



The CEO Water Mandate



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Corporate action on WASH in supply chains Case study

Gap Inc.

WASH as a key element of women worker's welfare

Sustainable access to water, sanitation and hygiene (WASH) is central to meeting global development goals on poverty, health, education and economic growth. With one-in-five people employed in corporate supply chains¹, and up to 90% of these working in developing country small and medium enterprises (SMEs) and farms, the potential benefits of a stronger focus and action on WASH in supply chains by global corporations are significant. By profiling company interventions on WASH in supply chains, this series of case studies aims to strengthen the evidence base and share learning to inspire and support other companies to take action.

Why is WASH a priority for Gap Inc?

Doris and Don Fisher opened the first Gap store in 1969 with a simple idea – to make it easier to find a pair of jeans and a commitment to do more than sell clothes. Over the last 48 years, Gap Inc. has grown from a single store to a global fashion business with five brands – Gap, Banana Republic, Old Navy, Athleta and Intermix.

The company's global footprint now includes about 3,200 company-operated stores, about 450 franchise stores and approximately 135,000 employees. In all, Gap Inc. works with 800 vendors around the world, including in China, India, Vietnam, Cambodia and Indonesia, and sources cotton from China, the U.S., India, and Pakistan. While the business has grown, one thing has endured – the values that Doris and Don instilled continues to guide the company's sustainability practices.

Gap Inc. estimates that it touches the lives of millions of people throughout its value chain – from cotton and fabric production, to those who cut and sew the garments. Across the industry, 80 percent of apparel workers are women. Nearly ten years ago, Gap Inc. launched the P.A.C.E. (Personal Advancement & Career Enhancement) programme to help women who make their clothes gain the skills and confidence to advance at work and at home. Implemented in partnership with NGOs, including Swasti and CARE, this voluntary education programme teaches women a range of



Photo credit: Gap Inc.

¹ Supply chains are here defined as "parties not under direct ownership of the company who are a key part of processes involved in the production and distribution of a product, and can include direct contractors, to trade processors, to materials producers, to farmers".

managerial, interpersonal, organizational and practical skills. The programme's centrepiece is 65-80 hours of module-based instruction, covering such topics as safe water practices, hygiene, reproductive and general health.

Because many sourcing countries face challenges in accessing water, sanitation, and hygiene (WASH), Gap Inc. invests in programs that not only ensures that the people who make their clothes work in safe, fair conditions, but that they are also treated with dignity and respect. As outlined by Gap Inc.'s Code of Vendor Conduct, this includes ensuring they have access to safe drinking water and sanitary, functional toilets, among other fundamental safeguards. Outside of the workplace, women often bear responsibility for collecting water for the household and completing chores such as washing, cooking and cleaning. The company's Women + Water program helps communities gain access to WASH, while also addressing the water impacts created from production.

Water quality and efficiency in denim laundries and fabric mills is also a key priority. Through their own Water Quality Programme – as well as partnership with non-profit organisations, such as The Natural Resource Defence Council's Clean By Design programme in China; IDH Sustainable Trade Initiative's Race to the Top programme in Vietnam; and the International Finance Corporation and Solidaridad programme PaCT in Bangladesh – Gap Inc. are working with other apparel brands to improve the sustainability of production operations.

How does Gap Inc. approach WASH?

Here are key ways in which Gap Inc. approach WASH and wellbeing through their Code of Vendor Conduct (COVC), P.A.C.E. (Personal Advancement & Career Enhancement) programme, partnerships and grants:

1. Code of Vendor Conduct

Gap Inc.'s COVC helps to ensure that tier 1 supply chain 'cut and sew' factories provide access to clean water and toilets, and that levels of access are measured. The COVC is supported by both an audit process and clear policies to help ensure compliance. Additionally, the company is working to build the capacity of its suppliers through training and guidance, designed to empower them to improve management practices, give voice to their employees, and internalise standards. The COVC's WASH-related requirements are cited below. Gap Inc. are currently assessing audit compliance data to understand current performance and identify improvements.

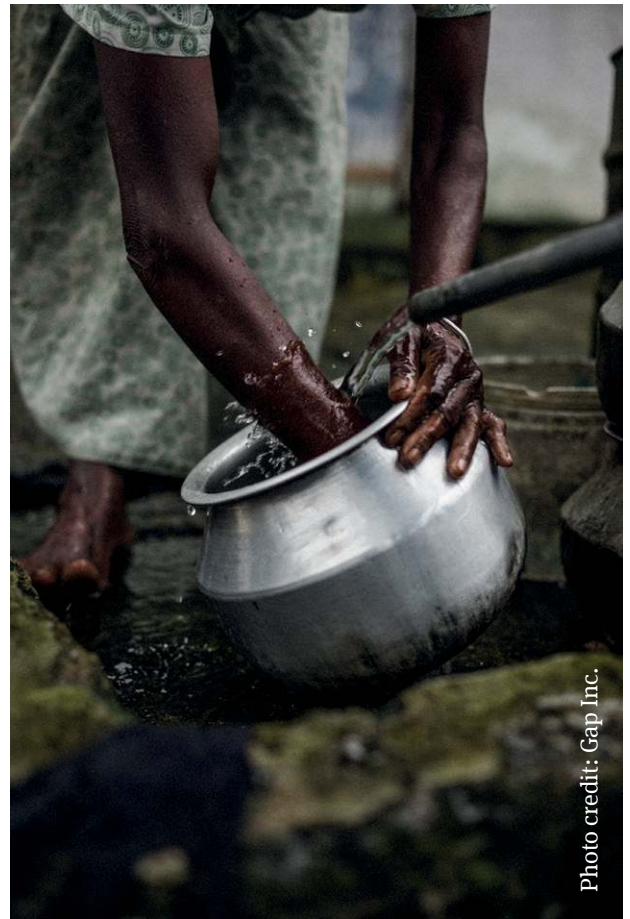


Photo credit: Gap Inc.

Box 1. Gap Inc. Code of Vendor Conduct Requirements on WASH:

- The facility shall make adequate arrangements for provision of sufficient and safe drinking/potable water for all workers.
- The facility shall ensure that, beyond reasonable restrictions, workers can move freely within the facility to use the toilets, drink water and take designated breaks.
- The facility shall ensure there are an appropriate number of clean, functional and sanitary toilet areas, and there is no unreasonable restriction of their use.
- The facility shall ensure sufficient toilets and showers are segregated by gender and provided in safe, sanitary, accessible, and private areas.
- The facility shall ensure toilets are clean, sanitary, functioning, and well-maintained.
- The facility shall ensure that toilets and showers are in covered areas and shielded from view by those outside these areas.
- The facility shall ensure that in larger dormitories, where there are multiple toilets in one bathroom, the bathrooms shall be segregated by gender and clearly marked.

2. Personal Advancement & Career Enhancement (P.A.C.E.)

Since 2007, more than 50,000 women in 12 countries have participated in Gap Inc.'s P.A.C.E. programme. In 2015, Gap Inc. announced a goal to reach one million women by 2020 through P.A.C.E. The programme is independently evaluated by the International Centre for Research on Women (ICRW), which has found improved productivity and retention, and reduced absenteeism, as well as increased self-esteem, self-efficacy and confidence in women workers. ICRW's research findings demonstrate that P.A.C.E. is an effective, sustainable and scalable model that yields high returns for women, their families and the businesses where they work.



Photo credit: Gap Inc.

3. Partnerships and Grants

Gap Inc.'s Women + Water programme and efforts to support WASH also include small grants and partnerships. In communities in India where P.A.C.E. is active, Gap Inc. are coupling the P.A.C.E. module on safe water practices with support to obtain community access to clean water. With their partners, Swasti Health Resource Center and Water Health International, Gap Inc. are supporting the construction of water filtration plants and rainwater collection infrastructure. With WaterAid, they are delivering additional training on safe water practices.

In 2017, Gap Inc. joined with the U.S. Agency for International Development (USAID), Water.org, CARE, the Institute for Sustainable Communities (ISC) and the International Center for Research on Women (ICRW) as part of a new, five-year partnership called the Women + Water Alliance. This will make advances in:

- Improving health and advancing development, including through access to sustainable water, sanitation and hygiene services, and effectively managing water resources;
- Improving the quality of life and life skills of women touched by the apparel value chain; and
- Developing an effective model for a systemic partnership that works across the apparel industry to achieve development outcomes.

Gap Inc. is looking forward to sharing findings from this new partnership across the apparel industry sector and beyond.





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