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BASIS OF REPORTING

1. INTRODUCTION

This document provides information about the definitions and underlying processes applied for the collection and reporting of selected Environmental, Social, and Governance (ESG) key performance indicators (KPIs) subject to limited assurance as disclosed in Gildan’s 2023 ESG Report and the Gildan 2023 ESG Performance document.

Please see [Gildan’s 2023 ESG Report](#) for KPMG LLP’s Independent Practitioners’ Limited Assurance Report. The associated [2023 ESG Data Tables](#) contain further details related to the KPIs. This document should be read in conjunction with our [2023 ESG Report](#) and our [2023 ESG Data Tables](#).

SCOPE AND BOUNDARIES OF ESG KPIS

Information provided in this document pertains to Gildan-operated sites in North America, Central America, the Caribbean, and Bangladesh.¹ Information about our third-party finished product contractors² and raw material suppliers has also been included when it is material and available. Unless our new facility in Bangladesh – SDS International – is explicitly referenced, the metrics assured do not include data associated with its construction. Any specific inclusions, exclusions, or restatements regarding the scope and/or boundary for each KPI are described in further detail under Section 3 Evaluation Criteria.

All material operating sites are included in the scope of our reporting. Certain administrative offices do not report on environmental (e.g., energy, greenhouse gas (GHG) emissions, water) or health and safety data given the immateriality of their contribution to the relevant KPIs. We also exclude data and information from our investment and holding companies from our reporting. Data exclusions or additions are noted throughout the report.

REPORTING PERIOD

Gildan’s 2023 ESG Report contains data on performance and activities for the reporting year from January 1st to December 31st, 2023, as well as significant achievements that occurred in 2024 prior to the publication of our 2023 ESG report.

2023 OPERATIONAL UPDATE

In 2023, we added our distribution centre in Australia to our reporting. In addition, we increased the capacity of our textile facility in Bangladesh, GAB Limited, which, as a result, increased our consumption of some resources. We also announced and completed the closure of our San Miguel sewing facility in Choloma, Honduras, and our Salisbury 1, North Carolina, USA, yarn-spinning operations. We also completed the closure of our Cedartown, North Carolina, United States, yarn-spinning operation, initially announced in 2022. We report data on performance and activities from these sites up to their closure dates, consistent with our policies.

DATA PROCESSES AND CONTROLS

Metrics described in our 2023 ESG Report and 2023 ESG Data Tables are applicable to the sector in which we operate and are primarily based on the Global Reporting Initiative (GRI) Universal Standards. Metric-specific guidance is referenced, where appropriate, in Section 3.

REPORTING OF ESG KPIS

All ESG metrics in the report represent the latest available data at the time of reporting, unless referenced otherwise. Some totals may reflect rounding up or down of subtotals. We may change our approach on how we report our ESG data in future reports without prior announcement. We may also change the reporting of specific ESG data and their interpretation as we continue to enhance our disclosures in future years. We will provide relevant explanations in future Basis of Reporting documents if changes are material.

¹ Applies to our facilities where we have operational control, (i.e., where Gildan directly controls and directs the day-to-day management and operation of the entity).

² In 2023, finished product contractors included all Gildan’s third-party sewing contractors, as well as all third-party sock suppliers. These suppliers are classified as Tier 1, representing entities with whom we maintain direct business relationships.

2. ENVIRONMENTAL AND SOCIAL KPIS

Details about the definitions, calculation methodology, and restatements for the ESG KPIs listed below are included under Section 3 Evaluation Criteria of this document.

| KEY PERFORMANCE INDICATORS | |
|----------------------------|--|
| ENVIRONMENTAL INDICATORS | |
| I. | Total Scope 1 GHG emissions (tCO ₂ e) |
| II. | Total Scope 2 GHG emissions (tCO ₂ e) (location-based) |
| III. | Total Scope 2 GHG emissions (tCO ₂ e) (market-based) |
| IV. | Total Scope 1 and 2 GHG emissions (market-based) (tCO ₂ e) |
| V. | Percentage change in total Scope 1 and 2 (market-based) emissions, compared to 2018 base year |
| VI. | Energy consumption (GJ) |
| VII. | Scope 3 GHG emissions (tCO ₂ e) |
| VIII. | Percentage change in Scope 3 GHG emissions (%) compared to 2019 base year |
| IX. | Water intensity (m³/kg produced) |
| X. | Percentage change in water intensity (%), compared to 2018 base year |
| XI. | Sustainable cotton sourced (%) |
| XII. | Recycled polyester or alternative fibre and/or yarns sourced (%) |
| XIII. | Total manufacturing waste sent to landfill (MT) |
| XIV. | Total waste recycled and reused (MT) |
| XV. | Total waste disposed (MT) |
| XVI. | Recycled and sustainable packaging and trim material used (related to apparel SKUs) (%) |
| SOCIAL INDICATORS | |
| XVII. | Women composing the collective employee group of director-level and above (%) |
| XVIII. | Number of work-related fatalities – Employees (#) |
| XIX. | Number of work-related fatalities – Contractors (five major contractors of SDS International, Bangladesh) (#) |
| XX. | Lost time injury rate (LTIR) for employees (cases per 200,000 hours worked) |
| XXI. | Lost time injury rate (LTIR) for contractors (five major contractors for construction of SDS International, Bangladesh) (cases per 200,000 hours worked) |

3. EVALUATION CRITERIA

ENVIRONMENTAL METRICS

Environmental data including (but not limited to): energy consumption; Scope 1, 2, and 3 GHG emissions, water, and waste, is reported monthly using an environmental database system. Data is entered and reviewed at the site level before our internal environmental specialists conduct a final verification. Annually, we retain a third-party to review our environmental data as an additional control measure.

SCOPE 1, SCOPE 2, AND SCOPE 3 GHG EMISSIONS

Gildan’s GHG emissions reporting follows the World Resources Institute’s (WRI) Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard (Revised edition), GHG Protocol Scope 2 Guidance, and Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Global warming potentials for a 100-year time horizon (GWP100) for CH₄ and N₂O were sourced from the IPCC Fifth Assessment Report. In calculating GHG emissions, Gildan uses the operational control approach, as defined by the GHG Protocol. GHG emission factors are presented in CO₂e and include the combination of CO₂e, CH₄, and N₂O. We exclude GHG emissions from PFCs and SF₆ gases from our GHG inventory as they are immaterial.

BASE YEAR REVISIONS (GHG EMISSIONS)

In the event of changes that significantly impact our GHG emissions, Gildan has developed a base year recalculation policy. As per this policy, a recalculation of our base year, and subsequent years, must be carried out if the changes result in a 5% or greater variation from our reported base year metric. This may be triggered by significant structural changes including major acquisitions, major divestments and mergers, changes in methodology, discovery of errors, or the improvement in activity data or emission factors (EF). In 2023, our base year recalculation policy was not triggered and, thus, we did not make any base year restatements.

1. TOTAL SCOPE 1 GHG EMISSIONS (tCO₂e)

Definition

Gildan reports Scope 1 GHG emissions generated from direct emission sources from operations such as stationary fuel combustion, mobile combustion, and fugitive emissions.

Units

Metric tons of CO₂ equivalent (tCO₂e)

Method

Scope 1 GHG emissions are calculated based on activity data (e.g., quantity of consumed fuels, operational data from work management systems, invoices, etc.) and emission factors (based on fuel source) from the U.S. Environmental Protection Agency (EPA) GHG Emission Factors Hub (see Scope 1 GHG emission factors in Table 1 to the right).

TABLE 1. SCOPE 1 GHG EMISSION FACTORS SOURCES

| FUEL SOURCE | 2023 EMISSION FACTOR | SOURCE OF EMISSION FACTORS |
|------------------------------|---|--|
| Diesel | 10,243 kg CO ₂ e /gallon | 2023 EF: EPA Center for Climate Change Leadership, GHG Emission Factors Hub, February 2024 |
| Diesel Mobile | 10,405 kg CO ₂ e /gallon | 2023 EFs: The Climate Registry – 2023 Gen. Reporting Protocol – USA Transport |
| Natural Gas | 53.115 kg CO ₂ e /MMBtu | 2023 EF: EPA Center for Climate Change Leadership, GHG Emission Factors Hub, February 2024 |
| Propane | 5,727 kg CO ₂ e /gallon | 2023 EF: EPA Center for Climate Change Leadership, GHG Emission Factors Hub, February 2024 |
| LPG – Stationary | 5.68 kg CO ₂ e /gallon | 2023 EFs: EPA Center for Climate Change Leadership, GHG Emission Factors Hub, February 2024 |
| LPG – Mobile | 5,851 kg CO ₂ e /gallon | 2023 EFs: The Climate Registry – 2023 Gen. Reporting Protocol – USA Transport |
| Biomass – Non-biogenic | 1,1556 kg CO ₂ e /MMBtu | 2023 EF: EPA Climate Leadership Table 1 – Stationary Combustion – Wood and Wood Residuals, February 2024 |
| Biomass – Biogenic | 93.8 kg CO ₂ e /MMBtu | 2023 EF: EPA Climate Leadership Table 1 – Stationary Combustion – Wood and Wood Residuals, February 2024 |
| Bunker (Fuel Oil #6) | 11,306 kg CO ₂ e /gallon | 2023 EF: EPA Center for Climate Change Leadership, GHG Emission Factors Hub, February 2024 |
| Compressed Natural Gas (CNG) | 0.05444 kg CO ₂ e /ft ³ | 2023 EF: EPA Center for Climate Change Leadership, GHG Emission Factors Hub, February 2024 |

Restatements

No restatements were required for 2023.

2. TOTAL SCOPE 2 GHG EMISSIONS (tCO₂e) (LOCATION-BASED)

Definition

Gildan reports location-based Scope 2 GHG emissions by using average energy generation GHG emission factors for defined geographic locations, including local, subnational, or national boundaries.

Units

Metric tons of CO₂ equivalent (tCO₂e)

Method

Scope 2 GHG emissions-related data are reported based on relevant activity data (i.e., quantity of purchased and consumed electricity). The reported electricity is multiplied by the applicable GHG emission factors – region-specific for our U.S. facilities or country-specific for other facilities. National grid GHG emission factors are mainly sourced from the annual International Energy Agency (IEA) GHG emission factors publications noted below and U.S. EPA eGRID factors for U.S. facilities.

TABLE 2. SCOPE 2 LOCATION-BASED GHG EMISSION FACTORS SOURCES BY COUNTRY

| LOCATION | SOURCE OF EMISSION FACTOR |
|---|--|
| United States | 2023 EF: U.S. EPA eGRID 2023 (with 2021 data) 2018 EF: U.S. EPA eGRID 2018 (with 2016 data) |
| Australia, Bangladesh, Barbados, China, Dominican Republic, Honduras, Nicaragua | 2023 EF: IEA 2023 – Year 2021 2018 EF: IEA 2019 – Year 2017 |

Restatements

No restatements were required for 2023.

3. TOTAL SCOPE 2 GHG EMISSIONS (tCO₂e) (MARKET-BASED)

Definition

Gildan reports market-based Scope 2 GHG emissions using quantity of purchased and consumed electricity based on the residual mix factor for U.S. facilities or supplier-specific emission factors in the Dominican Republic and Honduras.

Units

Metric tons of CO₂e (tCO₂e)

Method

Scope 2 GHG emissions-related data is reported based on relevant activity data (i.e., quantity of purchased and consumed electricity). The reported electricity is multiplied by the residual mix factor for U.S. facilities and by the applicable supplier-specific emission factor for the Dortex facility in the Dominican Republic and the Rio Nance facility in Honduras.

Scope 2 GHG emissions from our remaining facilities in Honduras and other countries are calculated using the country-level emission factors, as per the location-based method described in Table 2 for emission factors.

As part of our decarbonization strategy, we purchased a Renewable Energy Certificate in 2022, representing 45,000 MWh of electricity generated from renewable sources. The redemption statement relates to electricity consumption in Honduras representing 48,852 tCO₂e, which represents 8.5% of the total emissions for 2023 (the year it was applied).

Table 3 describes market-based GHG emission factors by country.

TABLE 3. SCOPE 2 MARKET-BASED EMISSION FACTORS SOURCES BY COUNTRY

| COUNTRY | SOURCE OF EMISSION FACTORS |
|---|--|
| United States | 2023 EF: U.S. Residual Mix (Green-e Energy Emissions Rates) 2023 Green-e Residual Mix (2021 certified sales) 2018 EF: U.S. EPA eGRID 2018 (with 2016 data) |
| Honduras (Rio Nance) | 2023 EF: Private Contractor EF 2022 2018 EF: Private Contractor EF 2018 |
| Dominican Republic (Dortex) | 2023 EF: Private Contractor EF 2023 2018 EF: IEA 2019 – Year 2017 |
| Australia, Bangladesh, Barbados, China, Honduras, Nicaragua | 2023 EF: IEA 2023 – Year 2021 2018 EF: IEA 2019 – Year 2017 |

Restatements

No restatements were required for 2023.

4. TOTAL SCOPE 1 & SCOPE 2 GHG EMISSIONS (tCO₂e) (MARKET-BASED)

Definition

The total GHG emissions generated from direct emission sources from operations (Scope 1) and the GHG emissions associated with electricity purchased and consumed under Gildan’s operational control (Scope 2, market-based).

Units

Metric tons of CO₂ equivalent (tCO₂e)

Method

The addition of total Scope 1 and total Scope 2 (market-based) GHG emissions.

5. PERCENTAGE CHANGE IN TOTAL SCOPE 1 & SCOPE 2 (MARKET-BASED) GHG EMISSIONS, COMPARED TO A 2018 BASE YEAR

Definition

The percentage variation for total Scope 1 and total Scope 2 (market-based) GHG emissions indicates the relative change from the base year (2018) to the current reporting year (2023).

Units

Percentage (%)

Method

The percentage is calculated from the base year, where "x" is the % variance and equals [new (2023) – base year (2018)] / base year (2018).

Restatements

No restatements were required for 2023.

6. ENERGY CONSUMPTION

Definition

The total direct and indirect energy consumption, including the portion of biomass energy as applicable.

Direct energy/stationary sources include all fuels consumed by the facility (boilers, generators, or any other fixed source) used in production, service areas, and administrative offices. This also includes the fuels consumed by cafeterias, where applicable. We include the following types of fuels used in stationary combustion in our inventory:

- Diesel
- Bunker
- Propane/LPG
- Natural gas (NG/CNG)
- Biomass

Direct energy/mobile sources include all fuels consumed by mobile sources that are Company-operated (forklifts, heavy and light trucks, vehicles, etc.) used in production, service

Method

Gildan reports relevant activity data (i.e., quantity of purchased and consumed electricity) multiplied by the conversion factors and heating values applicable, resulting in energy consumption metric in GJ. Table 4 below describes fuel sources included, the calculation method, and the source data to report this metric.

TABLE 4. TOTAL ENERGY CONSUMPTION BREAKDOWN

| METRIC | FUEL SOURCES INCLUDED | CALCULATION METHOD | SOURCE DATA |
|---------------------------------------|---|---|--|
| Direct energy/stationary sources (GJ) | Diesel, Bunker, LPG, Propane, Natural gas, Biomass | The sum of all energy consumption for stationary sources | <ul style="list-style-type: none">• Daily metre reading sheets (consumption) on site (own measurement)• Utility bills• Monthly report received from biomass plants in Rio Nance and Dortex |
| Direct energy/mobile sources (GJ) | LPG, Propane, Diesel, CNG | The sum of all energy consumption for mobile sources | |
| Indirect energy/ electricity (GJ) | Grid electricity, Electricity private sector, Renewable electricity | The sum of all energy consumption for indirect energy sources | <ul style="list-style-type: none">• Utility bills• Daily metre reading sheets (consumption) on site (own measurement) |

Restatements

No restatements were required for 2023.

areas, and administrative offices. We include the following types of fuels used in mobile sources in our inventory:

- Propane/LPG
- Diesel
- Natural Gas (NG/CNG)

Indirect energy/electricity includes data on the consumption of electrical energy used from external public or private sources for production, service areas, and administrative offices. The following includes sources of electrical energy:

- Grid electricity
- Electricity private sector
- Renewable electricity

Units

Gigajoules (GJ)

7. SCOPE 3 GHG EMISSIONS (tCO₂e)

Definition

Gildan reports Scope 3 GHG emissions that are indirect (not included in Scope 2) occurring in the value chain and reports on nine of the 15 Scope 3 categories.

Units

Metric tons of CO₂e (tCO₂e)

Method

Gildan has performed an internal evaluation to determine material categories to our total GHG emissions inventory. The following Scope 3 categories were excluded from our reporting:

TABLE 5. SCOPE 3 GHG EMISSIONS EXCLUDED CATEGORIES

| EXCLUDED CATEGORY | REASON FOR EXCLUSION |
|--|--|
| Category 8: Upstream leased assets | In 2023, we did not have leased assets. In addition, leased assets would be outside our operational control |
| Category 10: Processing of sold products | Processing of sold products is not relevant to our business model. (Gildan does not sell products that require further processing, transformation, or inclusion in another product before use) |
| Category 11: Use of sold products | The Science Based Targets initiative (SBTi) Apparel and Footwear Sector Guidance does not require inclusion of Category 11 inventories and targets. This category is removed given that reduction activities (i.e., consumer washing behaviours) are outside of Gildan's control, and other policies to reduce this category could result in scope shifting (i.e., decreased durability) |
| Category 13: Downstream leased assets | In 2023 we did not lease any assets to third parties |
| Category 14: Franchises | Gildan has no franchised operations |
| Category 15: Investments | Gildan is not in the financial services industry and has no investments as defined by the Scope 3 standard |
| Other (upstream) | Gildan has no other relevant upstream emissions |
| Other (downstream) | Gildan has no other relevant downstream emissions |

The sections below provide insight into the calculations, assumptions, and considerations for each of the quantified categories.

As per the Corporate Value Chain Accounting and Reporting Standard, Gildan used a combination of data sources to approximate emissions, including:

- Supplier-specific method: Uses supplier-specific cradle-to-gate GHG emissions data for materials (data and emission factors)
- Hybrid method: Uses some supplier-specific data and some secondary data (average data or spend) to fill gaps or approximate averages for emission factors
- Average data method: Estimates GHG emissions based on weight or units purchased and average GHG emission factor
- Spend-based method: Uses economic value of goods/services and multiplies by an average GHG emission factor

Category 1: Purchased goods and services

Category 1 is the most significant category within our Scope 3 GHG emissions. Our reporting includes raw materials (such as cotton and polyester); sourced fabrics, goods, and yarns; dyes and chemicals; and third-party spinners, trims, and others. We applied the average data method to calculate emissions from raw materials, sourced fabrics, sourced yarns, and third-party spinners. We applied the spend-based approach to calculate the remaining categories such as dyes, chemicals, sourced goods, and trims. GHG emission factors used varied for each subcategory; the average data method mainly sourced GHG emission factors from the Eco Invent v3.9.1 database using the Life Cycle Impact Assessment (EF3.0) (LCIA); the spend-based method sourced GHG emission factors from the 2023 Comprehensive Environmental Data Archive (CEDA).

Assumptions and considerations:

1. For the polyester yarn process, we added GHG emission factors for polyester fibre and extrusion GHG emission factors because polyester threads are made through extrusion, and we did not find any specific GHG emission factor for the product or activity. Furthermore, for the extrusion GHG emission factor, we applied the most conservative factor available.
2. No GHG emission factor was available for polyester fabric. Therefore, we applied the GHG emission factor for weaving synthetic fibre.

- For Rayon, Spandex, Acrylic, and Lycra yarn emissions, we applied the nylon 6 GHG emission factor as no GHG emission factor was available for these textiles and nylon is the most conservative with similar manufacturing processes.
- We treated all polyester types the same due to the lack of GHG emission factors, except for recycled polyester, which has a lower GHG emission factor.

Category 2: Capital goods

Gildan reports all upstream (i.e., cradle-to-gate) emissions from the production of capital goods purchased or acquired by the reporting company in the reporting year. We apply our financial accounting procedures to determine whether to account for a purchased product as a capital good.

We applied the spend-based approach using 2023 CEDA GHG emission factors for capital goods such as building, leasehold, material and equipment, computer, office furniture and fixtures, software, etc.

Assumptions and considerations:

- We considered leasehold investments under CEDA's warehousing and storage categories given the majority of investment into racks and redesigns or adjustments to warehouse buildings.
- We excluded land purchases from calculations.
- We applied specific emission factors as machinery and equipment and split expenses into three categories: manufacturing sites, distribution centres, and administrative offices. We used the CEDA category that best suited the type of machinery and equipment used. We categorized sewing facilities under industrial machinery, distribution centres under equipment related to material handling, and administrative buildings under general purpose machinery.

Category 3: Fuel and energy-related activities

Gildan reports on emissions related to the production of fuels and energy purchased and consumed in the reporting year that are not included in Scope 1 or Scope 2.

We used actual consumption data to calculate Scope 1 and Scope 2 GHG emissions and included: transmission and distribution losses, well-to-tank (related to fuels), and well-to-tank (related to electricity). To calculate emissions, we used the percentage of transmission and distribution losses from

the World Bank and GHG emission factors from IEA (2020 to 2022); Emissions & Generation Resource Integrated Database (eGRID) 2023 (with 2021 data); and the UK Department for Environment, Food & Rural Affairs (DEFRA) (2023 and 2021).

Category 4: Upstream transportation and distribution

Gildan reports upstream transportation (e.g., air, ocean, rail, and road, which includes fuel surcharges) applying the spend-based method and using GHG emission factors from the 2023 CEDA methodology.

Category 5: Waste generated in operations

Gildan reports using data actuals for non-hazardous waste; hazardous waste; and wastewater in accordance with their method of disposal (offsite treatment, recycling, incineration on-site and offsite, landfilling, etc.). We source the GHG emission factors for each waste from DEFRA and EPA for the 2023 reporting year as applicable and consider the nature of the waste and disposal method.

Category 6: Business travel

Gildan reports this metric using a hybrid method leveraging distance-based methodology (as per the GHG Protocol) using activity data (distance travelled and number of hotel nights). Where activity data was not available, we used financial data to provide a complete estimate for these GHG emissions.

Assumptions and considerations:

- For flights, we used the distance-based method considering DEFRA GHG emissions factors for flights when mileage was available.
- For hotel stays, we calculated emissions through DEFRA GHG emission factors for the country and the number of nights spent. For countries that had no GHG emission factor, we used the global average.
- Air travel activity data was available from Bangladesh, the Dominican Republic, Canada, Honduras, and Nicaragua; for Barbados and the majority of U.S. sites we relied on financial data.
- For taxi/car rental activity data, we relied on financial data, available for Barbados, Canada, and the United States only.
- For calculations relying on financial data, we sourced GHG emission factors from CEDA for the 2023 reporting year.

Category 7: Employee commuting

Gildan reports this metric using a hybrid approach, including actual data for sites that have the distances or fuel consumption available. We source average commuting statistics with GHG emission factors from DEFRA for the 2023 reporting year.

Assumptions and considerations:

- For the purpose of calculating employee commuting, we only include employees at manufacturing sites.
- For the portion of data where third-party transportation information was available, we used a passenger-kilometer approach. The following assumptions were considered: (i) buses are utilized in full capacity, (ii) average working days/year were considered.

Third-party transportation for employees for the following countries was considered in our calculations: Bangladesh, the Dominican Republic, Honduras, and Nicaragua. For all other employees, we applied a general approach using average statistics for communities in Latin America and the Caribbean.³

Category 9: Downstream transportation and distribution

Gildan reports GHG emissions related with the transportation of goods from Gildan to our clients where the client pays for the transportation. We also consider the SBTi and include an estimation of GHG emissions relating to Gildan's products occupying our customers' stores and warehouses and Frontier Yarn's products (sold to customers outside of Gildan). We determine GHG emissions using a hybrid approach, combining the spend-based approach using CEDA for the 2023 reporting year, along with activity data and our in-house calculation procedures for allocated emissions. GHG emission sources represent five subcategories, including: air transportation, ocean transportation, road transportation, rail transportation, and allocated emissions, plus fuel surcharges.

We used GHG emission factors for all transportation modes based on CEDA for the 2023 reporting year. We based allocated emissions on sales volumes and a variety of assumptions such as pallet size, product turnover rate, shelf-time, electricity consumption intensity per the Commercial Buildings Energy Consumption Survey, and emission factors from the EPA.

Assumptions and considerations:

- Allocated GHG emissions from energy consumption associated with Gildan products refers to GHG emissions from Gildan's products occupying space at our customers' stores and warehouses.
- Gildan estimated downstream transportation spend and modes based on their upstream transportation spend and modes.

Category 12: End of life of sold products

Gildan reports GHG emissions related with end of life of sold products using calculations based on 2023 actuals of total products sold in kilograms⁴ (portion sold to customers outside of Gildan). We used the methodology for allocation provided by the Common Objective website⁵ and GHG emission factors based on the DEFRA for the 2023 reporting year.

Assumptions and considerations:

Gildan assumes that re-use is considered an end-of-life treatment. The portion of sold products that are re-used refers to the emissions associated with sorting, processing, and transportation to new users of second-hand clothing. An associated material use DEFRA emission factor was applied.

Restatements

No restatements were required for 2023.

8. PERCENTAGE CHANGE IN SCOPE 3 GHG EMISSIONS, COMPARED TO A 2019 BASE YEAR

Definition

The percentage variation for Scope 3 GHG emissions indicating the relative change from the base year (2019) to the current reporting year (2023).

Units

Percentage (%)

Method

The percentage is calculated from the base year, where "x" is the % variance and equals [new (2023) – base year (2019)] / base year (2019).]

Restatements

No restatements were required for 2023.

³ <https://www.nationmaster.com/country-info/stats/Transport/Commute/Distance#2014>

⁴ Frontier Yarns is a subsidiary of Gildan.

⁵ <https://www.commonobjective.co/article/fashion-and-waste-an-uneasy-relationship>

9. WATER INTENSITY (m³ WATER WITHDRAWN PER KG PRODUCED)

Definition

We measure water intensity to understand the level of water efficiency related to our textile and hosiery operations, which are the most water-intensive processes (accounting for 89% of total water withdrawal and/or purchased across the Company). Gildan reports water obtained from groundwater and third-party sources at its sites throughout the year, as well as the kilograms of production measured after the dyeing process from our textiles and hosiery facilities.

Units

Cubic metres (m³) per kilogram (kg) produced

Method

Gildan reports water intensity by dividing the total water withdrawn or purchased in all Gildan-operated sites, including for production and related service activities, by the production (measured in kilograms) generated throughout a determined timeframe.

We measure total kilograms after the dyeing process within our textile and hosiery facilities. We determine water withdrawn by calculating the volume of water withdrawn based on utility invoices or meter readings. We directly extract production data for each textile and hosiery facility from our financial systems.

Restatements

No restatements were required for 2023.

10. PERCENTAGE CHANGE IN WATER INTENSITY (%), COMPARED TO A 2018 BASE YEAR

Definition

The percentage variation related to water intensity (m³ water withdrawn per kg produced) indicating the relative change from the base year (2018) to the current reporting year (2023).

Units

Percentage (%)

Method

The percentage is calculated from the base year, where "x" is the % variance and equals $[\text{new (2023)} - \text{base year (2018)}] / \text{base year (2018)}$.

Restatements

No restatements were required for 2023.

11. SUSTAINABLE COTTON SOURCED (%)

Definition

Gildan reports on the weight of cotton sourced from third-party verified programs that support environmental and/or social sustainability improvements and/or outcomes divided by the total weight of cotton sourced by our U.S. facilities (raw materials) and Bangladesh facilities (externally purchased yarn) and purchased finished goods. Third-party verified programs include verified U.S.-grown cotton (U.S. Cotton Trust Protocol), Better Cotton (formerly BCI), organic cotton, recycled or regenerative cotton, and fair-trade cotton.

Units

Percentage (%)

Methods

The percentage is calculated by the total weight cotton sourced through third-party verified programs (sustainable cotton) divided by the total weight of cotton sourced.

Restatements

No restatements were required in 2023.

12. RECYCLED POLYESTER OR ALTERNATIVE FIBRE YARNS (%)

Definition

Gildan reports on the weight of recycled polyester or alternative fibre yarns (based on relevant certifications) for raw materials received related to Gildan's overall polyester consumption divided by the weight of raw materials including polyester and spun into yarns by Gildan, purchased yarn, yarn spun by third parties, and purchased fabrics and sourced goods.

Recycled or alternative fibre yarn standards include, for example, the Global Recycled Standard (GRS) and the

Recycled Claim Standard (RCS), which provide relevant sustainability certifications in support of our raw material sourcing goals.

Units

Percentage (%)

Methods

The percentage is calculated by the weight of recycled polyester or alternative fibre yarns sourced (based on relevant certifications) divided by the weight of Gildan's overall polyester consumption.

Restatements

No restatements were required in 2023.

13. TOTAL MANUFACTURING WASTE SENT TO LANDFILL

Definition

Total manufacturing waste sent to landfill refers to the weight of manufacturing waste collected from all Gildan-operated manufacturing sites that is sent to landfill.

Exclusions: Domestic waste, waste generated at our distribution centres and administrative/offices, and contractor waste.

Units

Metric tonnes (MT)

Method

This metric includes waste data reported monthly using activity data and estimates based on proxies of weight per item such as bags or containers.

Inclusions: Gildan-operated manufacturing facilities (yarns, textiles, sewing, hosiery, garment dyeing and chemicals, and embellishment).

Exclusions: Domestic waste, waste generated at our distribution centres and administrative offices, and waste generated at third-party contractor sites.

Restatements

No restatements were required for 2023.

14. TOTAL WASTE RECYCLED AND REUSED

Definition

Total waste recycled and reused refers to the weight of waste collected from all Gildan-operated sites that is diverted from landfill disposal through reuse and recycling processes.

Inclusions: Hazardous and non-hazardous waste collected including scrap, biomass ash, cotton bales, plastic, paper and carton, among others.

Exclusions: Waste directed to landfill or incineration (with or without energy recovery). We exclude waste from contractor-operated sites.

In 2023, we expanded our reporting of waste recycled to include waste reused at four facilities. Reuse programs and processes in place at other facilities are not currently tracked and reported, and we are onboarding these sites on an ongoing basis.

Units

Metric tonnes (MT)

Method

Waste data is reported monthly using activity data and based on proxies of weight per item such as bags or containers.

Inclusions: Hazardous and non-hazardous waste collected including scrap, biomass ash, cotton bales, plastic, paper and carton, among others.

Exclusions: Waste directed to landfill or incinerated (with or without energy recovery) or waste generated from third-party contractor sites.

Restatements

No restatements were required for 2023.

15. TOTAL WASTE DISPOSED

Definition

Total waste disposed refers to the weight of waste collected from all Gildan-operated sites that is directed to disposal, including waste landfilled, incinerated with energy recovery, and incinerated without energy recovery.

Inclusions: Both hazardous and non-hazardous waste collected including domestic waste, paper and carton, textile lint, production-related waste, among others.

Units

Metric tonnes (MT)

Method

Waste data were reported monthly using activity data and estimates based on proxies of weight per item such as bags or containers.

Exclusions: Waste from contractor-operated sites.

Restatements

No restatements were required for 2023.

16. RECYCLED AND SUSTAINABLE PACKAGING AND TRIM MATERIALS (%)

Definition

Gildan reports total number of sustainable packaging and trim materials (apparel SKUs) divided by the total number of packaging and trim materials (apparel SKUs) – sustainable and non-sustainable.

Sustainable SKUs specific to apparel are those containing carton, polyester, paper, and poly-cotton trims that are included on active bills of material related to products available for purchase and include 20% to 60% of recycled material and/or are certified by the Forest Stewardship Council or other relevant sustainability certifications.

Units

Percentage (%)

Method

The percentage of total sustainable packaging and trims (apparel SKUs) divided by total packaging and trims (apparel SKUs) is calculated monthly. An average of the monthly percentage is calculated for the purposes of reporting (12-month weighted average).

Restatements

No restatements were required for 2023.

17. WOMEN COMPOSING THE COLLECTIVE GROUP OF DIRECTOR-LEVEL AND ABOVE (%)

Definition

Gildan reports on women in director-level and above positions as the total number of employees who self-identify as women occupying a full-time, permanent director and above position (or equivalent level) working at Gildan or its subsidiaries divided by the total number of employees occupying a full-time, permanent director-level and above position (total director positions) at Gildan and its subsidiaries.

Units

Percentage (%)

Method

This metric was calculated by the number of women classified in the director-level and above positions divided by the total number of employees holding director-level and above positions.

The scope covered employees who self-identify as women who were:

- At a director-level or above position (or equivalent level)
- Permanent and employed full time

This metric was measured against total director positions, which included all employees who were:

- At director-level or above position
- Permanent and employed full time

Restatements

No restatements were required for 2023.

18. WORK FATALITIES – EMPLOYEES

Definition

Gildan reports the number of employee deaths resulting from a work-related injury or an occupational disease.

Unit

The number of deaths resulting from a work-related injury or an occupational disease.

Method

Total number of employee work fatalities in a specific period.

Restatements

No restatements required for 2023.

19. WORK FATALITIES – CONTRACTORS⁶

Definition

Gildan reports the number of contractor deaths resulting from a work-related injury or an occupational disease.

Unit

The number of deaths resulting from a work-related injury or an occupational disease.

Method

Total number of contractor work fatalities in a specific period.

Restatements

No restatements were required for 2023.

20. LOST-TIME-INJURY-RATE FOR EMPLOYEES (LTIR)

Definition

Gildan reports the number of lost-time-injuries (LTI) in relation to the number of hours worked. This indicator helps measure the efficiency of the Company's safety management system. The lost-time-injury-rate (LTIR) is the total number of LTIs recorded in relation to total hours worked.

Unit

The number of lost-time injuries per 200,000 hours worked by employees.

Method

LTIR was calculated by the number of LTIs divided by total hours worked in the accounting period multiplied by 200,000.

We calculate hours worked by multiplying the number of employees, average workdays, and number of days worked

in the month within the specific period. We include overtime (where recorded); we exclude public holidays, maternity and sick leaves, and other authorized absences.

Restatements

Renamed indicator from lost-time-injury-frequency-rate (LTIFR) to LTIR to reflect the calculation.

21. LOST-TIME-INJURY-RATE FOR CONTRACTORS⁶

Definition

The LTIR for contractors is the total number of LTIs recorded for contractors in relation to the total hours worked by contractors. Gildan reports this metric for the five major contractors supporting the construction in 2023 of our SDS International facility in Bangladesh to help highlight LTIs occurring and provide some measurable insights related to the efficiency of our third-party contractors' safety management system.

Unit

LTIR is the number of LTIs per 200,000 hours worked by contractors.

Method

LTIR was calculated by the number of LTIs divided by the total hours worked in the accounting period multiplied by 200,000. This calculation refers only to the five major contractors supporting the construction in 2023 of our SDS International facility in Bangladesh.

Hours worked were calculated by multiplying number of contractors, average workdays, and number of days worked in the month within the specific period, excluding overtime and holidays.

Restatements

Due to the instability in 2023 in Haiti, some of our contractor facilities were closed for extended periods of time and the general situation made the validation of health and safety data challenging. In 2023, we directed our attention towards the five major contractors involved in the construction of SDS International in Bangladesh to gain valuable insights applicable to the overall contractor population involved in the project. By analyzing the performance and practices of these contractors, we identified areas for improvement to benefit other contractors involved in this construction project.

⁶ Five major contractors for Bangladesh only