



# LRQA Independent Assurance Statement

Relating to Gap, Inc.'s Greenhouse Gas Emissions Inventory for the 2021 calendar and 2021 fiscal year

This Assurance Statement has been prepared for Gap, Inc. in accordance with our contract.

## Terms of Engagement

LRQA was commissioned by Gap, Inc. (Gap) to provide independent assurance of its greenhouse gas (GHG) emissions inventory ("the Report") for the calendar year (CY) 2021 and the fiscal year (FY) 2021 (February 1, 2021 to January 31, 2022) against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using LRQA's verification procedure and ISO 14064 - Part 3 for greenhouse gas emissions. LRQA's verification procedure is based on current best practice and is in accordance with ISAE 3000 and ISAE 3410.

Our assurance engagement covered Gap's operations and activities in operationally controlled retail stores, office space and distribution centers worldwide, and specifically the following requirements:

- Verifying conformance with:
  - Gap's reporting methodologies for the selected datasets: Gap's Inventory Management Plan; and
  - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD GHG Protocol) for the GHG data<sup>1</sup>.
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
  - Direct (Scope 1), Energy Indirect (Scope 2) and Other Indirect (Scope 3) GHG emissions;
    - Scope 3 GHG emissions verified by LRQA only include Business Travel; and
  - Energy consumption.

Fugitive emissions from hydrofluorocarbons (HFCs), used as refrigerants, have been excluded based on their de minimis contribution to the inventory.

LRQA's responsibility is only to Gap. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Gap's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of Gap.

## LRQA's Opinion

Based on LRQA's approach, except for the effect of the matters described in the Basis for Qualified Opinion, nothing has come to our attention that would cause us to believe that Gap has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Table 1 below.

The opinion expressed is formed on the basis of a limited level of assurance<sup>2</sup> and at the materiality of the professional judgement of the verifier.

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<sup>1</sup> <http://www.ghgprotocol.org/>

<sup>2</sup> The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



**Basis for Qualified Opinion**

All hotel stays were assumed to be in the United States for calculation purposes, though some hotels in international locations were included in the dataset. This does not have a material impact on reported business travel emissions.

**Table 1. Summary of Gap’s GHG Emissions and Environmental Data for CY 2021 and FY 2021:**

Scope of GHG emissions	CY 2021	FY 2021	Units
Scope 1 GHG emissions	27,023	27,762	Metric Tons CO <sub>2</sub> e
Scope 2 GHG emissions (Location-based) <sup>1</sup>	249,573	247,925	Metric Tons CO <sub>2</sub> e
Scope 2 GHG emissions (Market-based) <sup>1</sup>	106,980	111,138	Metric Tons CO <sub>2</sub> e
Scope 3 GHG emissions: Business Travel <sup>2</sup>	1,713	1,774	Metric Tons CO <sub>2</sub> e
Energy Consumption – Scope 1	147,148	151,270	MWh
Energy Consumption – Scope 2	746,659	742,132	MWh

1. Scope 2, Location-based and Scope 2, Market-based are defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015

2. Business Travel includes air travel, rail, car rental and hotel stays.

**LRQA’s Approach**

LRQA’s assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- assessing Gap’s data management systems to confirm they are designed to prevent significant errors, omissions or misstatements;
- interviewing relevant employees of the organization responsible for managing GHG emissions data and records; and
- verifying historical GHG emissions data and records at an aggregated level for the calendar and fiscal year 2021.

**LRQA’s Standards and Competence**

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.



Signed

Dated: 30 June 2022

A handwritten signature in black ink that reads "Brooke Farrell".

Brooke Farrell  
LRQA Lead Verifier  
On behalf of LRQA, Inc.  
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The English version of this Assurance Statement is the only valid version. LRQA assumes no responsibility for versions translated into other languages.

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