



MAKING
APPAREL
BETTER™

2018

Genuine Responsibility™

GILDAN®

ANVIL®

COMFORT COLORS®

ALSTYLE®
APPAREL & ACTIVEWEAR

American Apparel®



7

**BILLION
SHIRTS SOLD**
TO DATE

We strongly believe that operating responsibly, treating our employees with respect and dignity, providing safe and ethical work environments and continuously pursuing ways to reduce our impacts is critical to our success and future growth.

ANNUAL SALES OF

\$2.6
BILLION

IN 2016

GILDAN
PRODUCTS ARE

SOLD IN OVER

55

COUNTRIES

Our direct control over almost every phase of the manufacturing process allows us to uncover positive environmental and social impacts that many brands cannot even see. We also leverage the accumulated expertise from our own manufacturing operations to positively influence the small percentage of our products that are contract manufactured with other parties.

Our Genuine Responsibility™ programme, developed over the last decade, now leads the way in corporate, social and environmental responsibility practices across four key pillars:

PEOPLE
ENVIRONMENT
COMMUNITY
PRODUCT

This robust and transparent programme provides the framework for all of the company's activities and is built into our overall corporate strategy.

SUSTAINABILITY IS WOVEN INTO EVERYTHING WE DO

Over the last 30 years, Gildan has evolved into a very different apparel company, with close to 90% of our revenues being generated from products manufactured in our company-owned and operated factories. Our products are basic, including t-shirts, fleece, sport shirts, socks and underwear, but nothing about our business is simple. We have invested more than U.S. \$1B since 2012 in new technology, innovation and sustainable solutions. We are proud of what we have accomplished but challenge ourselves every day to find new ways to improve and simply

Make Apparel Better.™

Controlling our own operations allows us to be a positive contributor everywhere we operate and the freedom to act as the corporate citizen we aspire to be.

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PEOPLE

OUR FULLY EQUIPPED
MEDICAL CLINICS PROVIDED
MORE THAN

144,000

**INSTANCES OF FREE
MEDICAL CARE**

IN 2016

KEEPING OUR EMPLOYEES HEALTHY

For our 48,000 employees around the world, we strive to offer safe, healthy and ethical work environments and opportunities to grow and develop with Gildan. In our manufacturing facilities, we have free onsite medical clinics, staffed with doctors and nurses who provide pre and postnatal care, vaccinations, preventative screenings and health education on topics such as the Zika virus, HIV awareness and heart health. As part of their overall benefits, employees are provided free health care and medications, subsidized meals and close to 20,000 employees are provided with free transportation every day.

INVESTING IN OUR COMMUNITIES

We believe that our future success relies on building strong communities where we operate. Our investments in health care, education and community engagement

PLE

214
**INTERNAL & EXTERNAL
SOCIAL AUDITS**
WERE PERFORMED IN 2016
AT OUR OWNED AND
THIRD-PARTY CONTRACTOR
FACILITIES

GILDAN PROVIDED CLOSE TO
800,000
**MAN-HOURS
OF TRAINING**
IN 2016

programmes help create stronger and more sustainable communities where our employees live.

Our programmes deliver education and training for our employees, their families and the community, providing high school equivalence and technical skills training as well as university scholarships.

We were a founding member of the IPC in Honduras, a school where technical skills are taught to members of the community. Since 2005 we have invested more than \$1.9 million dollars supporting the technical development and skills of students.

close to 800,000 man-hours of training to our employees on subjects including Women's Empowerment, Health and Safety, Gildan's Code of Conduct, technical development programmes and many more.

Gildan's Code of Conduct is strictly adhered to everywhere our products are manufactured and encompasses the code elements of the Fair Labor Association (FLA), the International Labour Organization (ILO) and local and international laws. In 2016 our facilities and those of subcontractors underwent 214 audits conducted by internal and external auditors.

EMPOWERING OUR PEOPLE

Gildan is committed to empowering its people through training and development programmes. In 2016 alone, we delivered

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ENVIRO

10%

**REDUCTION
IN ENERGY
INTENSITY**

SINCE 2015

5%

**REDUCTION
IN WATER
INTENSITY**

SINCE 2015

RESPECTING THE PLANET AND ITS RESOURCES

As one of the world's largest manufacturers of apparel and socks, we have become experts at looking at the big picture while scrutinizing the smallest details in every step.

One of the ways we have reduced our footprint is through our energy conservation and renewable energy generation efforts. Since 2015 we have reduced the energy required to produce one kg of production by more than 10%, mainly through the introduction of high efficiency steam absorption chillers that harness energy from our steam generation systems to create air conditioning for our facilities.

In 2016 the company leveraged investments in renewable energy generation to reduce our GHG emissions by 155,000 metric tons, principally as a result of our

high-efficiency BioMass steam generation systems that burn agricultural and factory waste to generate steam for our textile facilities.

PROTECTING WATER

Water is a very important resource so our teams of engineers are continuously finding ways to reuse, recycle and reduce the water intensity of our operations. In 2016 we reduced that intensity by 5%, above and beyond the savings we had achieved in the previous 5 year target cycle.

Gildan's innovative BioTop wastewater treatment lagoons use bacteria, sunlight and gravity to virtually eliminate the dyes and chemicals from our effluent, allowing local farmers to use the resulting water safely for irrigation.

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ENVIRONMENT

WE AVOIDED PUTTING

155,000

METRIC TONS OF
GHG INTO THE
ENVIRONMENT
THROUGH THE USE
OF OUR RENEWABLE
ENERGY

IN 2016



One important tip for concerned consumers is that more than 60% of a t-shirt's total life cycle water use occurs in the consumer use phase. We recommend to our customers that they wash in cold water and hang dry, but especially only when required. You too can make a difference!

OVER THE 2010 - 2015 PERIODS, WE REDUCED OUR USAGE OF WATER PER KG OF PRODUCTION BY 17%, WHICH TRANSLATES INTO SAVINGS OF APPROXIMATELY 3.85 MILLION CUBIC METRES OF WATER.



DONATED U.S.

\$3.5
MILLION

TO COMMUNITY PROJECTS
IN HONDURAS (2013-2016)

CREATING BETTER FUTURES

With manufacturing operations in the United States, Canada, Honduras, Nicaragua, Dominican Republic, Mexico and Bangladesh, we are a major employer in most of the regions in which we operate. Having this presence comes with both a responsibility to be an exemplary corporate citizen and an opportunity to have a positive impact in the communities where we operate.

We work closely with community organisations and local governments to determine precisely where the needs are greatest and work collaboratively with them to provide the resources, support and financial assistance to make a real difference.

IN 2015, GILDAN COMMITTED TO DONATING THE ENTIRE GRANT RECEIVED FROM THE GOVERNMENT OF HONDURAS IN CONNECTION WITH OUR PARTICIPATION IN AN EMPLOYMENT PROGRAMME CALLED "CON CHAMBA VIVÍS MEJOR" (WE LIVE

UNITY

TO DATE
MORE THAN

1,000

**EMPLOYEES PARTICIPATED IN
THE WOMEN'S EMPOWERMENT PROGRAMME,**
OFFERING OVER 70 HOURS OF TRAINING
ABOUT FINANCE, COMMUNICATIONS
AND HEALTH

THE GILDAN GLOW RUN
CONTRIBUTED OVER

\$270,000

TO COMMUNITY PROJECTS
IN LATIN AMERICA SINCE 2013

*BETTER WITH JOBS). AS PART OF GILDAN'S
COMMUNITY INVESTMENT PROGRAMME,
MORE THAN U.S. \$3.5 MILLION IS BEING
ALLOCATED OVER A THREE-YEAR PERIOD
TO SPECIAL COMMUNITY PROJECTS IN
HONDURAS, AIMED AT IMPROVING
EDUCATION, HEALTH CARE SERVICES
AND LIVING CONDITIONS IN THE
NORTHERN REGION.*

One of the main areas we focus
our community engagement on is
education, with the goal of helping
people acquire the training and skills
necessary to contribute to the future
of their communities.

*GILDAN WAS INVOLVED IN SEVERAL
SCHOOL RENOVATION PROJECTS TO
IMPROVE THE CONDITIONS FOR SCHOOL-
AGED CHILDREN IN LATIN AMERICA AND
BANGLADESH. SINCE 2006, GILDAN HAS
PROVIDED OVER 1,000 SCHOLARSHIPS
FOR EMPLOYEES AND COMMUNITY
MEMBERS TO ATTEND PROFESSIONAL
AND VOCATIONAL SCHOOLS.*

We also match funds raised by our
employees through events such as
the Gildan Glow Run, which benefit
various selected causes. In 2016 alone,
the Gildan Glow Run raised \$106,900
through the participation of over 13,000
people in Honduras, the Dominican
Republic and Nicaragua.

THINK GLOBAL, MANAGE LOCAL

Another way that we support our
communities is by hiring local talent
to staff our management positions and
create management development
opportunities for our current employees.
We also strive to have a positive economic
impact by using local suppliers for
transportation, food services and raw
materials and accessories for our
production facilities such as dyes, buttons,
zippers, boxes and office supplies.

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PROD

PRODUCTS FOR PEACE OF MIND

Our vertically integrated operating model allows us to understand all impacts across the full life cycle of our products. We take a holistic perspective to ensure that every stage in producing our products is consistent with our values of sustainable production.

From the beginning, we predominantly choose U.S. cotton, which is among the most sustainably grown and ethically harvested cotton crops in the world. As one of the largest domestic consumers of U.S. cotton, Gildan is creating positive economic impacts for thousands of proud American farmers and their families.



The Company's Global Quality System, mirroring ISO 9001 methodologies, ensures that we adopt a proactive approach to ensuring our products meet some of the industry's highest standards at all stages of the process.

AWARDS & CERTIFICATIONS

Dow Jones Sustainability World Index

In early September 2017, we were very pleased to be ranked onto the Dow Jones Sustainability World Index for the 5th consecutive year and the North American Index for the second consecutive year. Gildan is once again the ONLY North American company in our category to be included in the DJSI World Index. The DJSI is recognised as one of the most widely recognised sustainability rankings, which evaluates companies on their economic, environmental and social performance who are more likely to create a competitive advantage and long-term stakeholder value.



Distintivo Award

In Latin America, we have also garnered a Distintivo Award this year, presented by the Mexican Center for Philanthropy (Cemefi) and the Alliance for Corporate Social Responsibility (Aliarse) to companies in Latin America that are considered leaders in their corporate social responsibility (CSR) efforts.

Oeko-Tex® Standard

The Oeko-Tex® Standard 100 Certification is an internationally recognised standard that assures our garments are free from harmful substances. All of the Gildan® and ANVIL® branded apparel we produce carries the Oeko-Tex® Standard 100 accreditation.



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PRODUCT

PARTNERSHIPS & MEMBERSHIPS

Sustainable Apparel Coalition – Member since 2013

With the creation of an apparel and footwear index, the SAC aims at reducing redundancy in measuring sustainability in the apparel and footwear industries, driving business value through risk reduction and creating a common method used by organisations to communicate sustainability to stakeholders.



Worldwide Responsible Accredited Production (WRAP) – 10 certified Gildan sewing facilities

WRAP is an independent, non-profit organisation dedicated to the promotion and certification of lawful, humane and ethical manufacturing throughout the world. WRAP promotes 12 principles that ensure that core labour concepts are understood and practised on the shop floor and by management. WRAP relies upon independent, third-party monitors to certify that factories are in compliance with WRAP's set of principles.



Fair Labor Association (FLA) – Participating member since 2003

The FLA is a Washington, D.C.-based non-profit organisation whose goal is to promote adherence to international labour standards and improve working conditions worldwide. It represents a multi-stakeholder coalition of companies, universities and non-governmental organisations, committed to a rigorous programme of code of conduct implementation, monitoring and remediation in order to bring manufacturing sites into compliance with FLA standards. Gildan was the first vertically integrated basic activewear apparel manufacturer to have its social compliance programme accredited by the FLA.



Cotton LEADS™ Programme

Cotton LEADS™ is a programme that is committed to responsibly produced cotton. Built upon core principles that are consistent with sustainability, the use of best practices and traceability in the supply chain, Cotton LEADS™ offers cotton users the confidence and knowledge that their raw material is responsibly produced and identified. Cotton LEADS™ is a programme founded by an alliance of industry organisations in Australia and the United States of America.



Better Work – Participating member in Haiti since 2009 and Nicaragua since 2013

Gildan has been participating in the International Labour Organization's Better Work Programme through its third-party contractors in Haiti. This programme is a unique partnership programme developed by the International Labour Organization (ILO) and the International Finance Corporation (IFC). The programme aims to improve compliance with labour standards and competitiveness in global supply chains. It is offered in specific countries, where the ILO and IFC work together to mobilize necessary resources for projects specific to each country.



Carbon Disclosure Project (CDP) – Participating since 2008

The CDP works with organisations worldwide to drive transparency and effectiveness of reporting processes with regard to international disclosures of corporate greenhouse gas emissions and climate change strategies.



Supplier Ethical Data Exchange (SEDEX)

Gildan is a member of Sedex, the Supplier Ethical Data Exchange, which provides member companies with a secure web-based platform for storing and sharing information on four key pillars: Health and Safety, Labour Standards, Business Ethics and the Environment. Sedex is not a standard setting body and doesn't approve or certify our policies and standards. Instead, becoming a member of Sedex is a sign of Gildan's willingness to share information and to use this information to help manage and improve ethical standards within its supply chain.





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