

May 31, 2022

The Honorable Chairman Gary Gensler
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Chairman Gensler,

Thank you for taking the time to meet with me and fellow retail industry CFOs to discuss the SEC's climate change disclosure proposal and its impact on the retail industry. I appreciated our discussion on how we can work to address climate change as well as the challenges with the current proposal and solutions to address them.

Gap Inc. is proud to be an industry leader in sustainability. In fact, Gap Inc. is working towards our goal of reducing absolute Scope 1 and 2 GHG emissions by 90% by 2030, and becoming carbon-neutral across our value chain by 2050. In 2021, we received an A-rating for CDP Climate and Water based on our company's climate disclosures. Transparency and sustainability are incredibly important to our company. We have disclosed comprehensive data across our Scope 1, 2 and 3 emissions for many years and have worked with the industry to develop the tools, methodologies and assumptions to drive consistent, albeit delayed, reporting of emissions from Scope 3 - purchased goods and services. We support the SEC's goals to provide investors with useful information about the potential impact of climate change on our business, and how our business is impacting our environment. Nevertheless, as we discussed, when considering the practical challenges associated with the proposed rules, we do not believe they afford companies, even companies that already have robust emissions reporting infrastructures, such as Gap Inc., the ability to satisfy the intent of the rules and provide shareholders and investors with meaningful comparative information to assist with investment and voting decisions.

In particular, with respect to the disclosure requirements associated with Scope 3 emissions, our main concerns center around data availability, timing to comply, and potential liability. First, we do not have the right or ability to gather more specific data from value chain entities with which we do not have a relationship (contractual or otherwise) and we cannot compel them to provide this information. Second, data we currently do receive from our suppliers is 10-12 months after year end. This timing currently prohibits us from including the contemplated information on a 10-K filing timeline. Finally, given the availability and timing challenges mentioned above, we are concerned with the increased liability associated with including this data in period filings. We believe that without further clarity and definition of "materiality" thresholds, the thresholds for disclosure will be inconsistently applied by issuers. Companies will then assume significant additional liability without any associated benefit to investors, given that the variations in disclosed data will dilute the interpretative and comparative value to investors.

Thank you again for your time and willingness to engage with us to talk through the rule and its implications. I appreciated our conversation and your commitment to finding a workable solution that will increase transparency and decrease emissions across sectors. Please do not hesitate to reach out if you have questions and I look forward to working with you on this and other important issues.

Sincerely,



Katrina O'Connell
Chief Financial Officer