Executive Stock Ownership

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.

<table>
<thead>
<tr>
<th>Executive Position</th>
<th>Min. Stock Ownership Requirement</th>
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<tbody>
<tr>
<td>President and CEO, Gap Inc.</td>
<td>300,000 shares</td>
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<tr>
<td>President and CEO - Banana Republic, Gap, and Old Navy</td>
<td>75,000 shares</td>
</tr>
<tr>
<td>Corporate Executive Vice President</td>
<td>40,000 shares</td>
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• 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:
  o Shares obtained through an Employee Stock Purchase Plan
  o Non performance-based shares/units (vested or unvested)
  o Shares obtained through stock option exercise
  o Shares purchased on the open market
  o Shares held in trust for the economic benefit of the executive or spouse or dependent children of the executive
  o 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.