

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 and ports/infrastructure. 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 approved in advance by the Senior Director of Government Affairs and the Senior Vice President of Global Sustainability. 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.

In FY 2017, Gap Inc. did not make any corporate political contributions. We report our corporate political contribution spending on an annual basis.

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 whose positions are in line with Gap Inc.'s values and overall business goals of growth and stability. All Gap PAC contributions are made in a legal, ethical and transparent manner in accordance with federal laws and regulations governing political action committees. 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 fully and publicly disclosed in reports filed with the Federal Election Commission (FEC).

The following factors are considered to determine individual candidate contributions on behalf of Gap PAC:

- Has the candidate demonstrated leadership and integrity on key issues of importance to our business?
- Does the candidate have a favorable voting record or stated positions on issues important to our business?
- Does the candidate hold a leadership, committee or caucus position or demonstrate potential for legislative leadership on issues relevant to our business?
- Does the candidate represent a state or district where we conduct business operations or have a large number of employees or customers?
- Would our Company's support of the candidate have an impact on his or her campaign?
- Would support of this candidate result in any reputational impacts to Gap Inc.?

In Calendar Year 2017, Gap PAC made \$53,500 in political contributions and had \$25,000 in incoming receipts. We report Gap PAC political contribution spending on an annual basis. A list of federal contributions made by Gap PAC 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) 17, the estimated expenditure was \$1,305,000, 74% percent of which supported non-deductible lobbying activities. A list of trade associations Gap Inc. supported in CY 2017 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 or other similar organizations.

Trade Associations

The following is a list of U.S.-based trade and industry associations that Gap Inc. supported in CY 2017 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 2017 was approximately \$1,305,000, 74% of which supported non-deductible lobbying activities.

Organization
American Apparel & Footwear Association
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
US Chamber International Division
US Global Leadership Coalition
Washington Retail Association