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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 2022 ESG Report and the Gildan 2022 ESG Data Tables. Please see Gildan's 2022 ESG Report for KPMG LLP's Independent Practitioners' Limited Assurance Report. This document should be read in conjunction with our 2022 ESG Report and our 2022 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 manufacturing contractors and raw material suppliers has also been included when it is material and available. 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 reporting. Certain corporate and marketing 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. Data and information from our investment and holding companies are also excluded from the scope of reporting.

REPORTING PERIOD

Gildan's 2022 ESG Report contains data on performance and activities for the reporting year from January 1st to December 31st, 2022, as well as significant achievements in early 2023. Data exclusions or additions are noted throughout the document.

2022 OPERATIONAL UPDATE

We added incremental textile and sewing capacity in our manufacturing hubs in Central America and the Dominican Republic. Through the acquisition of yarn facilities in the United States (U.S.) ("Frontier Yarns") we strengthened our vertical integration by expanding our yarn-spinning capabilities. We also started to consolidate and modernize our overall U.S. yarn-spinning operations.

DATA PROCESSES AND CONTROLS

Metrics described in our 2022 ESG Report and 2022 ESG Data Tables are applicable to the sector in which we operate and are primarily based on the Global Reporting Initiative (GRI). 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; and 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 the future if changes are material.

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 and the improvement in activity data or emission factors (EF).

In 2022, we have recalculated our Scope 1 and 2 GHG emissions for our 2018 base year and 2019 to 2021 reflecting the acquisition of the Frontier Yarns facilities in the U.S., as well as changes in our calculation methodology. Specifically, we updated the emission factors used for our Rio Nance manufacturing complex in Honduras to reflect the information provided by our electricity provider, and we started using the residual mix emission factors for our facilities in the U.S. We also restated our base year values for our energy consumption and intensity (given their close connection to GHG emissions), our waste generation, and our water metrics (withdrawal and discharge) to include the impact of the Frontier Yarns acquisition and ensure operational consistency throughout our KPIs. As part of our Scope 3 target setting process, we updated our calculation methodology and restated our 2019 emissions to include nine Scope 3 categories. These revisions are reflected in relevant sections of our 2022 ESG Report and in the Appendix p. 60 (2022 ESG Data Tables).

2. ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS

Details about the definitions, calculation methodology, and restatements for the ESG KPIs listed below are included under Evaluation Criteria (Section 3) 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 and market-based)
III.	Scope 3 GHG emissions (tCO$_2$e)
IV.	Water intensity (m^3 water withdrawn per kg produced)
V.	Sustainable cotton sourced (%)
VI.	Recycled polyester or alternative fibre yarns sourced (%)
VII.	Total manufacturing waste sent to landfill (MT)
VIII.	Total manufacturing waste recycled (MT)
IX.	Recycled and sustainable packaging and trim material (%)
Social indicators	
X.	Women composing the collective employee group of director-level and above (%)
XI.	Injury severity rate for employees (SEV)
XII.	Lost time injury frequency rate for employees (LTIFR)
XIII.	Lost time injury frequency rate for contractors (Haiti operations only)

[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).

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3. EVALUATION CRITERIA

SCOPE 1, 2, AND 3 GHG EMISSIONS

All ESG data forming the basis of our KPIs are reported in Gildan's environmental database on a monthly cadence (environmental data such as energy consumption, data underlying our Scope 1 and 2 CO_2e emissions, water use, and discharge). The recording of ESG data follows a workflow usually involving the initial entry of data and the review and verification of entered data. Environmental representatives provide the data and conduct the initial layer of review and validation at the site level. Once data has been validated at the operational level, the Corporate Environment department conducts an aleatory final review to confirm accuracy. On an annual basis, data is reviewed by an external third party as an additional data control measure before it is provided for corporate reporting. 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 CH_4 and N_2O were sourced from the IPCC Fifth Assessment Report.

I. TOTAL SCOPE 1 GHG EMISSIONS (tCO_2e)

Definition

Gildan reports Scope 1 GHG emissions generated from direct emission sources from operations such as stationary fuel combustion, mobile combustion, and fugitive emissions. In calculating Scope 1 GHG emissions, Gildan uses the operational control approach, as defined by the GHG Protocol.

Units

Metric tons of CO_2 equivalent (tCO_2e)

Method

Scope 1 data are entered into Gildan´s environmental database by our operating sites based on internal procedures. Scope 1 emissions are calculated based on activity data (i.e., quantity of consumed fuels, operational data from work management systems, invoices, etc.) and emission factors (based on fuel source) from the Environmental Protection Agency (EPA) GHG Emission Factors Hub (see Scope 1 emission factors in Table 1 of this document). Emission factors are presented in CO_2e and include the combination of CO_2, CH_4, and N_2O. Emissions from HFCs, PFCs and SF_6 gases were excluded from our GHG inventory since they are immaterial.

TABLE 1. SCOPE 1 EMISSION FACTORS SOURCES			
Fuel source	**2022 Emission factor**	**2018 Emission factor**	**Source of Emission factors**
Diesel	10.243 kg CO_2e / gallon	10.243 kg CO_2e / gallon	EPA Center for Climate Change Leadership, GHG Emission Factors Hub (Last updated in March 2018 for 2018 EF and in April 2022 for 2022 EF)
Natural gas	53.115 kg CO_2e / MMBtu	53.115 kg CO_2e / MMBtu	EPA Center for Climate Change Leadership, GHG Emission Factors Hub (Last updated in March 2018 for 2018 EF and in April 2022 for 2022 EF)
Propane	5.741 kg CO_2e / gallon	5.741 kg CO_2e /gallon	EPA Center for Climate Change Leadership, GHG Emission Factors Hub (Last updated in March 2018 for 2018 EF and in April 2022 for 2022 EF)
LPG	5.68 kg CO_2e / gallon	5.68 kg CO_2e / gallon	EPA Center for Climate Change Leadership, GHG Emission Factors Hub (Last updated in March 2018 for 2018 EF and in April 2022 for 2022 EF)
Biomass	94.955 kg CO_2e / MMBtu	94.955 kg CO_2e / MMBtu	EPA Center for Climate Change Leadership, GHG Emission Factors Hub (Last updated in March 2018 for 2018 EF and in April 2022 for 2022 EF)
Bunker (fuel oil #6)	11.306 kg CO_2e / gallon	11.306 kg CO_2e / gallon	EPA Center for Climate Change Leadership, GHG Emission Factors Hub (Last updated in March 2018 for 2018 EF and in April 2022 for 2022 EF)
Compressed Natural Gas (CNG)	0.054 kg CO_2e / ft^3	0.054 kg CO_2e / ft^3	EPA Center for Climate Change Leadership, GHG Emission Factors Hub (Last updated in March 2018 for 2018 EF and in April 2022 for 2022 EF)

2022 restatements

The acquisition of Frontier Yarns exceeded our base year revision threshold of 5%, therefore triggering recalculation of our target base year. As a result of this work, we adjusted our previously reported 2018 to 2021 Scope 1 GHG emissions values to ensure comparability over time.

II. TOTAL SCOPE 2 GHG EMISSIONS (tCO$_2$e) (LOCATION-BASED AND MARKET-BASED)

Definition

GHG emissions associated with third-party generation of electricity consumed in activities under Gildan's operational control.

Units

Metric tons of CO$_2$ equivalent (tCO$_2$e)

Method

Scope 2 emission factors are expressed as the quantity of GHGs released per unit of electricity generated (e.g., metric tons of CO$_2$e/megawatt-hour) based on the mix of fuels used in the generation process. Gildan tracks Scope 2 GHG emissions throughout the year by multiplying applicable Scope 2 GHG emission factors by the electricity consumption.

Two reporting methods are used for these calculations, as required by the GHG Protocol Scope 2 Guidance – location- and market-based. Both are described below.

II.1 TOTAL SCOPE 2 GHG EMISSION: LOCATION-BASED (tCO$_2$e)

Definition

According to the Scope 2 technical guidance, the location-based method "quantif[ies] Scope 2 GHG emissions based on average energy generation emission factors for defined geographic locations, including local, subnational, or national boundaries."

Units

Metric tons of CO$_2$ equivalent (tCO$_2$e)

Method

Scope 2-related data are entered into Gildan's environmental database based on our internal procedures, which requires the reporting of relevant activity data (i.e., quantity of purchased and consumed electricity). The reported electricity data is then multiplied by the applicable emission factors, whether region-specific for our U.S. facilities or country-specific for the other facilities. For countries included in our operational boundary, national grid emission factors are mainly sourced from the annual International Energy Agency (IEA) emission factors publications noted in the tables and U.S. EPA EGRID factors for U.S. based facilities.

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

Location	Source of emission factor
United States	2022 EF: U.S. EPA EGrid 2023 (with 2021 Data) 2018 EF: U.S. EPA EGrid 2018 (with 2016 Data)
Bangladesh, Barbados, China, Dominican Republic, Honduras, Nicaragua	2022 EF: International Energy Agency (IEA) 2022 2018 EF: International Energy Agency (IEA) 2017

Restatements

The acquisition of Frontier Yarns exceeded our base year revision threshold of 5%, therefore triggering recalculation of our target base year. As a result of this work, we adjusted our previously reported 2018 to 2021 Scope 2 (location-based) GHG emissions values to ensure comparability over time.

II.2 TOTAL SCOPE 2 GHG EMISSIONS: MARKET-BASED (tCO$_2$e)

Definition

According to the Scope 2 technical guidance, the market-based approach "quantif[ies] the Scope 2 GHG emissions of a reporter based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with contractual instruments, or contractual instruments on their own."

Units

Metric tons of CO$_2$ equivalent (tCO$_2$e)

Method

Scope 2-related data are entered into Gildan's environmental database based on our internal procedures, which require the reporting of relevant activity data (i.e., quantity of purchased and consumed electricity). The reported electricity data is multiplied by the residual mix factor for U.S. facilities and by the applicable supplier-specific emission factor for the Rio Nance manufacturing facility in Honduras. Scope 2 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 above (see Table 2 for emission factors). Table 3 on the right describes emission factors used in the market-based approach by country.

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

Country	Source of emission factor
United States	2022 EF: U.S. Residual Mix (Green-e Energy Emissions Rates 2020 Data) 2018 EF: U.S. EPA EGrid 2018 (with 2016 Data)
Honduras (Rio Nance)	2018 and 2022 EF: Private Contractor EF 2022

Restatements

The acquisition of Frontier Yarns exceeded our base year revision threshold of 5%, therefore triggering recalculation of our target base year. As a result of this work, we adjusted our previously reported 2018 to 2021 Scope 2 (market-based) GHG emissions values to ensure comparability over time.

The 2018 emission factor for the electric power private supplier for our Rio Nance manufacturing complex in Honduras was calculated and applied.

III. TOTAL SCOPE 3 GHG EMISSIONS (tCO$_2$e)

Definition

According to the Corporate Value Chain Accounting and Reporting Standard, Scope 3 emissions are "all indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions". Scope 3 activities are comprised in 15 distinct categories that were designed to avoid double counting of emissions.

Units

Metric tons of CO$_2$ equivalent (tCO$_2$e)

Method

Gildan has performed an internal evaluation to determine which categories should be accounted for. 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 ("Corporate Value Chain Standard"), Gildan used a combination of methodologies to approximate emissions. These methodologies include:

- **Supplier-specific method:** Uses supplier-specific cradle-to-gate GHG 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 emissions based on weight or units purchased and average emission factors

- **Spend-based method:** Uses economic value of goods/services and multiplies by an average emission factor

Category 1: Purchased Goods and Services

The Corporate Value Chain Standard defines this category as "all upstream (i.e., cradle-to-gate) emissions from the production of products purchased or acquired by the reporting company in the reporting year. Products include both goods (tangible products) and services (intangible products)."

Category 1 is the most significant category of our Scope 3 emissions, representing 79% of our 2019 (base year) and 76% of our 2022 emissions. We included the following category 1 emissions: raw materials (such as cotton and polyester); sourced fabrics, goods, and yarns; dyes and chemicals; third-party spinners; trims and other. The average data method was used for raw materials, sourced fabrics, sourced yarns, and third-party spinners which represent over 85% in 2019 and 83% in 2022 of our Scope 3 emissions. The spend-based approach was used for the remaining categories such as dyes and chemicals, sourced goods, and trims. Emission factors used for the calculation vary for each subcategory and are mainly sourced from the Eco Invent v3.9.1 database using the Life Cycle Impact Assessment (EF3.0) (LCIA) for the average data method, and the Comprehensive Environmental Data Archive (CEDA) from the reporting year to model year 2018 for the spend-based method.

Assumptions and considerations:

1. For the third-party spinners and sourced polyester yarn, the emission factors for polyester fibre and extrusion emission factors were applied, considering that polyester threads are made through extrusion and no specific emission factor for the product or activity was found. The emission factor used for extruded polyester fibre was the most conservative value of those available

2. No emissions factor was available for polyester fabric, hence the emission factor for weaving synthetic fibre was applied

3. Sourced fabrics, third-party yarn spinners and sourced yarn were further allocated to fibre types (cotton, polyester and other) by weight using actual data. Frontier Yarns are no longer treated as third-party supply chain post-acquisition for 2019 (base year) and 2022 (current reporting year)

4. CEDA categories for trims were extrapolated out of the

top 95% of suppliers

Category 2: Capital Goods

The Corporate Value Chain Standard defines this category as "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." By definition, "capital goods are final products that have an extended life and are used by the company to manufacture a product, provide a service, or sell, store, and deliver merchandise." Gildan follows their own financial accounting procedures to determine whether to account for a purchased product as a capital good in this category.

Calculations were based on a spend-based approach. Emission factors considered for capital goods (building, leasehold, material and equipment, computer, office furniture and fixtures, software) were based on CEDA emission factors from the reporting year to model year 2018.

Assumptions and considerations:

1. Leasehold investments were considered to fall under CEDA's warehousing and storage categories, considering most of this investment goes into racks and adequations to storage buildings

2. Land purchases were excluded from the calculations

Category 3: Fuel and Energy-Related Activities

The Corporate Value Chain Standard defines this category as "emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in Scope 1 or Scope 2."

Calculations were based on actual consumption data used to calculate Scope 1 and 2 emissions. For 2019 and 2022 the calculations were based on the following subcategories: transmission and distribution losses; well-to-tank (related to fuels); well-to-tank (related to electricity). The emission factors were sourced from the World Bank, IEA (2020 to 2022); Emissions & Generation Resource Integrated Database (eGRID) 2023 (with 2021 data); and the UK Department for Environment, Food & Rural Affairs (DEFRA) 2022 and 2021.

Category 4: Upstream Transportation and Distribution

The Corporate Value Chain Standard defines this category as "emissions from the transportation and distribution of products (excluding fuel and energy products) purchased or acquired by the reporting company in the reporting year in vehicles and facilities not owned or operated by the reporting company, as well as other transportation and distribution services purchased by the reporting company in the reporting year (including both inbound and outbound logistics)."

Calculations were based using the spend method using data from upstream transportation (e.g., air, ocean, rail, and

road). Recalculations for 2019 included activity data for Frontier Yarns. Emission factor sources included the CEDA methodology from reporting year to model year (2018) and the EPA Emission Factors Hub 2020.

Category 5: Waste Generated In Operations

The Corporate Value Chain Standard defines this category as "emissions from third-party disposal and treatment of waste that is generated in the reporting company's owned or controlled operations in the reporting year. This category includes emissions from disposal of both solid waste and wastewater."

Calculations were based on actual data for waste categories (i.e. non-hazardous waste, hazardous waste, wastewater, etc.) in accordance with their method of disposal (i.e. offsite treatment, recycling, incineration onsite and offsite, landfilling). The emission factors for each waste category were sourced from DEFRA and EPA for years 2019 and 2022 as applicable.

Category 6: Business Travel

The Corporate Value Chain Standard defines this category as "emissions from the transportation of employees for business-related activities in vehicles owned or operated by third-parties, such as aircraft, trains, buses, and passenger cars."

Calculations were based on a hybrid method that leveraged both the distance-based methodology with activity data (distance travelled and number of hotel nights) and financial data for the Frontier's acquisition for 2019 and 2022. For flights and car rentals the distance-based method was used considering DEFRA emission factors for 2019 and 2022. The hotel stays emissions were calculated using DEFRA emission factors for 2019 and 2022 based on the number of nights. For calculations made with financial figures, the emission factors were sourced from CEDA from reporting year to model year (2018).

Assumptions and considerations:

1. In 2019 this included flight and hotel stays for Honduras, Nicaragua, Bangladesh and Dominican Republic, U.S. hotel stays and Bangladesh car rentals. In 2022, only air travel for Honduras, Nicaragua, Bangladesh and Dominican Republic were included. Changes in the calculations were based on data availability between 2019 and 2022.

Category 7: Employee Commuting

The Corporate Value Chain Standard defines this category as "emissions from the transportation of employees between their homes and their worksites."

Calculations were based on a hybrid approach, using the Scope 3 Evaluator web-based tool from the GHG Protocol and Quantis (last updated in 2021), and actual data provided

by third-party transportation suppliers. The emission factors used were based on DEFRA (2019 and 2022). The Scope 3 Evaluator is based on U.S. average data from the U.S. Department of Transportation (USDOT 2014), ecoinvent 2.2 datasets for various transportation modes and GWP impact assessment (SCLCI 2010, IPCC 2007).

Assumptions and considerations:

1. Where available, third-party transportation information was leveraged using a passenger-kilometer approach. It was assumed that buses were at full capacity

2. Third-party transportation was considered for Nicaragua, the Dominican Republic, Bangladesh, Honduras, and Mexico only for 2019

3. For the remainder of employees, we used the Scope 3 Evaluator average yearly commuting emission factor

Category 9: Downstream Transportation and Distribution

The Corporate Value Chain Standard defines this category as "emissions from transportation and distribution of products sold by the reporting company in the reporting year between the reporting company's operations and the end consumer (if not paid for by the reporting company), in vehicles and facilities not owned or controlled by the reporting company. This category includes emissions from retail and storage."

Category 9 comprises the emissions related with the transportation of goods from Gildan to their clients, in the case where the client paid for the transportation. GHG emissions were calculated using spend based approach leveraging the CEDA, and activity data and in-house calculation procedures for allocated emissions. Emission sources were divided in five subcategories including the following transportation modes: road, rail, water, medium and heavy-duty trucks and waterborne. The emission factors used for road, rail and water transportation modes were based on CEDA for the 2022 reporting year to model year (2018). For Frontier Yarns, emission factors used for activity data were based on the EPA Emission Factors Hub (2020).

Assumptions and considerations:

• Allocated emissions from energy consumption associated with Gildan products (emissions related to Gildan's products occupying space at customers' stores and warehouses).

• Gildan's upstream transportation spend and modes were used to estimate downstream transportation spend and modes. Gildan's own expenses with freight to customers.

Category 12: End of Life of Sold Products

Calculations were based on actual data provided for 2019 and 2022 (total of products sold in kilograms) related to products sold by Gildan and Frontier Yarns (portion not

sold to Gildan in 2019). The methodology for allocation was provided by the Common Objective website.[2] The emission factors used were based on the DEFRA 2019 and 2022 as applicable to each year.

Since 2018, Gildan has partially reported Scope 3 emissions for four categories (employee commuting, business travel, landfill waste, and upstream transportation and distribution).

In 2022, as part of the Scope 3 target setting process, we updated our calculation methodology to provide more complete Scope 3 information for the 2019 base year and for 2022. The previous metrics for the years 2018, 2020, and 2021 were not updated and have not been included in the 2022 ESG Report and the 2022 ESG Data Tables.

The update to Scope 3 emissions for the 2019 base year was in accordance with the recalculation policy and includes:

• Structural changes to Gildan's organizational boundary due to mergers, acquisitions, or divestitures or outsourcing, and insourcing of emitting activities

• Changes to calculation methodologies or emission factors

• Additional and/or new data or updated methodologies not previously available

Since 2022, Gildan has reported all Scope 3 applicable categories with 2019 as the base year. This includes the following nine categories:

• Category 1: Purchased Goods and Services – New

• Category 2: Capital Goods – New

• Category 3: Fuel and Energy-related Activities – New

• Category 4: Upstream Transportation and Distribution – Revised

• Category 5: Waste Generated in Operations – Revised

• Category 6: Business Travel – Revised

• Category 7: Employee Commuting – Revised

• Category 9: Downstream Transportation and Distribution – New

• Category 12: End of Life of Sold Products – New

IV. WATER INTENSITY (m³ / kg)

Definition

Water intensity is calculated by dividing the total water withdrawn or purchased in all operations including production and service activities (in cubic meters) by the production generated (measured in kilograms) throughout a determined timeframe. The production includes the textiles and hosiery factories which captures net kilograms after the dyeing process (which is the most water intensive process). Water withdrawn is calculated as the volume of water withdrawn as per utility invoices or meter readings. Production data was obtained directly from internal financial systems for each textile and hosiery factory included.

Units

Cubic meters per kilogram produced (m³ / kg)

Method

Gildan reports water obtained from groundwater and third-party sources within its operational boundaries throughout the year and production data from the textiles and hosiery manufacturing sites.

Restatements

In 2022, we restated our 2018 base year water intensity due to changes in our methodology and improvements in our data collection. Additionally, the Company acquired Frontier Yarns. These acquisitions and their related water metrics were significant enough to trigger a base year recalculation along with the recalculation of prior years values (2019 to 2021) to ensure data comparability over time.

V. SUSTAINABLE COTTON SOURCED (%)

Definition

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 in the U.S. facilities (raw materials), Bangladesh (externally purchased yarn) and purchased finished products. Third-party verified programs include verified U.S.-grown cotton (USCTP), Better Cotton (formerly BCI), organic cotton, recycled or regenerative cotton, and fair-trade cotton.

Units

Percentage (%)

Method

Gildan reports on percentage of sustainable cotton sourced through the weight of third-party verified programs divided by weight of total cotton sourced. The scope of this metric includes all Gildan operations.

Restatements

No restatements were required as 2022 is the first-year reporting on this metric.

VI. RECYCLED POLYESTER OR ALTERNATIVE FIBRE YARNS (%)

Definition

The weight of recycled polyester or alternative fibre yarns (based on relevant certifications) divided by Gildan's overall polyester consumption. Polyester consumption is the weight of polyester sourced by Gildan (e.g., 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) to provide relevant sustainability certifications in support of our raw material sourcing goals.

Units

Percentage (%)

Method

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

Restatements

No restatements were required as 2022 was Gildan's first year reporting on this metric.

VII. TOTAL MANUFACTURING WASTE SENT TO LANDFILL (MT)

Definition

This target is part of Gildan´s Next Generation ESG strategy and is specific to the weight of manufacturing waste sent to landfill from our manufacturing processes (does not include domestic waste and/or waste generated at our distribution centres or offices).

Units

Metric ton (MT)

Method

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

Inclusions: Global Gildan-operated manufacturing sites (yarns, textiles, sewing, hosiery, garment dyes and chemicals, and embellishment).

Exclusions: Non-manufacturing sites (distribution centres and offices) and third-party contractors.

Restatements

As of 2022, we started reporting manufacturing waste sent to landfill as part of our Circularity target from our Next Generation ESG strategy. Adjustments to waste metrics were conducted for the year 2021 to reflect the aquisition of Frontier Yarns.

VIII. TOTAL MANUFACTURING WASTE RECYCLED (MT)

Definition

The process of collecting and processing materials that would otherwise be thrown away and sending it for recycling.

Units

Metric ton (MT)

Method

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

Restatements

We restated our 2021 base year to include waste generated from the acquisition of Frontier Yarns. These acquisitions and their related recycled waste metrics were significant enough to trigger a base year recalculation to ensure data comparability over time. Additionally, we enhanced our alignment to the GRI and, in 2022, reclassified biomass waste from recycled (energy recovery) to incineration (with energy recovery).

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

Definition

Total number of sustainable packaging and trim materials Apparel SKUs divided by the total number of packaging and trim materials SKUs (sustainable and non-sustainable).

Sustainable SKUs specific to apparel are those containing carton, polyester, paper, and poly-cotton trims, that are used actively and include 20% to 60% of recycled material and/or are certified by the Forest Stewardship Council or other relevant sustainability certification.

Units

Percentage (%)

Method

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

Restatements

In 2022, we updated our 2021 base year to reflect the improvement of our data collection, control processes, and calculation methodology to ensure it reflected the 12-month weighted average versus exit rate.

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

Definition

Women in director-level and above position is 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) of Gildan and its subsidiaries, expressed as a percentage.

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

Coverage for this metric included all Gildan-operated sites including Frontier Yarns.

Restatements

In 2022, there was a slight change (<1%) in the base year previously reported due to the inclusion of employees from Frontier Yarns. Additionally, due to enhancements in the calculation methodology, this metric was also revised to include sales representatives, which were previously omitted.

XI. INJURY SEVERITY RATE FOR EMPLOYEES (SEV)

Definition

The injury severity rate indicates how severe work-related injuries are in terms of the time an employee is unable to work due to injury in relation to hours of exposure. This indicator helps measure the efficiency of the Company's safety man-

agement system. The injury severity rate is the total number of lost days recorded in relation to total hours worked.

Unit

Number of lost days per 200,000 hours worked

Method

The injury severity rate was calculated by multiplying number of lost days by 200,000 hours worked, divided by total number of hours worked.

Hours worked were calculated as total number of hours worked by Gildan employees carrying out work-related activities during the reporting period. Hours worked included overtime (where recorded) but excluded maternity leave, sick leave, public holidays, and other authorized absences.

The number of days included in the medical leave were considered lost days and were recorded as beginning on the first rostered day the employee was absent after the day of the work-related injury. The day of the work-related injury was not included. (Note: Lost days are inclusive of weekends)

Metrics included data from Frontier Yarns and partial-year data from one facility also acquired in 2021 but closed in 2022. It also included data from a sewing facility in the Dominican Republic which commenced operations and excluded data from our office in Japan, which was closed during the second half of 2021.

Restatements

No restatements were required to previously reported metrics.

XII. LOST TIME INJURY FREQUENCY RATE FOR EMPLOYEES (LTIFR)

Definition

This indicator highlights the frequency of injuries in relation to the number of hours worked and is an indicator that helps measure the efficiency of the Company's safety management system. The lost time injury frequency rate (LTIFR) is the total number of lost-time injuries (LTIs) recorded in relation to total hours worked.

Unit

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

Method

LTIFR was calculated by the number of lost-time injuries divided by total hours worked in the accounting period multiplied by 200,000.

Metrics included data from the Frontier Yarns at the end of 2021 and partial-year data from one facility also acquired in 2021 but closed in 2022. It also included data from a new sewing facility opened in Dominican Republic and excluded data from our office in Japan, which was closed during the second half of 2021.

Hours worked were calculated as total number of hours worked by Gildan employees carrying out work-related activities during the reporting period. Hours worked included overtime (where recorded) but excluded maternity leave, sick leave, public holidays, and other authorized absences.

Restatements

No restatements were required to previously reported metrics.

XIII. LOST TIME INJURY FREQUENCY RATE FOR CONTRACTORS (HAITI OPERATIONS ONLY)

Definition

This indicator helps highlight the frequency related to how many lost-time injuries are occurring at third-party contractor facilities in Haiti in relation to the number of hours worked. It helps measure the efficiency of the third-party contractor's safety management system. The LTIFR is the total number of LTIs recorded in relation to the total hours worked.

The LTIFR for contractors is the total number of LTIs recorded for contractors in relation to the total hours worked by contractors. Calculations include five sewing facilities in Haiti.

Unit

LTIFR is the number of lost-time injuries per 200,000 hours worked by contractors.

Method

LTIFR was calculated by the number of lost-time injuries divided by the total hours worked in the accounting period multiplied by 200,000. This calculation refers only to five contractor facilities located in Haiti.

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

No restatements were required to previously reported metrics.