

Base year emissions (metric tons CO2e)

464589

Comment

Adjusted for Janie and Jack acquisition

Scope 2 (market-based)

Base year start

February 1 2015

Base year end

January 31 2016

Base year emissions (metric tons CO2e)

442605

Comment

Adjusted for Janie and Jack acquisition

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

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

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

27316

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

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

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

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

Reporting year

Scope 2, location-based

335207

Scope 2, market-based (if applicable)

336270

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

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

No

C6.5

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

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

4984377

Emissions calculation methodology

Data includes Tier 1 & 2 suppliers as well as upstream embodied carbon of materials. Tier 1 & 2 is based on Higg data from suppliers reporting in 2017 and contains GHG calculations of their scope 1 & 2 based on energy data and allocations of impact to Gap, Inc. Embodied carbon is calculated based on material quantity and emission factors per type of material.

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

53

Please explain

The percentage of emissions calculated using data obtained from suppliers or value chain partners figure represents our Tier 1 & 2 supplier emissions data. This is based on Higg data representing 75% of information for Tier 1 & 2 - the remaining is extrapolated, primarily for Tier 2. This represents the fabric production, dyeing, assembly and finishing stages of production. The remaining 47% of this is embodied carbon is based on actual material quantities purchased but estimated emission factors.

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Capital goods are incorporated into purchased goods & services

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

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

83144

Emissions calculation methodology

Emission data is calculated with Quantis Scope 3 Evaluator tool, using 2017 data inputs.

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

0

Please explain

Based on SBTi criteria of relevancy, purchased goods & services represents >66% of impact of all scope 3 categories. All other categories are considered not relevant.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

527081

Emissions calculation methodology

Emissions calculated using primary tonne.km information at a haul level from Gap internal systems, multiplied by Defra product transportation emission factors.

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

100

Please explain

Waste generated in operations

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

20857

Emissions calculation methodology

Emission data is calculated with Quantis Scope 3 Evaluator tool, using 2017 data inputs.

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

0

Please explain

Business travel**Evaluation status**

Not relevant, calculated

Metric tonnes CO2e

34041

Emissions calculation methodology

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

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

100

Please explain**Employee commuting****Evaluation status**

Not relevant, calculated

Metric tonnes CO2e

20400

Emissions calculation methodology

Emission data is calculated with Quantis Scope 3 Evaluator tool, using 2017 data inputs.

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

0

Please explain**Upstream leased assets****Evaluation status**

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Gap doesn't have upstream leased assets

Downstream transportation and distribution**Evaluation status**

Not relevant, calculated

Metric tonnes CO2e

39413

Emissions calculation methodology

Emissions calculated using primary tonne.km information at a haul level from Gap internal systems, multiplied by Defra product transportation emission factors.

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

100

Please explain**Processing of sold products****Evaluation status**

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Based on industry guidance, processing of sold products is not relevant to Gap's business model.

Use of sold products

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

2095886

Emissions calculation methodology

Calculations are based on average assumed life of products per product category and average consumer use / wash behaviour. Emission data is calculated with Quantis Scope 3 Evaluator tool, using 2017 data inputs.

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

0

Please explain

Based on industry guidance issued from the SBTi apparel working group, this category is optional and does not meet the criteria of relevancy for scope 3 (low level of influence)

End of life treatment of sold products

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

369

Emissions calculation methodology

Data is based on Quantis Scope 3 Evaluator tool, using 2017 data inputs.

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

0

Please explain

Representing <1% of all scope 3 impacts, this category is not considered relevant based on a 2018 Scope 3 screening assessment.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Gap doesn't have downstream leased assets

Franchises

Evaluation status

Relevant, calculated

Metric tonnes CO2e

25407

Emissions calculation methodology

Based on square footage data, using a standard brand energy intensity factors and International Energy Agency emission factors.

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

0

Please explain

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Gap doesn't have investments that meet the Scope 3 criteria of relevancy.

Other (upstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

C6.7

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

No

C6.10

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

Intensity figure

0.00002219

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

363586

Metric denominator

unit total revenue

Metric denominator: Unit total

16383000000

Scope 2 figure used

Market-based

% change from previous year

6

Direction of change

Decreased

Reason for change

Emissions decreased by 7.2% from FY18 to FY19 while revenue decreased by 1.2%, leading to a 6.0% intensity reduction.

C7. Emissions breakdowns

C7.1

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

Yes

C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	27288.4	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	14.1	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	13.6	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	3102.23
Japan	1606.25
United Kingdom of Great Britain and Northern Ireland	888.45
United States of America	21719.16

C7.3

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

By business division

C7.3a

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

Business division	Scope 1 emissions (metric ton CO2e)
Distribution Centers	6003.93
Corporate Headquarters	1616.82
Retail Locations	19695.33

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Bangladesh	16	16	32	0
Canada	8588	7868	67210	0
China	27263	27263	43572	0
Chile	111	111	253	0
France	499	385	7069	0
China, Hong Kong Special Administrative Region	639	639	877	0
India	1219	1219	1687	0
Indonesia	31	31	40	0
Ireland	258	336	679	0
Italy	1147	1710	3510	0
Japan	32505	32505	64003	0
Mexico	2769	2769	5785	0
Pakistan	0	0	1	0
Puerto Rico	1448	1448	3350	0
Sri Lanka	1	1	2	0
Taiwan, Greater China	2092	2092	3341	0
Turkey	1	1	3	0
United Kingdom of Great Britain and Northern Ireland	5923	9138	23987	0
United States of America	250599	248641	672110	0
Viet Nam	98	98	270	0

C7.6

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

By business division

C7.6a

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

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Distribution Center	31013	28885
Corporate Headquarters	11289	8703
Retail Locations	292904	298683

C7.9

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

Decreased

C7.9a

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

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable >		
Other emissions reduction activities		<Not Applicable >		
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output	10110	Decreased	2.6	Emissions representing store closures represented a net 10110 metric tons CO2e emission reduction, representing a 2.6% of the 7.2% total decrease (10110/391594 FY2018 emissions = 2.6%)
Change in methodology	16189	Decreased	4.1	Emissions representing updates to published emission factors represented a net 16189 metric tons CO2e emission reduction, representing a 4.1% of the 7.2% total decrease (10110/391594 FY2018 emissions = 4.1%)
Change in boundary		<Not Applicable >		
Change in physical operating conditions		<Not Applicable >		
Unidentified	1708	Decreased	0.4	Emissions reduced by 28007 metric tons CO2e since 2018, or 7.2%. When subtracting emission reductions from store closures and methodology (28007-10110-16189=1708), approximately 0.4% is unidentified (1708/391594 FY2018 emissions = 0.4%)
Other		<Not Applicable >		

C7.9b

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

Market-based

C8. Energy

C8.1

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

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

C8.2

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

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

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	149635	149635
Consumption of purchased or acquired electricity	<Not Applicable>	0	891697	891697
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	5558	5558
Consumption of purchased or acquired cooling	<Not Applicable>	0	526.08	526
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	0	1047416	1047416

C8.2b

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

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

C8.2c

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

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

146111

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.00018

Unit

kg CO2e per MWh

Emissions factor source

US EPA Mandatory Reporting Rule, 2013

Comment

Fuels (excluding feedstocks)

Propane Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

0.49

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.00022

Unit

kg CO2e per MWh

Emissions factor source

US EPA Mandatory Reporting Rule, 2013

Comment

Fuels (excluding feedstocks)

Jet Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

2475

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.00025

Unit

kg CO2e per MWh

Emissions factor source

The Climate Registry, 2019

Comment

C8.2e

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

Sourcing method

None (no purchases of low-carbon electricity, heat, steam or cooling)

Low-carbon technology type

<Not Applicable>

Country/region of consumption of low-carbon electricity, heat, steam or cooling

<Not Applicable>

MWh consumed accounted for at a zero emission factor

<Not Applicable>

Comment

C9. Additional metrics

C9.1

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

C10. Verification

C10.1

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

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

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

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

C11. Carbon pricing

C11.1

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

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

65

Rationale for the coverage of your engagement

We ask 100% of our Tier 1 suppliers of branded products and our strategic Tier 2 suppliers to respond to the Higg Facility Environmental Module (FEM) questionnaire on an annual basis to help us better understand their environmental footprint. Our Tier 1 vendors are those that we have direct procurement spend with and are the first line of engagement into our supply chain. We choose this high level of engagement because it allows us to have a clear understanding of our supply chain operations and understand where and which types of engagement are needed. We are then able to work with our suppliers on a number of initiatives specific to their operations that are aimed to lower emissions in accordance with our newly set Scope 3 goal – reducing our emissions from purchased goods and services by 30% from a 2017 baseline.

Impact of engagement, including measures of success

We measure our success based on the number of suppliers that respond to the Higg FEM questionnaire and collaborate with us to achieve our Scope 3 goal. In 2019, 97% of Tier 1 suppliers and 93% of Tier 2 suppliers responded to this questionnaire. We have also begun tracking the number of verified responses to the questionnaire and will begin incorporating this into our measure of success in upcoming years.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Climate change performance is featured in supplier awards scheme

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

65

Rationale for the coverage of your engagement

We ask 100% of our Tier 1 suppliers of branded products and our strategic Tier 2 suppliers to respond to the Higg Facility Environmental Module (FEM) questionnaire on an annual basis to help us better understand their environmental footprint. Our Tier 1 vendors are those that we have direct procurement spend with. We also work with them on a number of initiatives aimed to lower emissions in accordance with our newly set Scope 3 goal – as it would help us to reduce our emissions from purchased goods and services by 30% from a 2017 baseline.

Impact of engagement, including measures of success

We measure our success based on the number of suppliers that would respond to the questionnaire and collaborate with us to achieve our Scope 3 goal. In 2019, 97% of Tier 1 suppliers and 93% of Tier 2 suppliers responded to this questionnaire. Our suppliers Higg FEM score is also made visible as a KPI in metrics when reviewing vendor performance and future order placement.

Comment

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers

Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Adaptation or resilience	Support	Through our memberships with both CERES and BICEP, we have engaged with state and federal policy makers to support and influence policy decisions related to existing and proposed legislation that supports clean energy generation. We are members of the Rocky Mountain Institute Business Renewables Center and the multi-stakeholder Renewable Energy Buyers Alliance.	Supportive of the Clean Power Plan, CA Cap and Trade legislation, Renewable Portfolio Standards
Carbon tax	Support	Gap Inc, alongside more than 75 businesses including eBay, Exelon, Gap, Levi's, Nike, Mars Incorporated, Microsoft, PepsiCo, Tesla and others joined with a bipartisan group of federal lawmakers through CERES to call on Congress to pass meaningful climate legislation, including a price on carbon.	The businesses calling for a meaningful national carbon price span across the American economy, including retail giants, manufacturers, oil majors, healthcare services, food and beverage companies, outdoors industries, technology companies, and energy providers. Representatives from these businesses are meeting one-on-one with lawmakers and congressional staff from both sides of the aisle in the House and the Senate to educate them on the economic impacts of climate change and the need for comprehensive and effective national climate policies. Hosted by Sen. Chris Coons (D-DE), these representatives will make the business case for a strong and effective federal carbon price and share the private sector's vision for comprehensive solutions to tackle climate change.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

BICEP (Ceres Initiative)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

We are actively engaged members of Ceres' Business for Innovative Climate and Energy Policy (BICEP) coalition, a group of over 365 public and private companies seeking to help support meaningful energy and climate change legislation. The goal of the coalition is to work directly with key allies in the business community — and members of Congress — to pass meaningful energy and climate change legislation consistent with BICEP's core principles. As an active member of BICEP, we are helping to stress the urgency of finding solutions to climate issues.

How have you influenced, or are you attempting to influence their position?

We have actively leveraged our membership in BICEP to advocate for progressive policy action on climate and energy issues. We signed onto BICEP/CERES' Climate Declaration SB32 and SB350 in California, supporting renewable power, energy efficiency in buildings and vehicles, and climate goals. We have actively leveraged our membership in BICEP to advocate for progressive policy action on climate and energy issues, and publicly affirmed our commitment to the Paris Climate Agreement.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

We have a corporate Climate Policy that outlines our position as it relates to climate change. This policy serves to structure internal decision making, prioritization, and policy advocacy to ensure alignment on all activities related to climate change.

Additionally, Gap Inc.'s Environmental Council, which includes functional business leaders from across the Company, evaluates and helps build alignment on new initiatives and reviews progress on our existing environmental goals and programs. The close collaboration and organized communication within our Environmental Council helps to ensure that all environmental goals and programs are consistent with Gap Inc.'s overall climate change strategy.

Our policy advocacy on climate change issues is also aligned cross-functionally through close collaboration between our Communications and Global Sustainability departments.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

Gap Inc Report 2018.pdf

Page/Section reference

<https://www.gapincustainability.com/environment/doing-our-part-climate#:~:text=In%202020%2C%20we%20announced%20Gap,Gap%20Inc.> Pg 54, 61, 65, 67 in attached document

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Comment

We also have a larger data table on our website, under the Environment tab: <https://www.gapincustainability.com/measuring-our-progress>

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Legal, Compliance and Sustainability Officer	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Please select

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
-----------------------	--

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Please select

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

Please select

SC3.1

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?

Please select

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2019-2020 Action Exchange initiative?

Please select

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Please select

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms