



2019

**GENUINE
RESPONSIBILITY[®]**
ESG REPORT

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*All amounts in this report are in U.S. dollars unless otherwise indicated.

MESSAGE FROM THE PRESIDENT & CEO



It is in the context of a difficult environment, where the world and our industry are being significantly impacted by the COVID-19 pandemic, that I am writing this message. Although we have been facing unprecedented challenges over the past months as we navigate the fallout of the COVID-19 pandemic, it gives me great pride to witness how our unique business model of owning our supply chain is allowing us to adapt to this changing environment while maintaining our commitment to strong environmental, social and governance (ESG) practices as we continue to move our Company forward.

From the onset, as the situation of the COVID-19 pandemic unfolded, our first priority has been the health and welfare of our employees, customers, suppliers, and other partners. In this regard, we have taken several actions to safeguard our stakeholders while ensuring the continuity of our business. Starting in March, the Company temporarily suspended production at most of its facilities and for installations remaining open, we implemented appropriate measures to protect our employees, including additional sanitary precautions, the monitoring of employees' health, social distancing and working from home arrangements for the vast majority of our office staff.

As we adapted our business to deal with this challenging environment, I'm especially proud that we were able to partially resume operations at a number of our Company-owned facilities to support efforts to help frontline workers by quickly adapting our operations to produce non-medical masks and isolation gowns while implementing stringent biosafety measures. It is with much gratitude that I extend my heartfelt thanks to the production employees who have been involved, as well as to our onsite medical staff and health and safety teams who are working hard to keep our people safe as they produce personal protective equipment.

2019 IN REVIEW

In this unique landscape, I'm pleased to introduce our 16th consecutive annual Genuine Responsibility® ESG Report, which presents Gildan's progress on our various ESG initiatives during 2019.

Through our Genuine Responsibility® program, we continued to strengthen our practices in 2019 by further expanding our commitment to respecting human rights across our supply chain, advancing global programs and training on employee safety and on compliance with our Company policies and standards. This included the launch of our Social and Sustainable Compliance Guidebook trainings, in addition to completing the Fair Labor Association's (FLA) Fair Living Wage evaluation at almost all of our textile and sewing facilities.

In 2019, I was pleased to see Gildan's Social Compliance Program, which aims to protect workers' rights and improve working conditions, be re-accredited by the FLA. Gildan originally became the world's first vertically-integrated

apparel manufacturer to receive this accreditation in 2007. The Company's Genuine Responsibility® program has also been recognized by other well-established organizations in the past year, including the Dow Jones Sustainability Index for the seventh consecutive year. In January 2020, Gildan was included in the leadership band in CDP's 2019 scores for corporate transparency and action on climate change with an A- score. The Company also received a Bronze Class Distinction in the 2020 SAM Sustainability Yearbook, marking our eighth consecutive inclusion in this publication.

UPDATE ON OUR 2020 ENVIRONMENTAL GOALS

Working towards our 2020 goals to reduce our overall environmental impacts, I am proud to report that we have achieved and surpassed two of our 2020 environmental goals ahead of schedule, specifically in the areas of water intensity and greenhouse gas (GHG) emissions. However, the areas of energy intensity and landfill waste have proven to be challenging, particularly in the context of a business that is continuously evolving with changing product mix and increased vertical integration related to our own yarn-spinning operations. Nonetheless, our business model fundamentally allows us to have strong control across our manufacturing supply chain and we remain fully committed to pursuing continuous improvements and integrating sustainable solutions throughout each level of our operations to achieve our goals.

LOOKING AHEAD

Although we still have work to do to reach all of our 2020 goals, we have started establishing our next set of goals as we seek to continually improve on our various programs globally. As part of this work, the Company will continue

to reinforce its social and human rights programs. In this regard, we will continue looking at how we can further strengthen our commitment to foster, cultivate and preserve a culture of diversity and inclusion across the organization. We strongly believe that supporting a diverse workplace is a business imperative that helps us attract and retain the brightest and most talented individuals who have and will contribute to Gildan's future growth.

Finally, I would like to take this opportunity to thank all of the Gildan employees who have worked hard to contribute to our Company's achievements this year. Through harnessing the power of our people in bringing to life our vision of Making Apparel Better®, I am confident in our ability to continue delivering value across our supply chain.



Glenn Chamandy
President and CEO



MESSAGE FROM THE VICE PRESIDENT, CORPORATE CITIZENSHIP



I am proud to present our 2019 Genuine Responsibility® ESG report, which includes the efforts and progress we made during 2019. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Comprehensive Option.

As you read this report, you will find comprehensive information and a range of content dedicated to detailing the efforts we made, challenges we faced, and progress we achieved towards fulfilling our ESG pillars last year. In 2019, we continued to pursue progress towards our 2020 environmental goals and achieved great reductions in the areas of GHG emissions and water intensity. Essentially, we reduced our GHG emissions by 13.0% from our 2015 baseline year which was attributable to the implementation of new energy initiatives, the use of higher quality biomass feedstock, and changes in emissions factors. In terms of water intensity, we saw an 11.2% reduction compared to 2015, which can be attributed to the full implementation of condensate and heat recovery systems in our manufacturing operations, as well as the continuous improvements of our water management processes and product development. Both mark an early achievement of the 10% reduction goal we set for ourselves for 2020.

We also accomplished a landfill waste reduction of 6.2% from 2018 thanks to improvements made in our waste management system at our facilities, and we were likewise able to reduce our energy intensity by 3.1% compared to last year. However, we still have progress to make around these latter two targets in order to achieve our 10% reduction 2020 goal – specifically with regards to our energy intensity, which has seen an overall increase of 0.5% from our baseline year of 2015 due to the integration of new yarn-spinning operations and product mix offerings. Although our energy scenario analysis shows that without the integration of yarn-spinning operations and additional product mix, we would have been able to achieve our energy intensity goal in 2018, we remain wholly committed to continuing our efforts to reduce our impacts where possible and continue to work hard to decrease our energy intensity as we pursue sustainable solutions and the integration of innovational technologies.

Over the last decade, we have maintained a sharp focus on areas most material to our stakeholders, which includes special attention to human and labour rights, health and safety, traceability, and reducing our environmental impact. Our three Genuine Responsibility® pillars of **Caring for People**, **Conserving the Environment**, and **Creating Stronger Communities** aim to address these concerns while guiding our efforts to operate responsibly and create value across our supply chain.

CARING FOR PEOPLE



As one of the largest employers in many of the regions where we operate, we take the responsibility to safeguard the health and safety of our people very seriously. In this area, we embrace a collaborative strategy, with 96% of our workers represented by employees on Health and Safety Committees. Year after year, we strive to invest in our peo-

ple in areas which range from health and safety to personal and professional development. In 2019, we provided almost 2.5 million hours of training to our employees and invested \$13.9 million in supplemental benefits, including free onsite medical health care at all our non-U.S. locations, vaccination and medicine programs, parental leave, financial assistance, subsidized meals, and free transportation.

As part of our overall commitment to diversity and inclusion, we have also continued to strengthen our women empowerment program in 2019 with the objective of advancing women in the workplace through focus on both personal and professional leadership skills. This develops our future talent and enhances diversity in management roles. We also believe more broadly that empowering women creates social and economic growth, promotes sustainability, and reinforces the principles of justice and fairness across society.

CONSERVING THE ENVIRONMENT



We undertook and made further progress across a range of energy initiatives this past year, including making progress on integrating more energy efficient technologies at our facilities, completing the installation of our Biotop filtering system at all of our textile and hosiery facilities in Honduras, and continuing to replace bunker fuel with biomass for energy production. We also launched our updated Global Environment & Energy Policy, which will help strengthen our environmental performance as one of our key priorities. In 2019, renewable energy represented 44% of the Company's total energy use, and it will continue to remain a large focus of ours in the coming years.

CREATING STRONGER COMMUNITIES



Gildan strives to go beyond the direct employment impacts we deliver; we believe that we have a responsibility to be an active participant in the communities where we operate, and this starts with buying locally wherever possible – a directive which is mutually beneficial – reducing lead times and costs for the Company while fostering economic growth among the local supplier networks in the regions where we operate. We also continued to implement various community projects and enhance meaningful partnerships with organizations to respond to regional needs while giving back to the communities where we operate. For example, last year, we were able to expand our partnership with World Vision in Honduras, helping us grow our network of Gildan-sponsored schools from 21 to 371. With the help of our regional partnerships and our dedicated employees, we were able to donate close to \$1.5 million towards creating sustainable local impacts during 2019.

RESPONSIBLE PRODUCTION AND SOURCING

Our Social Compliance program for labour practices and working conditions is designed to proactively ensure that all of our Company-owned facilities, as well as our third-party manufacturing contractors and key raw material suppliers, comply with our Code of Conduct, local and international laws, and the best practice industry codes that we adhere to, including Worldwide Responsible Accredited Production (WRAP) and the FLA.

In 2019, 151 audits were conducted at our Company-owned facilities and third-party contractor facilities throughout Asia, Central America, the Caribbean Basin and North America. We also launched global training programs on our updated Social & Sustainable Compliance Guidebook to employees in all our manufacturing

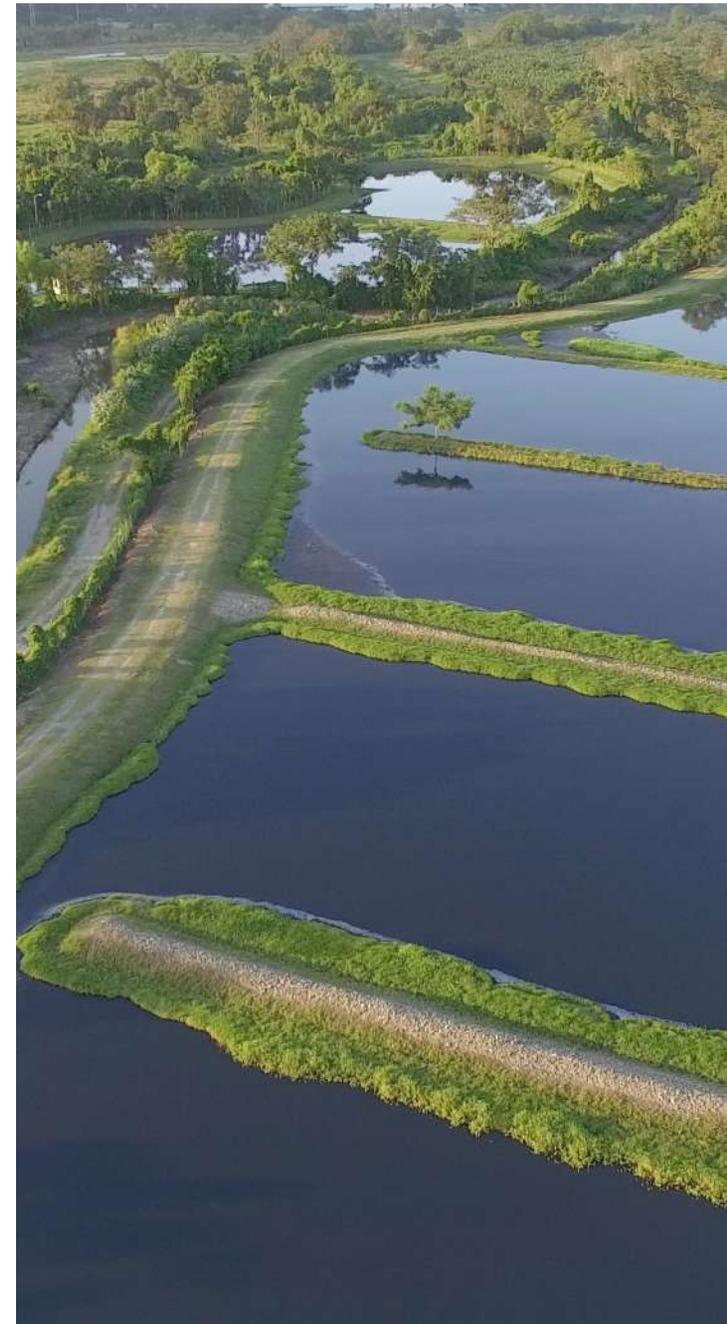
locations and to strategic manufacturing contractors worldwide.

Throughout this report, I encourage you to read our case studies and callouts as they bring to light the people, communities, and organizations who share in our success and play a crucial role in helping us achieve the results that are presented. These highlights also serve to illustrate the tremendous efforts we take to fulfill our goal of operating with responsibility and integrity at our core as we aspire to deliver value to all our stakeholders.

Recent global events have reinforced the need to continuously adapt to shifting realities, highlighting the value of collaborating to create a more sustainable and resilient world as we make progress towards our vision of Making Apparel Better®. While I am pleased by our 2019 results, we acknowledge the need for continuous improvements and the pursuit of sustainable solutions as we make efforts to further enhance our social programs and reduce our environmental impacts.

Claudia Sandoval

Vice President, Corporate Citizenship





Gildan is one of the world's largest vertically-integrated manufacturers of everyday basic apparel, including activewear, underwear, socks, hosiery, and legwear. Our founding business model, of owning and operating the manufacturing facilities that produce the vast majority of the products we sell, sets us apart from major global apparel companies. This direct control of almost the entire manufacturing process, from raw materials to finished products, allows the Company to ensure that responsible and sustainable practices are consistently deployed throughout the complete value chain.

Gildan's vision statement of Making Apparel Better® perfectly captures the essence of our Company and the culture we have built over the last 35 years. Across the full spectrum of our business, our founding entrepreneurial spirit drives us to pursue continuous improvements, constantly looking for better ways to operate and to create value for all our stakeholders.

We sell our activewear products primarily in "blank" or undecorated form, without imprints or embellishment. These activewear products are primarily sold to wholesale

distributors within the imprintables channel, who then sell the blanks to screenprinters/ embellishers who decorate the products with designs and logos, and in turn sell the embellished/imprinted activewear into a highly diversified range of end-use markets. We also sell activewear products to various retailers, in addition to underwear and socks for men, ladies, and kids, as well as other hosiery products such as pantyhose and leggings. These retailers include mass merchants, department stores, national chains, sports specialty stores, craft stores, food and drug retailers, dollar stores and price clubs, all of which sell to consumers through their brick and mortar outlets. Consumers also buy our products online through e-commerce platforms, including pure-play online retailers and brick and mortar retail customers' e-commerce platforms. In addition to selling our products to retailers, we manufacture for and sell to select leading global athletic and lifestyle consumer brand companies who distribute these products within the retail channel.

A GLOBAL BUSINESS

At the end of 2019, Gildan directly employed approximately 53,000 employees and operated 24 manufacturing facilities globally - primarily located in Honduras and Nicaragua in Central America; the Dominican Republic in the Caribbean Basin; the U.S. and Mexico in North America; and Bangladesh in Asia. We also operate offices and distribution centers worldwide.

As a publicly traded company listed on both the New York Stock Exchange (NYSE- GIL) and the Toronto Stock Exchange (TSX-GIL.TO), we are held to the highest standards of corporate governance and reporting. Our corporate head office is located in Montreal, Canada, and our global sales and marketing office is located in Barbados. An [interactive map](#) of our owned facilities can be viewed on our Genuine Responsibility website.

PRODUCTS

The products we produce and sell range across a broad spectrum of everyday family apparel, including t-shirts, sweatshirts, polo shirts, underwear, socks, panty hose and other forms of legwear marketed under our Company-owned brands. We also manufacture products for select leading global athletic and lifestyle brands, and certain retail customers who market the products which we manufacture under their own brands. These customers have come to trust Gildan as a strategic partner for several reasons, including our large scale, strong commitment to responsible and sustainable practices, manufacturing expertise, underlying financial strength and our strategic location in the western hemisphere. We also sell socks under the Under Armour® brand through a sock licensing agreement providing exclusive distribution rights in the United States and Canada.



PRODUCT SAFETY & QUALITY

Since the early stages of the Company's history, a commitment to delivering high quality, value-driven products has remained a key part of our success. Our Global Quality System (GQS), based on international standards for quality management systems such as ISO 9001, ensures consistency in the quality of our products as well as in the overall quality of our processes. We have a proactive and preventive quality management approach throughout our supply chain, which involves standards and quality controls for raw materials, validation and capability studies on all new products, real time controls and assessments during the manufacturing processes, and acceptance auditing of the finished products before we ship to our customers.

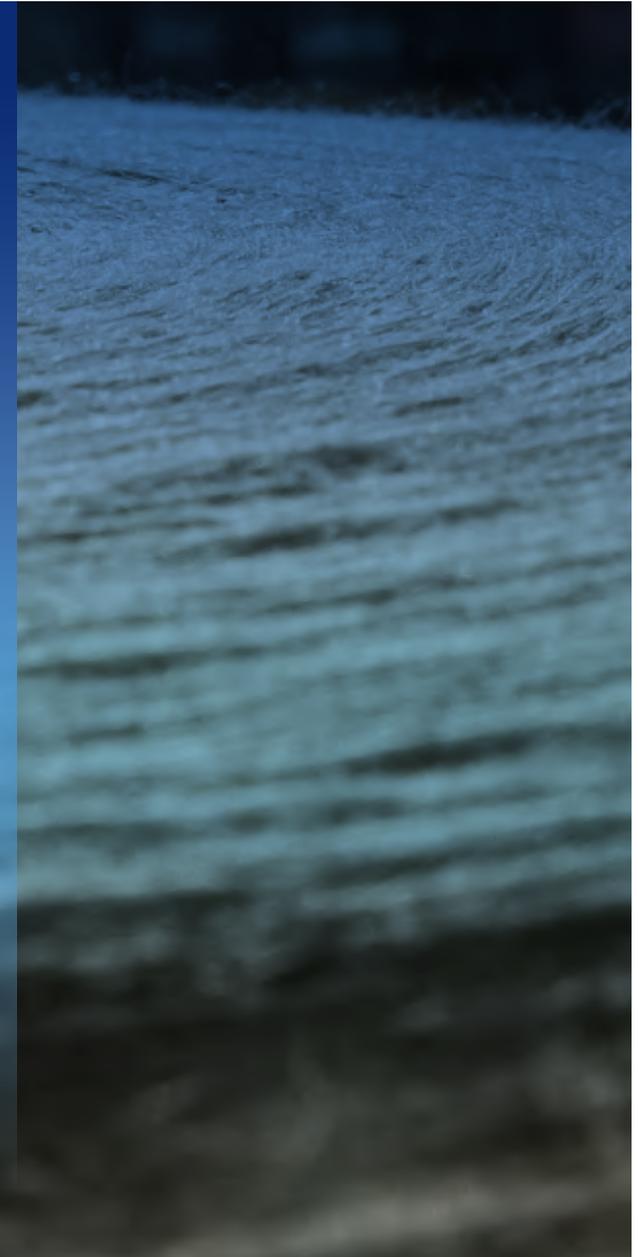
Quality KPIs are systematically monitored through all manufacturing processes and reviewed on a monthly basis by top management. Our dedicated Quality Assurance teams at each of our facilities ensure our Quality Policy and GQS principles are consistently implemented, and they report to our Vice President, Global Quality Assurance.

We take the safety of our products very seriously. Our Restricted Substance Code of Practice (RSCP) lists all banned and restricted substances that cannot be used in our manufacturing processes - substances that might be harmful to humans or the environment. Our raw material suppliers are required to agree to adhere to the stringent standards of our RSCP, which includes more than 1,000 chemicals and makes it one of the most robust standards in the industry. More information can be found in the Safe Chemistry section, on **p.93**.

Gildan's product safety management, along with our RSCP, align with the Oeko-Tex 100 Product Class II certification, an internationally recognized product health and safety standard. Meeting this standard involves the frequent independent and accredited laboratory testing of our raw materials and finished products. The Gildan®, Comfort Colors®, Alstyle® and Anvil® by Gildan® branded products we manufacture were certified in 2019.

NON-COMPLIANCE INCIDENTS RELATED TO PRODUCTS

In January 2019, we contacted the U.S. Consumer Product Safety Commission (CPSC) to voluntarily disclose that a minor part of our American Apparel sleep sacks (size 6m - 12m) production did not meet the children's sleepwear flammability requirements (16 CFR 1615), although they met the general flammability requirements (16 CFR 1610). Following this disclosure, we collaborated with the CPSC to issue a **product recall** for the sleep sacks and offered a full refund or a replacement product of similar value.



CONSUMER AND MARKET TRENDS

Over the last few years, we have seen various shifts in or emerging consumer trends across almost all of our markets and a growing public scrutiny surrounding ESG topics. Further demands on companies to operate responsibly, integrate sustainability into their strategic plans, and adopt more transparent reporting has created new dynamics in the relationships between manufacturers, customers, and consumers. Gildan believes that it is very well positioned to respond to these changing demands.

We have also witnessed an important change in the speed at which consumer trends emerge and have engineered our manufacturing network and business structure to best leverage our scale, investments in technology, and proximity to market to provide flexibility to better capture opportunities as they arise.

The continued shifts in consumer behaviour, enabled by the rapid digitization of commerce, have also created differentiated brand strategies. Large retailers are increasingly moving their brand strategies towards their own private label brands. This trend has created tremendous opportunities for Gildan to become the supplier of choice for these brands because of our core strengths of large scale, operational manufacturing expertise, and leadership in ESG practices.

Product brand marketing is managed from within the Company's sales and marketing offices in Barbados, which oversees all customer and consumer-facing marketing efforts, along with sales, product development, and merchandising management as well. Gildan's product brand marketing teams are increasingly engaging consumers in ESG related content in line with the increasing demand for transparency on these topics from these critical stakeholders.

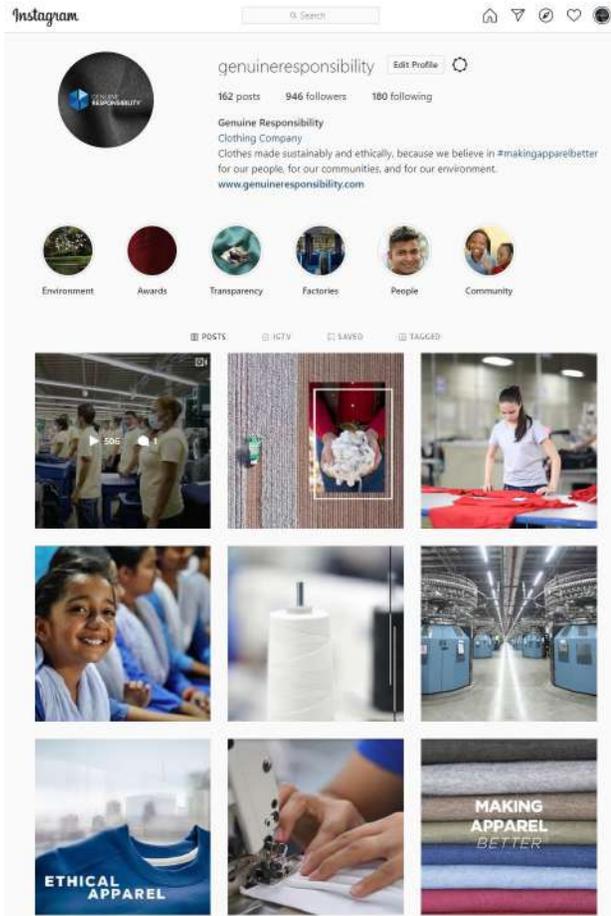
COMMUNICATIONS

The majority of our communication related to ESG initiatives are generated within the Corporate communications team and broadcast internally or externally across a wide variety of platforms.

OUR ONLINE COMMUNITY

In an era grounded in technology, we understand the power of social media and the role it can play in influencing our global community. That is why we have developed and implemented communication campaigns across our social media channels to drive awareness about ethical manufacturing and supply chain transparency while promoting conscious consumption across our digital community.





Genuine Responsibility® Instagram Page

In 2019, we launched an Instagram page dedicated to our Genuine Responsibility® program. The page was developed and designed to engage consumers about supply chain transparency while adding to the growing conversation about ethical and sustainable manufacturing in the apparel industry. As we leverage the expanding reach and influence of our social media channels, our ambition is to harness this new platform to support online dialogues about transparency in the fashion and apparel industry while encouraging consumers to hold companies to high standards as they get to know the businesses that make their clothes.

Transparency

Transparency in the fashion and apparel industry is key to shifting the paradigm around conscious consumption and the ethical treatment of garment workers. As a vertically-integrated manufacturer, Gildan is in a unique position to provide consumers with a more comprehensive picture of what goes on in the Company's supply chain, providing them with the necessary information from which to make more conscious shopping decisions. Through maintaining an open-dialogue with consumers, we can in turn promote a more equitable and humane world by inviting shoppers to be curious about how their clothes are made. That is why we have made transparency a priority: Since 2017, we have participated in Fashion Revolution's annual #whomademyclothes campaign, an initiative that invites consumers and brands to unite in a global conversation about ethical practices and supply chain transparency. Through this campaign, our stakeholders have the chance to meet the people behind our clothes as we leverage social media to feature employees from across our operations while contributing to discussions about ethics and transparency in our industry.



OUR VERTICALLY-INTEGRATED BUSINESS

We pride ourselves in being a different kind of apparel company. Our vertically-integrated manufacturing model means we have direct control over almost all of our tier 1, 2, and 3 supply processes, enabling us to uncover operational and resource efficiencies that more decentralized value chains can rarely achieve. Over 90% of our annual sales are generated from products that are manufactured within the Company's owned and operated manufacturing network.

COTTON

Gildan's main fibre is cotton predominantly sourced from the U.S., which is sustainably grown and ethically harvested by proud American farmers. Gildan consumes approximately one third of the U.S. cotton available for domestic use.



TEXTILES

Yarn is knit into fabrics, dyed to colour, and cut to shape within our integrated textile facilities in Honduras, Dominican Republic, and Bangladesh. These are some of the world's largest and most efficient textile facilities, equipped with new technologies and innovative sustainable solutions.



DISTRIBUTIONS

Gildan's Company-owned and contracted distribution centres leverage strategic placement and state-of-the-art technology to service our global customers.



YARN-SPINNING

Fibres are sent to our state-of-the-art yarn-spinning facilities in the U.S., where we produce enough yarn to circle the globe every 150 seconds.



SEWING

Gildan's sewing operations employ the largest percentage of its employee base. As the last guardians of product quality, these highly skilled and dedicated employees are the heart and soul of our success.



CONSUMERS

Millions of consumers use our products every day, trusting us to deliver high quality, value-driven apparel made responsibly and sustainably.



WHY VERTICAL INTEGRATION MATTERS!

OPTIMIZING RESOURCES AND EFFICIENCIES

Our direct control and ability to influence almost every aspect of the production process enables us to optimize resources, minimize waste, and increase efficiencies that minimize our impact on the environment.

LIFE-CYCLE APPROACH

Every aspect of the production process is evaluated through the lens of its total impact so that we can make decisions that create optimal results over the entire life cycle of a product and not only during a specific phase.

LONG-TERM OUTLOOK

Because we own our factories, we are willing to invest in technology, sustainable innovation, and, most importantly, training and development programs that continuously improve our products, reduce our impacts, and create value for all stakeholders.

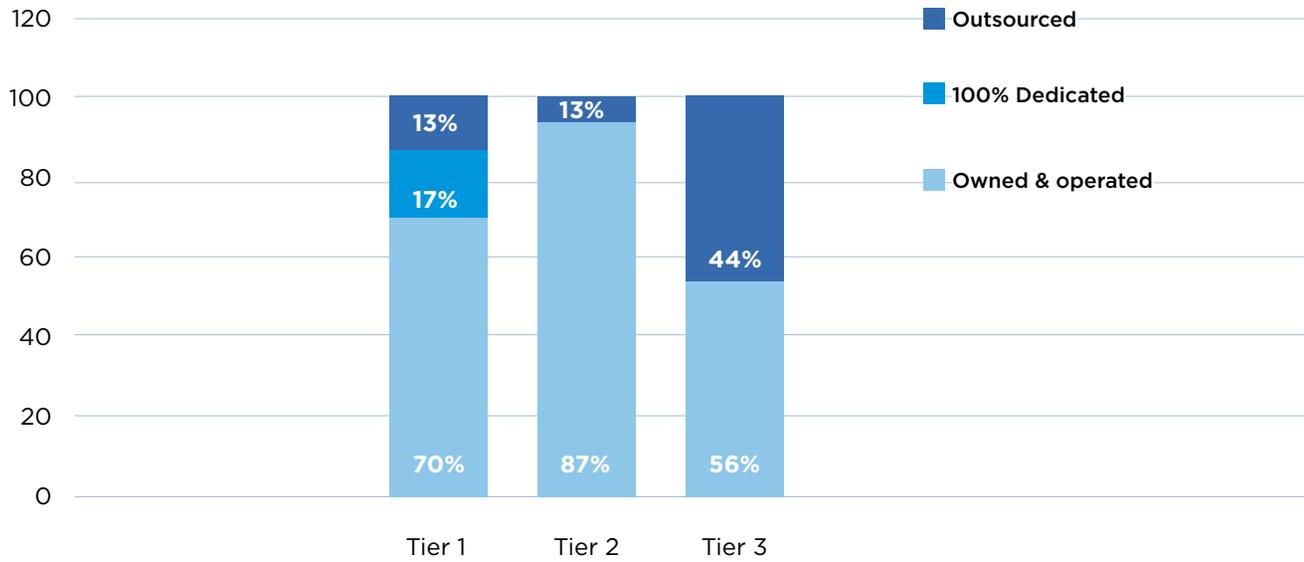
EMPOWERING PEOPLE

With more than 52,000 employees worldwide, we understand the value that an engaged workforce brings to our Company, and we invest significantly in our employees' personal and professional development.

LOW COST PRODUCER

The combination of our vertical integration and the investments we have made in new technology, capacity expansion, and sustainable solutions have allowed the Company to become one of the world's most cost-efficient apparel manufacturers. This has been reinforced by our large scale, our focus on minimizing waste and optimizing our output, and the breadth of our product mix, which allows us to use the in-process waste from one product as an input into other products.

OUR SUPPLY CHAIN OWNERSHIP



Tier 1 Facilities where finished products are manufactured

Tier 2 Facilities where textiles that will be used in finished products are manufactured.

Tier 3 Yarn facilities where yarns that will be used to make textiles are manufactured.

OUTSOURCED

Production outsourced to third party contractors

100% DEDICATED

Production outsourced to third-party contractors whose operations are 100% dedicated to Gildan production

COMPANY & OWNED & OPERATED

Production is done in facilities that are operated by Gildan. People manufacturing these products are direct Gildan employees.

VISION, MISSION & VALUES

Our vision, mission, and values reflect the beliefs we have held since the Company was founded more than 35 years ago. Aside from having direct control over the facilities where our products are made, we understand that our success is driven by investing in technology and innovation, empowering our people to pursue continuous improvement, and fostering a culture where acting responsibly and operating sustainably is core to our operations.

OUR VISION: MAKING APPAREL BETTER®

Our vision is a long-term goal for what we want to achieve through our collective efforts. Far beyond simply making great quality products, our vision is to leverage our vertically-integrated manufacturing model and the expertise and scale we have built over the years to positively influence how apparel is made. We seek to improve the impacts we have on our people, our communities, the environment, and all our stakeholders.



IN EVERYTHING WE DO

Our mission is what drives us each and every day. It defines the basic question every Gildan employee looks to answer in their daily decisions, actions, and impacts.

FOR CUSTOMERS We create value for customers by delivering superior quality products for the whole family at everyday low prices.

FOR COMMUNITIES We have a positive influence on the communities where we operate by acting responsibly and generating positive economic impacts.

FOR EMPLOYEES We empower our employees to succeed while treating them with respect and dignity.

FOR SHAREHOLDERS We drive earnings and sales growth, high returns on investment, and ongoing operational excellence to create value for our shareholders.

FOR THE FUTURE

We accept our responsibility to pursue continuous improvement and invest in sustainable solutions to reduce our impacts on future generations.

OUR VALUES

Our core values embody the DNA of our Company. These values reflect input from every level of our Company – from our CEO to the factory floor. Employees were asked what attributes they believed best described Gildan, and the results were built into our three core values:

WE ACT LIKE ENTREPRENEURS



We are determined to pursue excellence and constantly challenge the status quo. As a founding principle of Gildan's DNA, our entrepreneurial spirit reflects our leadership's passion to do more and continuously do better. Throughout the entire organization, this translates into a sense of ownership and accountability that continues to drive our future growth and success.

WE OPERATE RESPONSIBLY



We take pride in not only the quality of our products but also in how they are made. We understand that operating responsibly is critical to achieving our long-term goals. Our genuine commitment to best practices in every area of the Company and to operating ethical, safe, and sustainable manufacturing facilities influences every decision we make, down to the smallest detail.

WE BELIEVE IN OUR PEOPLE



We value empowerment and teamwork everywhere we operate. The pride that we have in every product we make and every life we touch can be seen through our commitment to our employees, customers, investors and partners worldwide. We know that when we roll up our sleeves and work together, nothing is beyond our reach.

2019 HIGHLIGHTS

During 2019, we made significant progress in advancing our “Back to Basics” strategy, which we started to implement two years ago, with the goal of simplifying our product portfolio and optimizing operations by removing complexity that had built up in our business over the years through acquisitions. We believe our actions in this regard will strengthen our competitive position and our ability to achieve our financial targets as we drive to deliver growth in our key brand areas focused on imprints, retail and private brands.

\$2.82B
in revenue

\$1.27
in GAAP diluted earnings per share

\$1.66
in adjusted diluted earnings per share¹

\$140M
in capital expenditures

\$227M
in free cash flow¹

\$368M
returned to shareholders

KEY STRATEGIC GROWTH DRIVERS

GROWING OUR IMPRINTABLE BRANDS



We have been very successful within the North American imprints industry and have established a leading position in this channel. Still there are areas, such as the ring-spun product segment (fashion basics), where we have been growing share penetration and where we continue to see further opportunity. We believe broader market trends such as accelerating demand for fashion basics and fleece products, the growing number of online players offering custom printed products to consumers and advancements in digital printing will contribute to expanding the addressable market opportunity within the imprints market. We are also pursuing further growth within the imprints channel of international markets, focusing on Europe, Asia-Pacific, and Latin America and are working towards supporting this growth with incremental capacity expansion.

DRIVING NEW OPPORTUNITIES WITH OUR RETAIL BRANDS



Gildan’s owned and licensed brands are well established within the retail channel, with presence in both brick and mortar stores and online platforms. E-commerce is increasingly gaining share in the retail industry and we recognize that there is opportunity to grow our brand presence online. We are targeting to grow the sales of our brands with retailers, focusing on customers with omni-channel presence.

CAPITALIZING ON SHIFT TO PRIVATE BRANDS



In recent years, we have seen a resurgence of private label brands by traditional retailers, particularly mass merchants, trying to differentiate their offering and enhance profitability. We believe the Company is well positioned to capitalize on this trend and supply retailers who are seeking low-cost, large-scale reliable manufacturers to support their private label program requirements. We have also developed strong relationships with and are targeting to grow our sales as a supply chain partner to select leading global athletic and lifestyle brands for which we manufacture products, but against which our brands do not compete directly. We believe we are well positioned to service global brands that are increasingly looking to source from manufacturers that meet rigorous quality and ESG compliance criteria and are strategically located in the Western Hemisphere.

GILDAN'S CORE STRENGTHS

MANUFACTURING EXCELLENCE

Gildan was founded on the principle of building large scale, vertically-integrated, Company-operated manufacturing facilities. More than 90% of our revenue is generated from products manufactured in-house. Through major capital investments in innovation, we have developed a comprehensive manufacturing infrastructure, starting with spinning cotton into yarn, followed by textile production, sewing, and finally, distribution. Our vertical integration and scale allow us to drive efficient production and consistent high product quality while manufacturing responsibly. This infrastructure, combined with a high level of visibility and control over the production process, is rare in the apparel industry and sets us apart from other players. Our operations are situated in four main hubs, including the United States, Central America, the Caribbean Basin, and Bangladesh.

STRONG BRANDS WITH LONGSTANDING CUSTOMER RELATIONSHIPS

Over the years, we have developed and invested in a strong portfolio of brands and perfected our products based on our customers' needs. As a leading manufacturer of everyday basic apparel, we market our products in North America and internationally under Company-owned brands such as Gildan®, American Apparel®, Comfort Colors®, Prim + Preux®, Gold Toe®, Anvil® by Gildan®, as well as the Under Armour® brand through a sock licensing agreement.

LEADING SUSTAINABLE AND ETHICAL PRACTICES

We are committed to operating responsibly and sustainably, and this commitment is an integral part of our business strategy. Our ESG practices are embedded within our operating processes and consistently applied at all our locations worldwide. Our vertical integration enables oversight and control at every stage of the production process to ensure responsible and sustainable practices are deployed throughout our supply chain.

THE TALENT OF OUR PEOPLE

At the heart of our success stand our more than 52,000 skilled employees worldwide. Throughout the entire organization, we have instilled a sense of ownership and accountability to continue to drive our future growth.

STRONG BALANCE SHEET

We are proud to maintain one of the strongest balance sheets in the apparel industry while employing a disciplined capital allocation strategy. For years, we have been delivering on all elements of our capital allocation priorities, including reinvesting in our business, executing on complementary acquisitions, and returning capital to shareholders through dividends and share repurchases. Our financial strength together with our cash generating capabilities positions the Company with a solid foundation for future growth.



FACTORY EXPANSION, CLOSURES, DOWNSIZING & RESTRUCTURING

In 2019, as part of our Back to Basics strategy, we began to consolidate some of our textile, sock, and sewing operations in an effort to optimize our global manufacturing system. During the third quarter of 2019, we consolidated sheer hosiery manufacturing within our global supply chain through the closure of our sheer hosiery facility in Canada, and we consolidated sewing capacity from our STAR sewing facility into our existing sewing capacity located closer to our textile manufacturing complex in Honduras. In addition, during the fourth quarter of 2019, we began to execute on plans for the closure of our textile and sewing operations in Mexico as part of our manufacturing optimization initiatives and in light of evolving market conditions, and began ramping down production in Mexico and relocating the equipment at these facilities to our operations in Central America and the Caribbean Basin.

We also announced plans to expand capacity in certain regions. Throughout the year, we continued the ramp-up of production at our Rio Nance 6 textile facility in Honduras, which is equipped to manufacture open-width and tubular fabric production. During the second quarter of 2019, we completed the purchase of land in close proximity to our existing facility in Bangladesh to be used as part of the construction and development of a large multi-plant manufacturing complex over the next few years to service international markets and support other key sales growth drivers.





2019 ESG HIGHLIGHTS

96%

of Gildan employees represented by formal Health and Safety Committees

44%

of our total energy use comes from renewable sources

7%

reduction in our work-related Injury Rate from 2018

89%

of non-hazardous waste recycled or repurposed

45%

of the total workforce and 38% of managers are women

\$260M

million directly spent with local suppliers in Central America & the Caribbean Basin

83%

of managers are local talent

Approximately

\$1.5M

in cash and in-kind contributions to local causes

RECOGNITIONS



Included in the DJSI for a seventh consecutive year.



Bronze Class Distinction. Included for the eighth consecutive year.



This designation by Canada's Top 100 Employers in an annual competition that recognizes employers in Greater Montreal that lead their industries in offering exceptional places to work.



CDP 2019 Scores for Corporate Transparency and Action on Climate Change: A- (Leadership Band)



Distintivo ESR® Award. For the fourth year, we received this award at the Latin American Conference of Socially Responsible Companies for our CSR activities in Honduras.



Fashion Transparency Index. Gildan was listed as the top 25th brand within the 250 global brands on the 2020 Fashion Transparency Index (FTI).



In 2019, Gildan received a rating of AAA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment



FUNDHRSE CSR Seal. Awarded to Gildan for the 12th consecutive year by the Foundation for Corporate Social Responsibility for demonstrating leading practices related to corporate social responsibility in Honduras.

OUR APPROACH TO GENUINE RESPONSIBILITY®

At Gildan, our vision of Making Apparel Better® isn't just about the quality of our products. Making Apparel Better® refers to every aspect of how we do business, which means that it considers all impacts and all interactions we have with our stakeholders: from employees, customers, and shareholders, to the communities and environments touched by our operations. It demonstrates our goal of doing business in the best possible way, with responsibility and integrity at our core, so that we can create value in everything that we do.



GOVERNANCE ETHICS & RISK MANAGEMENT

GOVERNANCE

We believe that high standards of corporate governance are an important factor in the overall success of our Company. We strive to foster a culture of integrity, accountability, and transparency throughout our organization – with a tone from the top.

10 OUT OF 11

BOARD MEMBERS ARE INDEPENDENT FROM MANAGEMENT

We believe that an independent Board of Directors is crucial to ensuring effective oversight of Company management, and ten out of eleven of our Board members are independent, including the Board Chair. The only non-independent Board member is our President and Chief Executive Officer, who is a founder of the Company. These independent Board members meet without the presence of management at each quarterly, annual, and special Board meeting, and only independent Board members sit on the Board's three committees: The Audit and Finance Committee, the Compensation and Human Resources Committee, and the Corporate Governance and Social Responsibility Committee.

Our Board of Directors follows comprehensive [Corporate Governance Guidelines](#) which go beyond compliance with Canadian and U.S. legislation and stock exchange requirements. These Guidelines are regularly reviewed to ensure they remain consistent with regulatory developments, evolving industry trends, and best practices.

Our Board of Directors is also committed to diversity and has adopted a Board Diversity Policy which embodies its approach to achieving a mix of Board members who represent a broad diversity of backgrounds and perspectives. Since the Board Diversity Policy was adopted in November of 2015, the percentage of women on our Board of Directors has increased from 22% to 27%, with three women currently sitting on our Board.

In order to ensure a robust and comprehensive compliance framework for integrity, ethics, and overall compliance throughout the organization, the Corporate Governance and Social Responsibility Committee has established the Compliance Steering Committee. The Compliance Steering Committee is an executive-level

management committee that operates under the leadership of the President and Chief Executive Officer and is responsible for overseeing the Company's global compliance programs in a number of key areas, including ethics, environment, labour, human rights, fraud, bribery, health and safety, and sustainability, among others. The Compliance Steering Committee has in turn established five sub-committees to oversee the Company's key compliance areas, including the Ethics and Fraud Compliance Committee, the Financial and Securities Law Compliance Committee, the Operational Compliance Committee, the Tax Compliance Committee, and the IT Cyber Security Committee. The Compliance Steering Committee is ultimately accountable to the Board of Directors and reports on important compliance matters to the Board's Corporate Governance and Social Responsibility Committee on a quarterly basis.

For more information, please visit the [Governance](#) page of our corporate website.



ETHICS

We are dedicated to maintaining high ethical standards throughout all our operations and business practices worldwide. We understand that our conduct and interactions with fellow employees, customers, suppliers, and other stakeholders all affect the integrity and credibility of the Company as a whole. Our Code of Ethics, Anti-Corruption Policy, Code of Conduct, [Human Rights Policy](#), and other programs and policies provide guidance to our employees on ethical behaviours and acceptable business practices. In 2018, we also adopted a Global Anti-Harassment Policy to ensure that all employees worldwide can enjoy work environments and employment opportunities that are free from any form of harassment. The Board's Corporate Governance and Social Responsibility Committee is responsible for monitoring compliance with these policies and codes.

Policies and codes alone are not enough to ensure sound business practices, so we invest in ongoing training and awareness initiatives to ensure that these standards are embedded in our everyday practices and culture. Every year, we run several mandatory review and re-certification programs related to the Company's codes and policies, the results of which are reported directly to the Corporate Governance and Social Responsibility Committee of the Board of Directors. We also have a Company-wide compliance awareness training program to reinforce the ethical standards and expectations set forth in the Code of Ethics, Code of Conduct, Anti-Harassment Policy, and Anti-Corruption Policy.

65,665
HOURS OF TRAINING ON
GILDAN'S CODE OF CONDUCT

20,005
HOURS OF TRAINING ON
GILDAN'S CODE OF ETHICS

CODE OF ETHICS

Our [Code of Ethics](#) provides a framework for guiding our operations and business practices, and it sets forth Gildan's standards and expectations of conduct by all of our global employees, from our factory workers to the Board of Directors. The Code of Ethics addresses conflicts of interest, anti-corruption laws, integrity and confidentiality of corporate records and information, protection and use of corporate assets, employee relations, protection of human rights, health and safety matters, insider trading, compliance with laws, and reporting of unethical or illegal behavior. Compliance with the Code of Ethics is monitored by the Corporate Governance and Social Responsibility Committee, which receives quarterly reports from the Compliance Steering Committee.

We strive to increase awareness of and compliance with the Code of Ethics across the organization through several compliance programs and processes; all new employees are required, as part of the Company's onboarding process, to acknowledge that they have read and under-

stood the Code of Ethics. In addition, on an annual basis over 800 employees in administrative and management positions are required to re-certify their compliance with the Code. These results are tracked and reported to the Corporate Governance and Social Responsibility Committee annually at each fourth quarter meeting. We also deploy mandatory policy awareness training across the organization when policies are updated or when new policies are adopted. Finally, we have an ongoing Company-wide compliance awareness training program, which is provided through an online interactive platform and in-person workshops for our global employee base. This training is designed to strengthen the understanding of our Code of Ethics and related policies by reinforcing the importance of ethical standards of behaviour in the workplace. During the past year, we succeeded in providing in-person training to teams in the United States, China, Japan, Honduras and Barbados. Due to the current global COVID-19 pandemic and related travel restrictions and social distancing measures, our goal to provide in-person training to all of our employees worldwide by 2020 has been extended to 2021. During 2020, we plan to continue providing the training program virtually.

We expect all Gildan business partners, including suppliers, agents, contractors, consultants, and licensees, to adhere to the same ethical standards that we adopt internally. We monitor this compliance through due diligence, compliance certification processes, and social compliance audits. We use all available legal recourses to terminate relationships with business partners who do not meet the high standards of conduct outlined in our Code of Ethics, Code of Conduct, Human Rights Policy, Environmental Policy, Anti-Corruption Policy, and Restricted Substances Code of Practice.

ANTI-CORRUPTION POLICY & COMPLIANCE PROGRAM

Our Anti-Corruption Policy and Compliance Program encompasses the anti-corruption laws of all of the countries in which Gildan conducts business and sets out in detail our position against bribery and all other forms of prohibited payments, including facilitation payments. We require strict adherence to the Policy by our employees, and failure to comply can result in disciplinary action up to and including termination.

We have implemented a robust compliance program that includes training, certification, and ongoing monitoring. All employees in all management level positions, as well as other key personnel, are required to formally certify compliance with the Anti-Corruption Policy on an annual basis through mandatory online certification. During 2018, we also launched a Company-wide online training on our Anti-Corruption Policy, which was successfully completed by 99% of administrative and management employees. In addition, designated Anti-Corruption Compliance Officers from each of our hubs covering all of our operations report on a quarterly basis to the Compliance Steering Committee on any instances of solicitations for prohibited payments or of any non-compliance with the Anti-Corruption

Policy. Finally, our internal audit department conducts periodic reviews in our hubs to test the effectiveness of the compliance program.

We are proud to report that we had no instances of breach of anti-corruption laws during 2019, including no employees dismissed or disciplined for corruption and no business partner contracts terminated or not renewed due to violations of anti-corruption laws.

CODE OF CONDUCT

The Gildan [Code of Conduct](#) guides our activities wherever we operate and is aligned with internationally recognized standards such as the International Labor Organization (ILO) and the Fair Labor Association (FLA). The Code is divided into 12 distinct code principles which clearly state our position on fundamental labour rights and business practices and requires our employees, partners, and stakeholders to strictly adhere to its principles. The Code has been translated into all of the main languages spoken in the areas where our products are made, including English, French, Spanish, Haitian Creole, Polish, Bengali, Chinese, Japanese, Vietnamese, Khmer, Urdu, Korean, Italian, Hindi, Tamil and Sinhalese,

and it is prominently displayed in all of our owned and third-party contractor facilities. Code of Conduct training is performed annually through a variety of mechanisms, including online platforms and interactive programs such as presentations and workshops. Our in-house social compliance teams conduct audits at all third-party contractor facilities in order to ensure ongoing compliance with the Code of Conduct.

HUMAN RIGHTS POLICY

As a responsible corporate citizen, we adhere to the fair and ethical treatment of our stakeholders throughout the Company's supply chain. We are committed to adopting the best labour practices and working conditions to ensure that the human rights and dignity of all our employees and those of our business partners are respected. In 2019, we adopted a [Human Rights Policy](#) to make it clear that we understand our responsibility to respect human rights throughout every business function. In all regions where the Company operates, our employees and business partners are required to adhere to conditions of employment that respect workers and safeguard their rights by complying with our Code of Conduct.



ETHICS AND COMPLIANCE HOTLINE

To ensure that employees, suppliers, and other partners feel confident to speak up about any suspected misconduct, we provide a confidential Ethics and Compliance Hotline managed by a third-party service provider. Although both our Code of Ethics and our Code of Conduct includes specific provisions prohibiting retaliation, harassment, or intimidation of any kind, anyone who wishes to report suspected misconduct can do so anonymously by phone or by submitting an online report. All calls and messages to the Hotline are reviewed by members of the Internal Audit, Human Resources, and Legal departments that are responsible for investigating the cases. When reported claims are validated and corroborated, or when improvements to our practices are required, action plans are prepared and agreed upon with the management team. In all cases, the Ethics and Compliance Hotline will revert to the reporter with the outcome of the investigation. Quarterly reports on Hotline calls received are presented to the Ethics and Fraud Compliance Committee, which will communicate any significant issues to the Compliance Steering Committee, followed by the Audit and Finance Committee and Corporate Governance and Social Responsibility Committee of the Board of Directors, if necessary. During 2019, we received 35 reports through the Ethics and Compliance Hotline. Most of the calls were not related to Gildan's human rights risks, but to human resources related matters, principally around misconduct or inappropriate behaviour of individual employees.



RISK MANAGEMENT

A critical element of our business strategy is the principle of sound risk management practices, which we have implemented to address the most material risks to the Company. Effective risk oversight is an important priority for our Board of Directors; our Board has implemented a risk governance framework to understand critical risks in the Company's business and strategy in order to oversee the systems in place for identifying and managing business risks and opportunities while fostering an appropriate culture of risk awareness across the Company.

The Board implements its risk oversight function both as a whole and through its committees. The Board oversees both the processes in place to identify business risks and opportunities, and the implementation of processes to manage such risks and opportunities. The Audit and Finance Committee of the Board oversees the risks related to the Company's financial statements; the financial reporting process and accounting matters and related internal controls; tax compliance; management of the Company's capital structure, liquidity, and financial risks stemming from fluctuations in foreign currency, interest rates, equity, and commodity prices. The Compensation and Human Resources Committee of the Board oversees risk identification and management in relation to executive compensation and employee health and safety at the Company's operations worldwide. The Corporate Governance and Social Responsibility Committee of the Board monitors compliance with the Company's policies and practices related to business ethics, fraud, bribery and corruption, corporate social responsibility – including protection of human rights – environmental compliance, security and product safety, cyber security risks and data protection, and compliance with other laws and regulations.

While the Board oversees risk management, it is Gildan's management that is charged with managing risk on an ongoing basis. A dedicated team, comprised of business

professionals with a wide variety of skills is responsible for developing and executing against the Company's risk management strategies. Our overarching Risk Management Framework includes specific processes and policies that allow for the continuous review and assessment of the risks to our Company, including those related to operations, finances, compliance, strategy, social and civil unrest, and other risks. A dedicated risk management team conducts an annual assessment of the strategic and operating risks to the Company which, results in a robust risk registry against which mitigation strategies and key risk indicators are developed and tracked. The results of this process are communicated directly to the Company's senior executive management team and annually to the Board of Directors. Our internal audit department conducts periodic reviews to ensure that management has implemented robust compliance programs and procedures to mitigate risks, including those related to our social, environmental, and health and safety practices. Included in these reviews are independent compliance and shadowing audits conducted by the internal audit team at company facilities and third-party contractors.

The Compliance Steering Committee, chaired by the President and Chief Executive Officer, is responsible for monitoring the Company's compliance with applicable laws and regulations as well as with its policies, procedures and programs across the organization. The Compliance Steering Committee provides the Corporate Governance and Social Responsibility Committee with quarterly reports on the Company's compliance activities and programs, including any compliance risks or issues that are identified by the Compliance Steering Committee or brought to its attention through the Company's whistleblowing procedures or through the results of compliance audits. This includes risks related to labour rights, human rights, business ethics, bribery and corruption, corporate social responsibility, environmental compliance, cyber security, and product safety, among others.

The Financial Risk Management Committee, which is co-chaired by the President and Chief Executive Officer, Executive Vice-President, Chief Financial Officer, and Administrative Officer, is responsible for overseeing the implementation of policies, procedures, and strategies to



manage the Company's financial risks. The Financial Risk Management Committee provides a quarterly report to the Audit and Finance Committee on the Company's financial risk exposure to foreign currency, interest rate and commodity price fluctuations, liquidity and cash positions, and hedging strategy.

All of our principal risks are detailed in our 2019 Report to Shareholders (Management's Discussion and Analysis). Some of the risks we have been focusing on during 2019 include cybersecurity and other business interruption events such as weather and social disturbance. During the first half of 2020, we have focused on managing various operational, compliance, and financial risks related to the COVID-19 pandemic. A discussion about our environmental risks – including ongoing risks as a result of climate change, which are considered as part of our risk management activities – can be found in the Environment section of this report.

Finally, none of our Company-owned manufacturing facilities are located in high risk locations with regards to migrant labour or protected or indigenous territory as described in the International Labor Organization (ILO) 169 Convention. In 2019, we did not receive any social or economic fines or sanctions under this Convention.

DATA PROTECTION

Data protection and cybersecurity are topics that we take very seriously at our Company. All Gildan administrative and office employees receive mandatory training on protecting information and cybersecurity including elements from our Information Security Policy and Information Assets Protection Policy. Specialized groups such as our financial teams receive additional specialized training on issues like social engineering. Our IT developers are all trained in secure software development practices. In addition, our information security team, which manages data protection at Gildan, regularly tests all office employees on a rotating basis with phishing tests. This has increased

Gildan's resilience to email phishing attempts. Employees are regularly reminded to report suspicious activity to our IT department and any suspected loss of sensitive information to our legal department. In 2018, we launched an online Information Assets Protection Policy and Data Privacy Policy training to over 3,400 office employees globally.

Management has created the IT Cyber Security Committee, which is chaired by the Chief Information Officer. The IT Cyber Security Committee is a multi-disciplinary committee that provides input and guidance to the IT team on risks and opportunities related to information security and data protection matters. The Committee also oversees the development of information security policies, standards, procedures and practices across the organization. The IT Cyber Security Committee provides a report on its activities and recommendations to the Compliance Steering Committee, which in turn reports to the Corporate Governance and Social Responsibility Committee on a quarterly basis. In addition, the Chief Information Officer provides a full report on cyber security issues to the Board of Directors each year.

OTHER MATTERS

In 2019, no legal actions were taken against us for anti-competitive behaviour or violations of anti-trust and monopoly legislation, and no substantiated complaints have been received regarding breaches of customer privacy.

We have also reported in our 2019 annual financial statements that we received government assistance amounting to \$14 million. This financial support includes USDA yarn subsidies provided in relation to the cotton we have purchased in the U.S. and is reinvested in our yarn-spinning operations as well as Bangladesh export rebates.





GENUINE RESPONSIBILITY® STRATEGY

Genuine Responsibility® is the overarching framework of programs, policies, and practices that governs Gildan's operations and business in all areas related to environmental stewardship, social impacts, and governance practices. Developed over the last 15+ years, this comprehensive framework serves to guide the decisions we make, the actions we take, and the future we envision for our Company across three central pillars: **Caring for our People, Conserving the Environment, and Creating Stronger Communities.**

Our experience as a vertically-integrated manufacturer and large employer in the regions where we operate has reinforced the fundamental principle that operating responsibly and integrating sustainable solutions into our business and our operations is critical to our financial success. It is also an important enabler of our future growth and a key component to the positive value we create for all our stakeholders.

Our Genuine Responsibility® strategy has been developed by focusing on the most material issues to our Company, with consideration to leveraging our strengths in support

of the United Nation's Sustainable Development Goals, as well as to upholding and respecting human rights as established in the United Nation's (UN) International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights), and the UN Guiding Principles on Business and Human Rights.

We have identified the subject matters below through a formal materiality assessment (executed in late 2017), which encompasses the most important areas of concern to our stakeholders while considering the biggest potential for having an impact on our business. The top five material issues have been identified as follows:

HUMAN & LABOUR RIGHTS

OCCUPATIONAL HEALTH & SAFETY

**OPERATIONAL WATER &
WASTEWATER MANAGEMENT**

CHEMICAL MANAGEMENT

ENERGY AND EMISSIONS MANAGEMENT

We have also identified other important issues that shall remain within the focus of our Genuine Responsibility® programs, such as Diversity and Inclusion, Climate Change, and Traceability. We are planning on conducting a new materiality assessment in 2021. For more details on the full results of our 2017 Materiality Assessment, please visit our Genuine Responsibility website.

GENUINE RESPONSIBILITY® SUMMARY

PILLARS

CARING FOR OUR PEOPLE

A commitment to maintaining industry-leading working conditions and labour practices at each of our worldwide locations through the following:

- Creating a safe & ergonomic workplace
- Respecting freedom of association
- Empowering women at work
- Offering competitive benefits

CONSERVING THE ENVIRONMENT

A commitment to the development and implementation of sustainable innovative solutions that reduce the environmental impact of our operations and products throughout our entire supply chain by:

- Addressing climate change
- Optimizing water use
- Ensuring safe chemical management

CREATING STRONGER COMMUNITIES

A commitment to contribute to our communities and have a positive impact by helping them become stronger and more resilient by:

- Investing in local economic development
- Advancing access to education and fostering entrepreneurial spirit
- Encouraging healthy and active lifestyles
- Promoting environmental conservation

MATERIAL ISSUES

- Human and Labour Rights
- Occupational Health and Safety
- Diversity and Inclusion

- Climate Change
- Energy and Emissions Management
- Operational Water & Wastewater Management
- Chemical Management

- Business Impact on the Community

RELEVANT UN SDG'S



PROGRAM GOVERNANCE

The oversight of the Company's Genuine Responsibility® programs is conducted at the corporate head office, and the execution of the program is managed by a dedicated team of skilled professionals located in the regions where we operate, each of which report to the Vice President of Corporate Citizenship.

Understanding the important role that good governance plays in ensuring sound practices and transparent reporting, our Board of Directors' Corporate Governance

and Social Responsibility Committee has the specific responsibility of overseeing Gildan's policies and practices in areas relevant to the environment, labour and human rights, health and safety, and other sustainability issues, including community engagement and stakeholder relations.

Our management team provides a comprehensive report on corporate social responsibility and environmental matters to the Corporate Governance and Social Responsibility Committee at each of its quarterly

meetings, highlighting key developments, issues, and risks in these areas. As with our other two Board committees, this committee is composed exclusively of independent directors, and its members have a wealth of experience in Environment Social and Governance (ESG) subject areas.

ALIGNMENT WITH UN SUSTAINABLE DEVELOPMENT GOALS

The 17 UN Sustainable Development Goals (SDGs) serve as a shared blueprint to achieving a better and more sustainable future for all by 2030. The goals are a collective call to action by countries around the world in a global partnership to build economic growth while addressing the most pertinent global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace, and justice. We believe that we bear a responsibility to align our Genuine Responsibility® initiatives to

the SDGs and help support these goals as we make progress towards creating a better world for all.

Our Genuine Responsibility® programs aim to leverage our core strengths, enabled by our underlying vertically-integrated business model, to positively influence outcomes in areas that are material to our business and operations. As such, we have selected four specific SDGs from which we believe we can create the most positive impacts (see below).



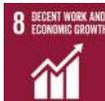
WHY IT MATTERS TO US

Quality education is the foundation for improving people's lives and enhancing sustainable development. Investing in education helps build job and life skills and can have transformational impacts on communities, promoting socioeconomic stability and supporting communities as they escape poverty. Low literacy rates and lack of job skills in some geographic locations can create not only social challenges but also serve as an impediment to building a strong local workforce that can grow with Gildan.

HOW WE ARE HELPING

Through financial and in-kind donations, as well as through volunteering hours from our employees, we support inclusive quality education programs focused on hygiene, nutrition, environmental protection, and violence prevention. These programs address the pressing needs of our community stakeholders and contribute to building and upgrading educational infrastructure to provide safe, nonviolent, and inclusive learning environments in communities.

We also focus on the ongoing development of our employees: Continuous development through training is essential to improving the technical, administrative, and interpersonal competencies of our workforce, and it positions our employees to achieve future growth and opportunities within the Company. This creates benefits for the Company, our employees and their families, and the communities where we operate.



WHY IT MATTERS TO US

We understand that sustainable economic development is achieved through the creation of long-lasting, stable, and productive jobs. At Gildan, we truly value our employees and believe that by empowering them in their roles, encouraging their entrepreneurial spirit, and investing in their personal development and growth, we can realize business success as well.

HOW WE ARE HELPING

We strive to create value for our people, their families, and the communities where we operate by respecting the fundamental rights of our workers, treating every employee with respect and dignity, offering quality jobs through progressive compensation and benefit programs, providing a safe and healthy work environment, investing in training and development initiatives, and fostering a culture where employees feel empowered to achieve their goals. In doing so, they can professionally grow within the organization and share in our success without ever facing any kind of harassment or discrimination. We are committed to diversity and inclusion at all levels in the workplace, including ensuring that there are no systemic barriers or biases in the Company's policies, procedures, and practices.

Although more than 90% of our revenues are generated by the products produced in our own facilities, we understand that our responsibility in these areas extends to our third-party finished goods suppliers. Our sourcing and procurement practices are guided by the same Genuine Responsibility® framework, which includes code of conduct principles such as the respect for human rights, freedom of association and collective bargaining, and the prohibition of all forms of forced labour and child labour in the production of everything we sell.



WHY IT MATTERS TO US

Innovation in industry and investments in infrastructure drive economic growth, create job opportunities, and empower communities. Gildan was founded on the vision that owning our factories, investing in technology, and pursuing continuous improvement is the best way to operate and to make apparel better.

HOW WE ARE HELPING

Our vertically-integrated model is at the foundation of our business strategy and allows us to positively influence each part of the overall production process. We own and operate large scale manufacturing facilities in North America, Central America, the Caribbean Basin, and Bangladesh, where we are an important employer and contributor to local industry and innovation. We have invested more than \$1.5B over the last 10 years and we are proud of our manufacturing facilities, which are models of state-of-the-art technology, innovation, and sustainable solutions. We believe we foster innovation throughout our operations by constantly looking for continuous improvements in all areas of the business to increase our resiliency and efficiency and achieve sustainable development.



WHY IT MATTERS TO US

As awareness of global environmental and social issues grows, consumers are increasingly seeking out companies that are genuinely committed to positive social and environmental impacts. In parallel, investors are looking for companies with leading sustainability programs because they co-exist with strong operational performance and long-term financial success. Since the inception of our Company, our goal has been to operate the most cost- and resource-efficient manufacturing facilities, producing responsibly-made apparel and embedding social and environmental responsibility into the long term strategy of our business.

HOW WE ARE HELPING

Our vertically-integrated manufacturing model allows us to directly influence and implement responsible practices throughout the entire manufacturing processes – from the selection of raw materials to the assembly of the final products. We are committed to making continuous improvements in production and distribution by finding innovative and sustainable solutions that drive positive outcomes for all of our stakeholders. We have also focused our efforts to educate consumers on sustainable consumption through the use of sustainable materials and packaging of our products, and through sharing our sustainability story through our social media channels.

STAKEHOLDERS & PARTNERS

To achieve our vision of Making Apparel Better®, we aim to proactively engage and collaborate with stakeholders, including employees, customers, local communities, shareholders, investors, governments and NGOs. Strong relationships with our stakeholders allow us to learn from one another, collaborate, and fulfill our mission of creating value in everything we do. In order to ensure a structured and accountable approach to stakeholder engagement, we have updated our Stakeholder

Engagement Policy, which defines how we manage stakeholder relationships. The policy has been revised according to UN guiding principles and incorporates the principal risks faced in our industry.

One of the key areas we believe our stakeholders can help provide insight for us is in improving the lives of the people involved in the manufacturing of our products, ensuring an ethical and stimulating work environment, and respecting and enhancing the local communities in which we operate. We invite groups who represent workers, students, colleges, trade unions, academia, governments, local communities, and consumers to share their ideas and build consensus on these issues

with us. This is accomplished through a variety of methods, including face-to-face meetings, focus groups or roundtables facilitated by external independent facilitators, workshops and seminars, confidential questionnaires, and anonymous feedback.

Our belief is that engagement should be mutually beneficial and transparent, that it should focus on finding common ground and creative solutions to issues that affect us all, and that the outcome should lead to real value for both the Company and its stakeholders. In 2019, we were affiliated and/or in dialogue with the following organizations chosen for their pertinence to our Company and our industry:

“Gildan’s supply chain, with operations throughout the U.S., Latin America and Asia, is a model for how other apparel companies can and should identify and remediate fair labour issues. Gildan has demonstrated its commitment to the FLA’s standards and earned reaccreditation of its compliance program through its leadership commitment to upholding fair workplace standards and the implementation of training for its suppliers and effective mechanisms to resolve workers grievances.”

- Sharon Waxman

President and CEO of the FLA.



ORGANIZATION	AREA OF FOCUS	RELATIONSHIP
SUSTAINABLE APPAREL COALITION (SAC)	ENVIRONMENTAL	SAC provides the apparel industry with tools and platforms to create a common sustainable standard for the apparel industry. Gildan has been a member of SAC since 2013, and a member of Gildan's senior management team served on the Board of SAC from 2013 to 2016.
CARBON DISCLOSURE PROJECT (CDP)		Since 2008, we have participated in the CDP to disclose our environmental performance and climate change impacts.
FAIR LABOR ASSOCIATION (FLA)	LABOUR RIGHTS	Gildan has been a member of the FLA since 2003 and was the first basic activewear apparel manufacturer to have its social compliance program accredited by the FLA in 2007. In 2019, Gildan's social compliance program was reaccredited after the Company demonstrated the presence of policies and practices in place to identify and remediate unfair labour practices in our global supply chain. We are subject to periodic audits by the FLA to ensure that we have implemented systems and procedures to uphold FLA's standards in our supply chain.
ILO BETTER WORK IN HAITI AND NICARAGUA	ILO FUNDAMENTAL LABOUR RIGHTS	Gildan participates in the International Labour Organization's (ILO) Better Work Program through our third-party contractors in Haiti and Company-owned facilities in Nicaragua. The program aims to improve compliance with labour standards and competitiveness in global supply chains.
WORLDWIDE RESPONSIBLE ACCREDITED PRODUCTION (WRAP)	SOCIAL COMPLIANCE	All of our sewing facilities and our vertically-integrated facility in Bangladesh are WRAP certified.
SUPPLIER ETHICAL DATA EXCHANGE (SEDEX)		Gildan is a member of SEDEX, which provides member companies with a secure web-based platform for storing and sharing Sedex Members Ethical Trade Audit (SMETA) reports. Being a member of SEDEX demonstrates our willingness to share information.
AMERICAS GROUP	CHILDCARE/FREEDOM OF ASSOCIATION	Gildan engages with key stakeholders on topics concerning labour issues and maintains an open dialogue about labour rights in the various countries where we operate.
MAQUILA SOLIDARITY NETWORK	LABOUR ISSUES IN CENTRAL AMERICA AND MEXICO	
WORKER RIGHTS CONSORTIUM	LABOUR ISSUES AMERICAS REGION	
CENTRAL GENERAL DE TRABAJADORES HONDURAS (CGT)	FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING AGREEMENT	Most of Gildan's employees are affiliated with the CGT, a union federation. Gildan has engaged with CGT during the collective bargaining agreement negotiation process for three unions in Honduras.
WORLD VISION HONDURAS	COMMUNITY DEVELOPMENT	We have maintained a partnership with World Vision Honduras since 2012 to implement programs that support children by improving the quality of education, promoting environmental conservation, fostering leadership, and supporting violence prevention in communities. During 2019 - 2020, we signed a collaboration agreement to invest more than \$170,000 in this program.
ETHISPHERE	ETHICS	Gildan has joined Ethisphere's Business Ethics Leadership Alliance (BELA), a global community of companies who recognize the value of ethical leadership and who work together to move their businesses forward with ethics and integrity.
SUSTAINABLE BRANDS	SOCIAL & ENVIRONMENTAL	Since 2018, Gildan has been a member of Sustainable Brands, an organization whose goal is to inspire, engage, and equip business leaders and practitioners who see social and environmental challenges as an essential driver of brand innovation, value creation, and positive impact.

A full list of our stakeholder engagement activities can be found in the appendix on [p.118](#) of this report.



GOALS & TARGETS

In 2015, we set five-year goals for our business within our three priority areas and which align with our key focus areas within those categories. Some of our environmental targets and baseline metrics have been adjusted to account for mergers, acquisitions, and divestitures, as well as updated environmental protocols where applicable. This is detailed in our Conserving our Environment section. The following table summarizes all our previously reported 2020 goals and the progress we made against them during the past year.

CARING FOR OUR PEOPLE

GOAL	2019 PROGRESS
Set in 2017: Expand and harmonize health and safety programs.	During 2019, we continued to strengthen our global Health and Safety processes, and the Company invested in a new database system to improve the global tracking of Health and Safety metrics, such as lagging indicators (Accidents, First Aids, Lost Time), and leading indicators (Observations, Potential Serious Injuries and Fatalities, Inspections). The deployment of this new database is scheduled to be completed by mid-2020. As part of our continuous improvement and implementation of best industry practices, we introduced the concept of Serious Injuries or Fatalities (SIF) as well as potential SIF. In order to reflect these new trends, our target going forward has been modified to implement a potential SIF reporting program globally.
Set in 2017: By 2020, implement a near-miss reporting program in our manufacturing facilities.	
Set in 2017: By 2020, all of our contractors worldwide will be trained on Gildan's Social and Sustainable Compliance Guidebook.	Gildan's Social and Sustainable Compliance Guidebook was updated in 2018. The original Guidebook was created in 2004 to provide social compliance guidelines for auditing purposes. Our Social and Sustainable Compliance Guidebook was launched in 2019 to our employees in all our manufacturing locations, as well as to a selection of our contractors worldwide. We will continue sharing our guidebook with contractors in Latin America during 2020; however, due to the impact of COVID-19 we plan to extend training to 2021.
Updated in 2017: By 2018, update ergonomic baseline for 71% of Gildan-owned manufacturing facilities.	During 2019 we decided to review the scope of our ergonomics program, which was limited to 71% of our manufacturing facilities, to integrate the rest of our operations such as yarn-spinning, sales, marketing and distribution. Taking this review into account we are now moving to a new three-phase (Documentation, Training and Deployment) global ergonomics program. Our Health and Safety team has been working on the first phase to develop our Global Ergonomic Guideline and will be providing new targets in 2021.
Set in 2017: By 2019, 71% of Gildan-owned manufacturing facilities will test the Fair Labor Association (FLA) fair wage methodology. This goal is part of Gildan's commitment to support stakeholder research on fair wage in the different countries where we operate.	In 2019, 94% of Gildan-owned manufacturing facilities deployed the FLA fair wage tool, exceeding our coverage target by 23%. The FLA launched an updated online tool in 2019 to provide new trends related to fair wages for the apparel sector.
Set in 2017: Continue an open and constructive dialogue with labour stakeholders, including unions, civil society organizations, and governments.	In 2019, we continued to maintain an open dialogue while collaborating with labour groups in Central America, Mexico, and Haiti to address issues such as childcare and freedom of association. In 2018, we became signatories of the Industry Commitment to Responsible Recruitment with the American Apparel and Footwear Association (AAFA) and FLA to ensure migrant workers in the global supply chain are not subjected to forced labour. Following this commitment, in 2019, we launched our migrant worker survey in all of our contractor facilities worldwide to ensure that their hiring practices were aligned to our Code of Conduct, as well as to the FLA and International Labour Organization (ILO) guidelines.
Set in 2017: Continue to develop initiatives that will empower female employees and create further opportunities to rise into management positions	We have implemented programs that provide women with training, networking opportunities, and resources to help them build their personal toolkit for success. From 2018 to 2019, percentages of women in management positions have remained stable.



CONSERVING THE ENVIRONMENT

GOAL VERSUS 2015 BASELINE	2019 PROGRESS
2015 - 2020: Gildan will reduce its GHG emissions intensity by 10%, per kg of product from our Company-owned operations.	During 2019, we decreased our GHG emissions intensity by 13% when compared to our 2015 baseline. Even though we maintained our reduction target, we will continue to pursue further improvements.
2015 - 2020: Gildan will reduce its energy intensity by 10%, per kg of product, from our Company-owned operations.	In 2019, our energy intensity decreased by 3.2% compared with our 2018 results. However, when compared to our 2015 baseline, our energy intensity has increased by 0.5%, which is primarily due to the introduction of a new product mix subsequent to the setting of the 2015 target, which requires additional energy during the textile process. Although we have not yet attained our goal, we have made significant efforts to improve our energy efficiency in our manufacturing processes to continue to reduce our energy intensity.
2015 - 2020: Gildan will reduce its water intensity by 10%, per kg of product, from our owned operations.	Compared to 2015, our water intensity has seen a significant decrease of 11.2%, surpassing our goal. This is a result of the full implementation of condensate and heat recovery systems in our manufacturing operations, as well as to the continuous improvements of our water management processes and product development.
2015 - 2020: Gildan will reduce landfill waste intensity by 10%, per kg of product, from our owned operations.	In 2019, our landfill waste intensity decreased by 6.3% compared to 2018. We have achieved this reduction through continuous improvements of our waste management process in our manufacturing facilities. When compared to our 2015 baseline, we can report a 3.6% decrease.
Set in 2017: Gildan will reach 80% compliance for all raw material suppliers by the end of 2020 against our RSCP.	In 2019, we achieved 94% compliance for all raw material suppliers against the updated version of Gildan's Restricted Substances Code of Practice (RSCP).
Set in 2017: Gildan will conduct a water risk assessment for our Central America and Caribbean operations by 2022.	In 2018, we identified potential partners to conduct a water risk assessment for our Honduras manufacturing operations. We started this process during 2019 reaching 90% completion. Results of this assessment will be shared following completion. Due to disruptions caused by the COVID-19 pandemic, we will re-evaluate the timeframe to complete the assessment for other locations.



CREATING STRONGER COMMUNITIES

GOAL	2019 PROGRESS
Set in 2017: By 2019, conduct a Social Impact Study in order to better measure Gildan's positive impact on society for our Central American operations	Through a Social Return on Investment (SROI) study conducted in 2019, Gildan identified its main contributions to the regional economy and local development. Results from this study will help us guide our social responsibility strategy going forward.
Set in 2016: Continue leveraging local capacity to support education, active living, entrepreneurship, and environmental programs.	During the reporting period, we carried out projects to support education, active living, entrepreneurship, and environmental awareness in the communities where we operate. Our community contributions in these areas totaled more than \$1.5 million in 2019.
Set in 2017: Continue working with local vocational training organizations to strengthen the technical skills of our employees and communities.	In 2019, we provided employees with close to 2.5 million hours of training in our manufacturing facilities. We also facilitated coaching and mentoring programs that help employees advance in their careers. In 2019, 16% of our open positions were filled by internal candidates.
Set in 2017: By 2020, increase by 25% the number of sponsored schools at Gildan's manufacturing locations	In 2019, we increased the number of schools we support from 27 to 371 schools as part of Gildan's education programs in our manufacturing locations. This significant increase in schools was mainly due to the enhancement we made to our education program in Honduras, after forging a partnership with World Vision, which aims to strengthen the quality of education provided by implementing a capacity program for teachers. This allows us to reach more students and schools while collaborating with the Ministry of Education to include these trainings in school curricula. Across the rest of our manufacturing facilities, the Company supported 21 schools through the implementation of capacity building programs for teachers as well as different refurbishing projects.



CARING FOR OUR PEOPLE

At Gildan, we understand that our most important resource is our people. Our employees play an important role in our success, as do the investments we make in equipment, technology, and innovation. As such, we recognize our responsibility to provide them with rewarding, safe, and healthy work environments where they are empowered to succeed. We strive to foster a culture that will allow our employees to develop and perform to the best of their potential by providing them with the training and development opportunities they need. We also strive to create fair and equal opportunities for success amongst all of our employees while treating everyone with respect and dignity and providing valuable benefits tailored to community needs. Leaders at all levels of the organization are committed to respecting human rights and implementing best practices in health and safety, environmental welfare, and social responsibility, which is reflected in their day to day actions.



GOALS	HEALTH & SAFETY	TRAINING & DEVELOPMENT	WAGES & BENEFITS	SUPPLY CHAIN
	<ul style="list-style-type: none"> • In 2019, we set a 10% reduction target for both our work-related injury and severity rates for our Gildan-owned manufacturing facilities. <p>In 2019, we achieved a 7% reduction for our work-related injury rate, which fell from 0.44 to 0.41; however, we saw an increase of 13% for our severity rate, which went from 2.50 to 2.84. This increase was related to five lost-time events within our manufacturing and distribution facilities. Each event was investigated, and action plans are in place to avoid recurrence.</p>	<ul style="list-style-type: none"> • By 2020, implement a leadership training program for our 1,500 supervisors at Company-owned textile and sewing facilities in Central America. <p>Progress in 2019: By the end of 2019, almost 500 supervisors from our textile facilities in Honduras finished the program. Additionally, over 200 supervisors from our Honduras sewing facilities advanced to module 3. In Nicaragua, we completed some training in 2019, and the timeline to launch the leadership program is under review.</p>	<ul style="list-style-type: none"> • By 2019, 71% of Gildan-owned manufacturing facilities will test the Fair Labor Association (FLA) fair wage methodology and online tool, which represents all of our facilities in Central America, the Caribbean Basin, and Bangladesh as of 2017. <p>By 2019, 94% of Gildan-owned manufacturing facilities deployed the FLA fair wage tool, exceeding our coverage target by 23%.</p>	<ul style="list-style-type: none"> • By 2020, all worldwide contractors will be trained on Gildan's Social and Sustainable Compliance Guidebook. <p>Our Social and Sustainable Compliance Guidebook was launched in 2019 to our employees at all our manufacturing locations and to part of our contractors worldwide. We will continue sharing our guidebook with contractors in Latin America during 2020; however, due to the impact of COVID-19 we plan to extend training to 2021.</p>
	<ul style="list-style-type: none"> • By 2018, update our ergonomic baseline for 71% of Gildan-owned manufacturing facilities which represents all of our facilities in Central America, the Caribbean Basin, and Bangladesh as of 2017. <p>During 2019, we decided to review the scope of our ergonomics program, which was limited to 71% of our manufacturing facilities, in order to integrate the rest of our operations such as yarn-spinning, sales, marketing, and distribution. Taking this review into account, we are now moving to a new three-phase (Documentation, Training, and Deployment) global ergonomics program. Our Health and Safety team has been working on the first phase to develop our Global Ergonomic Guidelines and will be providing new targets in 2021.</p>	<ul style="list-style-type: none"> • Continue to develop initiatives that will empower female employees and create further opportunities to rise into management positions. <p>We have implemented programs that provide women with training, networking opportunities, and resources to help them build their personal toolkit for success. From 2018 to 2019, percentages of women in management positions have remained stable.</p>		
	<ul style="list-style-type: none"> • By 2020, implement a near miss reporting program in our manufacturing facilities to help identify potential causes of injuries and reduce risks. <p>During 2019, we continued to strengthen our global Health and Safety processes, and the Company invested in a new database system to improve the global tracking of Health and Safety metrics, such as lagging indicators (Accidents, First Aids, and Lost Time), and leading indicators (Observations, Potential Serious Injuries, and Fatalities, Inspections). The deployment of this new database is scheduled to be completed by mid-2020. As part of our continuous improvement and implementation of best industry practices, we introduced the concept of Serious Injuries or Fatalities (SIF) as well as potential SIF. In order to reflect these new trends, our target going forward has been modified to implement a potential SIF reporting program globally.</p>			

OUR WORKPLACE

When it comes to our employees, our first responsibility is to provide them with safe and healthy work environments. Gildan's accident and injury rates are significantly lower than the industry averages, which reflects strong collaboration with our employees who play an active role in creating a culture of safety. In 2019, over 83% of our facilities featured employee-driven Health and Safety committees. We also invest in workplace infrastructure and continue to implement comprehensive monitoring and management processes.

Our commitments also include making contributions towards promoting health and wellness amongst our employees. At all of our manufacturing facilities in Latin America and Bangladesh, we provide free onsite medical clinics and primary care, and we also run a variety of health awareness campaigns alongside a comprehensive ergonomics program focused on mitigating the development of musculoskeletal disorders.

HEALTH & SAFETY

Health and safety is a top priority for our management team, and we recognize that sewing operations within the textiles industry pose a higher potential for risks and hazards. That is why we strongly believe that it is our duty to manage these risks and hazards appropriately so that we can ensure the continued safety and wellbeing of our employees. Through owning and operating most of the facilities where our products are made, we are able to directly influence and manage operations and uphold practices that aim to provide safe workplaces [\(see vertical integration, p11-12\)](#).

To create safe workplaces, we have made significant capital investments in modern equipment and technologies that optimize efficiencies, reduce waste, and, most importantly, reduce impacts on our people. Over the last 10 years, we have invested over \$1.5 billion in state-of-the-art facilities and equipment designed with strict safety standards in place.

On a regular basis, independent experts validate the structural safety of our facilities. Fire safety is also a key focus area for the Company. As such, our Company-owned facilities have fire safety exits, and all employees actively participate in regular fire and safety drills. In addition, the vast majority of our facilities have built-in fire suppression systems. In Bangladesh, where fire incidents have become a national issue, we significantly upgraded our manufacturing facility following its acquisition in 2010, and this facility was successfully audited in 2018 by the Bangladesh Fire and Safety Accord. In our Bangladesh facility, we have dedicated Fire and Safety committees in place to involve employees in mitigating risks and improving the effectiveness of preparedness and response activities. Elsewhere across our manufacturing network, our Health and Safety committees (see below) are responsible for managing fire safety

More details on our approach can be found in our [Global Health and Safety Policy](#).



HEALTH & SAFETY PERFORMANCE

Continuous improvement can only be achieved if processes are carefully measured and monitored so that we can diligently scrutinize work-related injury and severity rates¹ throughout our operations to identify areas where improvements can be made. Compared to the Occupational Safety and Health Administration's (OSHA) benchmark for the Apparel Manufacturing sector, whose latest results date back to 2018, Gildan's results have consistently remained better than OSHA's benchmark. For 2019, Gildan's work-related injury rate was 0.41 while the OSHA Apparel Manufacturing benchmark was 1.9. We also demonstrated better results in the number of cases involving days away from work, where Gildan reports a rate of 0.14 compared to the industry average of 0.50.

In 2019, our severity rate increased from 2.50 to 2.84, mainly due to the number of injuries with lost days in our manufacturing operations, which accounted for 78% of the total lost days. We have since developed key initiatives to improve our health and safety performance in 2020. As shown in the chart below, we have decreased our work-related injury rate by 6.8% and our severity rate by 30.4% over the past 10 years.

In 2019, Gildan decided to exclude the health and safety metrics related to its five dedicated sewing contractors in Haiti as data provided wasn't calculated in accordance with proper methodology. Gildan's health and safety team has trained contractors on the correct data tracking methodology, and we expect to be able to report on these metrics in next year's report.

¹The injury and severity rate indicators are based on the Occupational Safety and Health Administration (OSHA) principles. The injury rate indicator is used to show how many accidents occurred in a 200,000-hour work period while the severity rate indicator shows the gravity of the accidents during the same amount of hours worked. This severity rate is based on the number of lost days, which is an indicator of the severity of any accident. The work-related injury, lost-time injury and severity rate tables have been independently reviewed in accordance with the International Standard on Assurance Engagements (ISAE) 3000 reporting standard. Gildan uses the "operational control" approach to establish its organizational boundary.

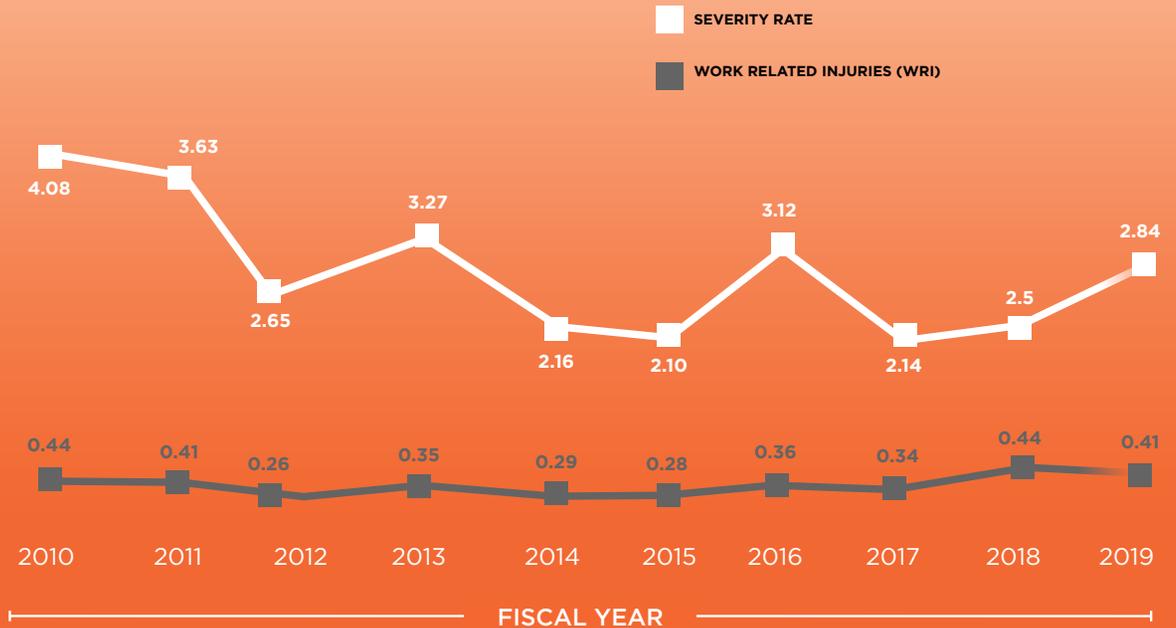


FATALITIES	0
WORK-RELATED INJURY RATE	0.41
SEVERITY RATE	2.84
DAYS AWAY FROM WORK RATE	0.14
LOST-TIME INJURY FREQUENCY RATE (LTIFR) FOR EMPLOYEES/ MILLION HOURS WORKED	0.72

Global Work Related Incidents Ten-year Trends

Over the past ten years, Gildan has acquired several companies and opened new facilities and distribution centers, significantly increasing our production capacity and number of facilities, while at the same time decreasing our injury and severity rates.

GLOBAL WRI & SEVERITY RATE TIMELINE



HEALTH & SAFETY MANAGEMENT

The Company's health and safety programs are monitored by two committees: the Global Health and Safety Steering Committee, which is chaired by the Executive Vice President, Chief Financial and Administrative Officer and comprised of senior management, and is responsible for ensuring that the organization has everything needed in place to drive and support a vision of safety excellence; and the Health and Safety Technical Committee, which is comprised of all Health and Safety Managers and key representatives from each hub and is responsible for the deployment and monitoring of safety programs. These committees, who meet between 4-6 times per year, also address safety trends and share best practices across the business to ensure that all locations are working at the same high level. Our Facility Managers at each site are responsible

for ensuring the implementation of health and safety management programs. Both Health and Safety Managers and Facility Managers are required to include health and safety objectives as part of their annual performance appraisal process; in turn, they receive incentives if these objectives are met.

To keep track of work-related injuries, we use a Global Safety Scorecard. This performance scorecard is used at all of our Company-owned facilities and contains data related to first aid, injuries, lost-time accidents, musculoskeletal disorders, lost workdays, working hours, injury and severity rates. The scorecard is reviewed by our Global Health and Safety Director and is reported to the Compensation and Human Resources Committee of the Board of Directors on a quarterly basis. Whenever an incident occurs, we fully investigate the cause and

implement action plans where necessary to address and remediate any issues in order to eliminate future risks. We are also working to implement a "Potential Serious Injury or Fatality (SIF)" program, wherein employees will report any potential SIF in order to help us identify and prevent serious injuries or fatalities. As a best practice, the Company performed a gap analysis in order to structure the health and safety implementation plan for 2020 based on ISO 45001:2018 management system.

All of our Company-owned facilities are subject to periodic audits conducted by in-house Health and Safety Coordinators and internal Corporate Social Responsibility Auditors to ensure compliance with Health and Safety standards. We are also audited by external third-party Social Compliance Auditors, as well as by customers at the facilities where their products are made.



LOCAL HEALTH & SAFETY COMMITTEES

Our joint management-worker Health and Safety committees are present at nearly all of our production facilities as well as at many of our administrative offices and distribution centers. They are composed of managers, supervisors, union representatives (if applicable) and production workers. The committees meet monthly to review operational performance and discuss preventive measures to be implemented at their respective locations. Committee members also perform facility inspections to identify any potential health and safety issues, review any health and safety accidents that may have occurred during the review period, and create recommendations for improvements to our health and safety programs, which are implemented as appropriate by our Health and Safety Managers.

In order to make sure our committees remain fully capable of carrying out their role, we provide regular training to ensure that our committees are up to date on the latest trends.

96%

OF GILDAN EMPLOYEES GLOBALLY
ARE REPRESENTED BY FORMAL
HEALTH & SAFETY COMMITTEES

Health & Safety Training

More than 180,670 hours of training were conducted on Gildan's environmental, health and safety policies and procedures in 2019. This represents an increase of 14% from 2018, largely due to an expansion of the program across our yarn and distribution operations. Training sessions occur at all levels and at all Company-owned facilities, and include general safety rules and procedures, emergency procedures, hazard management, specialized safety training relating to work practices (such as forklift use), accident response and more.



HEALTH & WELLNESS

Employees within our manufacturing operations are exposed to health risks associated with repetitive motion in their general work environments. Our efforts in this area are largely focused on fostering proper work methods and carefully assessing material movements, equipment positioning, and physical ergonomic environments within which our employees perform their work. We also offer free medical clinics at all our non-U.S. manufacturing sites to ensure our employees can access the healthcare they need, which is available quickly, consistently, and free of charge. We encourage our employees to live healthy lifestyles and strive to provide them with the necessary information and resources to do so.



ERGONOMICS

Apparel manufacturing inherently poses physical risks through exposure to repetitive movements, vibrations, and incorrect posture, which can all contribute to musculoskeletal disorders. As a result, we have focused considerable attention on shop-floor ergonomics, material handling processes, and innovative equipment layout to reduce potential effects on our employees while optimizing our production environment.

We have partnered with ergonomic experts to identify and address ergonomic risks and deliver leading ergonomic programs at all our facilities. In 2017, we started a project to develop a more tailored program that considers our Company's operational layout. During 2018-2019, we began implementing new initiatives to identify early symptoms of musculoskeletal disorders and identified further areas for improvement; we also used our previous data in order to analyse and determine which operations had a higher risk exposure in order to develop methods, trainings, or tools to further protect our employees and reduce risks. All these led us to review the scope of our ergonomics program, which was originally focused on 71% of our manufacturing facilities, so that we can integrate the rest of our operations such as yarn-spinning, sales, marketing, and distribution. We are now transitioning to a new three-phase global ergonomic program (Documentation, Training, and Deployment). This same year, our Health and Safety team worked on the first phase of developing our Global Ergonomic Guidelines in order to consider the global scope. The Company looks forward to developing and implementing a global wellness program to further enhance our current initiatives as part of this program.

Employees at our two largest sewing facilities and at our textile complex in Honduras can visit schools for back and shoulder health. These in-house schools are accessible to employees at all times and provide sessions focused on stretching and exercise, which promote

correct posture and teach techniques to mitigate risks of back and shoulder injuries. In 2018, we evaluated the locations of our schools with a vision of expanding the service to more facilities and improving the range of service. In 2019, we opened an additional back and shoulder health school in our integrated wellness centre at our Rio Nance Complex, extending our coverage to more than 21,000 employees.

HEALTH IN MANUFACTURING FACILITIES

Access to high-quality, affordable, and consistent healthcare can be challenging in many of the areas where we operate. To ensure that our employees receive the healthcare they need, we operate fully equipped medical clinics at each of our manufacturing facilities in Honduras, Nicaragua, the Dominican Republic, Mexico², and Bangladesh. Our clinics are staffed with qualified doctors (55) and nurses (93), and operate 24 hours a day, seven days a week, providing primary care in the event of a minor injury or accident to more than 49,000 employees.

These clinics deliver tremendous value to our employees by allowing them to be treated by the same medical staff over time to ensure continuity of care, which can be difficult to obtain in the public or private systems of the regions where we operate, while also lowering the cost of healthcare and reducing both lost work time and transportation costs associated with travelling to external clinics. In addition, medical staff provide consultations and treatment for other health issues, offer pre-natal care, administer free vaccinations, and work to raise general health awareness. Maternity workshops facilitated by our medical staff are offered to pregnant employees in the Dominican Republic, Nicaragua, and Honduras, and they were likewise offered in Mexico² during 2019 when the facilities were operating. The workshops cover pregnancy health, birth support, and information on breastfeeding and caring for newborns. We also try to remain responsive to local healthcare needs. In 2019, we continued to expand services offered by

our medical clinics by slightly increasing the number of doctors and nurses on staff to 55 (from 54 in 2018) and 93 (from 89 in 2018) respectively. Our medical teams provided more than 195,000 medical consultations during the year and administered more than 15,000 vaccines globally. In Honduras alone, where we have a large number of employees, we provided employees with more than 6,800 free vaccines, which were administered by our medical staff onsite.

23

FACILITIES WITH A HEALTH CLINIC ONSITE

195,603

MEDICAL CONSULTATIONS PROVIDED
FREE OF CHARGE AT ON-SITE CLINICS

15,351

VACCINES ADMINISTERED

\$772,671.56

TOTAL COST OF MEDICINE, VITAMINS, AND
VACCINES PROVIDED TO EMPLOYEES.

55

DOCTORS ON STAFF

93

NURSES ON STAFF

²In 2019, we announced the closure of our facilities in Mexico by the end of Q1 2020.

HEALTHY LIFESTYLES

We encourage healthy living among our employees. During 2019, we held 39 health fairs at facilities in Honduras, Nicaragua, Dominican Republic and the U.S., which aimed to provide health and wellness services such as flu shots and blood pressure checks while increasing awareness of health and nutrition issues. We also ran stress management workshops to help our employees manage stress. At other sites, we set up health kiosks, which offered nutrition advice and healthy lifestyle programs, as well as a breast screening examination bus, which visited two of our yarn spinning facilities in the U.S. and our offices in Barbados. At our manufacturing facilities, we promote a program called “Take Care of Myself”, which focuses on creating a culture of self-care and prevention of health issues.

We have created programs that provide our employees with information on the importance of proper posture, as well as on safe material handling and lifting techniques to increase awareness and improve musculoskeletal wellness. We also run other onsite activities to encourage physical activity. For example, in Nicaragua in 2019, we held the Gildan Glow Dance with participation from 2,000 employees.

We have also partnered with local gyms to offer employee-discounts on memberships at many of our locations in the U.S., Canada, Barbados and Honduras.

Saving Our Family Program

This assistance program responds to the needs of employees in Honduras and Dominican Republic who have requested support in managing personal issues and family situations in a safe, non-judgmental setting. Through this initiative, Gildan provides employees with free access to confidential counselling by certified professionals who specialize in marriage and family matters.

In addition to individual counselling, group sessions that provide co-development opportunities and encourage participants’ personal growth through others’ experiences are also offered to address issues that affect many people. Some topics explored during these sessions include self-esteem, work-life balance, child and family care, how to overcome abuse, emotional control, depression, happiness and wellbeing, gratitude, openness to change, resilience and mindfulness, interpersonal relations, family budgeting and personal finances, addictions, conflict resolution, change management, and more.

In 2019, the program offered 1,538 individual sessions for workers in Honduras and reached more than 19,500 employees through trainings and talks using the facilities’ speaker systems. Additionally, express counselling sessions were offered to 49 employees in Nicaragua. In the Dominican Republic, the program offered 810 individual sessions and reached close to 1,600 employees through talks shared via speaker systems in our facilities.

Employee Assistance Program

Our Employee Assistance Program (EAP) offers free and confidential counselling and stress management support to all our employees in North America and Barbados. This service provides guidance to employees and their families and gives them the opportunity to talk to professionals when dealing with workplace challenges or personal issues (e.g. work-life balance, marital problems, eldercare issues, family stress, financial issues and legal counseling).



Cancer Prevention & Awareness

Pink Tour

In honour of Breast Cancer Awareness Month, we developed and implemented an annual initiative called the “Pink Tour” back in 2010. Over the years, this special event has taken action by supporting cancer prevention and raising awareness among our employees throughout Central America and the Caribbean Basin. The program’s main purpose is to inform employees about the importance of early detection and intervention; each year, the Pink Tour plays host to a series of activities throughout our facilities, including presentations, talks, and murals. We also invite doctors to perform free examinations for employees as well as provide trainings on how to perform proper self-examinations while discussing the importance of periodic check-ups. With this special initiative, we aim to encourage broader discussions about the prevalence of cancer while encouraging people to learn about the impact that early detection can have on saving lives.

Pink Fund

We know that mammograms and breast ultrasounds are one of the first lines of defence in identifying breast cancer. The statistics are hard to ignore: every year, 600 women are diagnosed with Breast Cancer in Honduras, and of those an unfortunate 70% of cases are diagnosed late. In this region, breast cancer is the second most frequently diagnosed cancer, and early detection can make a lifesaving difference. That is why we created the Pink Fund, which helps employees of all ages throughout our operations in Honduras with screening mammograms to offer them the best chance for early detection and survival of breast cancer.

This project was funded through our Pink Fund t-shirts, which were sold through payroll deduction during the month of October. Our t-shirts were a tremendous success, selling out during our pre-sale phase. In total, we were able to sell 3,236 t-shirts that enabled the fund to raise \$9,800 towards breast cancer early detection.

NCCC Partnership: Cancer Prevention

In Honduras, home to our Rio Nance textile complex, cervical cancer is an issue of high magnitude. The prevalence of Human papillomavirus (HPV) in the nation has made it necessary to support efforts around awareness-building initiatives while encouraging women to participate in more regular cervical cancer screenings. In 2019, Gildan entered into a meaningful partnership with The Norris-Hitchcock Cotton Cancer Center (NCCC), a notable U.S. institute for cancer treatment and research, enabling us to implement a screening program at our facilities. As part of this program, over 2,000 women across our workforce were offered free HPV screenings. Thanks to this initiative, we were able to both support the development of cancer research while promoting awareness and early prevention to women at our facilities.



OUR WORKFORCE

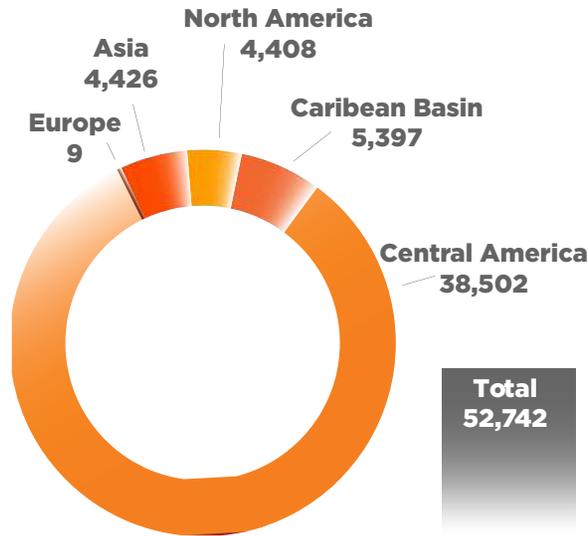
We have a big impact on the lives of more than 52,000 employees across the globe, as well as on their families and communities. Our people are our most important asset, and we want our employees to develop and grow with us so that we can all become better together.

Our business model promotes the recruitment of permanent positions rather than temporary contracts; in fact, less than 1% of our employees are employed on a temporary basis. Not only is this good for the job stability of our employees, it also makes good business sense, allowing us to efficiently train and develop highly-skilled employees. Occasionally, due to time-sensitive issues such as short-term surges in demand, hiring temporary employees is necessary in order to fulfill customer needs.

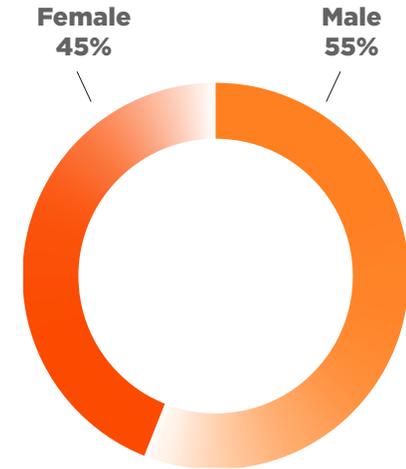
We also host a small number of third-party service provider employees at our facilities for security, catering, transportation, and housekeeping. We monitor our third-party service providers through compliance audits to ensure that the fundamental labour rights of their employees, including issues such as hours of work, wages, and benefits, are upheld according to local laws.

None of our Company-owned manufacturing facilities are located in high risk locations with regards to migrant labour. Nonetheless, in 2018, we became signatories of the Industry Commitment to Responsible Recruitment with the American Apparel and Footwear Association (AAFA) and FLA to ensure migrant workers in the global supply chain are not subjected to forced labour. Our position on supply chain transparency is publicly available on our [Corporate website](#).

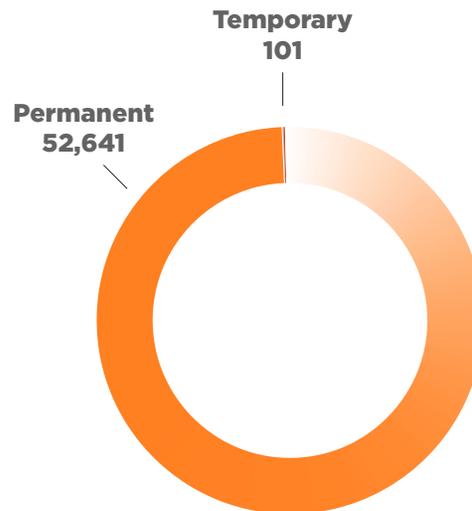
EMPLOYEES BY REGION



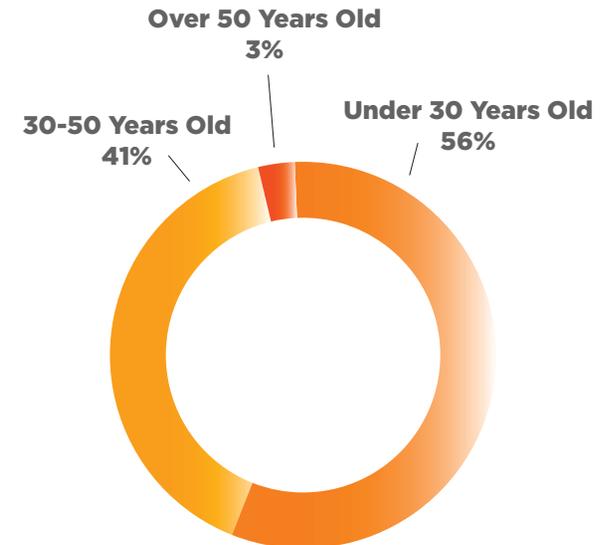
EMPLOYEES BY GENDER



EMPLOYEES BY JOB CONTRACTS



EMPLOYEES BY AGE



DIVERSITY & INCLUSION

Inclusiveness is part of Gildan's culture and is an important element of our success. We strive to foster a culture that embraces the diversity of our employees, our business, and our communities, where each individual is valued and has the opportunity to reach his or her full potential and contribute to the Company's success. These principles are embodied in our Diversity and Inclusion Policy, which applies to every level of the organization. The Company's commitment to diversity and inclusion begins at the top: Our Board of Directors has its own **Diversity Policy**, and since it was adopted in November 2015, the percentage of women on our Board of Directors has increased from 22% to 27%.

We strongly believe that every employee must be treated with respect and dignity by the Company and by their colleagues, and that supporting a diverse workplace is a business imperative that helps Gildan attract and retain the brightest and most talented individuals. Our diversity and inclusion strategy encompasses three key areas:

- **Talent Acquisition:** Attract and engage a diverse pool of candidates with a particular focus on female leaders and local talent.
- **Employee Development:** Maintain and enhance an inclusive culture across the Company through training, development, succession planning, talent management, and mentorship of diverse top internal talent.
- **Strategic Partnerships:** Establish partnerships based on targeted needs, including with professional organizations that promote diversity and inclusion, universities, and other partners that support the socio-economic development of diverse communities.

For more information on our approach, please see our [Diversity and Inclusion Policy](#).



INCLUSIVE LEADERSHIP TRAINING

In 2019, Gildan continued to provide Inclusive leadership training with a follow-up workshop for our senior leaders worldwide provided by Linkage, an organization that specializes in leadership development and coaching. The focus of this follow-up workshop was on uncovering unconscious bias, developing the business case for inclusion, learning about the value of uniqueness and belonging, and understanding the effects of privilege.

An interactive webinar/workshop version of this training was further shared with 100 first-level managers and supervisors from various locations as part of our “Leading the Gildan Way” leadership development program (see section Training and Development). The webinar is available in English, French, and Spanish in order to be deployed globally.

In 2020, the webinar will be shared with a second level of managers and supervisors, with a long-term goal of extending this training to all employees.

Hispanic Heritage Month

We are pleased to have recognized Hispanic Heritage Month in 2019 by celebrating the history, cultures, and contributions of Hispanic and Latin Americans. During the year, we were proud to honor our 500 Hispanic and Latin American employees located in our U.S. operations. We interviewed Erika Carrillo Lopez, Human Resources Generalist at our yarn-spinning facility in Salisbury, North Carolina to find out about both her career growth at Gildan and what her heritage means to her.

EMPLOYEE SPOTLIGHT FOR HISPANIC HERITAGE MONTH

Recognizing Hispanic Heritage Month with Erika Carrillo Lopez, HR Generalist at Gildan



Black History Month

Our U.S. facilities organized a learning opportunity with Brenda Tindal, award-winning educator and scholar on African American civic issues and Director of Education and Engagement at the International African American Museum. She shared African American history at our Charleston (SC) facility with 32 employees.



EMPOWERING WOMEN AT WORK

Many women around the world face disadvantage and lack of access to development and leadership training, leading them to encounter barriers to participating in the economy. Empowering women creates social and economic growth, promotes sustainability, and helps establish societies where justice and fairness are upheld.

At Gildan, we value the work and commitment of women across all operations in our supply chain as they represent almost 50% of our global workforce. We are committed to protecting their rights, as established in the Convention on the Elimination of Discrimination Against Women, as they may face discrimination or disadvantage which limits their access to opportunities.

As part of our overall commitment to diversity and inclusion, we want to break down the barriers for women to be successful in the workplace and help them to develop leadership skills that will serve them well in their personal and professional lives. This benefits our Company as it develops our future talent and enhances diversity in management roles, which leads to more productive work environments. In recognizing this, we have worked hard to implement programs that provide women with training, networking opportunities, and resources to help them build their personal toolkits for success.

Percentage of Women At Different Levels of The Company

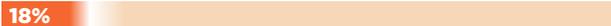
Management Positions



Junior / First Level Management Positions



Top Management Positions



Total Employee-Base



Celebrating Women

In order to provide and encourage continuous development, we facilitated various activities designed to celebrate women’s achievements while promoting their personal and professional growth.



— International Women's Day Initiatives —

To celebrate International Women's Day in 2019, we launched our "Hear Her Story" campaign, an initiative devoted to spotlighting the women behind the success of our Company while recognizing their invaluable contributions. The series aired across our social media platforms, Genuine Responsibility® website, corporate website, and our CSR blog as we invited 13 of our female employees from seven different countries to share their personal and professional journeys with readers. In doing so, we aimed to celebrate women at our Company by publishing their stories and life experiences online while demonstrating the unique and inspiring nuances of the people who help make Gildan so special.

In Montreal, Gildan employees and members of the Montreal community were invited to hear Maryse Bertrand, member of Gildan's Board of Directors, speak about her career path. Maryse shared meaningful personal and professional insights and talked about the challenges she overcame along the way. Gildan hosted the event while partnering with Catalyst and the Association of Quebec Women in Finance (AFFQ) to welcome a broad and diverse audience.

In Honduras during the month of March 2019, we organized a unique event dedicated to celebrating, thanking, and recognizing the wonderful women of Gildan in the country. The Company invited international speaker Esmeralda Cambuston, a personal and business development coach, as well as a group of female leaders to share their stories during a panel discussion. The panel was composed of members of Gildan's Human Resources teams from various countries.



Partnership with Catalyst

Over the years, we have remained a strong supporter of Catalyst, a leading global non-profit organization with a mission to accelerate progress for women through workplace inclusion. Through our partnership, Gildan employees worldwide can access an extensive range of resources, including educational webinars, virtual events, research, and social networking. In 2019, Catalyst made two visits to our corporate office in Montreal to provide training on unconscious bias and the value of intentional inclusion in the workplace.

Partnership with

The Association Of Quebec Women In Finance (AFFQ)

In early 2018, we launched a partnership with the AFFQ, and this partnership has continued in 2019. This dynamic network offers tools and development opportunities to further the careers of women in finance and other business fields. Through this partnership, all employees in Canada were offered free membership to the AFFQ, giving them access to a variety of developmental opportunities, such as networking events, leadership development workshops, and mentoring.



TRAINING & DEVELOPMENT PROGRAMS

We believe that continuous development and learning is essential to empower our employees for growth and future opportunities within the Company, as well as for growing the Company itself. We invest in training and development programs that help our employees expand their technical, professional, and interpersonal skills, beginning with induction training soon after their first day of work. As part of this training, employees are introduced to the Company, its principles, policies and procedures, their new work environment and role, and their rights and obligations. All of our employees are introduced to our Code of Ethics, Code of Conduct, and other codes and policies.

At the majority of our locations, we provide in-house training sessions on both technical skills and human development subjects, such as business knowledge, finance, leadership skills, and competency development. We also provide tools and resources that are updated on a quarterly basis, including books, articles, videos, TED-Talks, podcasts, and self-assessments. These resources aim to develop our employees' competencies globally. At some of our locations, we provide language courses to employees who are required to communicate in French, English, or Spanish during the course of their duties.

Individual employee-training needs are assessed through our formal performance management program (see below). Through this process, employees and their managers can identify competencies for improvement and register for or request training in particular areas. Where necessary, local Human Resource teams will create new internal training courses or find access to external ones in order to ensure that development needs are met. In some cases, we encourage the pursuit of continuing education by covering certain expenses related to education and professional development programs offered through universities or professional associations.



Leading The Gildan Way

In 2019, 153 managers and first-line supervisors from across our locations started the global leadership development program called Leading the Gildan Way and will finish it in 2020. Through five modules – Self as Leader, People and Teams, Communication and Change, Driving Performance, and Being a Champion – we provided our managers with resources to assist them in their development as a Gildan leader. The program included online learning, in-class sessions, and co-development activities with peers.

“The Leading the Gildan Way program allowed me to learn more about myself while making new commitments surrounding my personal and professional development. The program taught me to reflect on how I manage my time, and it helped me gain valuable communication skills for me to use both in and outside of the workplace. I learned tools for better responding to situations and confronting problems that arise in my life, and I now have more confidence to handle conflict using the skills I gained during the program.” - Asha Weekes, Credit Senior Manager in Barbados





“I am grateful and proud to be part of the Leading the Gildan Way development program. It has greatly supported me in getting to know myself better while allowing me to learn from shared experiences among colleagues and improve my leadership through forums and online trainings. This new knowledge will serve as a base for my future success.” - Ramón Zavala, Planning Capacity Manager, Honduras



“During the Leading the Gildan Way program, I was able to grow as a leader: I learned skills on how to successfully guide my team, and together, we developed a stronger sense of community. The trainings changed and developed me in a way that I felt better prepared to coach those who worked under me, and I was able to use my new coaching skills as part of my daily routine” - Amanda Jackson, Reworks Supervisor at Gildan's distribution center in Charleston.

Ethics in the Workplace

Beyond our goal of maintaining excellence as both an employer and agent of an equitable work environment, we strive to foster a workplace which prioritizes the ethical treatment of others above all else. As part of our achievement of this goal, we joined Ethisphere’s Business Ethics Leadership Alliance (BELA) in 2019, which serves as a global community of companies who seek to practice and sustain ethical leadership while operating with continued integrity. Through our involvement with BELA, we are able to deepen our commitment to operating fairly and responsibly as we gain access to the latest guidance, resources, and information about best practices and ethics in the workplace.

In 2019, we launched a Company-wide Compliance Awareness training, which aims to provide in-person workshops to our global employee-base. This training is designed to strengthen the understanding of our Code of Ethics by reinforcing the importance of ethical standards of behaviour in the workplace. During the past year, we succeeded in providing this training to our U.S. sales team, our teams in China and Japan, and our entire Barbados workforce. Due to the global COVID-19 pandemic and related travel restrictions and social distancing measures, our goal to train all of our employees worldwide by 2020 has been extended to 2021.

In addition to training and coaching, we also strive to build our employees’ competencies by giving them opportunities to participate in projects and assignments throughout our operations that would normally fall outside the scope of their role. This approach has helped create impactful and rewarding experiences for employees, including internal promotions and international transfers, and the Company has also seen better employee engagement and increased productivity as a result. In 2019, 16.18% of open positions were filled by internal candidates.



617,613
TRAINING HOURS FOR HUMAN DEVELOPMENT

686,692
TRAINING HOURS ALLOCATED FOR THE DEVELOPMENT OF MANUFACTURING EMPLOYEES’ TECHNOLOGY SKILLS

2,492,122
TOTAL NUMBER OF TRAINING HOURS

USD \$1,007,087
TOTAL COST OF TRAINING

Leadership Training For Supervisors In Central America

In 2018, we started designing a training certification for our supervisors with the objective of providing them with leadership tools and techniques to strengthen employee relations, provide solutions in a timely manner based on employees' need, and showcase inspirational leadership as one of our intangible benefits. Our Genuine Leadership Certification is centred on our core values with a particular focus on the value "We Believe in Our People." Understanding that success starts and ends with our people is a key principle for our supervisors who directly manage close to 29,000 employees in our Central American facilities.

The program was developed according to different input sources, including a short survey, which was deployed to all our managers to identify the specific key behaviours or competencies needed in our supervisors. Interviews were held with plant managers, production managers, human resources managers and staff to identify and analyze KPI-based training needs, and a short internal survey was conducted with 1,240 direct employees to rate their supervisor's leadership competencies. We also referenced trends around leadership needs, which were observed over the past six years in our Engagement Surveys and Grievance Mechanisms, and we further revamped and standardized the job description for supervisors in Central America and the Dominican Republic.



With a refreshed profile and a clear identification of needs, we have been implementing the following modules:

1. Leading the Gildan Way: Facilitating two-hour talks or panels with organizational development facilitators, plant managers, directors, VPs, and supervisors to share insights on their leadership experiences and better understand what it means to Lead the Gildan Way. We also gift golden t-shirts to top supervisors in each facility.

2. Extreme Challenge: Organizing an outdoors integration event where supervisors are challenged with an obstacle course designed to showcase their teamwork, initiative, and leadership skills: from climbing the "Success Ladder" to assisting others in scaling a three-meter wall as a team.

3. Development Dimensions International³ (DDI) Leadership Module: Inviting 21 participants from our Honduras and Nicaragua Organizational Development and Human Resources teams to become certified in Development Dimensions International Training methodology, equipping them with the tools to facilitate the following topics:

- Communications for effective leadership
- Decision making
- Problem solving in the workplace
- Coaching to improve performance

4. Internal Pay System: Understanding how to calculate efficiency in order to answer questions from their direct reports.

5. Labour Relations and Performance Management: Hosting custom-made case studies and role-playing activities to provide feedback.



By December 2019, almost 500 supervisors from our textile facilities in Honduras graduated from the program. Additionally, over 200 supervisors from our Honduras sewing facilities advanced to module 3. In Nicaragua, we started DDI training with a pilot group in 2019.

Our management team has expressed their satisfaction for a well-designed program and requested a similar program for coordinators as well as follow-up sessions with supervisors. Production managers were satisfied as to how motivated Supervisors were after the program and have since seen results in their increased performance. Our supervisors have also expressed gratitude for providing them with leadership tools throughout the certification.



PERFORMANCE MANAGEMENT

At Gildan, we see performance management as an ongoing communication process between managers and employees that promotes transparent and open dialogue, which we believe is a key driver behind our employees' engagement. In 2019, 100% of our employees went through some form of performance management process, as described in the following:

For direct employees (e.g. operators in our production facilities), the performance appraisal process is based on the competencies required by their position. Individual and team performance is assessed against pre-set objectives in areas ranging from production efficiency to quality and safety. We believe this type of assessment works best for these roles by helping to clarify performance expectations, align priorities and objectives, identify training needs, increase employee engagement, and ultimately increase individual and organizational performance.

For indirect employees and managers, the performance management process includes a discussion of expectations at the beginning of each year by using the Gildan Performance Appraisal Tool (GPAT), which enables employees and their managers to set objectives aligned with organizational and departmental goals while helping employees identify and build on their competencies through professional development plans. At any point of the year, employees can easily update and modify their development plans. To ensure employees are on track, a mid-year review is conducted to discuss the first six months of the year and re-align goals or expectations if necessary, followed by an overall assessment at the end of the year. In 2019, more than 15,000 employees received performance appraisals using the GPAT.



EMPLOYEE ENGAGEMENT

We define an engaged workforce as one where employees feel passionate about their jobs and are emotionally connected and committed to Gildan. We believe that success starts and ends with our people. As such, employee engagement is an important pillar of our human resources strategy, and it is an element we want to continuously measure and improve. We want to drive employee engagement through a culture of empowerment and recognition that will foster an attractive, positive, and adaptable work environment. Strong relationships with our employees start with open and transparent two-way communication, where we can listen to and act upon their feedback.

We have worker-management committees and/or roundtables in most of our facilities, which allow employees to share their opinions and contribute to the management of various workplace issues, including health and wellness, workplace safety, environment stewardship, and more. We also provide other mechanisms to allow employees to share their opinions, such as suggestion boxes and pulse surveys at many of our facilities.

GLOBAL ENGAGEMENT SURVEY

We conduct a comprehensive Global Employee Engagement Survey every few years, and during the intervening years, we deploy many smaller pulse surveys. For our comprehensive engagement surveys, we use Kincentric (from Aon), a proven model based on decades of organizational expertise and data-driven insights, to measure engagement and compare results over time. Our 2015 Global Employee Engagement Survey engagement score positioned us above the apparel peer group of Aon's database and within their top quartile of best employers globally. In October 2019, we launched our latest Global Employee Engagement Survey which allow us to assess progress made, measure engagement in our newly acquired facilities, as well as assess and address any areas of opportunity.



In addition to our Global Employee Engagement survey, we introduced a Global Pulse Survey initiative in 2019. During the year, three pulse surveys on specific topics were issued during June, July, and August – each of which were targeted to a population sample of all permanent Gildan employees with an email address. More than 6,000 employees have been surveyed through these pulse surveys, with an average engagement rate of 62.6%. Pulse surveys allow us to conduct a deeper analysis within a particular division, function, or unit of the Company. The flexibility and speed of results-generating tools allow leaders to immediately take actions where needed.



GRIEVANCE MECHANISMS

Early identification of issues is crucial to ensuring compliance with our Code of Ethics, Code of Conduct, and any other Company policy. We have an open-door policy to encourage employees to contact management on any matter and receive immediate feedback. We also host roundtables organized by management and employees to define best practices, identify grievances, and collectively develop action plans for remediation. Roundtables vary by region in terms of frequency. We also offer options to report grievances anonymously at all of our administrative offices and manufacturing facilities, including through our Ethics and Compliance Hotline without fear of reprisal.

As discussed in the Ethics section of this report, our confidential Ethics and Compliance Hotline, administered by an independent third-party, is available to all employees, suppliers, and other external stakeholders in multiple languages to report any suspected misconduct in any area. Complaints are reported on a quarterly basis to the Ethics and Compliance Committee, the Compliance Steering Committee, the Audit and Finance Committee of the Board of Directors, and the Chair of the Compensation and Human Resources Committee of the Board of Directors. The hotline is tested annually by the Company’s internal audit department. In 2019, we received a total of 35 calls, the majority of which related to minor human resources issues, specifically labour and workplace conduct issues.

As noted above, one of our grievance mechanisms is to provide suggestion boxes, in which employees can anonymously place written comments. Suggestion boxes are situated on the production floor and in the cafeterias of all our manufacturing facilities in Central America, the Caribbean Basin, Bangladesh, and Mexico². We also have suggestion boxes at our Barbados and China offices and at a number of locations in the U.S. Written messages are retrieved from the boxes on a regular basis by a regional,

non-management employee. Concerns primarily pertain to minor human resources and human rights matters such as wages and benefits, health and safety, and industrial relations. We aim to fully resolve 100% of issues raised in a timely manner; however, some suggestions might take additional time depending on whether they need to be evaluated by several teams, involve additional investment of resources, or collect more information from employees.

The table below shows the number of suggestions received and resolved within 2019.

Suggestions Received & Resolved In 2019

NUMBER OF EMPLOYEES	51,166
SUGGESTIONS RECEIVED	3,272
SUGGESTIONS RESOLVED	2,908
TOTAL	

To ensure new employees are aware of the resources available to them and how they can be used, we provide training on grievance mechanisms as part of their orientation process. In 2019, grievance mechanism training was provided to a total of 49,285 employees throughout Bangladesh, Honduras, Mexico, Nicaragua, and the Dominican Republic.

As part of our efforts to promote the use of grievance mechanisms among employees, we periodically update the design of our audio-visual tools available in facilities, such as videos and posters, among other communications. In 2019, a group of employees and management teams participated in our updated videos, which were streamed through our internal closed-circuit broadcast system called Gildan TV.





Gildan Online (GOL) Kiosk

The “Gildan Online” (GOL) digital kiosk was implemented as part of our strategic Human Resource innovation projects in Honduras to create new ways to communicate with our employees. Through using this digital tool to collect employee grievances, we’re able to provide faster answers and resolutions compared to the traditional suggestion boxes. The digital GOL kiosk encompasses virtual mailboxes for suggestions, which are then immediately and anonymously sent to the Human Resources department. These mailboxes are conveniently and strategically located within the facilities. The kiosk also provides relevant information, including employee benefits and internal job postings, and employees are even able to review their cafeteria credit. To date, we have installed 16 GOL kiosks in Honduras and have received more than 1,800 suggestions, and we look forward to further expanding the services provided through the GOL kiosks throughout our facilities.



GRIEVANCE TRACKING & REMEDIATION PROCESS

Grievance tracking and remediation steps vary slightly according to each hub; however, our protocol follows the same general process across all facilities:

- 1. Review:** After a grievance is submitted, it undergoes a review process to determine the nature or severity of its cause.
- 2. Investigate:** If the grievance is accepted, it proceeds to an investigation period, which typically involves oversight and/or facilitation by the Human Resources department.
- 3. Plan:** An action plan, response, or approach to implement remediation measures is devised and agreed upon.
- 4. Implement:** Grievance remediation efforts are implemented, often within a predisposed time-period, and the case is monitored, logged, and archived.

Honduras Case Study

In 2019, we received a grievance regarding high temperatures in the storage area of one of our sewing facilities (San Miguel) in Honduras. Following this grievance, the facility management team evaluated the action plan to follow, including area evaluation, budget, among others. They then decided to install air conditioning units, improving the working conditions for employees that use this storage area.

By remaining responsive to grievance submissions in Honduras, we are better able to establish a sense of trust amongst our employees while demonstrating that their concerns are a priority at Gildan. We have also observed improved communication throughout our facilities as well as increased productivity from employees.



WAGES & BENEFITS

Investing in our people is a cornerstone of our success, and we want to reward their contribution by providing them with benefits that create value for them, both professionally and personally. Providing a fair living wage is fundamental, but in many of the communities where we operate, it's not enough. We recognize our responsibility to contribute to a higher standard of living for our employees by offering benefits such as free onsite medical clinics, vaccination and medicine programs, parental leave, financial assistance, subsidized meals, and free transportation.

For some locations, salaried administrative employees are allowed flexible working schedules where operations permit and with agreement from managers. In addition, our emotional and financial wellness programs for families, such as our Saving Our Family program, offer employees support in all areas of their life, including support for making the most of their non-working time.

FAIR WAGES

Gildan provides its employees with the legal minimum wage or the prevailing industry wage in the countries where it operates, whichever is higher, complying with all legal requirements on wages, and providing all fringe benefits, required by law, contract or as established in applicable collective bargaining agreements. We believe that employees have the right to a fair wage for a regular work week that covers basic needs and provides some level of discretionary income.

In order to ensure that the salaries and total benefits offered to employees are sufficient for meeting their basic needs, the FLA has developed a tool which helps standardize the measurement of living wages at factories and comparable benchmarks. As an actively participating member of the FLA, Gildan has agreed to participate in these efforts, having tested the tool in 2018 throughout 48% of our facilities. In 2019, 94% of Gildan-owned manufacturing facilities were evaluated based on

the FLA living wage methodology. More information of Gildan's implementation of the FLA wage data tool can be found in page 22 of [Gildan's FLA Reaccreditation Report 2019](#).

Additionally, we conducted our own research throughout our manufacturing hubs to consider inflation trends relating to food and housing, among other issues. The insights gained from our research have guided the Company in the development of several initiatives, as outlined below. The active participation of workers in committees has also played an important role in ensuring that benefits are adapted to local needs.



30,633

NUMBER OF EMPLOYEES WHO RECEIVED FREE TRANSPORTATION

\$6,101,397

COST OF THE FREE TRANSPORTATION



32,212

NUMBER OF EMPLOYEES WHO RECEIVED SUBSIDIZED MEALS

\$6,642,783

COST OF THE SUBSIDIZED MEALS



47,167

CHRISTMAS BASKETS DISTRIBUTED TO EMPLOYEES

\$1,193,117

COST OF CHRISTMAS BASKETS DISTRIBUTED TO EMPLOYEES

Better Finances

There are many financial barriers faced by our employees in the communities where we operate, especially outside of North America. At Gildan, we aim to help our employees and their families make the most of the opportunities available through the following programs:

Employee Cooperatives

To support our employees as they develop a better understanding of financial management and budgeting, we help foster employee cooperatives, which aim to encourage them to grow their savings and access loans at lower interest rates. Cooperatives are independent legal entities that are similar to credit unions. Cooperatives are supervised by an administrative manager, and they provide employees with better access to loans at advantageous interest rates, which can otherwise be difficult to obtain in some countries. Participation is voluntary and available to non-management employees who freely and independently elect a governing Board of Directors annually, which can be terminated at any time. Gildan provides professional advisors from our Finance department and external auditors to ensure that the cooperatives are properly managed and operating in compliance with local regulations.

Over 22,000 employees in Honduras, Nicaragua, and the Dominican Republic are presently affiliated with cooperatives and were granted over \$20 million in loans in 2019.

COUNTRY	AFFILIATED EMPLOYEES	LOANS GRANTED
HONDURAS	15,812	\$17,457,742.55
NICARAGUA	3,686	\$887,856
DOMINICAN REPUBLIC	2,769	\$1,693,281.99
TOTAL	22,267	\$20,038,880.54

Grocery & Household Staples

In order to help our employees in Nicaragua save time and money, we have a local store inside one of our sewing facilities complex to provide employees with food and other household products at discounted prices compared to the market standard. Almost all of our employees at this facility use and benefit from this arrangement. Because of the program's success, we implemented a similar program this year at our Rio Nance textile complex in Honduras. The onsite supermarket at this location offers non-perishable food, household essentials and

personal care items at discounted for more than 10,400 workers at the complex. The one-stop shop allows employees to purchase items conveniently through a variety of payment methods, including payroll deduction, which provides interest-free credit. They can also order goods through a form that is available at their facility and have items delivered directly to their workplace. We exclusively use local suppliers to source items for the store, creating further economic benefits for the community as well as reducing transportation costs and associated environmental impacts.





— EducaKids & Escribiendo tu Futuro —

In Honduras, we held the third edition of our EducaKids program at our Gildan facilities, delivering a total of close to 12,600 school supply kits for our employees' children. In Nicaragua, we support the continued education of our employees' children through the Escribiendo tu futuro program by distributing more than 8,600 back-to-school kits. The kits include essentials such as notebooks, pens, pencils, crayons, geometry sets and modelling dough.

Freedom of Association

We fundamentally respect our employees' rights to form or join any organization or association of their choosing, including unions. We also respect their rights to engage in collective bargaining with us. Around 52% of our global employees are currently covered by a collective bargaining agreement established between unions and corresponding facilities. The Company engages in a constructive and open dialogue process with union representatives as well as with all employees through its established grievance mechanisms and monitors this engagement through its Social Compliance program. Our **Social & Sustainable Compliance Guidebook** includes detailed benchmarks on how our business partners must respect this right. Gildan also has a zero-tolerance policy on intimidation or attacks to union representatives and others considered as human right defenders.



HUMAN & LABOUR RIGHTS

As a responsible corporate citizen, Gildan adheres to the fair and ethical treatment of its stakeholders throughout the Company's supply chain. Gildan is committed to adopting the best labour practices and working conditions to ensure that the human rights and dignity of all our employees, as well as those of our business partners, are respected. This commitment is embodied in Gildan's [Human Rights Policy](#).

Gildan is committed to upholding and respecting human rights, as established in the United Nation's (UN) International Bill of Human Rights (consisting of the Universal Declaration of Human Rights; the International Covenant on Civil and Political Rights; and the International Covenant on Economic, Social and Cultural Rights), as well as the UN Guiding Principles on Business and Human Rights.

HUMAN RIGHTS RISKS IDENTIFICATION

Gildan periodically (every two or three years) conducts a global materiality assessment which helps us to look at the Company's most important social and environmental issues and identify, understand, and address actual or potential adverse human rights risks in connection with our operations and extended supply chain.

The assessment includes involvement and/or consultations with relevant human rights stakeholders, such as labour advocates, customers, union representatives, internal Human Resources experts, and local representatives in manufacturing countries throughout our entire supply chain, reinforcing our commitment to internationally-recognized labour and human rights principles. The Company is devoted to maintaining an open dialogue with non-governmental organizations (NGOs), members of labour movements, and other interested parties. Gildan participates in FLA briefings to identify and update industry trends. Our materiality assessment, ongoing stakeholder consultation and annual in-country reports on human rights issues, as well as our internal

independent monitoring system on human rights issues, all allow us to identify our human rights risks either in countries where we have Company-owned manufacturing facilities, or in those with third-party contractors. We also look at new evolving circumstances such as recent reports connected with forced labour in China's Xianjian region.

PRIORITIZING HUMAN RIGHT ISSUES

Gildan is aware of the key human rights risks in our industry, which we monitor across our entire supply chain through our Code of Conduct Compliance program. These risks are also described on the Organisation for Economic Co-operation and Development's (OECD) due diligence guidance for responsible supply chains in the garment and footwear sector. However, we cannot consider all of these risks as our salient human rights risks. Gildan identifies the countries where its Company-owned operations and third-party manufacturing contractors are located, and it evaluates human rights concerns for each one. The Company also implements ongoing audits at its Company-owned facilities and throughout its supply chain to identify human rights non-compliances, and it has also identified its zero tolerance issues as detailed in the Company's [Social & Sustainable Compliance Guidebook](#) following FLA benchmarks and ILO conventions, which include principles related to workers' fundamental rights such as freedom of association, non-discrimination, prohibition of forced labour, and child labour. A list of the Company's salient human rights risks can be found in Gildan's [Human Right Policy](#).



PREVENTING & REMEDIATING ADVERSE HUMAN RIGHTS IMPACTS

We have strictly-applied codes and policies designed to protect the rights of employees in Gildan's direct operations and throughout its supply chain, including all legal requirements relevant to the conduct of their business, as set forth in the principles of our [Code of Ethics](#), [Code of Conduct](#), and [Human Rights Policy](#), as well as our [Energy and Environment Global Policy](#), [Restricted Substances Code of Practice](#), and the guidelines provided in our [Social & Sustainable Compliance Guidebook](#). One way to prevent salient human rights risk is through implementation of proper management systems, including clear procedures, ongoing training, and accountable personnel to ensure adequate day to day application. For example, while we have a Freedom of Association Policy at each one of our Company-owned facilities, our assessments have indicated that ongoing training on the subject was also needed, as described in our FLA's reaccreditation report.

We believe that all employees have the right to be free from discrimination or harassment, receive a fair wage, be treated with respect and dignity, have opportunities to have their voices heard, and be part of a supportive network of peers ([see Benefits section](#)). To this end, we maintain open and collaborative relationships with employees to ensure their views are represented within the Company while ensuring that they can access grievances mechanisms to report any infractions to us so that they can be addressed immediately.

As detailed in our Governance and Risk Management section, our [Code of Ethics](#) sets out the Company's standards of integrity and expectations for ethical behaviour in our Company-owned and third-party manufacturing facilities. Our [Code of Conduct](#) also serves as a guideline to respect human rights and sets forth the key principles under which the Company and its worldwide business partners are required to operate,

stating our position on critical labour and human rights issues.

Compliance with our Code of Conduct is a condition of doing business with us, and all our contractors must consent through their commercial agreements that they have received, understood, and acknowledged the Code. The code requires the implementation of management systems to ensure the proper application of each human rights principle included in the Code, starting with policies and procedures, responsible management for implementation, training, and monitoring. Company-owned and third-party manufacturing contractors are provided with compliance guidelines detailed in our Social and Sustainable Compliance Guidebook, which includes principles related to workers' fundamental rights and zero-tolerance issues such as freedom of association, non-discrimination, prohibition of forced labour, and child labour. Additionally, we have grievance mechanisms in place to ensure employees have confidential channels to report violations related to human rights. Contractors are also subject to social compliance audits based on risk according to a due diligence assessment, as detailed in Our Supply Chain section in [p.69](#).

Gildan has also updated its [Whistleblowing Policy](#) for Employees and External Stakeholders to provide clear guidelines for communicating or presenting grievances to the Company for our external stakeholders, such as community members, third-party manufacturing contractors and their employees, suppliers, non-governmental organizations, among others. The purpose of this update is to inform our stakeholders of our available communication channels and encourage them to communicate with us or report violations related to our Code of Conduct and Code of Ethics, as well as those related to any other potential or current violation to human rights practices, community involvement and environmental matters, or any other pertinent situation that must be addressed by Gildan. This ensures

that these complaints are reviewed, investigated, and resolved in a fair, transparent, and timely manner. Breaches surrounding the implementation of our Code of Conduct must be remediated, which is described further below.

HUMAN RIGHTS OVERSIGHT

The Compliance Steering Committee oversees the Company's global compliance programs in order to ensure a robust and comprehensive compliance framework for integrity and ethics throughout the organization. The Compliance Steering Committee is ultimately accountable to the Board of Directors and reports on important compliance matters to the Board's Corporate Governance and Social Responsibility Committee on a quarterly basis. Respecting human rights at Gildan-owned and third-party manufacturing facilities is supervised by our Corporate Citizenship department, validating compliance through our Social Compliance audit program and reporting any violation to human rights on a quarterly basis to our Board of Directors (for more information, see Social Compliance Tracking and Monitoring section on [p.68](#)).

The Human Resources team also plays a key role in ensuring respect for human rights on a day-to-day basis. Contractors are also asked to have a person responsible in each facility to manage the implementation of the Code of Conduct on a daily basis; in most cases, this responsibility is carried out by the Human Resources department or specific social compliance officers.

SOCIAL COMPLIANCE: TRACKING & MONITORING

Our industry-leading Social Compliance Program for labour practices and working conditions is designed to proactively ensure that all of our Company-owned facilities, as well as our contractors, comply with our **Code of Conduct**, local and international laws, and best-practice industry codes that we adhere to, including those of the **Worldwide Responsible Accredited Production (WRAP)** and the **Fair Labor Association (FLA)**.

Our Social Compliance Program has been accredited by the FLA since 2007, at which point Gildan became the world's first vertically-integrated apparel manufacturer to receive this accreditation. In 2019, Gildan's Social Compliance Program was reaccredited after the Company succeeded in demonstrating through a lengthy review that it maintained policies and practices to identify and remediate unfair labour practices in its global supply chain. The FLA noted in its reaccreditation report that Gildan's Social Compliance Program included the following strengths:

- Commitment from top management, including the Vice President of Corporate Citizenship, to providing quarterly social compliance reports to the Company's Board of Directors.
- Comprehensive training and capacity-building programs on workplace standards at all Gildan facilities.
- Effective remediation actions taken to address violations identified in Gildan and FLA assessments.
- Engagement of civil society organizations in Central America, especially on issues of freedom of association and collective bargaining.

Our Social Compliance team is composed of experienced, certified auditors of matters related to labour, health and safety, and environmental performance. The team is responsible for monitoring compliance at Company-owned and contractor facilities through various tools, which include regular audits. Employees in these positions undergo a series of training sessions when they are first hired and receive regular training in emerging labour risks, personalized training plans, and annual performance evaluations to ensure they continue to develop and retain all the capabilities needed to fulfill their responsibilities and enhance their skills. During 2019, our Social Compliance team participated in relevant training sessions related to Customs-Trade Partnership Against Terrorism (C-TPAT) and web training sessions on relevant topics such as forced labour and fair compensation.

Available in the following section is detailed information on how our Social Compliance team tracks, monitors, and remediates non-compliances, including human rights issues raised in our own operations as well as in those of our third-party manufacturing contractors.



OUR SUPPLY CHAIN

As described in the Vertical Integration section of this report on [p.11-12](#), the vast majority of our products are manufactured in facilities that we own and operate. Moreover, the textiles and yarn required throughout our manufacturing operations are also predominantly produced by us. This gives us significant control over our supply chain and the process through which we acquire materials, meaning that for the majority of our operations, we directly represent and manage our own supply chain. Outsourced products represent less than 10% of our total revenues. At the end of 2019, our contractor base included 68 third-party manufacturing facilities that actively produced throughout the year, from which six were identified as dedicated contractors meaning that their operations are 100% dedicated to Gildan production.

We expect the same high social and environmental standards from both our Company-owned and contractor facilities. Our industry-leading Social Compliance Program applies to both of these groups and includes a comprehensive auditing program.



AUDITS

In 2018, we updated our approach to auditing and adopted a risk-based approach in which facilities are assessed based on the risk assessments that evaluate country risk, order volume, and a facility's rating and previous audit performance. In general, audits are unannounced, but under some exceptional circumstances, such as when travel restriction dictate, we may choose to schedule the audit on a semi-announced basis, giving the facility a window in which we may visit. All non-compliances, including breaches of our Code of Conduct or human

rights issues, are recorded and tracked in our Corporate Social Responsibility data platform.

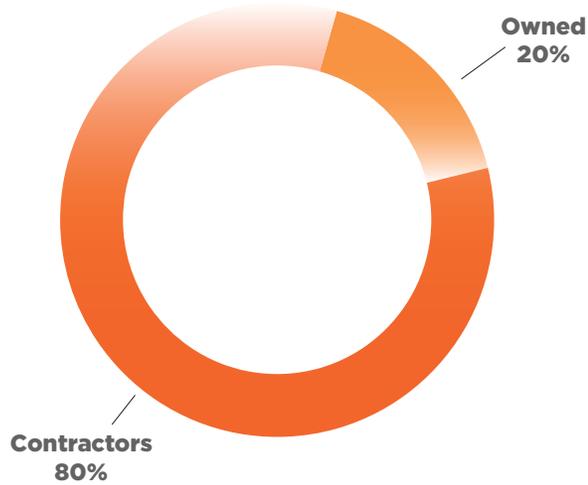
Audit results are categorized from Green (minor) to Black (major) based on the number and severity of the findings against our Code of Conduct and the benchmarks outlined in our **Social and Sustainable Compliance Guidebook**. Green and Yellow ratings may be cleared for continued business, Orange and Red will require improvement within a set timeframe, and a Black rating will result in termination of the contract once open orders are completed. If a contractor receives an Orange or Red rating following an audit, our internal

social compliance team will partner with the facility's management to remediate any issues found and establish an action plan (see Remediation). Systematic follow-ups are conducted to verify the progress made towards resolving the issues with the objective of helping the facility improve their overall performance and remain in compliance with our Code of Conduct. If a facility fails to demonstrate sufficient progress and cannot achieve acceptable levels of compliance within a prescribed timeframe, we will end the business relationship. Audit results are reported to our Board of Directors on a quarterly basis.

In 2019, 151 complete audits were conducted at our Company-owned facilities and third-party contractor facilities throughout Asia, Central America, the Caribbean Basin, and North America. 100 of the completed audits were conducted by our internal auditors or by third-party auditors on our behalf for Gildan-owned and third-party facilities, and 51 audits were conducted at Gildan-owned facilities by external auditors mandated by the FLA, Better Work, and WRAP, as well as by customers. We completed 100% of our scheduled internal Social Compliance audits in 2019.

AUDIT RATING	BUSINESS IMPACT	FOLLOW-UP
GREEN	<ul style="list-style-type: none"> Cleared for continued business. 	<ul style="list-style-type: none"> No Follow-up Audit required. Bi-Annual Audit based on risk.
YELLOW	<ul style="list-style-type: none"> Cleared for continued business. 	<ul style="list-style-type: none"> Follow-up with Desktop Audit Review. Audit in 12 to 18 months based on risk.
ORANGE	<ul style="list-style-type: none"> Must improve /reach at least GREEN or YELLOW level. If a factory demonstrates it is improving, Gildan may provide additional time and support 	<ul style="list-style-type: none"> Follow-up with Desktop Audit Review. Audit in 6 to 12 months based on risk
RED	<ul style="list-style-type: none"> Must improve /reach at least GREEN or YELLOW level within the next audit. If no improvement after follow-up, all open orders will be completed and supplier has to be exited within 3 months. Facilities that accumulate three consecutive ORANGE Audit Ratings will automatically receive a RED Rating. 	<ul style="list-style-type: none"> Follow-up Audit if facility has Major non-compliances and Desktop Audit Review if facility only has Moderate and Minor non-compliances. Audit in 3 to 6 months based on risk.
BLACK	<ul style="list-style-type: none"> Contractor Facilities: Open orders will be completed. Contractor Facilities: Future orders cancelled. For owned facilities, black rated facilities will need to established an action plan within 1 week and this action plan needs to be reviewed and approved by the Country Manager, EVP & CSR VP; also an exhaustive evaluation/ investigation will be conducted in order to confirm sustainable improvements. 	<ul style="list-style-type: none"> No Follow-up

2019 SOCIAL COMPLIANCE INTERNAL AUDITS OWNED VS CONTRACTOR FACILITIES

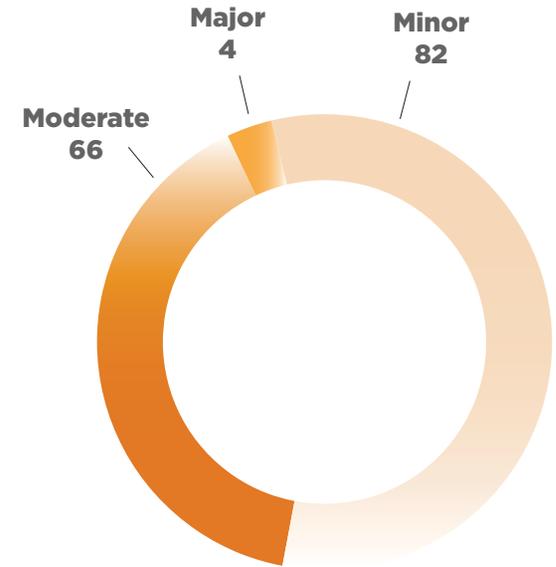


INTERNAL AUDIT FINDINGS AT COMPANY-OWNED FACILITIES

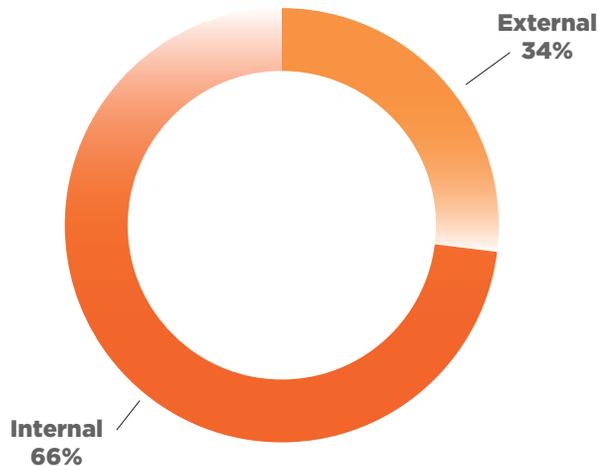
A total of 152 non-compliances were found at Gildan-owned facilities during the 2019 internal audit cycle, of which 97.4% were classified as being of minor or moderate severity. Four instances of major non-compliance were found, one of which related to harassment and abuse, one to excess working hours, one to chemical safety, and one to fire safety. We had no cases related to child labour at any of our facilities, and all major non-compliances found were addressed with the appropriate corrective actions.

The vast majority of the 2019 non-compliances (77.6%) were related to health and safety. Our audit assessment questionnaire includes a rigorous health and safety component in our audit methodology, which explains why a relevant number of non-compliances are concentrated in this area. Health and safety non-compliances include issues related to fire safety, machine safety, chemical safety, inadequate use of personal protective equipment, and general cleanliness and sanitary conditions.

SEVERITY OF NON-COMPLIANCE AT GILDAN-OWNED FACILITIES



2019 SOCIAL COMPLIANCE AUDITS INTERNAL VS EXTERNAL AUDITS



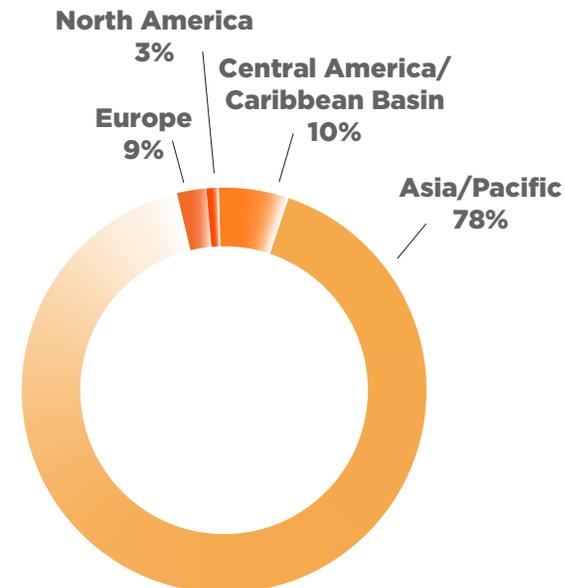
RESPONSIBLE SOURCING

Compliance with our ethical, social and environmental standards is a condition of doing business with Gildan and becoming part of our supply chain. All of our third-party manufacturing contractors and key raw material suppliers are required to formally acknowledge these standards and agree to comply with them throughout the term of their relationship with us. Before taking on new contractors, we follow a rigorous due diligence process wherein we fully evaluate their ability to comply with our quality standards, cost structure and the principles of our Code of Conduct. We do this through mandatory audits conducted either by our experienced internal auditors or, in some instances, by a third-party auditor. Internal teams assess the results and assign an audit rating to the facility, which determines whether we will do business with them. If a potential contractor fails an initial audit, we may choose to re-audit them after a six-month period. The 2019 audit cycle included assessments of 15 potential third-party contractor facilities, 47% of which were unable to demonstrate adequate levels of compliance with our standards. Consequently, Gildan did not award business to these facilities. During the course of 2019, the Company also exited an additional 13 existing third-party contractor facilities due to unsatisfactory remediation as well due to unsatisfactory remediation as well as part of our efforts to consolidate compliance within our supplier base.

Upon entering a relationship with a third-party contractor, our regional social compliance teams work with contractors to educate and assist the development of sound labour practices, effective labour compliance management systems, policies and procedures, and then proceed to implement remediation where required. Our contractors are regularly assessed for compliance and are expected to follow the guidelines included in our [Social and Sustainable Compliance Guidebook](#).



THIRD PARTY MANUFACTURING CONTRACTORS BY REGION



INTERNAL AUDIT FINDINGS AT CONTRACTOR FACILITIES

We audited 78% of actively producing third-party contractor facilities at least once in 2019. A total of 491 non-compliances were found at our third-party contractor facilities during the 2019 audit cycle, 13.44% of which were classified as major severity.

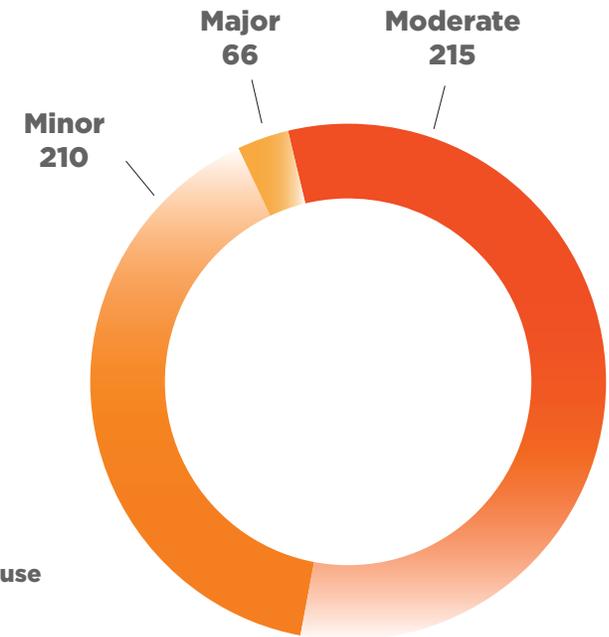
The major non-compliances were largely attributable to hours of work, legal information, compensation, benefits, record keeping (67%), and Health and safety (24%), with the remaining issues totaling 9%. These non-compliances were mainly industry-wide issues in the regions where they operate.

Most of the minor and moderate findings at third-party contractor facilities were related to Environmental,

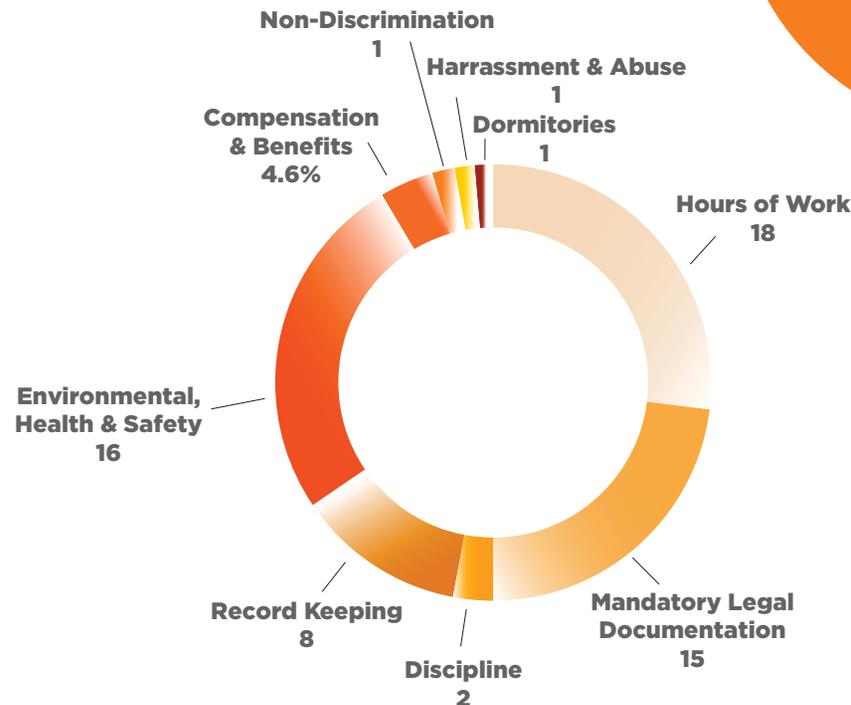
Health, and Safety issues, with other significant areas pertaining to hours of work, legal information, and record keeping. All non-compliances were addressed with the appropriate corrective action.

Findings such as hours of work, health and safety, freedom of movement, non-discrimination, and harassment and abuse are considered human rights risks. All non-compliances have been addressed; however, our team works closely with contractor facilities to remediate human rights risks as soon as possible to avoid recurrence.

SEVERITY OF NON-COMPLIANCE AT THIRD-PARTY CONTRACTOR FACILITIES



MAJOR NON-COMPLIANCE BY CATEGORY



REMEDIATION OF AUDIT FINDINGS

Following an internal audit at a Company-owned or third-party contractor facility, a management action plan (MAP) is developed and shared with the facility. Our regional social compliance teams work with facility managers to provide advice and recommendations on how to best address any issues, make changes where necessary, and put in place sustainable remediation action plans. Progress on the MAP is tracked through our Corporate Social Responsibility data platform. Facilities provide details and evidence of their corrective actions, which are subject to verification through follow-up audits. Facilities are expected to implement corrective actions and to demonstrate improvements within a prescribed timeframe. If a zero-tolerance issue occurs at our Company-owned facilities, action plans must be established within one week and shortly thereafter be reviewed and approved by senior management before an exhaustive investigation is conducted to confirm full remediation. If a contractor facility is not able to demonstrate improvements within our prescribed timeframe, we reserve the right to terminate our relationship with them.

Our teams deploy an in-depth analysis process to systematically identify the root cause of every major and moderate non-compliance raised during the audit process in order to prevent similar issues from reoccurring. Recurrent findings are given special attention to ensure that proper remediation is implemented. We also monitor for the development of trends throughout specific facilities or regions so that any issues of particular concern can be identified and addressed at an early stage. The status of all non-compliances and their corrective actions are reported to Gildan's Board of Directors on a quarterly basis.

CONTRACTOR TRAINING PROGRAMS AND INITIATIVES

During 2019 we hosted a Code of Ethics and Code of Conduct Summit in Shanghai, China to provide training to our contractors located in this region. We trained more than 40 contractors on topics pertaining to our Codes and also included our updated **Social & Sustainable Compliance Guidebook**, which now includes additional benchmarks, emerging risks and zero tolerance issues, including migrant workers, modern slavery, and child labour, as well as updates reflecting the 2017 changes to our Code of Conduct. The Guidebook provides guidelines surrounding social compliance for auditing purposes and is aligned with the FLA and ILO. We look forward to having all our contractors worldwide trained on these topics by 2021.



As part of our commitment to respecting human rights mentioned previously, Gildan joined the Industry Commitment to Responsible Recruitment, developed in conjunction with AAFA and FLA, in October of 2018. The commitment is a proactive industry effort to address potential forced labour risks for migrant workers in the global supply chain. Signatories of the commitments must ensure that no workers pay for their jobs and that they retain control of their travel documents and have full freedom of movement. In addition, all workers are informed of the basic terms of their employment before leaving home. This commitment applies to Gildan-owned and contracted manufacturing facilities.

During 2019 Gildan has implemented several initiatives to ensure migrant workers are not subject to forced labour throughout our third-party manufacturing facilities.

Migrant Worker Survey

In 2019, we conducted a Migrant Worker Survey at our manufacturing contractor facilities for the Asia-Pacific region to identify the presence of migrant workers and ensure our contractor facilities maintain adequate, legal, and fair practices for hiring migrant workers required for specific job positions while ensuring applicable local and international laws are followed by each factory. We surveyed 25 contractor facilities in order to better understand how they address topics related to migrant workers. From our surveyed contractors, only six (6) facilities, which were located in China (4), Cambodia (1) and Vietnam (1), reported having migrant workers, and all of them were in full compliance with our internal questionnaire requirements as well as industry and international standards.

Remediation Case Studies

Cafeteria Services

During a social compliance audit performed at a sewing facility located in Honduras, it was confirmed through interviews and grievances mechanisms (suggestion boxes) that cafeteria services for workers were not adequate. Workers stated that quality, prices, and quantities were not to their satisfaction and that the menu options were limited. Employees requested that improvements be made to cafeteria services.

The facility management asked the cafeteria service provider for an improvement plan based on employee

complaints, and surveys were implemented on a weekly basis to monitor progress. Unfortunately, the results communicated by workers were unsatisfactory. The facility management therefore decided to change the cafeteria service provider in order to improve the cafeteria conditions to the desired level.

The facility is currently working with a new service provider, and the Social Compliance team continues to monitor its service to employees.



Employee Dismissal

During an external assessment at a Gildan facility in Honduras during 2019, a concern related to an unjustified dismissal at one of our sewing facilities was raised.

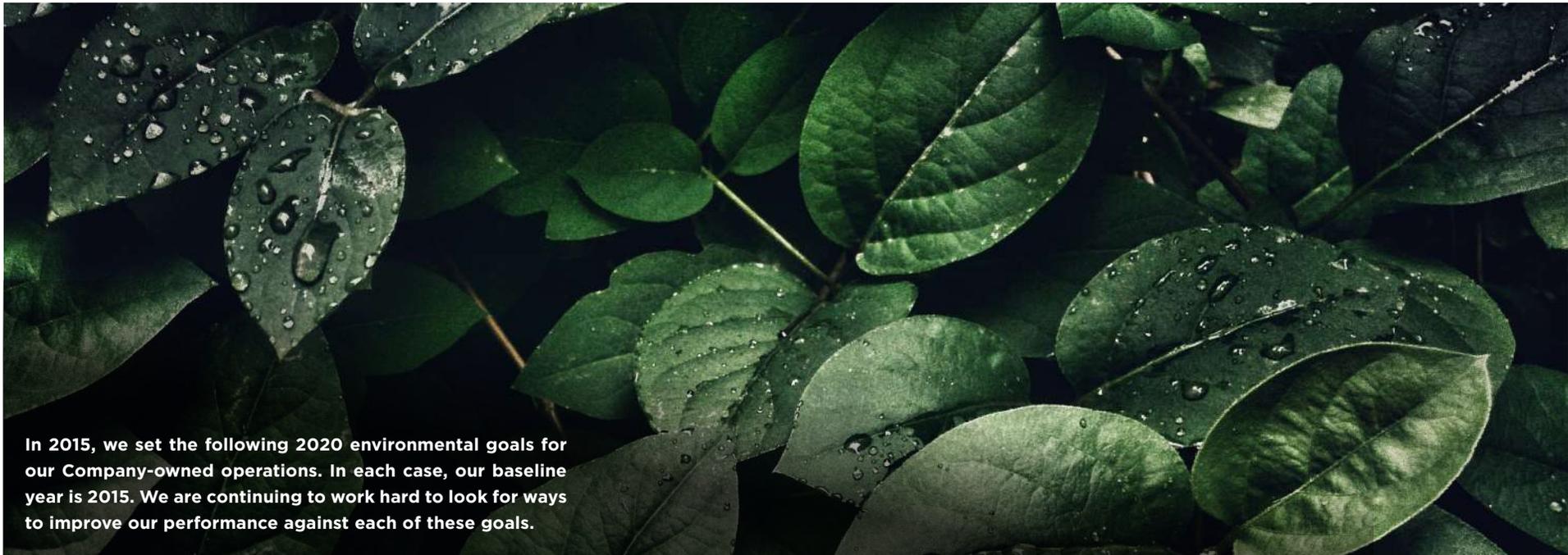
After the Corporate Social Compliance team was made aware of this situation, an investigation was conducted to better understand what had happened regarding this worker's situation. Based on interviews and reviewed evidence, the team concluded that there were breaches in the dismissal process with respect to the Company's internal regulations and found no evidences of the employee's misconduct or infringements to the Internal Regulation Manual, the Honduran Labour Code, or Gildan's own policies and Code of Conduct. As part of the remediation actions, the facility was required to reinstate the worker into his former position with full seniority and backpay.

The Social Compliance team has conducted regular follow-up interviews since the worker's reinstatement to assess the work environment and confirm that the employee continues to be treated fairly and with respect. This process allows us to measure the effectiveness of our remediation efforts.

CONSERVING THE ENVIRONMENT



As one of the world's largest manufacturers of apparel, socks, and underwear, we understand that our operations have an impact on the environment. As part of our vision of Making Apparel Better®, we are committed to constantly looking for ways to reduce our footprint. Our vertical integration gives us oversight over the entire manufacturing process of the products we make, allowing us to uncover efficiencies many apparel companies cannot even see. We have invested in innovative technologies and solutions to help optimize our use of natural resources, minimize waste, and maximize reuse and recycling. These sustainable practices not only help conserve the environment, but also deliver financial benefits for our business.



In 2015, we set the following 2020 environmental goals for our Company-owned operations. In each case, our baseline year is 2015. We are continuing to work hard to look for ways to improve our performance against each of these goals.

GOALS	2019 PERFORMANCE COMPARED WITH 2018	2019 PERFORMANCE COMPARED WITH 2015 BASELINE
10% reduction in GHG emissions intensity (MTCO ₂ e per kg produced)	Decreased our GHG emissions intensity by 10.5%	Decreased our GHG emissions intensity by 13%. Although we have exceeded our reduction target when compared to our baseline, we will continue to pursue further improvements.
10% reduction in energy intensity (GJ per kg produced)	Decreased our energy intensity by 3.1%	Increased our energy intensity by 0.5%. The slight increase to our energy intensity when compared to our baseline is largely attributable to the integration of yarn-spinning operations into our Company-owned manufacturing network and the expansion of our product mix since 2015, both of which have added to energy requirements during the textile process. Without the integration of yarn-spinning operations and additional product mix, this goal could have been achieved in 2018.
10% reduction in water intensity (m ³ of water per kg produced)	Decreased water intensity by 11.2%	Significantly decreased water intensity by 11.2%. This is a result of the full implementation of condensate and heat recovery systems in our manufacturing operations, as well as the continuous improvements of our water management processes and product development.
10% reduction of landfilled waste intensity (kg of landfill waste per kg produced)	Decreased landfill waste intensity by 6.2%	Decreased our waste intensity by 3.6%. The decrease is a result of continuous improvements of our waste management processes in our manufacturing facilities.

We also set the following environmental goal for our raw material suppliers:

• **80% of our raw materials suppliers will have completed all requirements to confirm compliance with our new revised Restricted Substances Code of Practice (RSCP).**

In 2019, 94% of our raw material suppliers completed all updated requirements, confirming their full compliance with Gildan's RSCP. Our RSCP compliance process consists of gathering all forms and regulatory documentation and required testing and/or independent certificates of high-risk chemicals used in our production process, allowing us to verify trace concentrations for banned chemical substances that are not intentionally used but may be found as unintended contaminants within a commercial chemical formulation. As a reference, our testing requirements in our input substances use the concentration limits set by the guidelines of the strict Zero Discharge of Hazardous Chemical (ZDHC) program.

Bangladesh Facility Case Study

As part of our continuous improvement process, we are committed to finding new ways to improve the efficiency of our facilities and consistently, taking into account sustainable solutions that can help us reduce our

environmental impacts. To exemplify this commitment, we have made several improvements to our vertically-integrated facility in Bangladesh. These improvements include the following:



- Replacement of our conventional water pump distribution system to a system with high efficiency variable speed with flow control and instantaneous water measurement.
- Installation of an open loop condensate recovery³ system for the entire facility, which recovers 95% of condensate and returns hot water and chemicals back to our steam boilers.
- Complete replacement of our twenty-year-old gas-fired steam boilers to higher capacity, low-fuel consumption boilers with heat recovery economizers. The economizers capture the flue gas exhaust heat from the steam boilers and preheat fresh, makeup water⁴ for the condensate and deaerators⁵ system.
- Installation of a new water softening and chemical treatment equipment for the boiler systems to maintain a constant flow of chemically treated water to the entire steam and condensate systems.
- Installation of a newly designed energy efficient and automated condensate tank and deaerator pumping system.
- Installation of new boilers and technology that deliver instantaneous boiler feed water, as well as high efficiency variable speed air compressors with automated controls.

³**Condensate recovery** is a process that reuses water and sensible heat contained in discharged condensate. Recovering condensate instead of throwing it away can lead to significant savings of energy, chemical treatment and make-up water.

⁴**Makeup water** is water which is added to compensate for losses, in this case, water that is lost through evaporation.

⁵**Deaerators** are mechanical devices that remove dissolved gases from boiler feedwater. Deaeration serves to protect the steam system from the effects of corrosive gases. It accomplishes this by reducing the concentration of dissolved oxygen and carbon dioxide to a level where corrosion is minimized.

ENERGY EFFICIENCY & CLIMATE CHANGE

Climate change is a reality that affects each of us and has the potential to create challenges for all businesses in the future. We have invested significantly in technologies and initiatives to reduce our energy consumption, increase renewable energy generation, and optimize energy efficiency throughout our operations in order to reduce our impact on the climate. We remain committed to pursuing continuous improvements in every step of our process and investing in new technologies to further reduce our overall footprint.

In line with international efforts to reduce global warming, the Company considers the reduction of GHG emissions to be an important priority. We are in the process of setting new targets, taking into account the framework and methodologies set out by the Science Based Targets Initiative.

The Company also looks forward to expanding Scope 3 emissions⁶ (other indirect GHG emissions) reporting and has already started to collect detailed data from our value chain while developing a roadmap for Scope 1 and 2 targets based on energy efficiency, renewable energy, and other reduction initiatives.

⁶Scope 3 emissions are a consequence of the activities of the company but occur from sources not owned or controlled by the company. Some examples of scope 3 activities are extraction and production of purchased materials; transportation of purchased fuels; and use of sold products and services.





ENERGY USE

Our textile and U.S.-based yarn-spinning facilities, as well as our hosiery and sewing operations, account for a significant portion of the electricity we use. 44% of the energy consumed at all of our facilities is derived from renewable sources generated within our biomass thermal generation systems, followed by electricity, natural gas, and bunker fuel. Wet processes and fabric drying within our textile operations consume a vast amount of thermal energy, which is largely created by the energy produced through biomass feedstock. Energy sources such as biomass, natural gas, and bunker fuel are classified as “direct energy”, and the balance of energy required is obtained through the purchase of electricity, which is classified as “indirect energy”.

In 2019, the global absolute energy consumption for all our facilities and offices, including direct and indirect energy, was 8,203,875 GJ – a slight increase of 1% from 2018. Our overall energy use has increased since 2015, which is largely attributable to overall production volume increases; the integration of seven yarn-spinning operations into our Company-owned manufacturing network, which represented an investment of approximately \$500 million; and changes in product mix. Regarding our 2020 goal of achieving a 10% reduction in energy intensity, which is measured as total absolute energy consumed (measured in GJ) divided by production volumes (measured in kg), we have undergone a slight increase of 0.5% when compared to our baseline. However, in 2019, we decreased our energy intensity by 3.1% when compared to 2018, and by 9.4% over the last two years.

Despite having increased our production volume by 13% since 2015, we have made significant efforts to improve and reduce our energy intensity while being confronted with the challenge of integrating new manufacturing

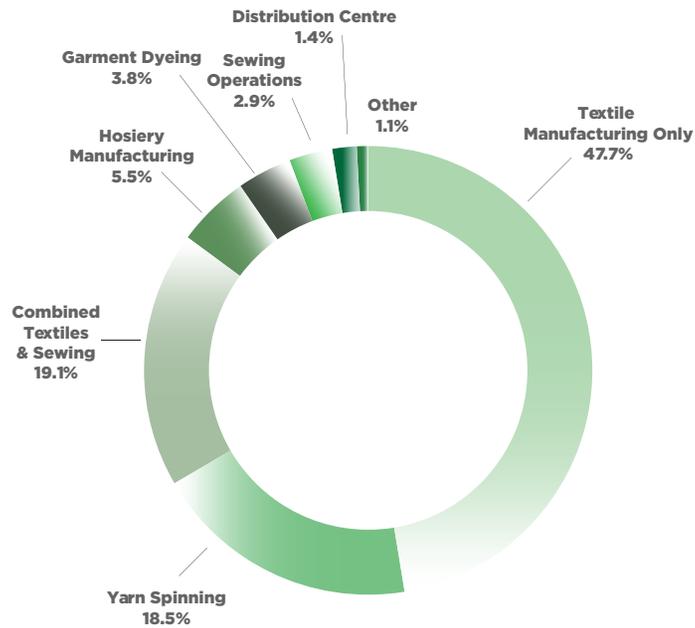
and U.S.-based yarn-spinning facilities and changing our product mix to incorporate additional fashion and performance styles, which require more energy in textile finishing. Our energy scenario analysis shows that without the integration of yarn-spinning operations and additional product mix, we would have been able to achieve our energy intensity goal in 2018. Even though yarn spinning and additional product mixes have been included in the re-baseline process, our goals were maintained as initially set. We have managed to increase efficiencies and implement reduction projects within our operations to reduce our energy intensity, taking into consideration yarn spinning, product mix, and increased production volumes.

During 2019, we continued implementing energy efficiency projects, including replacing some of the auxiliary services and equipment to more efficient and advanced technology across our facilities. We also continued to improve our steam generation, condensate recovery, hot water pre-heating, high efficiency compressed air systems, and back-up electricity. Further, we installed LED lighting systems in our manufacturing facilities. The facilities are operating with high efficiency compressors, which replaced our prior piston technology to increase efficiency and reduce electrical consumption. We are pleased by these improvements, which indicate that the energy efficiency measures we have been undertaking are having a positive impact on our energy intensity. We look forward to continuing the decreasing trend seen in the last two years during 2020 as we implement further projects for energy efficiency. We remain committed to our energy intensity reduction goal through continued investments in state-of-the-art and high-efficiency textile facilities, further pursuit of renewable energy sources, implementation of new technologies, and strengthening of our current improvements.

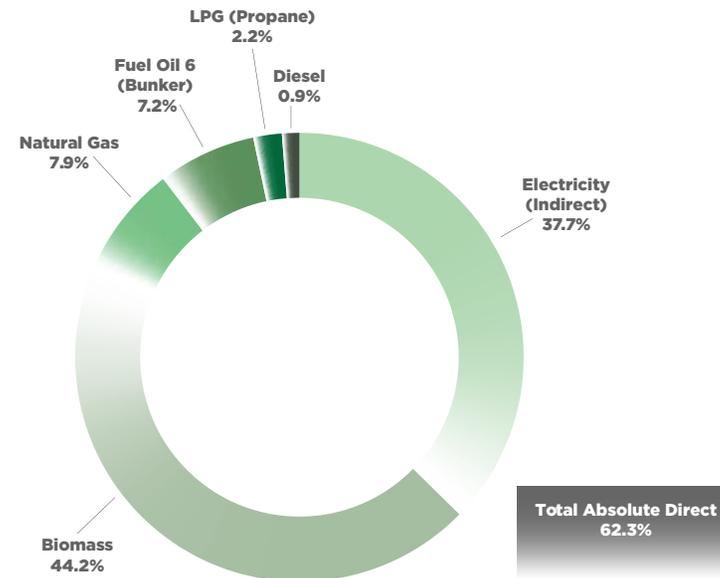
Energy Consumption of Gildan-Owned Facilities⁷

	2019	2018	2017	2016	2015
Absolute Direct Energy (GJ)	5,114,489	5,050,887	5,443,886	3,717,953	4,495,843
Absolute Indirect Energy (GJ)	3,089,386	3,078,369	2,988,483	2,825,365	2,744,348
Absolute Total Energy (GJ)	8,203,875	8,129,256	8,432,369	6,543,318	7,240,191
Total Energy Intensity (GJ/kg)	0.02971	0.03066	0.03280	0.02589	0.02956
% Intensity Variation From 2015 Baseline	0.5	4%	11%	-12%	0%
% RENEWABLE ENERGY	44%	40%	42%	30%	42%

2019 ENERGY CONSUMPTION BY PROCESS

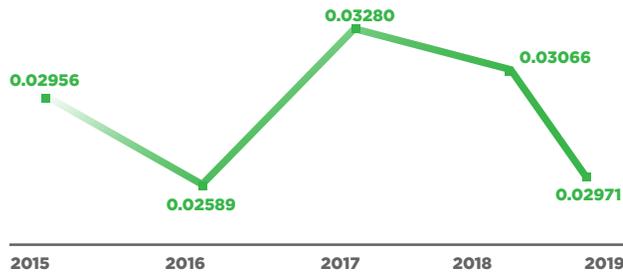


2019 ENERGY CONSUMPTION BY TYPE

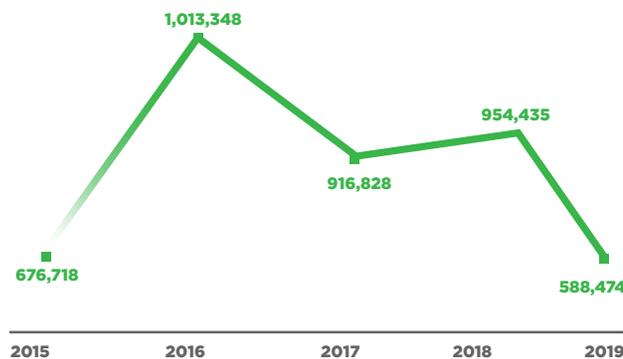


⁷For all tables and charts, Gildan's numbers have been normalized according to an adjusted baseline to include mergers, acquisitions, and divestitures since 2015. For more details on the methodology used for the baseline adjustment, please refer to our Reporting section.

2015 - 2019 Energy Intensity⁷ (GJ per kg of products)



2015 - 2019 Bunker Fuel Consumption⁷ (Gildan-owned facilities, in GJ)



In 2019, we saw a significant decrease in bunker fuel consumption of 38% when compared to 2018. The decrease was due to improvements made in our operational controls at our Biomass facility, the closure of one of our textile facilities, and the use of biomass to replace bunker fuel for steam generation in our latest textile facility, Rio Nance 6. We are committed to continue decreasing our bunker fuel consumption as we aim to increase use of natural gas in our Dominican Republic facilities and use of biomass throughout all of our textile operations in Honduras.

AIR EMISSIONS

Throughout our various manufacturing processes, the Company generates different types of emissions that are discharged into the environment. Air emissions include greenhouse gases (GHG) and other inorganic air emissions. Gildan’s Environmental Management System (EMS) allows us to effectively monitor and manage these emissions and discharges through detailed monitoring systems and procedures, enabling us to undertake initiatives which aim to reduce or prevent these emissions.

Since 2008, we have participated in the Carbon Disclosure Project (CDP), reflecting our commitment to being transparent about our environmental performance and climate change impact. In 2019, we improved our score on the Climate Change Questionnaire, climbing from B to A-. This score places Gildan within the leadership band, recognizing the Company’s transparency and comprehensive disclosure of climate data, thorough awareness of climate risks, demonstration of strong governance and management of climate risks, and exhibition of market-leading practices. Gildan’s score of A- places the Company well above the Apparel Design Activity Group, as well as the North American and Global averages of C.

GREENHOUSE GAS EMISSIONS

In 2019, global absolute GHG emissions (Scope 1 and Scope 2) from all our manufacturing facilities and office locations totalled 412,125 Mt CO₂eq.

- 24% were direct (Scope 1) emissions
- 76% were indirect (Scope 2) emissions from purchased electricity

Indirect electricity represents the main source of GHG emissions for all our operations as most of the electricity we purchase is produced by burning fossil fuels. Bunker fuel remains the second major source of GHG emissions despite having converted a significant proportion of our steam generation process to biomass. Other sources include fugitive emissions from the handling and use of refrigerants. Scope 2 GHG emissions are generated at sources owned or controlled by other organizations with use of purchased electricity.

During 2019, we decreased our GHG emissions intensity by 13% when compared to our 2015 baseline. This reduction was achieved primarily from the implementation of various energy initiatives, as described in the Energy Efficiency section (p.79), including the use of higher quality biomass feedstock, in addition to the change in emission factors⁸. While we have reached and exceeded our reduction target of 10% before 2020, we are optimistic that further reduction is possible.

In 2019, our biogenic emissions of CO₂ from the combustion of biomass represented a total of 327,005 metric tons of GHG.

⁸An Emission Factor is a representative value that attempts to relate the quantity of a pollutant released to the atmosphere with an activity associated with the release of that pollutant. Such factors facilitate estimation of emissions from various sources of air pollution. As the emissions generated by different activities change over time so do emissions factors. For example, the emissions intensity of an electricity grid will fall as renewable energy is incorporated.

2015-2019 GHG Emissions for Gildan-Owned Facilities^{9 10}

	2019	2018	2017	2016	2015
Absolute Direct GHG Emissions (Scope 1) (MtCO ₂ eq)	97,059	118,284	128,553	117,147	94,602
Absolute Indirect GHG Emissions (Scope 2 ¹¹) (MtCO ₂ eq)	315,067	324,136	324,338	320,772	325,616
Total Absolute GHG Emissions (Scope 1 and 2) (MtCO ₂ eq)	412,125	442,420	452,891	437,919	420,218
Total GHG Emissions Intensity	0.02971	0.03066	0.03280	0.02589	0.02956
% Intensity Variation From 2015 Baseline	-13%	-3%	3%	1%	0%

During the last few years, we started implementing best practices in GHG management and began reporting on our Scope 3⁴ emissions associated with some of the activities in our value chain. In 2019, business air travel represented 430.12 metric tons of CO₂eq, and employee commuting accounted for 3,907.45 metric tons of CO₂eq. We have expanded the scope of business air travel, including data for employees from Honduras and Nicaragua, which represents just over half of our total employee base. For employees commuting to work, in 2019 we included data for bus transportation related to our sites in Honduras, Nicaragua, Dominican Republic and Mexico, which represented 85% of our total employee base. In

2019, we also included a total of 30,282.79 metric tons CO₂eq of Scope 3 emissions from our distribution operations.

These include land transportation¹² of goods and raw materials (yarn) in the U.S., and maritime transportation of one of our logistics services suppliers, which transports more than 80% of Gildan's containers between our manufacturing facilities and distribution centres throughout the Americas. Over the following years, we will continue expanding our Scope 3 emissions to include landfill waste and additional transportation and logistics operations.

⁹Our GHG emissions are calculated in line with the GHG Protocols Accounting and Reporting Standard developed by the World Resources Institute and World Business Council for Sustainable Development. We use operational control as the consolidation approach for our emissions. Consistent with WRI/WBCSD GHG Protocol: Corporate Standard, we have identified changes in methodology and underlying emission factors applicable to our reported baseline year that required restatement of historical emissions and goal progress. In 2018, we updated the year's emission factors for eGRID and IEA and made recommendations on best practices for prior periods, as we communicated in the 2018 Sustainability Report. Accordingly, in 2019 we updated our data reflecting corrections to historical emission factors for electric power, as well as corrections to previously utilized activity data and conversions.

¹⁰For all tables and charts in this section, Gildan's numbers have been normalized according to an adjusted baseline to include mergers, acquisitions and divestitures since 2015. For more details on the methodology used for the baseline adjustment, please refer to our Reporting section.

¹¹The figures in the table follow the market-based approach to estimating Scope 2 emissions. This uses the specific emissions factor of the electricity consumed at our Rio Nance complex in Honduras, provided by our supplier. The specific emissions factor for all other sites is unknown and factors are used from the IEA and EPA. Our Scope 2 emissions estimate for 2019 according to the location-based method is 305,202 tCO₂e. Based on the IEA, the average emissions intensity of the grid in Honduras is lower than the specific factor of our supplier. However, the Company chooses this supplier due to their reliability, ensuring better continuity of production, as well as reducing the demand for fossil fuels and water associated with back-up power generation during outages.

¹²To calculate land transportation, we use a distance-based method as recommended by the GHG Protocol (World Resources Institute) and emissions factors from the US EPA Emission Factors for Greenhouse Gas Inventories. For maritime transportation, we collect directly the information from the logistic services company, which use Clean Cargo 2018 tradelane-specific emission factors for all port calls except Miami. For Miami port calls, they use the Industry average Clean Cargo 2018 tradelane-specific emissions factors.

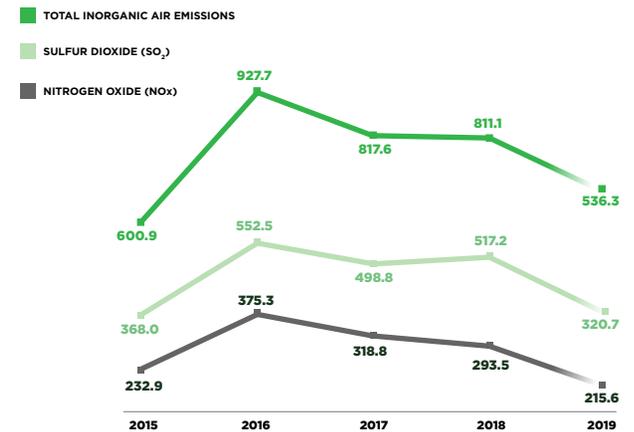
¹³Nitrogen oxides (NOx) and Sulphur oxides (SOx)

INORGANIC AIR EMISSIONS

Bunker fuel, primarily used for heat generation during the dyeing process, and diesel fuel, used by the generators to produce energy when necessary, are the two main contributors of our total inorganic air pollutant emissions. We are working to replace bunker fuel wherever possible with natural gas or biomass.

In 2019, we reduced inorganic air emissions¹³ by 275 metric tons, representing a decrease of 34% when compared to 2018.

2015 - 2019 INORGANIC AIR EMISSIONS



OZONE DEPLETING SUBSTANCES

Gildan is committed to taking proactive measures towards the elimination of hydro chlorofluorocarbons (HCFCs) and synthetic refrigerants, such as the R22 refrigerant, in our operations. We no longer use either of these in any new installations, and in 2019, we were able to eliminate almost all use of these substances at our older facilities.

ENERGY EFFICIENCY INITIATIVES

We are committed to minimizing our GHG footprint through energy conservation efforts and reducing our reliance on fossil fuels by finding alternative sustainable energy sources and production processes. Our primary focus in this area has been to increase our renewable energy sources through, for example, investments in our biomass steam generation systems. We have also initiated several projects to capture thermal energy created within our operations and redistribute it to other systems to lower our overall energy needs.

RENEWABLE ENERGY

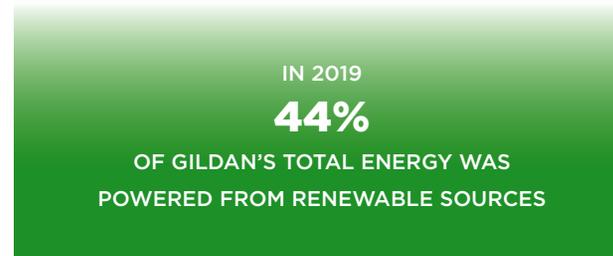
In many of the regions where we operate, companies typically satisfy their energy requirements from traditional sources, which burn fossil fuels – particularly bunker fuel and natural gas. These energy sources typically result in significantly higher GHG emissions that contribute to global warming in addition to creating higher exposure to price volatility and country specific limitations.

Several years ago, Gildan began the process of investing in renewable energy, specifically biomass technologies, for the generation of steam for its textile operations in Central America and the Caribbean Basin. These innovative and large-scale systems burn agricultural, factory, and process waste (wood by-products, paper, cardboard and cotton waste) in high-efficiency boilers to generate steam and thermal energy required to power several processes within our textile operations, and they serve as the Company's principal contributor of renewable energy.

The biomass process is considered carbon neutral because it prevents organic materials from entering landfills and emitting GHG emissions as they decompose. The ash created during the process remains organic and serves as a fertilizer for green areas at our textile complex. In addition, biomass use in developing

countries greatly reduces economic pressures resulting from oil derivatives while increasing the nations' energy autonomy and developing their agro-industries.

In 2019, 44% of Gildan's total energy was powered from renewable sources.



ENERGY EFFICIENCY

Optimizing the use of the energy we generate and investing in energy efficiency projects is a priority at all our facilities. In line with this goal, we implemented a number of projects to help reduce our energy intensity in the past two years, including:

- Increased efficiency of our steam absorption chillers, which reduce our electrical and bunker consumption by way of a steady supply of steam from our biomass plants to our facilities.
- Installed hot water heat-recovery systems at all our textile facilities in Honduras, which takes high temperature wastewater and heats up fresh, clean water.
- Minimized thermal energy loss through steam and condensate line insulation on piping and equipment with a 95% condensate recovery system and an instantaneous hot water system, which captures heat from the exhaust of our gas-fired generators to produce electrical power.

- Continued replacing lighting with both energy-efficient LED and motion activated lighting.

- Operated most of our facilities with high efficiency compressors, which replaced old technology to increase efficiency and reduce electrical consumption. Our Bangladesh facility is being continuously upgraded to high efficiency compressors and the latest technology for steam boilers.

- Increased efficiencies at our biomass operations by improving our fuel management system.

In 2019, we continued installing new technologies to improve our energy efficiency, including hot water heat-recovery systems at our textile facilities; heat recovery and wastewater lint filtration at our Rio Nance 1 and 6 textile facilities; an air-mixer system at Rio Nance 4, which allows us to use outside air without additional conditioning during certain times of the year when temperatures differentiate; and more lighting retrofits and intelligent operating lighting controls.



Energy Efficiency Innovations

Heat Recovery

Our heat recovery systems in our textile facilities use thermal energy, which is transferred from effluent to heat inbound water needed for our processes, serving to significantly reduce the amount of steam necessary to reach the required temperature. This works to both conserve water and reduce energy consumption. Since 2013, this process has allowed us to generate approximately 6,300,000 m³ of hot water from wastewater. In 2019, it contributed to the reduction of approximately 210,000 metric tons of steam.

Condensate Return

Condensate is the by-product of hot liquid resulting from steam energy that has been used in a heat transfer process. The hot condensate water can be reused to produce steam at one-third of the cost of steam generated from fresh water and new chemicals. During the condensate return process, we also capture and recycle the chemical additives present in the condensate, resulting in savings of chemical inputs and costs.

In 2019, we maintained our condensate return rates at 95% at our textile and hosiery facilities in Central America and the Caribbean Basin, and we increased from 90% to 95% at our Bangladesh integrated facility, which translates into a substantial conservation of both energy and water.



Absorption Chillers

To optimize our energy use, we have installed absorption chillers that capture thermal energy from within our steam to create cool water that drives many of our facilities' air conditioning systems. This system generated the energy savings equivalent to avoiding the use of 2.9 million gallons of fossil fuels in 2019 with an overall power demand reduction of five megawatts, which represents a reduction that can power on average over 5,000 homes in the United States.



Energy Management Information System (EMIS)

In addition to our investments in machinery and equipment, we also look for new technology and systems that will enhance our efficiency efforts at our facilities. In 2018, we started using our Energy Management Information System (EMIS), providing relevant information to make energy performance visible at various levels in our organization. The EMIS enables us to plan, evaluate and take effective action to manage energy, as well as water and wastewater. It allows us to reduce operational variability and embed operational best practices by eliminating the root causes of poor performance while promoting activities that lead to good performance.



The system can lead to productivity improvements through the continuous monitoring of energy, water and wastewater performance, and savings opportunities that, once implemented, are sustained over the long term. The performance information generated by an EMIS enables Gildan to take actions that create financial value through management and control of energy and can help reduce business risks related to volatility in energy prices. By reducing both the amount of operational variability and encouraging investment in energy conservation measures, energy performance becomes more predictable. With predictable energy consumption, Gildan is in a better position to negotiate energy supply agreements and more accurately forecast energy costs.

WATER MANAGEMENT

Water is one of the world's most precious resources and plays a large part in the entire life cycle of apparel. It is used for growing cotton, which is our largest raw material input, as well as for the dyeing and finishing processes in textile production. Further into the apparel lifecycle, it also plays a significant role during the washing of clothes by consumers. We are working hard to make our water use as efficient as possible and ensure that wastewater is managed responsibly. It is important to note that Gildan does not source cotton or operate facilities in regions of water stress¹⁴.



¹⁴According to WRI Aqueduct 2019 (Aqueduct™ 3.0 water risk framework): Baseline water stress measures the ratio of total water withdrawals to available renewable surface and groundwater supplies. Water withdrawals include domestic, industrial, irrigation, and livestock consumptive and no consumptive uses. Available renewable water supplies include the impact of upstream consumptive water users and large dams on downstream water availability. Higher values indicate more competition among users.
<https://www.wri.org/publication/aqueduct-30>

WATER CONSUMPTION

We source the vast majority of our water needs from wells (89% in 2019) with the rest supplied by municipalities. Our largest consumption of water takes place during our textile operations. Our textile facilities consumed 87% of Gildan's total water demands in 2019, mostly during the dyeing process. We do not use water from any Ramsar-listed wetlands or from bodies of water that are recognized as being particularly sensitive, and our water usage does not significantly affect any water source.

We have set a goal to reduce the water intensity from our Company-owned operations per kg of product by 10% from 2015 to 2020. During 2019, we continued to reinforce best practices in water use at all Gildan-owned facilities, maintaining the reduction trend throughout the year and achieving a significant decrease of 11.2% when compared to our 2015 baseline. We have achieved and exceeded our goal before our 2020 target deadline due to the full implementation of condensate and heat recovery systems throughout our manufacturing operations, as well as to the continuous improvements of our water management processes and product development. Additionally, we are now reusing treated wastewater from our Biotop instead of well water for the irrigation of green areas at our largest textile complex. We expect to continue reducing our water intensity by further improving our water management processes throughout our manufacturing operations.

Even though we increased production volume by 4% in 2019, we were able to decrease our water consumption by 1,625,607 m³ when compared to 2018, which is an amount of water equivalent to filling 650 Olympic pools.



2015-2019 Water Consumption for Gildan-Owned Facilities⁷

	2019	2018	2017	2016	2015
Total Water Withdrawal (m³)	20,517,675	22,143,282	19,175,838	20,164,545	20,485,536
Water intensity (M³/kg)	0.07431	0.08351	0.07458	0.07979	0.08363
Water intensity variation from 2015 baseline	-11.2%	-0.1%	-10.8%	-5%	0%

2015-2019 Water Withdrawal for Gildan-Owned Facilities⁷

	2019	2018	2017	2016	2015
Withdrawal: Total Municipal Water Supplies (Million Cubic Meters)	2.302	2.117	0.625	0.742	0.712
Withdrawal: Fresh Surface Water (Lakes, rivers etc.) (Million Cubic Meters)	0	0	0	0	0
Withdrawal: Fresh Groundwater (Million Cubic Meters)	18.216	20.026	18.550	19.423	19.774

WASTEWATER MANAGEMENT

Our goal is to manage wastewater in the most environmentally conscious way possible. To do this, we have invested in innovative water treatment systems such as our Biotop bio-organic lagoon system and biological reactors. We enforce strict controls on all the effluents discharged from our wastewater treatment plants, including ensuring that we do not discharge water into any protected body of water or wetland. The water that re-enters the local ecosystem is continuously monitored for compliance with local requirements and corporate standards.

In 2019, we reduced our effluent intensity (total effluent volume by kg of production) by 14% when compared to 2015. As part of our continuous commitment, wastewater generated from all Company-owned facilities was managed in accordance with legal requirements – the majority of which was treated through onsite or third-

party systems. Additionally, we began following the Zero Discharge of Hazardous Chemicals (ZDHC) guidelines at our textile facilities in Honduras, which validates the work that is being done with chemical inputs and processes.

BIOLOGICAL WASTEWATER TREATMENT

Biological oxidation is an effective, reliable, and low-cost wastewater treatment process that eliminates all contaminants and returns clean water to the environment, ready and able to sustain life.

The natural Biotop system treats wastewater through a series of interconnected lagoons that contain bacteria, which virtually eliminates all dyes and chemicals and uses no incremental energy to process the water. Over a 40-day cycle, water flows through the system, where a variety of bacteria, microorganisms, fish, and wildlife coexist to naturally return clean water to the environment.

At our Honduras textile facilities, our biological reactors work in tandem with our innovative Biotop system to guarantee a continuous and safe system for wastewater treatment.

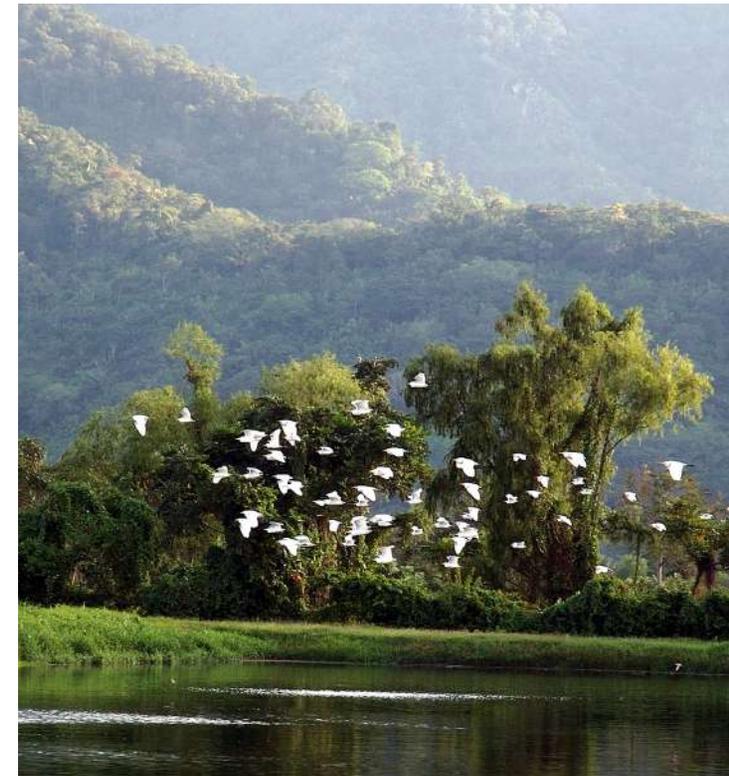
In the past two years, we also introduced a filtering system within the Biotop process to capture fibre lint within the effluent, which improves the efficiency of our wastewater treatment system. The fibre lint is then repurposed as fuel stock within our Biomass steam generation systems. The installation of this system was completed in 2019 for all of our textile and hosiery facilities in Honduras, allowing us to collect approximately 30 tons per month of lint and sludge that is later dried and used as fuel stock for our Biomass facilities.

Wastewater Volumes (m³)¹⁵

	2015	2016	2017	2018	2019
Wastewater-Offsite Treatment (m ³)	740,026	765,592	591,609	3,122,581 ¹⁶	1,912,598
Wastewater-Onsite Treatment (m ³)	18,603,642	16,701,958	15,200,283	14,957,321	16,805,408
Total Effluent Volume (m ³)	19,343,668	17,467,550	15,791,891	18,079,901	18,718,006

¹⁵Wastewater-Offsite treatment totals represent effluent quantities discharged to a municipal sewage network for later treatment or to a third-party wastewater treatment facility. Onsite treatment totals represent effluent quantities after treatment in Gildan owned effluent treatment facilities and meeting regional and/or national regulations discharged to subsurface waters, surface waters, sewers that lead to rivers, oceans, lakes, wetlands and groundwater.

¹⁶In 2018, we added data related to our U.S. facilities, including our yarn-spinning facilities, distribution centres and offices to this total. These had not previously been recorded.



Biodiversity

As part of our overall environmental impact assessments, we conduct third-party biodiversity inventories at our facility in the Dominican Republic. Annual inventories are conducted in the Dominican Republic, as legally required, while bi-annual inventories are conducted on a voluntary basis in Honduras.

Dominican Republic

Our 2019-2020 Biodiversity Inventory report in the Dominican Republic shows slight positive changes with respect to the results presented in 2018. A variety of 50 fauna species were registered, seven more than the previous year, demonstrating satisfactory environmental management in Biodiversity and Land Use, which each aim to conserve wild flora and fauna as well as the habitats that support them.

In the inventory, three species are reported in the threatened category: white-billed redfish (*Fulica caribaea*), the green snake (*Uromacer catesbyi*) and the silly bird (*Saurothera longirostris*). The species *Aura tiñosa* (*Cathartes aura*) and the Green Shingles (*Uromacer catesbyi*) reported, are considered in the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES, 2008).

The natural lagoon system for wastewater treatment (Biopond) remains an important habitat for waterfowl, which shows sustainability in both quantity and diversity of species, according to the results of the updated fauna monitoring.



WASTE MANAGEMENT

Our Waste Management System is based on the 4R-D concept: Reduce, Reuse, Recycle, Recover, and Disposal. This all-encompassing system includes clearly defined policies and procedures that outline our waste classification process, acceptable measures for handling specific waste, site specific information (as relevant), and clearly defined documentation and reporting processes. We comply with all legal requirements with respect to the management of waste in the countries in which we operate.

To ensure our Waste Management System is correctly and thoroughly implemented, our dedicated onsite environmental staff provides comprehensive training sessions to supervisors and production staff while leading initiatives to identify areas for improvement. All facilities have a waste segregation management program for all production processes, including in cafeterias and common areas. This collaborative approach promotes awareness about the importance of waste management within our operations and by our employees.

We have set a goal to reduce landfill waste intensity by 10% (per kg of product) from our owned operations, as compared to our 2015 baseline. In 2019, our landfill waste intensity decreased by 6.2%, compared to the 2018 results driven by waste management process improvements in our manufacturing facilities. Compared to our 2015 baseline, landfill waste intensity decreased by 3.6% driven by waste management improvements related to practices in cloth scraps handling and enhanced recyclable waste management procedures.

2019 Waste by Type (Metric Tons)¹⁷

	2019	2018	2017	2016	2015
Non-Hazardous Waste					
Recycled Waste	71,100.00	72,768.66	57,668.76	63,630.44	67,545.05
General Solid Waste (Landfill) ¹⁸	8,708.95	8,913.87	10,732.45	10,223.17	8,016.52
Total Non-Hazardous Waste	79,808.95	81,682.53	68,401.21	73,853.61	75,561.57
Hazardous Waste					
Special Waste ¹⁹	17.95	28.97	25.64	20.34	23.86
Biomedical Waste	3.10	3.41	3.96	6.34	2.81
Other Hazardous Waste ²⁰	509.83	560.13	789.52	594.91	643.21
Total Hazardous Waste	530.88	592.51	819.12	621.59	669.88
TOTAL ABSOLUTE WASTE	80,339.83	82,275.04	69,220.33	74,475.20	76,231.45
TOTAL WASTE INTENSITY	0.29095	0.31028	0.26923	0.29469	0.31122
TOTAL LANDFILL WASTE INTENSITY (KG WASTE / KG PRODUCTION)	0.03154	0.03362	0.04174	0.04045	0.03273

¹⁷ Gildan's numbers have been normalized according to an adjusted baseline to include mergers, acquisitions, and divestitures since 2015. For more details on the methodology used for the baseline adjustment, please refer to our [reporting section](#).

¹⁸ Landfill waste data for certain sites have been estimated based on historical performance.

¹⁹ The special waste category includes domestic batteries (disposable and rechargeable batteries), industrial batteries, construction, renovation, and demolition waste, information and communications technology waste (ICT) and fluorescent lights.

²⁰ This category includes all waste contaminated by hydrocarbons or dangerous chemicals such as storage bins or others.

REDUCE, REUSE, RECYCLE

We look at every step of the manufacturing processes to identify opportunities to minimize waste streams and maximize opportunities to reuse and recycle. Our continued focus on effective waste management not only has a positive environmental impact but also delivers financial benefits through cost-savings from reusing resources.

89%

OF NON-HAZARDOUS WASTE RECYCLED OR REPURPOSED IN 2019

6.2%

LESS LANDFILL WASTE INTENSITY COMPARED WITH THE PREVIOUS YEAR

6.2%

REDUCTION OF OUR TOTAL WASTE GENERATED PER kg OF PRODUCT WHEN COMPARED TO 2018

SUSTAINABLE MATERIALS

Understanding that sustainable materials play an increasingly important role in our overall product strategies, we use a recycled performance fibre called Repreve® in a number of our brands, and in 2019, we received a 'Champion of Sustainability' award from its maker Unifi Fibres for using an amount of recycled polyester that equated to 10 million or more plastic bottles recycled.

Where waste is unavoidable, we look for ways to recycle or reuse and in some instances have found ways to

recycle waste from some products into partial inputs of another. For example, 100% of cutting room scraps are recycled into fibre for use in manufacturing new products such as textiles, socks, industrial materials, and mops.

SUSTAINABLE PACKAGING

As with all of our global environmental initiatives, we are implementing several programs which take sustainability considerations into account for our packaging requirements, as per our [Global Environment and Energy Policy](#). These programs include the following:

- Reuse of boxes for internal shipments up to approximately six times.
- Boxes contain 70% of recyclable materials
- Box suppliers use raw materials that are Forest Stewardship Council (FSC) certified
- Box optimization for transport to avoid GHG emissions

We use reusable containers, such as foldable totes and biodegradable bags, for the transportation of chemicals from our Honduran chemical mixing facility, GilChem, to our textile facilities. We also repurpose some of the packaging and transportation materials when possible.

Our largest use of packaging comes from the cartons we use to ship the products that we sell to our global network of distributors. These cartons contain recycled materials with more than 70% of the corrugate made with recycled paper. We are currently looking at options to use recycled polyester for several of our inner pack bags.

We also use volume optimization initiatives to drive down use of packaging and reduce distribution emissions. One of these initiatives focuses on modifying

the size of boxes to adjust the cubic capacity of containers. This has allowed us to increase by 25% the number of boxes of fleece products shipped by container (from 566 to 707 boxes per container), consequently reducing shipment movements by 20% and GHG-associated emissions. This project is 22% completed, and we are hoping to exceed 90% of our fleece production in Honduras by 2021.

In 2019, we implemented a packaging reduction program for one of our brands and successfully reduced 21% of the quantity of boxes purchased per kg of production. This reduction program included reusing boxes and moving from white to kraft boxes, which are manufactured in a more sustainable manner. Additionally, we used folder cards for one of our customer programs, which included 50% recycled content. Another successful program was implemented at our hosiery facility (Rio Nance 4), changing product plastic bags for carton bands. This program was started in 2015 and has allowed us to reduce use of plastic bags by 95% to date.

As part of our manufacturing packaging optimization programs, we started several pilot projects in 2019. One of the projects includes the installation of sensors to our stretch film wrapper machines at our textile facilities in Honduras, which allows them to automatically detect the height of each package (moon rock) and optimize the amount of stretch film wrapping that is used. This project allowed us to reduce 12,609 lbs of stretch film at one of our facilities over a ten-month period.

Additionally, at our newest textile facility (Rio Nance 6), we changed cardboard tubes, used to roll and move fabric through production process, to PVC, which is a more resistant material. This change allowed us to use 266,586 less cardboard tubes, reducing our non-hazardous production waste.

SAFE CHEMISTRY

We strive to use non-hazardous, bio-eliminable substances in our products and operations in order to ensure the safety of our apparel products for consumers and reduce negative impacts on the environment. In addition to legal requirements, as well as to the safety of our customers, we also consider substances that may be harmful but are not necessarily regulated. We have a robust Chemical Management Program, which includes each of the steps necessary to manage chemical inputs with better purchasing practices and implementation of all process controls necessary for handling them. Additionally, a multi-disciplinary team comprised of experts from product development, manufacturing, quality, environment, health and safety, and purchasing, and led by a chemical

specialist, reviews the requirements for sourced chemical products to ensure compliance with our **Restricted Substances Code of Practice (RSCP)**.

Our focus on safe chemistry begins in the design and development stage of our process. This allows us to safely incorporate innovative solutions and leading performance features, like wicking and anti-odor properties, while ensuring the reduction of our chemical footprint and the improvement of our products. We have invested in a Company-owned chemical facility, fully staffed with leading chemical engineers and industry specialists, which allows us to implement strict controls on all inputs into our process and greatly reduce the environmental

impacts of our operations. As part of our Product Innovation Strategy, we made new investments in 2019 at our Gilchem facility that will allow us to provide additional laboratory testing equipment, quality controls for developing new and existing products, and additional colour development capabilities to enable speed to market.

As part of our continued commitment to following important industry guidelines, such as Zero Discharge of Hazardous Chemicals (ZDHC), Gildan measures chemical indicators in wastewater and sludge parameters at our textile complex in Honduras, which validate the work that is being done with chemical inputs and processes.



RESTRICTED SUBSTANCES

Our Restricted Substances Code of Practice (RSCP) sets stringent standards and guidelines that our suppliers of raw materials are required to comply with, and it includes a Restricted Substance List (RSL). The RSL covers the most important regulated and targeted substances around the textile industry and their potential impact on human and environmental health.

The RSCP process includes reviewing supplier information and filling any gaps with publicly available and scientifically rigorous data, ensuring that we choose substances that meet all the requirements of our internal controls. In addition, our third-party manufacturing contractors must also ensure that all our products strictly comply with the elements within our RSCP and chemicals on our RSL.

Our RSCP was revised in 2017 and is continuously updated and aligned with industry-leading standards. It has been integrated into all of our operations, including

third-party manufacturing contractors and raw material suppliers, so that we can be sure that no hazardous substances are used in the manufacturing of our products at any point in the supply chain. Raw materials are classified into three categories:

- Approved
- Approved With Conditions
- Rejected

We provide our suppliers with Gildan’s RSL alongside the RSCP, which includes all banned and restricted substances in all of the countries where we operate, as well as CPSIA requirements, REACH (SVHC list), Washington State Substance List, and California Proposition 65. We also include industry and NGO practices, standards, and initiatives; and our customers’ own RSL’s. All substances relevant to the textile industry are included in our RSL. The full list can be viewed on our [website](#).

To ensure our employees, contractors, and suppliers fully understand our requirements, we provide training on the RSCP and the Chemical Management System as required. To ensure strict compliance with all requirements of the

RSCP, the Company is in the process of gathering all required updated forms and documentation from raw materials suppliers. In 2019, we were able to complete the process with 94% of all raw materials suppliers.

Oeko-Tex® Standard 100

Gildan®, Comfort Colors®, Alstyle® and Anvil® by Gildan® branded products are certified by the internationally-recognized Oeko-Tex® Standard 100, which allows producers and consumers to objectively assess the presence of harmful substances in textiles and apparel products based on approximately 100 human-ecological and performance-related test parameters. Achieving the Oeko-Tex® Standard 100 involves meeting strict standards including the absence of restricted chemicals and subjecting the supply to an annual independent validation through an accredited laboratory testing of raw materials and finished products. Insofar as our infant apparel, we are certified by the even more stringent Oeko-Tex 100 Product Class I certification. These certifications are demonstrative of our commitment to protecting the health of our consumers and employees as well as to using environmentally responsible manufacturing processes.

INPUT CONTROL PREVENT & CONTROL



- Careful selection of materials & suppliers.
- Review of materials before procurement & use.

PROCESS CONTROL CHEMICAL MANAGEMENT



- Provide safe working conditions through reducing the exposure of hazardous substances & process.

OUTPUT CONTROL MONITORING & VERIFICATION



- Comply with global regulations, customer requirements & Gildan’s internal policies.

AUDIT MANAGEMENT



We are part of the Social Compliance team to help to improve chemical compliance.

COTTON

Cotton is the primary fibre used in our products. We primarily purchase U.S. cotton because of its high quality and the industry's strong environmental sustainability and social responsibility practices. Sustainably grown and ethically-harvested U.S. cotton remains the optimal choice for our products.

Regulated as a food crop under strict U.S. Department of Agriculture (USDA) and U.S. Environmental Protection Agency (EPA) guidelines, cotton grown in the U.S. represents the best combination of quality and value for our products. Under the guidance of the National Cotton Council, the USDA, and various other organizations, U.S. farmers have continuously reduced their environmental footprint by adopting a variety of conservation and targeted agricultural practices.

More than 65% of the cotton acreage where the Company's cotton is grown is non-irrigated, harnessing naturally occurring rainwater. Conservation agriculture practices and advanced soil monitoring systems have reduced soil erosion and residual impacts on the environment. GPS positioning and advanced delivery systems allow farmers to be more efficient while planting, fertilizing, and harvesting, effectively allowing for a reduction in GHG emissions and environmental impacts on the land and neighbouring ecosystems. In addition, U.S. cotton farmers are required to adhere to strict U.S. labour laws and Occupational Health and Safety Administration (OSHA) regulations, which are likely the most stringent in the global cotton industry.

Since 2009, Gildan has proudly displayed the Cotton USA® mark on consumers' product packaging and shipping materials. This internationally recognized mark, licensed by the Cotton Council International (CCI), symbolizes the inherent benefits that the U.S. cotton

industry delivers through being a highly regulated crop. The CCI team audits our yarn-spinning and textile facilities to track and validate the use of U.S. cotton in our process in order to continue using the Cotton USA® mark.

Gildan is also a supporter and contributor of the U.S. Cotton Trust Protocol, a new sustainability initiative with a focus on U.S. grown cotton. The U.S. Cotton Trust Protocol's mission is to be the world leader for sustainable cotton production. The Protocol has a vision to meet customers' sustainability goals around U.S. cotton by validating that it is the most responsibly-produced cotton in the world while striving for continuous improvements to reduce its environmental footprint. Through definitive standards, verification, and data collection, they support textile mills, brands, and retailers to meet their sustainability goals by sourcing U.S. cotton.

U.S. Cotton: Ginning and Quality Explained

After cotton has been harvested, it is transported to nearby cotton gins for processing. During the ginning process, cotton fibre is sent through a series of rakes and combs to be cleaned of substances such as dirt, leaves, and bark. Cotton seeds are also extracted during this phase for use in animal feed or cotton seed oil for food products. In fact, this system hones minimal waste principles by repurposing almost all waste from ginning for feed, bedding, or compost for future crops. Thanks to these practices, cotton harvested and processed in the U.S. is both more sustainable and of particularly high-quality due to the efficiency and precision lent by advanced machinery and a more thorough conversion system.



Better Cotton Initiative

Gildan has been a manufacturing member of the Better Cotton Initiative (BCI) since 2016. BCI is a global not-for-profit organization that aims to transform cotton production worldwide by developing better cotton as a sustainable mainstream commodity. To achieve this mission, BCI works with a diverse range of stakeholders across the cotton supply chain to promote measurable and continuing improvements for the environment, farming communities, and the economies of cotton-producing areas. We support this initiative by purchasing BCI credits from farmers and passing these credits on to our retail customers. Gildan continues to pursue and support the growth of BCI as a sustainable cotton initiative.

Yarn Suppliers

As a matter of principle, we require all our third-party yarn suppliers to confirm by means of a signed statement or binding contract that they do not use or procure any cotton fibre originating from Uzbekistan. In 2013, we determined that less than 5% of our total cotton supply was at risk of being supplied with fibre from Uzbekistan. As such, we believe that there is a low risk of cotton originating from these crops in any of our products.



Product Stewardship

We want consumers to join us in Making Apparel Better® by helping to reduce the end-of-life-cycle impact of our products. Generally, people today are buying significantly more clothes compared to previous generations, and new practices surrounding fast fashion encourage consumers to treat garments as disposable goods.

During 2019, we continued to feature a series of posts on social media aimed at providing tips to consumers about reducing their impact on the environment. The engagement rates, results, and feedback from consumers have been positive.

ENVIRONMENTAL POLICY & MANAGEMENT SYSTEMS

In 2019, we launched our updated Global Environmental & Energy Policy, which focuses on strengthening our environment and energy performance as one of our key priorities while embracing a proactive culture through the implementation of initiatives that build on our practices, guaranteeing that our environmental footprint is among the best in the industry.

To ensure that our policy is upheld at all our operations and that we are in compliance with all applicable environmental laws and regulations in the countries where we operate, we have a comprehensive Environmental Management System (EMS). We have also invested significantly in systems and technologies to closely measure, monitor, and optimize the operational sustainability of our facilities.

Our EMS is based on the ISO 14001 standard and tracks how our Environmental Policy and our environmental procedures are being implemented across all our facilities. The EMS allows us to evaluate our procedures for managing water use, wastewater discharges, energy generation and consumption, chemical handling and storage, raw materials, waste generation, biodiversity protection, emissions, and spills control. As part of this EMS, each Gildan-owned facility is required to meet objectives and targets that are aligned with overall corporate goals and targets.

As discussed in the Vertical Integration section on [p.11-12](#), the underlying structure of our vertically-integrated business model allows us to exercise significant control

over a much larger part of our supply chain than what is usual in the apparel business. This positions us well to identify environmental and resource efficiencies that may not be accessible to less vertically-integrated companies. Our visibility over nearly the entire manufacturing process also allows us to adopt a life-cycle approach, where impacts across the total value chain can be modelled in the evaluation of any specific process change. Contractors and suppliers are expected to respect the same high environmental standards that we do. Details of how we work with our contractors and suppliers are provided in the Our Supply Chain section on [p.69](#).

In 2013, Gildan became a member of the Sustainable Apparel Coalition (SAC), and since 2015, we have been voluntarily uploading environmental data related to our Environmental Management System, such as water, energy, wastewater, air emissions, and chemical management for some of our facilities using the HIGG Index, an online platform to measure and improve our sustainability performance. We also use third-party validation for specific facilities to certify our environmental data, which is usually in response to customer requests.



ENVIRONMENTAL RISKS

Gildan conducts a complete analysis of potential environmental risks that are specific to the locations where we operate. This risk analysis helps us to prevent and address any adverse impacts that our operations may have on the environment and in the surrounding communities. Part of this process includes hosting community meetings and public consultations to discuss relevant issues and address concerns regarding the technical aspects of any proposed project.

Natural disasters are one of the main environmental risks for our business as a whole. Physical impacts related to climate change can affect individual facilities or groups of facilities located in the same region. Most of our facilities are located in geographic regions that are at risk of hurricanes, floods, and earthquakes, and any

one of these events could have negative impacts on our business and our employees.

Our manufacturing plants generate air emissions, which are partially offset by the installation of specific scrubbers and filters. In 2019, the environmental protection requirements imposed upon the Company's operations did not have a significant financial or operational impact on our capital expenditures, earnings, and competitive position. To manage our exposure to regulatory changes, we continue to work with our local management teams who are tasked to remain informed on potential changes to regulations that might be instituted by local governments. This allows us to be proactive and continue improving our processes and technologies.

ENVIRONMENTAL EXPENDITURES & FINES

To comply with environmental laws, regulations, and our own Environment & Energy Policy as we aim to continue improving our practices, the Company incurs environmental expenditures. The total environmental protection expenditures for 2019 were more than \$7,404,700. This includes operational costs such as licenses and permits, atmospheric studies, treatment of effluents, Biotop maintenance, and other improvement initiatives.

No fines related to environmental topics were reported during the 2019 period.



AUDITS

Environmental audits are conducted to verify compliance and to evaluate the efficiency and effectiveness of our EMS. The frequency of the environmental audits is designed on a risk-based approach depending on the manufacturing activities performed at a facility and their potential impact on the environment and our operations. The majority of our facilities are audited once per year and no less than once every 18 months.

Using a root-cause analysis approach, when any instances of non-compliance are revealed, we work closely with the facility to identify the main reasons for the issue while establishing action plans to remediate the issue in a sustainable and timely fashion. We continue to visit the sites regularly to ensure corrective action plans are properly implemented.

During 2019, our Environment team updated the audit tool to ensure compliance with new industry trends and expectations. This new tool provides a more comprehensive coverage and will be used by our environmental auditors going forward. We have also established internal targets for our Environment team to measure remediation performance on a quarterly basis.

AUDIT FINDINGS IN 2019

In 2019, 14 environmental audits were performed at our facilities, with 84 instances of non-compliance²¹ found. Of these non-compliances, 13 were classified as major, 48 were moderate, and the rest were classified as either minor or as opportunities for improvement. The bulk of these non-compliances related to internal policies and procedures, specifically among the following:

- Late remediation of non-compliances found in previous environmental audits.
- Non-compliances with operational control procedures, mostly in chemical management as well as emergency preparedness and response.
- Lack of implementation of our Environmental Management System.

Seven major environmental non-compliances were related to inadequate chemical management; four were related to lack of implementation of our Environmental Management System; and two other non-compliances were related to lack of compliance with the annual assessment of air emissions from vehicles and equipment.

²¹Classification of Environmental Findings:

Major Impact: An environmental law is being violated; a major environmental impact is being caused or the risk of causing a major impact to the environment.

Moderate Impact: In the long term there may be environmental impact and to the health of workers; there is a moderate risk of environmental impact.

Minimum Impact: May provoke a minor environmental impact, or the risk of environmental impact is minimal. It's an observation that will help improve the plant environmentally.

Opportunity for Improvement: An observation or finding not evaluated as a NC because it doesn't present any immediate or future environmental impact. It is an observation that helps the facility with continuous improvement.





CREATING STRONGER COMMUNITIES

As one of the largest apparel manufacturing companies in the world and an important employer in most of the regions where we operate, we recognize that we are in a strong position to stimulate sustainable economic development. Our direct and indirect employment impacts combined with the investments we make in building facilities, purchasing within local supply networks and supporting various industries, are all important contributors to economic and social development in the regions where we operate.

We believe that we have a responsibility to be active members of the community. Through our contributions, our community engagement programs aim to enrich people's quality of life by advancing access to education, promoting healthy and active lifestyles, protecting local environments, and fostering entrepreneurship. We partner with community organizations to target and respond to the most pressing needs in the regions where we operate, and we encourage our employees to get involved with us.



GOALS

- Conduct a Social Impact study by 2019 in order to better measure Gildan's impact on communities for our Central American operations.

Through a Social Return on Investment (SROI) study conducted in 2019 in Central America, Gildan identified its main contributions to the regional economy and local development. Results from this study will guide our social responsibility strategy going forward.

- By 2020, increase the number of schools supported by Gildan in the communities where we operate by 25% from our 2017 baseline.

In 2019, 371 schools were part of Gildan's education programs in our manufacturing locations compared to 21 in 2017. This significant increase was mainly due to a change in our education program in Honduras, initiated in partnership with World Vision. The program is now oriented towards strengthening the quality of education by implementing a capacity program for teachers. This allows us to reach more students and schools while collaborating with the Ministry of Education to incorporate the program's training in school curricula. Throughout the rest of our manufacturing facilities, the Company supported 21 schools by implementing capacity building programs as well as different refurbishing projects.

"For more than 7 years, Gildan has been a strategic partner for World Vision Honduras, jointly supporting the most vulnerable populations with initiatives and projects in education, environment, professional technical training and violence prevention. Gildan continues to show a firm commitment to the community; for this, we are extremely grateful and proud to join efforts to improve the life opportunities of children, youth, and their families."

***Jorge Galeano
National Director of
World Vision Honduras***

LOCAL DEVELOPMENT

Creating stronger communities by investing in developing local talent, prioritizing local suppliers, and collaborating with local partners not only drives sustainable economic and social development for our employees, their families, and the communities at large; it helps our Company thrive as well. We also recognize the value that local development has on supporting our future growth.

ECONOMIC IMPACT

Gildan is a major employer in the regions where we operate in Honduras, Nicaragua, the Dominican Republic, and Barbados. As a result, we have a large economic and social impact in these countries, particularly in the areas where our facilities and offices are located. This impact goes beyond simply providing direct employment and wages and indirect employment through our supply and distribution chain: Our investments have also created construction and service jobs during the building of new facilities, full-time employment positions once the facilities are operational, significant local procurement of raw materials, trims and supplies, and other services such as transportation and catering.

Over the years, as Central America and the Caribbean basin have developed into important textile and apparel hubs, several key suppliers who have established operations in the regions are also delivering important economic benefits to these communities.

To better measure and understand the impact of our own Central American operations on society, we conducted a Social Return on Investment (SROI) Study in 2019 through an independent Central American firm, *Web, Marketing and Communications*. The SROI allowed us to identify and measure our main contributions to the regional

economy and local development using the Integrated Social Value (ISV) methodology. This methodology combines qualitative and quantitative analysis to help an organization better understand the value it creates for its stakeholders. The qualitative component aims to evaluate stakeholder impacts by conducting interviews with representatives from each main stakeholder, while the quantitative component focuses on measuring benefits through developing indicators and proxies (value approximations) that allow an organization to monetize value generated.



Results from this study will guide us and help to refine our corporate responsibility strategy going forward. The SROI study focused on three interest groups: employees, environment, and community. It then analyzed investments made to each group in our Honduras and Nicaragua operations from 2015 to 2019.

The results of the study in Honduras showed that Gildan's overall SROI ratio is \$1:\$13, implying that for every dollar (\$1) the Company invested in the country, it generated

thirteen dollars (\$13) in value for Honduran society. It also showed that a significant percentage of Gildan's investments were aimed directly at improving employees' and their families' quality of life. Among the benefits and compensation packages of the well-being programs provided to employees, evidence of the highest return was observed in areas of occupational health, with reduced lost work days and accidents; transportation and food subsidies; and a significant increase in volunteering hours.

Additionally, every dollar (\$1) invested by Gildan in cash and in-kind support for communities resulted in a financial spillover of 57¢ in social benefits in the region where its operations are located. In this community stakeholder group, the highest social return was observed in the remodeling of the Majoncho Sosa park in the city of San Pedro Sula and the \$3.5 million program investment to support education, health, and housing, which impacted close to 518,000 direct and indirect beneficiaries.

Results in Nicaragua showed that Gildan's overall SROI ratio is \$1:\$19, indicating that for every dollar the Company invests in a stakeholder, the stakeholder receives a return of \$19. The SROI revealed Gildan employees as being the interest group that benefitted most in terms of social value in Nicaragua, largely due to compensation and labour benefits packages – most notably in areas related to our ergonomics program, healthcare and safety for staff, transportation, and food subsidies. In 2019, the impacts generated by our investments helped decrease lost days due to common illnesses by 8.02% compared to 2018. We saw a drop of 25.95% in the amount of first aid

care provided during the same period.

We also analyzed the impact of our Gildan Glow Run in Honduras and Nicaragua. In Honduras, this program significantly impacted maternal health, reducing newborn mortality rates (48% at Hospital Mario Catarino and 100% at Hospital Leonardo Martinez). In addition, it helped both hospitals increase and improve the quality of medical care provided. For Nicaragua, the study concluded that Gildan returned a value of \$41 for each dollar invested towards child cancer prevention. Between 2015 and 2019, Gildan's contributions towards child cancer prevention saved parents or caregivers of Nicaraguan children suffering from cancer-related pathologies who were cared for in an

institution that benefited from Gildan's social assistance an average of more than of \$1 million, which would have otherwise been required in a private Nicaraguan medical centre.

All conclusions and recommendations of this study are currently under review as we work to refine our corporate responsibility strategy in order to continue driving positive impacts in our communities going forward.



LOCAL SUPPLIERS

In recognizing the importance of our impacts on these regions, Gildan has adopted a practice of sourcing locally wherever possible. This allows us to create value for a wide variety of local businesses, enabling them to share in the economic benefits of developing the industries around us. Gildan also derives value from these relationships, such as reduced transportation costs and lead time. Over the years, we have witnessed the growth of supply chain ecosystems in the regions where we operate, which span beyond the typical raw materials, trims, and accessory suppliers into areas such as educational and technical training, medical services, transportation, construction, maintenance, and food services.

In 2019, Gildan’s total expenditures for materials and services with local suppliers in Bangladesh, Central America, and the Caribbean basin were in excess of \$260 million.

COUNTRY	NUMBER OF LOCAL SUPPLIERS WE WORK WITH
BANGLADESH	600
DOMINICAN REPUBLIC	527
HONDURAS	990
MEXICO	750
NICARAGUA	512
GRAND TOTAL	3, 751

LOCAL TALENT

We are proud of our record of creating stable, well-paying jobs with attractive benefits at all our manufacturing locations. Our belief is that workers deserve to be paid a good living wage that surpasses legally-mandated minimum industry wages, encompassing the idea of providing adequate compensation that covers basic needs and some element of discretionary income.

We also recognize the value of maintaining a culture of diversity and inclusion, which delivers great benefits to both our employees and the Company. One of our founding principles was to ‘think globally but manage locally’. As a result, we believe that it is essential to fill leadership positions in our facilities with local talent wherever possible. Not only does this provide more opportunities and higher-paying jobs for members of the local community; we believe that it also benefits us by providing motivated and engaged management teams that are aligned with local cultures, making them assets to the Company. We provide our employees with opportunities to upgrade their skillsets and education level through extensive training and development programs that give them the chance to progress within the Company. In 2019, 600 out of 722 managers at our manufacturing facilities were from the local community. We believe that this approach has a direct and positive impact on the quality of life of our workers, their families, and the communities in which we operate. More information can be found in **Caring for our People**.



83%
OF ALL MEMBERS
GLOBALLY ARE LOCAL TALENT

COMMUNITY ENGAGEMENT

We firmly believe that we must play an active role in building stronger communities in ways that go beyond our business operations. We make financial and in-kind donations to support local needs and strengthen the social and economic development of our local communities. We also provide humanitarian aid and disaster relief, including product donations to help meet basic needs in the locations where we operate.

To ensure we maximize the impact of our support, we ask local teams to manage our investments according to the needs of their community within our overall corporate guidelines. These teams develop relationships with local authorities, such as the mayoral office, municipal authorities, local charities, educational bodies, and health-related institutions, in order to identify projects where the Company could bring added value to the whole community. We encourage our employees to get involved with our community initiatives through employee fundraising and volunteering initiatives, and we invite them to share their local knowledge with us and make suggestions about projects for which we could provide impactful support.

\$937,200
IN CASH DONATIONS

\$636,400
OF IN-KIND GIVING

PRODUCT, SERVICE /
NON-FINANCIAL DONATIONS

\$1,573,600
TOTAL COMMUNITY
INVESTMENT



PRIORITIES/AREAS OF FOCUS

We believe that we can have the greatest impact on local communities by supporting initiatives that fall within the following four areas of focus:

- Youth education
- Active living
- Environment
- Entrepreneurship

These priorities reflect our own values and strengths as a business, and they align with the four **UN Sustainable Development Goals** (SDG's), which we have made a priority to support. More details can be found in our **Community Investment Policy**. To ensure that our impact is sustainable and has long term positive effects on communities, we constantly look for ways to develop and evolve our community programs and create long term partnerships with non-profit organizations that are making significant contributions to the communities they serve.

YOUTH EDUCATION

Education helps communities develop by strengthening their abilities and helping them contribute meaningfully to the economy. Our investments in education are focused on building or enhancing a community's educational infrastructure, providing curriculum support and training for teachers, and engaging students in environmental awareness through participation in initiatives such as our Young Sustainability Leaders program (see feature). Gildan has been working with a number of schools in communities where we have manufacturing operations to ensure we implement long term, sustainable programs. In 2019, we supported 371 schools in Central America, Mexico, the Dominican Republic and Haiti.

In many regions, children lack the basic supplies and infrastructure necessary for receiving the full benefit of

their education. During 2019, we donated more than 26,300 school kits and supplies to children in the Dominican Republic, Haiti, Nicaragua, and Honduras. We also donated teaching materials and helped with infrastructural repairs and sanitary installations in schools in the Dominican Republic and Honduras. The combined value of these programs represented an investment of almost \$100,000.

Young Sustainability Leaders

Launched in the fall of 2018, our Young Sustainability Leaders program brings together many of our social responsibility priorities and aligns with the UN's Sustainable Development Goals. The aim of this ongoing initiative is to inspire and empower students through targeted education programs to be the next generation of social and environmental entrepreneurs.

We are strong believers that education can be a critical driver of change and have therefore chosen to support organizations that are giving children the tools and resources to understand global environmental and social issues while adopting a mindset of sustainable practices and conscious consumption. We have chosen to partner with organizations in Canada, Honduras, and the Dominican Republic which we believe can bring about transformative impacts and prepare future generations to positively contribute to their communities and their planet.



THE PROGRAMS WE SUPPORT



YOUTH TO TAKE ACTION TOWARDS CHANGING THE WORLD

RAISING AWARENESS CLASSROOM VISITS ACTION PROJECTS



THEIR PASSION FOR SUSTAINABILITY

ONLINE COMMUNITIES WORKSHOPS RECOGNITION



PROVIDE THEM WITH THE RIGHT TOOLS & KNOWLEDGE TO PUT THEIR VISION INTO ACTION

TEACHER TRAINING RESOURCES & TOOLS FUNDING



Room to Read - Girls' Education Program (Bangladesh)

In Bangladesh, supporting girls' development is a stepping stone to cultivating gender equality, and harnessing the power of education at an early age is a pivotal catalyst to ensuring that girls can access more opportunities later in life. That is why Gildan entered into a meaningful partnership with "Room to Read", an organization which maintains a goal of providing educational programs for girls as they pursue a more gender equal world. In 2019, Gildan made contributions of approximately \$50,000 to the organization's Girls' Education Program in Bangladesh, helping 173 girls receive a customized program based on need and grade level that consists of life skills education, female mentorship, material and academic support, as well as family and community engagement.

Part of Your Life

Our 'Part of Your Life' program invites our employees in Nicaragua to provide ideas for community projects they want the Company to support, specifically education projects in the communities where they live. All ideas are reviewed by a committee, which includes the Human Resources, Corporate Responsibility, Engineering and Purchasing departments, and direct employee representatives. Every year, Gildan promotes its Part of Your Life Program with employees in Nicaragua in order to receive suggestions for projects that they can carry out in communities and schools, taking into account their sustainability, feasibility, social impact, timeframe for implementation, and type of project.

Along with the Ministry of Education, Gildan inaugurated the following projects at the Santiago School: remodelling of perimeter fencing, construction of preschool bathrooms, construction of new elementary school bathrooms, repair of existing water basins, construction of a tower for water tanks, improvement of the school's water pumping system, painting of newly remodelled areas, and improvement of children's games - all with an investment of nearly \$50,000, which benefited more than 350 boys and girls at the preschool and elementary school levels.



***“At Gildan, we are committed to supporting our local communities by strengthening elementary education in order to improve the learning environment of our communities’ children. Thanks to these projects, the sons and daughters of our employees are also able to benefit. - Luis Brito, Vice President of Sewing and Country Manager for Gildan in Nicaragua.*”**

ACTIVE LIVING

We manufacture and market apparel that helps our consumers pursue an active lifestyle, and we prioritize the health and wellness of employees. By extension, we believe we have a role to play in supporting programs that encourage health, wellness, and an active lifestyle in our surrounding communities. We also invest in medical care, disease prevention, and health awareness activities that ensure healthier, more productive communities.

Supporting Healthier Lives Through Gildan Glow Events

Glow Run

The Gildan Glow Run, a 5k run event held at our manufacturing locations in Honduras, Nicaragua, the Dominican Republic and Mexico, has become an anticipated event which has built value for the communities and heightened engagement with our employees. In 2019, this initiative helped raise close to \$130,000 to support health and education programs in the communities where we operate.



Glow Dance

In July 2019, over 2,400 participants joined the Gildan Glow Dance in Nicaragua, an event aimed at raising funds for the Nicaraguan Commission for Childhood Cancer Assistance (CONANCA). For 28 years, CONANCA has devoted itself to helping children with cancer, and Gildan has maintained a close partnership with them since 2009. This year, the Gildan Glow Dance welcomed employees and their families from our San Marcos, Rivas and Annic facilities to participate in Zumba dances as they demonstrated their enthusiastic commitment to this charitable cause. Thanks to their big hearts, the event succeeded in raising close to \$30,000 for children with cancer through CONANCA.



Supporting Artists' Mental & Physical health

In 2019, our employees in Australia celebrated #AusMusicTshirtDay, a nationwide event to help Australian charity Support Act help artists and music workers who face hardships surrounding illness, mental health, injury, and any other crisis that impacts their ability to work in music. As a large number of our customers, both big and small, use our t-shirts to screen print for bands in the Australian music industry, this cause is close to our heart. We donated 1,000 Gildan t-shirts in support of #AusMusicTshirtDay.

The t-shirts were used by Bravado Music in collaboration with fashion retailer General Pants to produce a limited-edition range of Iconic Australian Band T-shirts. These were sold in General Pants stores with all proceeds donated to the charity.



Gynathon

Our team in Barbados participated in the 2019 Gynathon, a fundraiser event for research and treatment of gynaecological cancers. This 5k walk/run raises funds to assist with the screening and treatment of gynaecological cancers affecting women in Barbados. A group of 15 Gildan employees came out in support of this worthy cause, where Gildan served as a platinum sponsor and contributed \$20,000 to the Barbados Cancer Society.

Improving Public Healthcare Centres

Over the last five years, Gildan has made significant investments in Central America to improve local healthcare centres with investments of more than \$170,000 in Honduras and close to \$100,000 in

Nicaragua. In Honduras, these investments included the refurbishment of neonatal, paediatric, and maternity wards for two of the largest hospitals in the northern region of the country. Additionally, the investment we made in 2018 to remodel the Majoncho Sosa park has generated several health-related benefits, including improved mental, physical, and social health.

In Nicaragua, our sustained investments towards child cancer prevention between 2015 and 2019 has helped parents and caregivers of children treated at Gildan's beneficiary institutions, saving them an average of more than one million dollars in treatment of children's medical conditions that would otherwise be required in private Nicaraguan medical centres.



ENVIRONMENT

In line with our business priority of protecting the environment and reducing the environmental footprint of our activities, we continuously seek opportunities to support community initiatives aimed at creating positive impacts for the environment. We encourage hands-on activities by families, schools, and our own employees.

During 2019, employees across the company continued to participate in environmental volunteering and stewardship activities, such as reforestation efforts in our nearby communities where we operate. In the Dominican Republic, we made a donation of just over \$8,500 that allowed 3,000 trees to be planted by 200 employee volunteers, and in Nicaragua, our logistical support and donation of \$5,500 helped efforts to plant 6,000 forest plants. On Earth Day in 2019, employees, their families, and a group of students from sponsored schools across our Central American operations participated in environmental activities such as recycling challenges, and over 800 children benefited from participating in various activities, including drawing contests, which were designed to teach them about the environment in fun and engaging ways.

Beach Clean-Ups

In 2019, a total of 118 employees participated in beach cleaning activities at various Gildan locations, volunteering time to clean beaches in Mexico, Honduras, and Barbados. For the initial beach cleanup activity in Mexico, a group of 32 volunteers joined the Company and managed to collect more than 600 kg of waste within 250 meters of beach in Ensenada, which is polluted with hard-to-clean garbage such as cigarette butts, plastic, coal, and pieces of glass, among other items. In Honduras, more than 70 Gildan volunteers participated in the initial beach cleanup, collecting 1.61 tons of waste from a public beach close to our facilities. In Barbados, 18 volunteers removed two truckloads of garbage from a public beach area near our offices, which was taken to a nearby landfill.

Reforestation Day: Haiti

In 2019, we hosted our first reforestation day in Haiti. The event was carried-out in partnership with Rechaded, a local organization focused on enhancing community conservation efforts and addressing environmental issues. During the event, Gildan employees united their efforts with other members of the community, including students and teachers from a nearby Gildan-sponsored school, to plant approximately 500 plants of various species.

We hope to continue expanding our reforestation activities and engaging both our employees and communities around conservation matters. Through initiatives like these, we also aim to demonstrate our continued commitment to operating responsibly as we support and promote more sustainable modes-of-living in the regions where we operate.



ENTREPRENEURSHIP

Entrepreneurship is integrated into our corporate values, and we believe it is an important factor for the economic growth of communities. Entrepreneurship provides an opportunity for financial self-sufficiency, which strengthens individual capabilities and increases independence, particularly among women.

Given our entrepreneurial spirit and the breadth of our experience, we can make a significant contribution to support aspiring entrepreneurs. Internally, we support employees and their families that have small family businesses by providing them with the opportunity to showcase and promote their products or services to their colleagues. Externally, we partner with local NGOs to offer workshops and programs aimed at promoting an entrepreneurial spirit among communities.

Entrepreneurship Fairs

In August, we celebrated the third edition of our employee entrepreneurship fair in Honduras, Gastro Bazaar. This event has a two-pronged goal: to promote entrepreneurship amongst our employees, and to raise funds for a charitable cause. The earnings from ticket and product sales, which amounted to more than \$3,600, were donated to the Amor y Vida Foundation, an organization that provides shelter, food, and care for children with HIV. In total, 19 entrepreneurs participated in this fundraising event, helped by the Gildan Trading volunteer committee and the Amor y Vida Foundation who sold furniture from their carpentry workshop.

To continue encouraging entrepreneurship while fostering empowerment, our team in the Dominican Republic held the Feria Artesanal Gildan (Gildan

Craft Fair) in July, a complementary initiative to our program La Comunidad Emprende (The Community Startup). We identified small entrepreneurs from the Guerra community to give them the opportunity to promote their products and services. This event fosters entrepreneurial spirit and helps this community gain business recognition among Gildan employees. We provided a space at our textile facility and created a two-day craft fair so that these young entrepreneurs could sell the products they make. More than 300 Gildan employees supported the initiative, purchasing approximately 564 products from local entrepreneurs that were worth more than \$2,000.



Employee Involvement

We encourage employees to pursue their personal interests and to support causes that are meaningful to them. We believe this to be an effective way to tackle the issues that impact the communities where they live and work. We also facilitate employee-led volunteering activities in all our manufacturing locations worldwide, and in many locations, the Company matches funds raised by groups of employees for the causes that they care most about. In 2019, 12,717 Gildan employees volunteered across the various regions where we operate.

Centraide Cup

In June, we hosted our third annual fundraising campaign in support of Centraide, a Montreal-based organization that aspires to break the cycle of poverty and social exclusion. This year, 18 employees from our Corporate Office in Montreal volunteered to help raise funds as they participated in a two-day soccer tournament called the Centraide Cup. Gildan made a direct contribution of CAD \$17,500 for the tournament, and additional funds were raised with the help of our dedicated employees through direct donations, proceeds from bake sales, individual payroll contributions, and the Gildan matching program. In total, we were able to raise over CAD \$113,000.



Juvenile Diabetes Research Foundation (JDRF) Fundraising

In October 2019, Gildan employees in Montreal participated in the JDRF Revolution Ride, a cycling event to raise funds for JDRF, an organization leading the fight against type 1 diabetes (T1D) by funding research, advocating for policies that accelerate access to new therapies, and providing a support network for millions of people around the world impacted by T1D. In addition to participating at the races, the group of volunteers also organized a garment sale at the office to help raise funds. A total of over CAD \$14,000 was raised through the garment sale, individual contributions, and Gildan's matching donation program in order to help improve the lives of those living with T1D.

REPORTING METHODOLOGY & ASSURANCE

Gildan has published a ESG report covering the Company's initiatives since 2004. This ESG report reflects the activities that occurred in the 2019 calendar year and discloses information on issues pertaining to Gildan owned operations in North America, Central America, the Caribbean Basin and Asia, as well as any significant impacts deriving from these. Information about our third party manufacturing contractors and raw material suppliers has also been included where it is material and available.

This report contains information on topics and matters that reflect the organization's programs and initiatives with respect to labour practices, sustainability and social impact. We report on these initiatives as we believe they are material to the apparel industry as well as of interest to our main stakeholder groups – our employees, shareholders, customers, business partners, governments, local authorities, civil society organizations and the communities in which we operate.

Unless specified otherwise, data concerning our third party manufacturers covers contractor facilities approved for production during the reporting period. When deemed relevant, we have included data from previous years which is clearly indicated as such where applicable.

Amounts in this report are in USD unless otherwise indicated.



INCLUSIONS/EXCLUSIONS

Data for four distribution centers located in U.S. and Barbados office, has been included for first time for environmental calculations.

Environmental information pertaining to the Australian-based activewear distributor and one U.S.-based yarn-spinning manufacturer acquired in 2017 has been excluded from the 2019 calculations. Finally, we are not including environmental information from our Montreal, Shanghai and Japan offices. However, all of these installations have been included in our Health and Safety calculations for the 2019 report.

METHODOLOGY

Data collected and compiled within this report is the result of a collaborative effort by Gildan staff throughout the Company's many locations.

This report has been written in accordance with the GRI Standards: Comprehensive option. The GRI Standards, developed by a wide range of international stakeholders, have been adopted to enhance the quality, credibility and comparability of the information reported. These guidelines were applied in the collection and interpretation of all data presented within the report, providing a widely-accepted framework for reporting on the economic, environmental and social performance of an organization, irrespective of size, sector or location. The GRI Content Index included at the end of this report clearly references the location of materiality-related disclosures in this document, which allows readers to better navigate through Gildan's most material themes.

This report has been registered through the GRI Standards Report Registration System and is publicly available in their [List of GRI Standards Report](#) and the [GRI Sustainability Disclosure Database](#).

REVIEW

All material information contained herein has been reviewed internally to ensure our stakeholders are provided with a proper representation of our performance in 2019.

Readers can consult the GRI Content Index for a list of indicators addressed in this report. Questions and/or comments about this report or our change to environmental, social and governance practices in general may be addressed to cc@gildan.com.

ESG reports from previous years are archived on our [website](#).

RIO PRINCIPLE

The precautionary principle is defined in Article 15 of the Rio Declaration of the United Nations Conference on Environment and Development (1992) as a principle to be used where there are threats of serious or irreversible damage to human safety or environmental degradation. It should be applied as a preventive measure in order to reduce the environmental impact of products and ensure consumers are protected against possible harm. At Gildan, we implement preventive measures which ensure human safety and environmental protection, such as:

- Restricted Substances Code of Practice
- Environmental, Health and Safety Management System
- Global Quality System
- Oeko-Tex® Standard 100 certification
- A risk approach to climate change
- Ergonomics program to avoid musculoskeletal disorders
- Root-cause analysis

ASSURANCE

Corporate Citizenship, a global management consultancy specializing in sustainability and corporate responsibility, has undertaken limited assurance of selected environmental, health and safety performance data, as described below within Gildan's ESG report for the year ended December 31, 2019.

The environmental, health and safety data included in the assurance review includes:

- Total annual energy usage
- Total annual water usage
- Total hazardous waste
- Total non-hazardous waste
- Total wastewater effluents
- Total scope 1 GHG emissions
- Total scope 2 GHG emissions
- Partial scope 3 GHG emissions
- Total inorganic air emissions
- Total consumption of refrigerants
- Work-related injury rate for employees
- Lost-time injury frequency rate for employees
- Injury severity rate for employees

The [assurance statement](#) includes a declaration of independence, and complies with the requirements for independence, professional ethics and quality control as stipulated by ISAE 3000.

APPENDIX STAKEHOLDER ENGAGEMENT

At Gildan, our vision of Making Apparel Better® doesn't simply refer to the quality of our products, it refers to every aspect of operating a business, and every impact and interaction we have with each and every one of our stakeholders. Therefore, we understand that stakeholders are paramount to operating responsibly and to achieving our goals.

The table below summarizes our stakeholder engagement activity during 2019. In some cases we conduct stakeholder engagement activities that occur less frequently than once a year and did not occur in 2019, but we feel the results continue to be relevant. If this is the case, we have noted the year in which it last occurred.



STAKEHOLDER	ACTIVITY	FREQUENCY	CONCERNS	MATERIAL TOPIC
Investors/ Shareholders	<ul style="list-style-type: none"> Annual General Meeting - includes the opportunity to cast an advisory vote on the Company's approach to executive compensation. Earnings Release Conference Calls Materiality Assessment Investor perception study Investor day on site Investor conferences Board/Shareholder engagement meetings 	<ul style="list-style-type: none"> Annual Quarterly Triennial Ad hoc Annual Ad hoc 	<ul style="list-style-type: none"> Strategy and market landscape Corporate Social Responsibility Governance 	<ul style="list-style-type: none"> All
Employees	<ul style="list-style-type: none"> Global employee engagement survey Pulse surveys Materiality Assessment Worker-Management Committee Meetings Employee Meetings - Headquarters Gildan TV Internal Communications Round tables 	<ul style="list-style-type: none"> Triennial Ad hoc Triennial Monthly Biannual Weekly Bimonthly 	<ul style="list-style-type: none"> Employee wellbeing Working conditions Environmental Sustainability 	<ul style="list-style-type: none"> Health and safety Human and labour rights Operational water and wastewater management
Customers	<ul style="list-style-type: none"> Materiality Assessment Benchmarking Audits Tradeshows 	<ul style="list-style-type: none"> Triennial Biennial As required 	<ul style="list-style-type: none"> Labour rights Responsible sourcing Traceability Product quality Environmental Sustainability 	<ul style="list-style-type: none"> Business ethics and compliance Health and safety Human and labour rights
NGOs	<ul style="list-style-type: none"> Memberships Audit requests Participation in roundtables, Committee meetings Conferences Webinars Workshops Materiality Assessment 	<ul style="list-style-type: none"> As required 	<ul style="list-style-type: none"> Employee wellbeing Labour rights Freedom of association Actions towards climate change 	<ul style="list-style-type: none"> Health and safety Human and labour rights Responsible sourcing
Local Communities	<ul style="list-style-type: none"> Town hall meetings Also through relevant NGOs (see above) 	<ul style="list-style-type: none"> Quarterly 	<ul style="list-style-type: none"> Community development Education programs Environment 	<ul style="list-style-type: none"> Business impact on the community
Students / Academia / Schools	<ul style="list-style-type: none"> Mentoring Internship Program Participation in research projects 	<ul style="list-style-type: none"> Annually 	<ul style="list-style-type: none"> Education programs Job creation Labour rights 	<ul style="list-style-type: none"> Human and labour rights
Government	<ul style="list-style-type: none"> Meetings 	<ul style="list-style-type: none"> As required 	<ul style="list-style-type: none"> Direct foreign investment Legal security Job creation Corporate Social Responsibility 	<ul style="list-style-type: none"> Business ethics and compliance Human and labour rights
Contractors	<ul style="list-style-type: none"> Trainings Social compliance audits 	<ul style="list-style-type: none"> Annual Ad Hoc 	<ul style="list-style-type: none"> Corporate Social Responsibility 	<ul style="list-style-type: none"> Business ethics and compliance Human and labour rights Health and safety

PEOPLE

Classification of Gildan employees worldwide by region and gender

REGION	PERMANENT EMPLOYEES			TEMPORARY EMPLOYEES			
	Male	Female	TOTAL	Male	Female	TOTAL	TOTAL
North America	2,359	2,041		6	11		
Central America	21,472	16,958		41	31		
Caribbean Basin	2,713	2,672		5	7		
Asia	2,174	2,252		0	0		
TOTAL	28,718	23,923	52,641	52	49	101	52,742

Gildan employees by age and region

	Under 30	30 to 50	Over 50	TOTAL
North America	940	2,200	1,277	
Central America	23,743	14,432	327	
Caribbean Basin	2,763	2,482	152	
Asia	2,129	2,234	63	
TOTAL	29,575	21,348	1,819	52,742

2019
Percentage of women in revenue-generating
management positions

38%

Total number of new employee hires during the reporting period, by age group, gender and region

REGION	TOTAL			MALE			FEMALE		
	Under 30 yo	Btw 30 & 50 yo	Above 50 yo	Under 30 yo	Btw 30 & 50 yo	Above 50 yo	Under 30 yo	Btw 30 & 50 yo	Above 50 yo
Asia	8	24	2	2	13	2	6	11	0
Caribbean Basin	1634	667	15	892	227	12	742	440	3
Central America	9594	2121	34	5888	1163	13	3706	958	21
North America	356	384	143	194	192	80	162	192	63

Rate of new employee hires during the reporting period, by age group, gender & region

Region	TOTAL			MALE			FEMALE		
	Under 30 yo	Btw 30 and 50 yo	Above 50 yo	Under 30 yo	Btw 30 and 50 yo	Above 50 yo	Under 30 yo	Btw 30 and 50 yo	Above 50 yo
Asia	0.02%	0.05%	0.00%	0.00%	0.03%	0.00%	0.01%	0.02%	0.00%
Caribbean Basin	3.48%	1.42%	0.03%	1.90%	0.48%	0.03%	1.58%	0.94%	0.01%
Central America	20.45%	4.52%	0.07%	12.55%	2.48%	0.03%	7.90%	2.04%	0.04%
North America	0.76%	0.82%	0.30%	0.41%	0.41%	0.17%	0.35%	0.41%	0.13%

Total number of terminated employees during the reporting period, by age group, gender and region

Region	TOTAL			MALE			FEMALE		
	Under 30 yo	Btw 30 and 50 yo	Above 50 yo	Under 30 yo	Btw 30 and 50 yo	Above 50 yo	Under 30 yo	Btw 30 and 50 yo	Above 50 yo
Asia	4	24	1	0	11	1	4	13	0
Caribbean Basin	1294	640	16	716	235	14	578	405	2
Central America	6049	2461	40	3552	1371	20	2497	1090	20
North America	406	572	461	235	271	217	171	301	244

Employee turnover rate during the reporting period, by age group, gender and region

Region	TOTAL			MALE			FEMALE		
	Under 30 yo	Btw 30 and 50 yo	Above 50 yo	Under 30 yo	Btw 30 and 50 yo	Above 50 yo	Under 30 yo	Btw 30 and 50 yo	Above 50 yo
Asia	0.01%	0.05%	0.00%	0.00%	0.02%	0.00%	0.01%	0.03%	0.00%
Caribbean Basin	2.76%	1.36%	0.03%	1.53%	0.50%	0.03%	1.23%	0.86%	0.00%
Central America	12.89%	5.25%	0.09%	7.57%	2.92%	0.04%	5.32%	2.32%	0.04%
North America	0.87%	1.22%	0.98%	0.50%	0.58%	0.46%	0.36%	0.64%	0.52%

Employee Remuneration (Honduras):

Level	BU	Female to Male Salary Ratio 2019
Top management	HOS	99%
	REG	88%
Management	HOS	68%
	SEW	77%
	TEX	93%
	HDC	84%
	REG	91%
Middle Management (Senior Coordinators + Coordinators)	HOS	79%
	SEW	93%
	TEX	89%
	HDC	118%
	REG	87%
Supervisory	HOS	107%
	SEW	113%
	TEX	118%
	HDC	108%
	REG	101%
Support	HOS	94%
	SEW	98%
	TEX	99%
	HDC	105%
	REG	86%

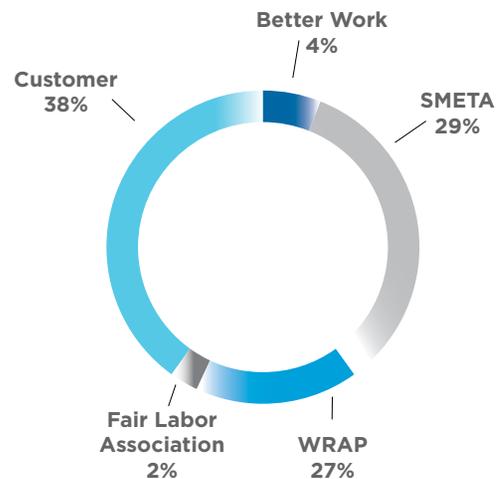
TOTAL TRAINING HOURS

TRAINING PROVIDED	HOURS
Code of Conduct	65,665.5
Code of Ethics	20,005.5
Environment, Health & Safety	180,671.6
Restricted Substances Code of Practice	4,125.5
Human Development	67,613
Technical Skills for Manufacturing	831,319
Other trainings	1,322,722
TOTAL	2,429,122.1

2019 OCCUPATIONAL ILLNESS FREQUENCY RATE (OIFR) - EMPLOYEES

OIFR / million working hours	0.001
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EXTERNAL SOCIAL COMPLIANCE AUDITS*



INTERNAL SOCIAL AUDIT FINDINGS - GILDAN-OWNED FACILITIES:

TOTAL LABOUR-RELATED NON-COMPLIANCES BY CATEGORY

	2019
Environment, Health and Safety (EHS)	117
Record Keeping	9
Code & company policies	3
Hours of work	12
Grievance system	1
Mandatory legal documentation	2
Discipline	2
Harassment and abuse	4
Non-discrimination (Pregnancy/Women's Rights)	1
Medical Care	1
TOTAL	152

MAJOR LEVEL NON-COMPLIANCES BY CATEGORY¹:

	2019
EHS	2
Harassment & abuse	1
Hours of work	1
TOTAL	4

¹Findings in Gildan-owned facilities such as health and safety, hours of work, grievance system, harassment and abuse and non-discrimination, are considered human rights risks. All non-compliances have been addressed; however, our team works closely with facility management to remediate human rights risks as soon as possible to avoid recurrence.

INTERNAL SOCIAL COMPLIANCE AUDITS - THIRD PARTY CONTRACTOR FACILITIES:

TOTAL LABOUR-RELATED NON-COMPLIANCE FINDINGS
BY CATEGORY

	2019
EHS	257
Hours of work	70
Record keeping	46
Mandatory legal documen- tation	54
Compensation & benefits	16
Code & company policies, procedures & awareness	22
Environment	8
Dormitories	2
Discipline	3
Harassment and abuse	1
Non-discrimination	2
Freedom of association	1
Grievance system	7
Freedom of movement	2
TOTAL	491

2019
Percentage of actively producing third party
contractor facilities audited at least once

78%

2019
Number of contractor relationships
that were terminated

13%

ENVIRONMENT

Energy consumption (renewables vs non renewables):

	Units	2019
NON-RENEWABLE FUELS PURCHASED AND CONSUMED (Fuel Oil, Natural gas, LNG, Propane, Diesel etc)	MWh	415,753.12
NON-RENEWABLE ELECTRICITY PURCHASED	MWh	865,027.98
TOTAL RENEWABLE ENERGY PURCHASED OR GENERATED (biomass, solar, wind, hydroelectric etc)	MWh	1,016,303.86

Waste

	2019	2018	2017	2016	2015
Total waste Intensity Variation from 2015 Baseline (%)	-6.5%	-0.3%	-13.5%	-5.3%	0%
Total Landfill Waste (%)	10.8%	10.8%	15.5%	13.7%	10.5%
Progress of Landfill Waste Intensity from Baseline (%)	-3.6%	2.7%	27.5%	23.6%	0%

TOTAL ENERGY COST ²	
Year	Cost
2018	\$115,137,000
2019	\$117,549,000

ENVIRONMENTAL MANAGEMENT

Environmental Fines:

*Significant fines or penalties (only those >USD \$10,000) related to environmental or ecological issues:

	2019	2018	2017	2016	2015
Number of violations of legal obligations / regulations	0	0	0	1	2
Amount of fines / penalties related to the above	0	0	0	\$171,000	\$79,000
Environmental liability accrued at year end	0	0	0	0	0

²Total cost of energy includes purchased energy, plus depreciation of owned-energy projects, minus income generated.

GRI CONTENT INDEX

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Part Omitted	Omission Reason	Explanation
GRI: Foundation 2016					
General Disclosures					
GRI 102: General Disclosures 2016					
	Organizational profile				
102-1	Name of the organization	2019 Annual Information Form, p.4			
102-2	Activities, brands, products, and services	2019 Annual Information Form, p.10-12			
102-3	Location of headquarters	2019 Annual Information Form, p.4, 10-11			
102-4	Location of operations	2019 Annual Information Form, p.4, 10-11			
102-5	Ownership and legal form	2019 Annual Information Form, p.4			
102-6	Markets served	2019 Annual Information Form, p.8-10			
102-7	Scale of the organization	2019 Annual Information Form, p.4-8, 11-17			
102-8	Information on employees and other workers	Our Workforce, p.47 Appendix: People, p. 71			
102-9	Supply chain	Vertical Integration, p.11 Our Supply Chain, p.71			
102-10	Significant changes to the organization and its supply chain	2019 Report to Shareholders p.17			
		2019 Highlights, p.14			
102-11	Precautionary Principle or approach	Reporting Methodology & Assurance, p.114			
102-12	External initiatives	Code of Conduct			
		Stakeholders & Partners, p.29			
102-13	Membership of associations	Stakeholders & Partners, p.29			
		Stakeholders & Partners, p.29			
102-14	Statement from senior decision-maker	Message from The President and CEO, p.3			
102-15	Key impacts, risks, and opportunities	2019 Report to Shareholders p.35-44			
	Ethics and integrity				
102-16	Values, principles, standards, and norms of behavior	Vision, Mission and Values, p.13 Codes and Policies			
102-17	Mechanisms for advice and concerns about ethics	Grievance Mechanisms, p.61 Contact Information			
	Governance				
102-18	Governance structure	Governance, Proxy Curricular 2019, p.57-72			
102-19	Delegating authority	Governance, Proxy Curricular 2019, p.74			
102-20	Executive-level responsibility for economic, environmental, and social topics	Governance, Proxy Curricular 2019, p.57-58			
102-21	Consulting stakeholders on economic, environmental, and social topics	Governance, Proxy Curricular 2019, p.57-58			
102-22	Composition of the highest governance body and its committees	Governance, Proxy Curricular 2019, p.55-64, 74-76			
102-23	Chair of the highest governance body	Governance, Proxy Curricular 2019, p.59			
102-24	Nominating and selecting the highest governance body	Governance, Proxy Curricular 2019, p.60, 66-70			
102-25	Conflicts of interest	Governance, Proxy Curricular 2019, p.59			
102-26	Role of highest governance body in setting purpose, values, and strategy	Governance, Proxy Curricular 2019, p.60			
102-27	Collective knowledge of highest governance body	Governance, Proxy Curricular 2019, p.69-70			

102-28 Evaluating the highest governance body's performance	Governance, Proxy Curricular 2019, p.65-69			
102-29 Identifying and managing economic, environmental, and social impacts	Governance, Proxy Curricular 2019, p.71-72			
102-30 Effectiveness of risk management processes	Governance, Proxy Curricular 2019, p.71-72			
102-31 Review of economic, environmental, and social topics	Governance, Proxy Curricular 2019, p.59, 71-72			
102-32 Highest governance body's role in sustainability reporting	Governance, Proxy Curricular 2019, p.62-63			
102-33 Communicating critical concerns	Governance, Proxy Curricular 2019, p.58			
102-34 Nature and total number of critical concerns	Social Compliance: Tracking & Monitoring, p.70 Environmental Audits, p.100 Appendices, p. 120-121			
102-35 Remuneration policies	Proxy Circular 2019, p. 26-56			
102-36 Process for determining remuneration	Proxy Circular 2019, p. 26-56			
102-37 Stakeholders involvement in remuneration	Proxy Circular, 2019, p.14			
102-38 Annual total compensation ratio		This ratio is not disclosed.	Confidentiality Constraints	The information is subject to specific confidentiality constraints.
102-39 Percentage increase in annual total compensation ratio		This ratio is not disclosed.	Confidentiality Constraints	The information is subject to specific confidentiality constraints.
Stakeholder Engagement				
102-40 List of stakeholder groups	Stakeholders & Partners, p.29 Reporting Methodology & Assurance, p.113 Appendix: Stakeholder Engagement, p. 116			
102-41 Collective bargaining agreements	Freedom of Association, p.65			
102-42 Identifying and selecting stakeholders	Stakeholders & Partners, p.29 Reporting Methodology & Assurance, p.113			
102-43 Approach to stakeholder engagement	Stakeholders & Partners, p.29 Appendix: Stakeholder Engagement, p. 116			
102-44 Key topics and concerns raised	Appendix: Stakeholder Engagement, p.116			
Reporting Practice				
102-45 Entities included in the consolidated financial statements	Reporting Methodology & Assurance, p.114 2019 Report to Shareholders p.60-63			
102-46 Defining report content and topic Boundaries	Genuine Responsibility Strategy, p.26 Reporting Methodology & Assurance, p.114			
102-47 List of material topics	Genuine Responsibility Summary, p.27			
102-48 Restatements of information	Reporting Methodology & Assurance, p.114			
102-49 Changes in reporting	Reporting Methodology & Assurance, p.114			
102-50 Reporting period	Reporting Methodology & Assurance, p.114			
102-51 Date of most recent report	Reporting Methodology & Assurance, p.114			
102-52 Reporting cycle	Reporting Methodology & Assurance, p.114			
102-53 Contact point for questions regarding the report	Reporting Methodology & Assurance, p.114			
102-54 Claims of reporting in accordance with the GRI Standards	Reporting Methodology & Assurance, p.114			
102-55 GRI content index	GRI Standards Content Index, p.123			
102-56 External assurance	Reporting Methodology & Assurance, p.114			

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission Part	Omitted Reason	Explanation
GRI 201: Economic Performance 2016	103-1 Explanation of the material topic and its Boundary	About Gildan, p.7			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	2019 Highlights, p.14			
	103-3 Evaluation of the management approach	2019 Highlights, p.14			
	201-1 Direct economic value generated and distributed	2019 Report to Shareholders p.11, 94-98			
	201-2 Financial implications and other risks and opportunities due to climate change	2019 Report to Shareholders p.38			
	201-3 Defined benefit plan obligations and other retirement plans	2019 Report to Shareholders p.71, 84, 98			
	201-4 Financial assistance received from government	2019 Report to Shareholders p.98			
GRI 202: Market Presence 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27			
		Fair Living Wages, p.64			
		Local Talent, p.103			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Goals and Targets, p.31			
		Fair Living Wages, p.62			
		Local Talent, p.103			
	103-3 Evaluation of the management approach	Goals and Targets, p.31			
		Appendix: People, p. 121			
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Appendix: People, p. 119	This indicator is partially reported	Confidentiality constraints	The information is subject to specific confidentiality constraints.
		Fair Living Wages, p.63			
	202-2 Proportion of senior management hired from the local community	Local Talent, p.103			
GRI 203: Indirect Economic Impacts 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27			
		Economic Impact, p.101			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27			
		Goals and Targets, p.31			
		Economic Impact, p.101			
103-3 Evaluation of the management approach	Goals and Targets, p.31				
	203-1 Infrastructure investments and services supported	Economic Impact, p.101			
	203-2 Significant indirect economic impacts	Economic Impact, p.101			
GRI 204 : Procurement Practices 2016	103-1 Explanation of the material topic and its Boundary	Genuine Responsibility Summary, p.27			
		SDG 8, p.28			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27			
	103-3 Evaluation of the management approach	Local Suppliers, p.103			
	204-1 Proportion of spending on local suppliers	Local Suppliers, p.103			
GRI 205: Anti-corruption 2016	103-1 Explanation of the material topic and its Boundary				
		Code of Ethics p.12-13			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Code of Ethics p.17			
	Anti-Corruption Policy & Compliance Program, p.22				
	Ethics and Compliance Hotline, p.23				

		Code of Ethics p.12-13			
	103-3 Evaluation of the management approach	Anti-Corruption Policy & Compliance Program, p.22 Risk Management, p.24			
	205-1 Operations assessed for risks related to corruption	Anti-Corruption Policy & Compliance Program, p.22			
	205- 2 Communication and training about anti-corruption policies and procedures	Anti-Corruption Policy & Compliance Program, p.22			
	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption Policy & Compliance Program, p.22			
GRI 206: Anti-competitive Behavior 2016	103-1 Explanation of the material topic and its Boundary	Code of Ethics, p.21-22			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Code of Ethics, p.17 Code of Ethics, p.21-22			
		Ethics and Compliance Hotline, p.23			
	103-3 Evaluation of the management approach	Risk Management, p.24			
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Other matters, p.25			
GRI 300 Environmental Standard Series - Material Topics					
GRI 301: Materials 2016	103-1 Explanation of the material topic and its Boundary				
		Cotton, p.95 Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Cotton, p.95			
	103-3 Evaluation of the management approach	Cotton, p.95			
	301-1 Materials used by weight or volume	Cotton, p.95	This indicator is partially reported	Confidentiality constraints	The information is subject to specific confidentiality constraints.
	301-2 Recycled input materials used	Waste Management, p.91			
	301-3 Reclaimed products and their packaging materials	Waste Management, p.91			
GRI 302: Energy 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27 Energy Use, p.80 Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27 Goals and Targets, p.32 Energy Use, p.80 Renewable Energy, p.84 Energy Efficiency, p.84 Energy Efficiency Innovations, p.85			
	103-3 Evaluation of the management approach	Goals and Targets, p.32 Energy Use, p.80 Appendix: Environment, p.122			
	302-1 Energy consumption within the organization	Energy Use, p.81 Appendix: Environment, p.122			
	302-2 Energy consumption outside of the organization	Energy Use, p.81			
	302-3 Energy intensity	Energy Use, p.81			
	302-4 Reduction of energy consumption	Energy Use, p.81			

Operational Water and Wastewater Management						
GRI 303: Water 2016	103-1 Explanation of the material topic and its Boundary	Genuine Responsibility Summary, p.27				
		Water Management, p.87				
		Reporting Methodology & Assurance, p.114				
	103-2 The management approach and its components	Program Governance, p.20,27				
		Goals and Targets, p.32				
		Water Management, p.88				
	103-3 Evaluation of the management approach	Environmental Policy and Management Systems, p.98				
		Goals and Targets, p.32				
		Water Consumption, p.88				
	303-1 Water withdrawal by source	Environmental Policy and Management Systems, p.98				
		Water Consumption, p.88				
		Water Consumption, p.88				
	303-2 Water sources significantly affected by withdrawal of water	Water Consumption, p.88				
Water Consumption, p.88						
Water Consumption, p.88						
303-3 Water recycled and reused	Wastewater Management, p.89					
GRI 306: Effluents & Waste 2016	103-1 Explanation of the material topic and its Boundary	Genuine Responsibility Summary, p.27				
		Wastewater Management, p.89				
		Waste Management, p.91				
	103-2 The management approach and its components	Reporting Methodology & Assurance, p.114				
		Program Governance, p.20,27				
		Goals and Targets, p.32				
	103-3 Evaluation of the management approach	Wastewater Management, p.89				
		Waste Management, p.91				
		Environmental Policy and Management Systems, p.98				
	306-1 Water discharge by quality and destination	Goals and Targets, p.32				
		Wastewater Management, p.89				
		Appendix: Environment, p.122				
	306-2 Waste by type and disposal method	Wastewater Management, p.89				
Waste Management, p.91		This indicator is partially reported	Not applicable	This indicator is partially reported as it was not identified as material. Only Wastewater Discharge was identified as material.		
Appendix: Environment, p.122						
306-3 Significant spills		This indicator is not reported	Not applicable	This indicator is not reported as it was not identified as material. Only wastewater discharge was identified as material.		
306-4 Transport of hazardous waste		This indicator is not reported	Not applicable	This indicator is not reported as it was not identified as material. Only Wastewater Discharge was identified as material.		

	306-5 Water bodies affected by water discharges and/or runoff	Gildan does not discharge water in any protected area and does not significantly affect water bodies and its habitat through its water discharges.				
GRI 304: Biodiversity 2016	103-1 Explanation of the material topic and its Boundary	Genuine Responsibility Summary, p.27				
	103-2 The management approach and its components	Biodiversity, p.90 Environmental Policy and Management Systems, p.98				
	103-3 Evaluation of the management approach	Biodiversity, p.90 Environmental Policy and Management Systems, p.98				
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		This indicator is not reported	Not applicable	Not material	
	304-2 Significant impacts of activities, products, and services on biodiversity		This indicator is not reported	Not applicable	Not material	
	304-3 Habitats protected or restored	Environment, p.110	This indicator is partially reported	Not applicable	Not material	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity, p.90	This indicator is partially reported	Not applicable	Not material	
GRI 305: Emissions 2016	103-1 Explanation of the material topic and its Boundary	Genuine Responsibility Summary, p.27 Air Emissions, p.82 Reporting Methodology & Assurance, p.114				
	103-2 The management approach and its components	Program Governance, p.20,27 Goals and Targets, p.32 Air Emissions, p.82 Environmental Policy and Management Systems, p.98				
	103-3 Evaluation of the management approach	Goals and Targets, p.32 Air Emissions, p.82 Environmental Policy and Management Systems, p.98				
	Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions, p.82				
	Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions, p.82				
	Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions, p.82	The indicator is partially reported	Information unavailable	Gildan expanded the Scope 3 data in 2019 to include business travel, employee commuting, and some of our distribution and logistics operations.	
	GHG emissions intensity	Greenhouse Gas Emissions, p.82				
	Reduction of GHG emissions	Greenhouse Gas Emissions, p.82				
	Emissions of ozone-depleting substances (ODS)	Ozone Depleting Substances, p.83				
	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Inorganic Air Emissions, p.83				
	GRI 307: Environmental Compliance 2016	103-1 Explanation of the material topic and its Boundary	Genuine Responsibility Summary, p.27 Environmental Policy and Management Systems, p.98 Reporting Methodology & Assurance, p.114 2019 Annual Information Form, p.19			
		103-2 The management approach and its components	Program Governance, p.20,27 Goals and Targets, p.32 Environmental Policy and Management Systems, p.98			
		103-3 Evaluation of the management approach	Goals and Targets, p.32 Environmental Policy and Management Systems, p.98 Appendix: Environment, p.122			

	307-1 Non-compliance with environmental laws and regulations	Environmental Expenditures and Fines, p.99 Appendix: Environment, p.122			
GRI 308: Supplier Environmental Assessment 2016	103-1 Explanation of the material topic and its Boundary	Audits, p.100			
	103-2 The management approach and its components	Social Compliance: Tracking & Monitoring, p.68 Audits, p.100			
	103-3 Evaluation of the management approach	Audits, p.70 Audits, p.100			
		Appendix: People, p. 121			
	308-1 New suppliers that were screened using environmental criteria	Responsible Sourcing, p.72			
	308-2 Negative environmental impacts in the supply chain and actions taken	Audits, p.70 Audit Findings, p.100 Appendix: People, p.121			
GRI 400 Social Standards Series - Material Topics					
GRI 401: Employment 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27 Our Workforce, p.45 Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27 Our Workforce, p.45			
	103-3 Evaluation of the management approach	Appendix: People, p.117-118			
	401-1 New employee hires and employee turnover	Appendix: People, p.118			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Wages & Benefits, p.62			
	401-3 Parental leave		This indicator is not reported	Confidentiality Constraints	Parental leave details per locations is not disclosed publicly.
Manufacturing and Distribution Employees Health and Safety					
GRI 403: Occupational Health and Safety 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27 Our Workplace, p.36 Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27 Goals and Targets, p.31 Health and Safety, p.36 Health and Wellness, p.41			
	103-3 Evaluation of the management approach	Goals and Targets, p.31 Health and Safety Performance, p.37 Health and Safety Metrics, p.37 Global Work Related Incidents ten-year trends, p.38 Social Compliance: Tracking & Monitoring, p.68 Internal Audit Findings at Company-owned facilities, p. 71 and p. 73 Appendix: People, p.120-121			
	403-1 Occupational health and safety management	Health and Safety, p.36 Global Health and Safety Policy	Has been updated		
	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety, p.36 Ergonomics, p.42			

		Grievance mechanisms, p.59			
		Social Compliance: Tracking & Monitoring, p.68			
		Global Health and Safety Policy			
	403-3 Occupational health services	Ergonomics, p.42			
		Healthcare in manufacturing facilities, p.42			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Local Health and Safety Committees, p.40			
	403-5 Worker training on occupational health and safety	Health and Safety Training, p.40			
		Ergonomics, p.42			
	403-6 Promotion of worker health	Healthy Lifestyles, p.43			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Global Health and Safety Policy	Has been updated		
		Responsible Sourcing, p.72			
	403-8 Workers covered by an occupational health and safety management system	Global Health and Safety Policy	Has been updated		
	403-9 Work-related injuries	Health and Safety Performance, p.37	This indicator is partially reported	Confidentiality Constraints	The complete Health & Safety data is not publicly disclosed.
		Health and Safety Metrics, p.38			
		Global Work Related Incidents ten-year trends, p.38			
	403-10 Work-related ill health	Appendix: People, p. 120	This indicator is partially reported	Confidentiality Constraints	The complete Health & Safety data is not publicly disclosed.
GRI 404: Training and Education 2016	103-1 Explanation of the material topic and its Boundary				
		Training and Development Programs, p.51			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27			
		Training and Development Programs, p.51			
	103-3 Evaluation of the management approach	Performance Management, p.56			
	404-1 Average hours of training per year per employee	Training and Development Programs, p.51	This indicator is partially reported	Information unavailable	The information related to the number of hours of training by gender and employee category are not available in every location.
		Appendix: People, p. 120			
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Development Programs, p.51			
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance Management, p.56			
GRI 405: Diversity and Equal Opportunity 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27			
		Diversity and Inclusion, p.46			
		Diversity and Inclusion Policy			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27			
		Goals and Targets, p.31			
		Diversity and Inclusion, p.46			
		Diversity and Inclusion Policy			

	103-3 Evaluation of the management approach	Goals and Targets, p.31 Diversity and Inclusion, p.46 Diversity and Inclusion Policy Appendix: People, p.118-119			
	405-1 Diversity of governance bodies and employees	Diversity and Inclusion, p.48 Appendix: People, p.118			
	405-2 Ratio of basic salary and remuneration of women to men	Appendix: People, p. 119			
Human and Labour Rights					
GRI 402: Labour Management/ Relations 2016	103-1 Explanation of the material topic and its Boundary	Caring for our People, p.34 Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Our Workplace, p.36 Goals and Targets, p.31 Human and Labour Rights, p.66 Grievance Mechanisms, p.59			
	103-3 Evaluation of the management approach	Goals and Targets, p.31 Grievance Mechanisms, p.61 Social Compliance: Tracking and Monitoring, p.68			
	402-1 Minimum notice periods regarding operational changes		This indicator is not reported	Confidentiality constraints	This internal policy is not publicly disclosed
GRI 406: Non-Discrimination 2016	103-1 Explanation of the material topic and its Boundary	Genuine Responsibility Summary, p.27 Reporting Methodology & Assurance, p.113			
	103-2 The management approach and its components	Program Governance, p.20,27 Goals and Targets, p.31 Human and Labour Rights, p.66			
	103-3 Evaluation of the management approach	Goals and Targets, p.31 Social Compliance: Tracking and Monitoring, p.68 Appendix: People, p.118-119			
	406-1 Incidents of discrimination and corrective action taken	Internal Audit Findings at Company-Owned Facilities, p.71 Appendix: People, p. 120			
GRI 407: Freedom of Association and Collective Bargaining 2016	103-1 Explanation of the material topic and its Boundary	Genuine Responsibility Summary, p.27 Freedom of Association, p.66 Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27 Goals and Targets, p.31 Freedom of Association, p.66			
	103-3 Evaluation of the management approach	Goals and Targets, p.31 Freedom of Association, p.66 Social Compliance: Tracking and Monitoring, p.68 Appendix: People, p.121			
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Goals and Targets, p.31 Appendix: People, p. 121			

GRI 408: Child Labor 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27 Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27 Goals and Targets, p.31 Grievance Mechanisms, p.59 Human and Labour Rights, p.66 Preventing & Remediating Adverse Human Rights Impacts, p.67 2019 Statement on Modern Slavery and Human Trafficking			
		103-3 Evaluation of the management approach	Goals and Targets, p.31 Social Compliance: Tracking and Monitoring, p.68 2019 Statement on Modern Slavery and Human Trafficking Appendix: People, p. 120-121		
408-1 Operations and suppliers at significant risk for incidents of child labor	Appendix: People, p. 73 2019 Statement on Modern Slavery and Human Trafficking				
GRI 409: Forced or Compulsory Labour 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27 Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27 Goals and Targets, p.31 Grievance Mechanisms, p.61 Human and Labour Rights, p.66 Preventing & Remediating Adverse Human Rights Impacts p.69 2019 Statement on Modern Slavery and Human Trafficking			
		103-3 Evaluation of the management approach	Goals and Targets, p.31 Social Compliance: Tracking and Monitoring, p.68 Appendix: People, p. 72 2019 Statement on Modern Slavery and Human Trafficking		
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Appendix: People, p.120-121 2019 Statement on Modern Slavery and Human Trafficking				
GRI 410: Security Practices	103-1 Explanation of the material topic and its Boundary		This indicator is not reported	Not applicable	Not material
	103-2 The management approach and its components		This indicator is not reported	Not applicable	Not material
	103-3 Evaluation of the management approach		This indicator is not reported	Not applicable	Not material
	410-1 Security personnel trained in human rights policies or procedures		This indicator is not reported	Not applicable	Not material
GRI 411: Rights of Indigenous Peoples	103-1 Explanation of the material topic and its Boundary	Risk management, p.24			
	103-2 The management approach and its components		This indicator is not reported	Not applicable	Not material
	103-3 Evaluation of the management approach		This indicator is not reported	Not applicable	Not material
	411-1 Incidents of violations involving rights of indigenous peoples		This indicator is not reported	Not applicable	Not material
GRI 412: Human Rights Assessment 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27 Reporting Methodology & Assurance, p.113			

	103-2 The management approach and its components	Program Governance, p.20,27			
		Goals and Targets, p.31			
		Grievance Mechanisms, p.59			
		Human and Labour Rights, p.66			
		Preventing and Remediating Adverse Human Rights Impacts, p.67			
		2019 Statement on Modern Slavery and Human Trafficking			
	103-3 Evaluation of the management approach	Goals and Targets, p.31			
		Social Compliance: Tracking and Monitoring, p.68			
		2019 Statement on Modern Slavery and Human Trafficking			
	412-1 Operations that have been subject to human rights reviews or impact assessments	Social Compliance: Tracking and Monitoring, p.68			
	412-2 Employee training on human rights policies or procedures	Training and Development Programs, p.51			
		Appendix: People, p. 120			
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Responsible Sourcing, p.72			
GRI 413: Local Communities 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27			
		Creating Stronger Communities, p.100			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Program Governance, p.20,27			
		Goals and Targets, p.33			
		Creating Stronger Communities, p.100			
	103-3 Evaluation of the management approach	Goals and Targets, p.33			
	413-1 Operations with local community engagement, impact assessments, and development programs	Economic Impact, p.101			
		Community Engagement, p.104			
	413-2 Operations with significant actual and potential negative impacts on local communities	Risk management, p.24			
GRI 414: Supplier Social Assessment 2016	103-1 Explanation of the material topic and its Boundary	Social Compliance: Tracking and Monitoring, p.68			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Social Compliance: Tracking and Monitoring, p.68			
	103-3 Evaluation of the management approach	Internal Audit Findings at Contractor Facilities, p.73			
		Appendix: People, p.121			
	414-1 New suppliers that were screened using social criteria	Responsible Sourcing, p.72			
	414-2 Negative social impacts in the supply chain and actions taken	Internal Audit Findings at Contractor Facilities, p. 73	This indicator is not reported	Not applicable	Not material
		Appendix: People, p. 121	This indicator is not reported	Not applicable	Not material
GRI 415: Public Policy 2016	103-1 Explanation of the material topic and its Boundary	Code of Ethics p.17	This indicator is not reported	Not applicable	Not material
	103-2 The management approach and its components	Code of Ethics p.17	This indicator is not reported	Not applicable	Not material
		Ethics and Compliance Hotline, p.23			
	103-3 Evaluation of the management approach	Code of Ethics p.17			
		Risk management, p.24			
	415-1 Political contributions	Code of Ethics, p.28-29			

GRI 416: Customer Health and Safety 2016	103-1 Explanation of the material topic and its Boundary				
		Product Safety and Quality, p.8			
		Reporting Methodology & Assurance, p.114			
	103-2 The management approach and its components	Product Safety and Quality, p.8			
		Safe Chemistry, p.93			
	103-3 Evaluation of the management approach	Product Safety and Quality, p.8			
		Safe Chemistry, p.93			
	416-1 Assessment of the health and safety impacts of product and service categories	Product Safety and Quality, p.8			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Non-compliance incidents related to products, p.8	This indicator is not reported	Confidentiality Constraints	GEN: To be reviewed with Maria R.
GRI 417: Marketing and Labeling 2016	103-1 Explanation of the material topic and its Boundary		This indicator is not reported	Not applicable	Not material
	103-2 The management approach and its components		This indicator is not reported	Not applicable	Not material
	103-3 Evaluation of the management approach		This indicator is not reported	Not applicable	Not material
	417-1 Requirements for product and service information and labeling		This indicator is not reported	Not applicable	Not material
	417-2 Incidents of non-compliance concerning product and service information and labeling		This indicator is not reported	Not applicable	Not material
	417-3 Incidents of non-compliance concerning marketing communications		This indicator is not reported	Not applicable	Not material
GRI 418: Customer Privacy 2016	103-1 Explanation of the material topic and its Boundary				
		Reporting Methodology & Assurance, p.113			
	103-2 The management approach and its components	Data Protection, p.25			
	103-3 Evaluation of the management approach	Data Protection, p.25			
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Other matters, p.25			
GRI 419: Socio-economic Compliance 2016	103-1 Explanation of the material topic and its Boundary				
		Genuine Responsibility Summary, p.27			
		Reporting Methodology & Assurance, p.113			
	103-2 The management approach and its components	Program Governance, p.20,27			
	103-3 Evaluation of the management approach	Social Compliance: Tracking and Monitoring, p.68			
		Appendix: People, p.120-121			
	419-1 Non-compliance with laws and regulations in the social and economic area	Risk management, p.24			

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