

STATEMENT FROM GAP INC.

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“Gap Inc. has been and will continue to be one of the strongest leaders in the area of Corporate Social Responsibility and to making a lasting difference around the world.

“We take our commitment to improving working conditions in Bangladesh very seriously. In fact, we were among the first global brands to take tangible actions in the country. Last October, after more than a year of negotiations that failed to result in an agreement, we announced our four-point plan that includes a meaningful commitment of financial support of up to \$22 million so that improvements are made.

“Moving without delay and making tangible progress on the ground in Bangladesh has been our complete focus. We chose this as a first step because we knew this is where we could have immediate, direct impact. Gap Inc. currently contracts with 78 factories, of the more than 6,500 garment factories registered in Bangladesh.

“For the past two years, we have sat at the table with key stakeholders with the intention of creating a sustainable, multi-retailer and multi-stakeholder agreement. Our view continues to be that the right multi-sector partnership is the best way to lead to systemic, lasting change in the country. We’re pleased that an accord is within reach, and Gap Inc. is ready to sign on today with a modification to a single area – how disputes are resolved. This proposal is on the table right now with the parties involved. With this single change, this global, historic agreement can move forward with a group of all retailers, not just those based in Europe.

“Lasting change in Bangladesh will require the active participation of many stakeholders, including retailers, the Bangladeshi government, the UN’s ILO, and the U.S. government - and importantly, the inclusion of local stakeholders such as the Bangladeshi government, and local industry and worker representatives.

“Gap Inc. has already invested more than one million dollars into fire safety inspections. As a result of our early investment and intensive, on-site inspections of the factories that we contract with that have already occurred - some vendors are beginning to make improvements to their facilities.

“For decades, we have been a leader in the area of Corporate Social Responsibility, and our programs like P.A.C.E. has been recognized by former President Bill Clinton. We remain committed to seeing lasting change occur in this country, and are working to help ensure that apparel workers in Bangladesh are able to work in safe, fair conditions.”

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