

June 19, 2018

Business & Human Rights Resource Center,

We are deeply concerned by the allegations raised in this report, and our Global Sustainability team is currently conducting additional due diligence to investigate and address the allegations raised within it. Further, we have initiated a dialogue with some of our key implementing partners, among them CARE, ILO Better Work, and Verité, to discuss how our industry can accelerate its effort to address this global, systemic issue.

At Gap Inc., we are committed to making sure that the people who make our clothes work in safe conditions and are treated with respect. To help us advance that commitment, we've sought to reconfigure our supply base to focus on partners that share our sustainability values and goals. Over the past two years, we have also significantly increased the number of factories we source from that are assessed by ILO's Better Work program. Our Code of Vendor Conduct, which closely aligns with our human rights and environmental policies, prohibits any form of discrimination or harassment, including that which is gender-based. We conduct assessments of our branded apparel suppliers on a regular basis to assess their social performance, and when we encounter any discriminatory or retaliatory practices in our supply chain, we require that our suppliers promptly remediate the situation.

We recognize the limits of working with factories solely through an "assess and remediate" model, which is why we also operate additional programs that seek to proactively address the root cause of factory-related issues. Among them:

- In Bangladesh, Cambodia, China, Guatemala, India, Indonesia, Vietnam and Sri Lanka we are operating our Workplace Cooperation Program, which focuses on working with bi-partite committees to identify and address workplace related issues. This program is based on curriculum developed by ILO Better Work, and will be operational in 100 factories by the end of this year. We are currently evaluating how this program can deepen its focus on gender-based issues.
- We also operate our Workforce Engagement Program in Bangladesh, China, Guatemala, India, and Vietnam. This program allows us to measure and seek to improve workers' sense of value and engagement at work, and has gender-based considerations built into the core of its structure. This program was developed in partnership with Verité, a leading, independent NGO focused on improving working conditions and labor standards globally.
- In 2007 Gap Inc. launched a life-skills education program called P.A.C.E. (Personal Advancement & Career Enhancement) dedicated to supporting the women who work in the global apparel industry and within our global supply chain. We currently operate P.A.C.E. in 16 countries around the world, and do so in partnership with leading development NGOs – such as the International Center for Research on Women and CARE – that have a deep expertise in addressing gender-based issues.

Globally, Gap Inc. agrees that gender-based workplace violence is a deeply important issue and an appropriate subject for ILO action, and we are engaged on this issue in a multitude of ways. Since 2017, we have participated in a CARE advisory group that has focused on, among other gender-based issues, identifying how the private sector can best support the ILO's effort to address gender-based violence in the workplace. We will continue to address this urgent issue through our role in the advisory group, to

advance our goal of seeing the ILO adopt measures that will help all stakeholders address this issue in a targeted and effective manner.

Further, we will continue to invest in finding new, innovative ways to improve gender equity in the private sector. For example, Gap Foundation was the founding corporate foundation partner of the new Center for Equity, Gender, and Leadership at UC Berkeley's Haas School of Business. The Center will conduct and disseminate cutting edge gender-based research, produce multi-media content and case studies of companies that are leading in gender equity, and develop and implement curriculum in universities on gender leadership and the value of diversity.

We look forward to continuing to work with a broad set of stakeholders both within and outside of our sector to address this urgent, global issue.