

Executive Stock Ownership

- Last updated 09/26/18

The Gap Inc. ("Company") Board of Directors believes that Company executives should have a meaningful ownership stake in the Company to underscore the importance of linking executive and shareholder interests, and to encourage a long-term perspective in managing the enterprise. Therefore, the Board of Directors adopted formal stock ownership requirements for executive officer positions.

Executive Position	Min. Stock Ownership Requirement
---------------------------	-----------------------------------------

President and CEO, Gap Inc.	300,000 shares
-----------------------------	----------------

President and CEO - Banana Republic, Gap, and Old Navy	75,000 shares
--------------------------------------------------------	---------------

Corporate Executive Vice President	40,000 shares
------------------------------------	---------------

- Newly appointed executives have five years from the time they are named to a covered executive position to meet the stock ownership requirement.
- For purposes of determining stock ownership levels, the following forms of equity interests in the Company count towards the stock ownership requirement:
 - Shares obtained through an Employee Stock Purchase Plan
 - Non performance-based shares/units (vested or unvested)
 - Shares obtained through stock option exercise
 - Shares purchased on the open market
 - Shares held in trust for the economic benefit of the executive or spouse or dependent children of the executive
 - Shares owned jointly or separately by the spouse or dependent children of the executive
- Executives not meeting requirements after their deadline must hold 50% of post-tax shares acquired through stock compensation programs until the required level is reached.
- Executives are prohibited from speculating in the Company's stock, including the use of short sales, "sales against the box" or any equivalent transaction involving the Company's stock.
- Executives are prohibited from engaging in hedging transactions, such as prepaid variable forward contracts, equity swaps, collars, exchange funds and other similar or related arrangements.
- Executives are prohibited from holding Company stock in a margin account as collateral for a margin loan or otherwise pledging Company stock as collateral.
- These requirements may be reevaluated from time to time, including when there are changes in the Company's capital structure.