

## **GAP INC. POLITICAL ENGAGEMENT POLICY**

At Gap Inc., we believe that it is important to participate in political and regulatory processes on issues that affect our business and community interests. We work proactively to enable Gap Inc.'s strategies through public policy and government advocacy. We also participate in political activities and advocate for legislation when there is a connection to our business and our ability to grow the business in a way that is consistent with our values, our legal obligations, and our Codes of Business Conduct and Vendor Conduct. For example, in the past we have been active in policy discussions and have lobbied on issues related to trade, tax policy, ports/infrastructure, and environmental issues. Gap Inc. only takes positions on ballot measures, initiatives or propositions that have a direct impact on our business.

### **Corporate Political Contributions**

Gap Inc. participates in the political process by using corporate funds to make political contributions to committees and ballot initiatives that further our business strategies, community interests and public policy objectives. Our Government Affairs department manages and oversees the Company's political activities. All corporate political contributions are reviewed and approved in advance by both the (i) Senior Director of Government Affairs and (ii) the Executive Vice President, Global General Counsel, Corporate Secretary & Chief Compliance Officer. Before any contribution is approved, we carefully review the recipient's standing and position to ensure alignment with our business. No contributions are made based on the personal interests of any employee or director. All contributions are given in compliance with Gap Inc.'s internal policies.

In FY 2019, Gap Inc. made corporate political contributions of \$23,050, as detailed below. To review political contributions made in FY 2018, there is an archive at the end of this document. We report our corporate political contribution spending on an annual basis, or as required by state and local laws.

State	Recipient	Amount
CA	HERTZBERG FOR STATE CONTROLLER 2022 (FPPC # 1413987)	\$1,500
CA	MARC BERMAN FOR ASSEMBLY 2020 (FPPC #1414419)	\$1,500
CA	COLONEL (RET) TOM UMBERG FOR SENATE 2022 (FPPC #1415628)	\$1,000
CA	COMMITTEE ON JOBS GOVERNMENT REFORM FUND (FPPC #982683)	\$19,000
WA	WRA Retail Action Council PAC	\$50

In FY 2019, Gap Inc. did not make any contributions to 501(c)(4) organizations that may be used for political purposes.

### **Gap Inc. Political Action Committee (Gap PAC)**

Gap Inc. supports employee participation in the political process and provides eligible employees with the opportunity to contribute to the Gap Inc. Political Action Committee (Gap PAC). Gap PAC is a separate legal entity, with its own oversight council, and is funded solely from voluntary contributions made by eligible Gap Inc. employees, directors, stockholders, and their families. Gap PAC supports candidates and committees that best support our business goals and strategies.

Gap PAC was formed to impact public policy relevant to our business interests, guided by our company values. The slate of giving is overseen by an internal PAC Council comprised of individuals from store operations, legal, government affairs, human resources, and logistics. Other PAC Council members may be added.

The PAC Council bases its giving decisions on a number of factors, most importantly the policy positions of individual candidates, committees and organizations on issues that impact our business priorities. Other factors that are considered include

- Serving in leadership in the House or Senate
- Members of key committees of jurisdiction on issues relevant to our business, notably the House Ways & Means and Senate Finance Committees
- Members representing states and congressional districts where Gap Inc. has a significant presence

The Senior Director of Government Affairs manages and oversees all Gap PAC contributions after consultation and approval by our internal PAC Council. All Gap PAC contributions are made in a legal, ethical and transparent manner in accordance with federal laws and regulations governing political action committees. All Gap PAC contributions are fully and publicly disclosed in reports filed with the Federal Election Commission (FEC).

In Calendar Year 2019, Gap PAC made \$95,000 in political contributions and had \$142,275 in incoming receipts. We report Gap PAC political contribution spending on an annual or quarterly basis per FEC reporting requirements. Gap PAC's FEC reports can be found on the FEC website.

### **Board Oversight**

Our corporate contributions are reviewed annually by the Gap Inc. Board of Directors. The Board also receives periodic updates regarding our political activities.

### **Gap Inc. Association Memberships**

Gap Inc. is a member of various industry and trade associations that further our business, economic and community interests. These associations keep us informed on developments and trends in our industry and help us focus our advocacy in the most effective way. We often communicate and advocate our positions through our membership in concert with our industry partners. All dues paid to these trade associations are made with corporate funds. In Calendar Year (CY) 19, the estimated expenditure was \$593,000, 58% percent of which supported non-deductible lobbying activities. A list of trade associations Gap Inc. supported in CY 2019 is included at the end of this report.

### **527 Organizations/Independent Expenditures**

As a matter of policy, neither Gap Inc. nor Gap PAC make any contributions to organizations commonly known as "527 Organizations," which are political organizations that are not regulated by state or federal election regulations. Similarly, we do not make contributions through independent expenditure committees.

## Trade Associations

The following is a list of U.S.-based trade and industry associations that Gap Inc. supported in CY 2019 in excess of \$1,000 that engage in significant public policy advocacy related to our core business interests. Our financial support to these organizations in CY 2019 was approximately \$593,000, 58% of which supported non-deductible lobbying activities.

<b>Organization</b>
AFIRM
California Retailers Association
Illinois Retail Merchant Association
National Business Group on Health
National Retail Federation
Retail Council Of New York State
Retail Industry Leaders Association
San Francisco Chamber of Commerce
San Francisco Committee on Jobs
The ERISA Industry Committee
Washington Retail Association

## **Archive of Corporate Political Contributions**

### FY 2018 Corporate Political Contributions

In FY 2018, Gap Inc. made corporate political contributions of \$44,998, as detailed below.

<b>State</b>	<b>Recipient</b>	<b>Amount</b>
CA	SF Forward (FPPC # 891575)	\$24,999
CA	A Home for Everyone, Yes on Props 1 & 2 (FPPC # 1411010)	\$19,999

In FY 2018, Gap Inc. did not make any contributions to 501(c)(4) organizations that may be used for political purposes.