ENIRONMENTAL, SOCIAL, GOVERNANCE (ESG) IN CONTEXT

• Gap Inc. is a global retail manufacturer with a large portfolio of global brands and subsidiaries.
• In its annual reporting the company incorporates the United Nations (UN) Global Compact and the UN Sustainable Development Goals (UN SDGs), in addition to separate disclosures to the CDP (formerly the Carbon Disclosure Project), based on recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD).

MATERIALITY: WEAVING A SUSTAINABLE FABRIC

Gap Inc. manages potential impacts to its business operations through responsible water stewardship, sustainable products, improvements in supply chain working conditions, and environmentally efficient operations. The following factors help define materiality for Gap, Inc.:

• Climate-related weather patterns and the availability of natural resources such as water and fibers;
• Human rights practices, as well as labor conditions and availability in developing countries.

STAKEHOLDER-CENTERED REPORTING

As a customer-facing company whose brand value, market share, and revenues are highly dependent on customer perception and credibility, Gap Inc. utilizes transparent and rigorous reporting to:

• Communicate sustainability offerings and performance to management and investors;
• Substantiate sustainability claims, and provide reliable, comparable, and consistent data on inclusion-centered goals such as “empowering women, enabling opportunity and enriching communities;”
• Communicate performance expectations to suppliers.

Source: Sustainability Accounting Standards Board (2019). Company Case Studies: Unlocking the value of SASB

“At GAP Inc., our ESG team’s vision is to be a driving force in the industry, collectively building a more sustainable future for our business, global community, people and planet.”

- Judy Adler, VP ESG, Gap Inc.