



**GILDAN ACTIVEWEAR INC.
ANTI-CORRUPTION POLICY AND COMPLIANCE PROGRAM**

**Adopted by the Board of Directors on February 3, 2004
Last amended on October 20, 2015**



INTRODUCTION

The laws of most countries make the payment or offer of payment of a bribe, kickback or other corrupt payment a crime, leading to fines, imprisonment and reputational harm for the companies and individuals involved. These anti-corruption laws, as amended from time to time, including the *Corruption of Foreign Public Officials Act* of Canada (the “**CFPOA**”), the *Foreign Corrupt Practices Act* of the United States (the “**FCPA**”) and the *United Kingdom Bribery Act 2010* (the “**UKBA**”), collectively, along with domestic legislation, prohibit companies and their employees and agents from directly, or indirectly through an intermediary, offering, promising to pay or authorizing the payment of money or anything of value to foreign or domestic officials or to persons doing business in the private sector for the purpose of influencing their acts or decisions. This is the case even if such payments are common in the countries in question.

I. PURPOSE

Gildan Activewear Inc. and its subsidiaries (collectively, “**Gildan**” or the “**Company**”) are subject to the CFPOA, the FCPA, the UKBA and the local anti-corruption laws of all countries in which Gildan conducts business (collectively, the “**Anti-Corruption Laws**”). The purpose of this Anti-Corruption Policy and Compliance Program (the “**Policy**”) is to reaffirm Gildan’s commitment to ethical conduct and compliance with all applicable Anti-Corruption Laws, a commitment that is embodied in Gildan’s Code of Ethics and Code of Conduct (the “**Gildan Code**”). This Policy supplements the principles and standards of conduct set forth in the Gildan Code and should be read in conjunction with it.

II. SCOPE

This Policy applies to all Gildan directors, officers and employees, as well as to all of the agents, representatives, intermediaries, consultants, distributors, customers, contractors, joint venture partners and suppliers working for or on the Company’s behalf anywhere in the world that are deemed to be subject to the Policy under the Business Partner Guidelines (as defined in Section III below) (collectively, “**Business Partners**”).

III. ADMINISTRATION AND OVERSIGHT

The Ethics and Fraud Compliance Committee (the “**Compliance Committee**”), which was appointed by Gildan’s Compliance Steering Committee¹, is responsible for overseeing the Company’s global ethics and fraud compliance programs, including anti-corruption compliance.

¹ The Gildan Compliance Steering Committee, which is chaired by the President and CEO, is an executive management committee established by the Board of Directors to oversee the Company’s global compliance programs, including ethics and fraud compliance, operational compliance, tax compliance, and financial reporting compliance.



The Compliance Committee is comprised of certain officers representing legal, finance, human resources, corporate security, corporate social responsibility and enterprise risk management. See **Schedule A** for a current list of the members of the Compliance Committee and their contact information.

More specifically, the Compliance Committee is responsible for the following:

- a) The design, implementation and administration of the Policy;
- b) Monitoring the effectiveness of and compliance with the Policy and reporting thereon to the Compliance Steering Committee;
- c) Reviewing and updating, if necessary, the Policy on a regular basis in order to reflect legislative developments and Company practices and making recommendations to the Compliance Steering Committee for any appropriate amendments to the Policy; and
- d) Overseeing the implementation of measures to ensure that the Policy is communicated to and understood by all of the Company's directors, officers, employees and, where necessary or appropriate, Business Partners.

The Compliance Committee will determine its own internal procedures and may, from time to time, adopt specific guidelines and procedures to supplement this Policy, such as the Business Partner Guidelines set forth in **Schedule B** (the "**Business Partner Guidelines**") and the Anti-Corruption Due Diligence Guidelines set forth in **Schedule C** (the "**Anti-Corruption Due Diligence Guidelines**"). All references herein to the Policy will be deemed to include the Business Partner Guidelines, the Anti-Corruption Due Diligence Guidelines and any other guidelines and procedures adopted hereunder from time to time.

The Compliance Committee has appointed certain officers, including the Director, Legal Affairs and Corporate Compliance and the financial officers of each of the Company's operating business units, to be responsible for the day-to-day management of the Policy at each of the Company's office and plant locations (the "**Compliance Officers**"). See **Schedule A** for a current list of the Compliance Officers, their contact information and their areas of responsibility.

All questions concerning the Policy, including requests for information and questions in cases of doubt, should be referred to the Director, Legal Affairs and Corporate Compliance or one of the other Compliance Officers.

The Compliance Committee reports to the Compliance Steering Committee on a quarterly basis, or more frequently as needed. The Compliance Steering Committee has the authority to report matters concerning this Policy directly to Gildan's Board of Directors.



IV. MANDATORY RULES

1. Prohibited Payments

No Gildan employee or Business Partner may, directly or indirectly through one or more intermediaries, give, offer, or agree to give or offer, a bribe or kickback to any person (a “**Prohibited Payment**”). Prohibited Payments include the payment of anything of value (in the form of money, gift, loan, reward, travel or business opportunities, advantage or benefit of any kind) to or for the benefit of any foreign official, domestic official² or person doing business in the private sector (an “**Individual**”) for the purpose of inducing or rewarding favourable action (or withholding of action) or the exercise of influence by such Individual.

Special care must be taken to ensure that no Prohibited Payments are made indirectly to or for the benefit of an Individual. For example, providing a scholarship to a relative of an Individual, or providing capital to a business of which an Individual or a relative of an Individual is a shareholder, can constitute indirect Prohibited Payments in contravention of this Policy.

Gildan employees and Business Partners must also not ignore circumstances that raise a suspicion that a payment may constitute a Prohibited Payment. Even if the thing of value is not offered directly to the Individual, the action may still be unlawful if there is knowledge, wilful blindness or conscious disregard of the fact that all or a part of the value will be offered to the Individual. Because it is not always possible to prove or measure knowledge by direct evidence in a courtroom, prosecutors generally use indirect, circumstantial evidence.

For more information on Gildan’s policies on gifts, entertainment and other gratuities, please consult the Gildan Code.

2. Facilitation Payments

“**Facilitation Payments**” are payments to an Individual, made directly or indirectly through one or more intermediaries, necessary to expedite or secure performance of a non-discretionary routine action, such as obtaining official documents, processing governmental papers, or providing police or utility services. Facilitation Payments never include payments made to assist in obtaining or retaining business or contracts. Although Facilitation Payments are permitted in limited circumstances under the FCPA and the CFPOA³, they are prohibited under most anti-

² A “foreign official” or “domestic official” can include a politician, judge or employee of a government, a political party or official thereof, a political party candidate, an employee of a government entity or government-owned company or an employee or agent of a public international organization (i.e. the World Bank, the UN and NATO).

³ On June 19, 2013, the Canadian government enacted broad amendments to the CFPOA. One such amendment is to eliminate the exception for Facilitation Payments, however the coming into force of this specific amendment has been delayed in order to afford Canadian entities adequate time to adapt their business practices to the new regime. No date for its coming into force has been set.



corruption laws, including the UKBA and domestic legislation. As such, Gildan employees and Business Partners are strictly prohibited from making or accepting any Facilitation Payments.

Any Gildan employee or Business Partner who is solicited by or on behalf of an Individual for a Prohibited Payment or a Facilitation Payment must immediately report the solicitation to the Compliance Officer with responsibility for the specific business unit. Solicitations can include both direct solicitations for Prohibited Payments or Facilitation Payments or deemed solicitations for Prohibited Payments or Facilitation Payments, which would include for example the existence of circumstances where an employee or Business Partner feels that such a payment is expected or services are being withheld or delayed pending such payment.

3. Marketing and Contract Administration Expenses

Although the CFPOA and the FCPA permit payments or reimbursements of a foreign public official's reasonable expenses relating to the lodging, transportation and meals incurred by that official in good faith that are directly related to the promotion of Gildan products and services, or the performance of an existing contract between Gildan and a foreign customer (the "**Promotional Expenses**"), the scope for Promotional Expenses is more limited under the UKBA. As such, Gildan employees and Business Partners are prohibited from paying or reimbursing Promotional Expenses, except in very limited circumstances and with the prior approval of the Director, Legal Affairs and Corporate Compliance and the Compliance Officer with responsibility for the specific business unit. Approved Promotional Expenses must be properly accounted for and supported by appropriate documentation.

4. Political Contributions

No Gildan employee may directly or indirectly make any contribution on behalf of Gildan to any political party or to any candidate for political office, except as permitted by applicable local law, the CFPOA, the FCPA and the UKBA and in accordance with provisions of the Gildan Code. Prior approval for any political contributions must be obtained from the President and Chief Executive Officer of Gildan.

5. Books and Records and Internal Controls

Gildan is committed to developing, documenting, maintaining and continually enhancing its internal accounting controls to ensure that all payments are fairly and accurately recorded in the Company's books, records and accounts. As such, Gildan employees must follow applicable standards, principles, laws and Company practices for accounting and financial reporting. Prior to paying or authorizing a payment to an Individual, Gildan employees or Business Partners should be sure that no part of such payment is to be made for any purpose other than that to be fully and accurately described in Gildan's books and records. No undisclosed or unrecorded accounts of Gildan are to be established for any purpose. False or artificial entries are not to be



made in the books and records for any reason. Finally, personal funds must not be used to make any Prohibited Payment or Facilitation Payment.

V. GUIDELINES FOR ENGAGING FOREIGN BUSINESS PARTNERS

Under the CFPOA, the FCPA and the UKBA, an act of a Business Partner may be viewed as an act of Gildan. If this Policy is not followed, Gildan and/or Gildan employees may be held responsible for the actions of the Business Partner. Therefore, all matters pertaining to the selection, engagement and oversight of foreign Business Partners, including the due diligence investigation, contractual arrangements and ongoing monitoring, must comply with the Business Partner Guidelines and must involve the Director, Legal Affairs and Corporate Compliance or a designated member of the Legal Department, as well as the Compliance Officer with responsibility for the specific business unit. Please refer to the Business Partner Guidelines set forth in **Schedule B** and the Anti-Corruption Due Diligence Guidelines set forth in **Schedule C**.

VI. ACQUISITIONS

Gildan will ensure that new business entities with pre-existing international operations are only acquired after a specific anti-corruption due diligence investigation has been performed by legal and accounting personnel and/or advisors in accordance with specific guidelines approved by the Compliance Committee. The Compliance Committee will ensure that this Policy, including compliance certification and training, is implemented in such newly-acquired business entities as quickly as practicable.

VII. EDUCATION PROGRAM

All employees of Gildan who are hired or assigned to functions involving international operations and business will be provided with a copy of this Policy and are expected to become familiar with it. All such employees and, where necessary and appropriate, Business Partners, will be required to participate in periodic training programs to ensure that the Policy is widely communicated and well understood. All such employees must certify (i) that they have read and understand this Policy, (ii) that they are not aware of any violations of the Policy that have not previously been reported, and (iii) to the extent this falls within their scope of responsibilities, that their local operating procedures adequately implement the Policy. The form of certification is set forth in **Schedule D** and certification will be required on an annual basis.

VIII. AUDITS AND MONITORING

1. Audits

Gildan will conduct periodic audits of its international offices, manufacturing facilities, Business Partners and, if applicable, newly acquired entities, in order to evaluate the effectiveness of and



compliance with the requirements of this Policy. Audits may be conducted internally by Gildan, or externally by retained third parties. Audit documentation will include performance improvement action plans to ensure that the Policy and related guidelines, including the Business Partner Guidelines, remain effective in detecting and deterring violations of Anti-Corruption Laws and the Policy.

2. Monitoring

Gildan employees are required to report any suspected violations of this Policy by any employee, Business Partner or any other service provider working for or on behalf of Gildan as soon as they become aware of such violations. All employee complaints or reports of violations must be addressed to a Compliance Officer or, alternatively, through the mechanisms described in Gildan's Procedures for Reporting by Employees of Complaints and Concerns Regarding Questionable Acts (the "**Reporting Procedures**"), which includes Gildan's confidential call-answering service managed through a third-party service provider. All reports received will be promptly and fully investigated. No person who in good faith reports improper practices or questionable acts in accordance with this Policy and/or the Reporting Procedures will suffer reprisals or retaliation of any kind, including dismissal, demotion, suspension, threats, harassment or any other manner of discrimination in the terms and conditions of employment.

IX. DISCIPLINARY PROCEDURES

The disciplinary procedures regarding violations of this Policy are as follows:

1. In the event of a breach of this Policy by an employee, the employee will be sanctioned, which sanction may include termination of employment and the initiation of legal action for damages where appropriate. During any investigation period, the employee may be suspended from work, with or without pay.
2. An employee who breaches this Policy will not be indemnified or saved harmless in any manner by Gildan, nor will Gildan provide any contribution to the costs incurred by the employee in defending any action for breach of Anti-Corruption Laws or this Policy by any civil or criminal authority.
3. Business Partners who violate Anti-Corruption Laws or this Policy may face immediate termination of any contract and the initiation of legal action for damages where appropriate.



SCHEDULE A
GILDAN ANTI-CORRUPTION POLICY AND COMPLIANCE PROGRAM

CURRENT MEMBERS OF THE ETHICS AND FRAUD COMPLIANCE COMMITTEE:

Name	Title	Contact Information
Lindsay Matthews	Vice-President, General Counsel and Corporate Secretary -	Tel: (514) 340-8790 lmatthews@gildan.com
Maria Reit	Director, Legal Affairs	Tel: (514) 744-8567 mreit@gildan.com
Jonathan Roiter	Senior Vice-President, Corporate Development and Finance	Tel: (514) 343-8587 jroiter@gildan.com
David Voizard	Vice-President, Financial Reporting and SOX Compliance	Tel: (514) 340-8922 dvoizard@gildan.com
Allen Surratt	Director, Regional Security, Americas	Tel: (336) 830-3161 ASurratt@gildan.com
Peter Iliopoulos	Senior Vice-President, Public and Corporate Affairs	Tel: (514) 340-8751 piliopoulos@gildan.com
Anne Duprat	Director, Internal Audit	Tel: (514)-744-8589 aduprat@gildan.com

CURRENT COMPLIANCE OFFICERS:

Name	Title	Area of Responsibility	Contact Information
Maria Reit	Director, Legal Affairs	Canada	Tel: (514) 744-8567 mreit@gildan.com
Jonathan Roiter	Senior Vice-President, Corporate Development and Finance	Canada	Tel: (514) 343-8587 jroiter@gildan.com
David Ramos	Director of Accounting	Bangladesh	Tel: 88 01766686949 dramos@gildan.com
Andrea Pirie Woodbridge	CFO, Manufacturing	Global Manufacturing operations	Tel: (504) 266-96602 MAPirie@gildan.com
Sibel Turkmen	CFO, Sales, Marketing and Distribution	Sales, Marketing and Distribution	Tel: (246) 753-8465 sturkmen@gildan.com
Timothy Buroff	Director, Finance	Yarn Spinning	Tel: (704) 630-4416 TBuroff@gildan.com
Son Truong Luu	Director, Business Development	Shanghai	Tel: 86-21-5208-2233 ext 108 stluu@gildan.com

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SCHEDULE B

GILDAN ACTIVEWEAR INC. ANTI-CORRUPTION POLICY AND COMPLIANCE PROGRAM BUSINESS PARTNER GUIDELINES

I. Purpose

As noted in the Gildan Activewear Inc. Anti-Corruption Policy and Compliance Program (the “**Policy**”), under applicable Anti-Corruption Laws,¹ an act of a third party who is an intermediary or otherwise provides services on the Company’s behalf may be viewed as an act of the Company,² and therefore may expose the Company and its employees to potential legal or reputational harm.

The Company does not engage in corruption in any form, and the purpose of these Business Partner Guidelines is to minimize the risk of a breach of the Policy and/or applicable Anti-Corruption Laws by setting forth procedures pertaining to the selection, engagement and oversight of “Business Partners”. “**Business Partners**” include any agents, representatives, intermediaries, consultants, distributors, customers, contractors, joint venture partners and suppliers working for or on the Company’s behalf anywhere in the world.

II. Scope

The Policy and these Guidelines apply to all Business Partners, and in particular to Business Partners who operate in areas most susceptible to corruption risk and who therefore risk exposing Gildan to potential legal or reputational harm.

The Compliance Officer³ responsible for the applicable business unit, in collaboration with the Director, Legal Affairs and Corporate Compliance, will be responsible for assessing the risk level of such business unit’s Business Partners for the purposes of the Policy and these Guidelines and documenting such assessment.

¹ “Anti-Corruption Laws” as defined in the Policy include the *Corruption of Foreign Public Officials Act* of Canada, the *Foreign Corrupt Practices Act* of the United States, the *United Kingdom Bribery Act 2010* and the local anti-corruption laws of all countries in which Gildan conducts business.

² “Gildan” or the “Company” as referred to in these Guidelines means Gildan Activewear Inc. and its subsidiaries collectively.

³ The Compliance Officers are Gildan employees who have been appointed by the Ethics and Fraud Compliance Committee to be responsible for the day-to-day management of the Policy throughout the Company. See Schedule A of the Policy for a current list of the Compliance Officers and their contact information.



The Compliance Officer must assess the risk level of a Business Partner (low, moderate or high) taking into account such factors as the Ethics and Fraud Compliance Committee⁴ (the “**Compliance Committee**”) deems appropriate from time to time, including at a minimum the following:

- a) The location of the Business Partner (high risk vs. low risk countries);⁵
- b) The type of services offered by the Business Partner (see the attached **Appendix A** for a list of Business Partners that are deemed to be moderate risk and who will therefore always be subject to a due diligence review);
- c) Whether the Business Partner is a government department, agency or state-owned entity (i.e. at least 30% owned by a government), or has ties to the government or government officials (i.e. is directly or indirectly owned by a government official or is a close relation of a government official);⁶
- d) The size and significance of the business relationship to the Company; and
- e) The existence of any of the “red flags” described in Section III below.

III. Selection and Renewal of Business Partners

New Business Partners

When a new Business Partner is determined to be moderate or high risk, a due diligence review must be performed prior to engaging such Business Partner and prior to any renewal of such Business Partner’s engagement. If there is no formal renewal date for such Business Partner, a due diligence review must be performed no more than twenty-four (24) months following the date of the initial engagement. Please refer to the Anti-Corruption Due Diligence Guidelines set forth in **Schedule C**.

If the Company acquires a new business entity, the Compliance Officer with the responsibility for the new entity must assess the risk level of the new entity’s Business Partners within three (3) months of the date of the closing of the acquisition or as otherwise agreed with the Compliance Committee. If any such Business Partners are determined to be moderate or high risk, a due diligence review must be performed within three (3) months thereafter or as otherwise agreed with the Compliance Committee.

⁴ The Ethics and Fraud Compliance Committee is responsible for overseeing the Company’s global ethics and fraud compliance programs, including anti-corruption compliance. See Schedule A of the Policy for a current list of the members of the Compliance Committee and their contact information.

⁵ Any Business Partner located in a country with a Transparency International Corruption Perception Index rating of less than 50 should be considered moderate to high risk.

⁶ “Government Official” includes all “foreign officials” and “domestic officials” as defined in the Policy.



Existing Business Partners

If an existing Business Partner is determined to be moderate or high risk as of the date of these Guidelines, a due diligence review must be performed within six (6) months after the date of these Guidelines. Please refer to the Anti-Corruption Due Diligence Guidelines set forth in **Schedule C**.

In addition, a due diligence review of an existing Business Partner may be performed at any time upon the request of a Compliance Officer or any member of the Compliance Committee.

Due Diligence Review

The due diligence must include the following elements:

- a) A review of the qualifications and business reputation of the Business Partner (which in the case of high risk Business Partners may require the services of a third party inquiry agent);
- b) Background checks on the Business Partner's principals (including research to identify any information about existing bribery or corruption related criminal cases, regulatory proceedings or allegations involving the Business Partner, its owners or officers);
- c) A review of the business rationale for the engagement of the Business Partner, which will be reflected in a Business Justification Form to be completed by the Gildan employee responsible for the engagement of a new Business Partner (the "**Gildan Sponsor**");
- d) A review of the proposed payment terms to confirm that the proposed compensation is commensurate with the services to be rendered; and
- e) A review of other specific anti-corruption risk areas.

Certain warning signs or "red flags" may arise during due diligence that may call for the early engagement of the General Counsel, or a designated member of the Legal Department ("**Legal Counsel**"), to advise on the associated risks. Some examples of red flags are as follows:

- a) The Business Partner will be required to interact with government officials in regard to Gildan's operations;
- b) The Business Partner refuses to provide certain key information, such as its ownership structure;
- c) The Business Partner refuses to confirm that the Business Partner will abide by Anti-Corruption Laws or the Policy (or will not agree to Gildan's standard anti-corruption contractual terms and warranties);
- d) The Business Partner does not want its/his/her identity disclosed;
- e) The Business Partner has requested to be paid into more than one bank account or into a bank account in a different name, or otherwise requests payment to a different entity which bears no relation to the contract;



- f) The Business Partner is an individual who is currently (or has recently been) in political office, is currently (or has recently been) a candidate for political office or is closely connected with a person who is currently (or has recently been) a candidate for political office;
- g) The Business Partner has family or business ties to government officials (i.e. a director, owner, officer or key employee of the Business Partner is a current or former government official) or holds his or herself out as having special influence with respect to government decision-makers;
- h) The government of any country has a direct financial interest in the Business Partner or any entity affiliated with it (i.e. a shareholding of at least 30%);
- i) A regulator or other government official referred the Business Partner to Gildan;
- j) The Business Partner is a new business or appears to lack capability (i.e. adequate facilities or staff) to carry out requisite activities;
- k) The Business Partner has been accused of corruption in the past, has a reputation for corruption or there are public accounts in the media of improper conduct by the Business Partner;
- l) The Business Partner makes unacceptable requests such as payment in cash or the alteration or backdating of invoices, or the preparation of other misleading documents;
- m) Persons representing the Business Partner request a payment or gift or anything of value for himself or another;
- n) The Business Partner requests compensation that is not commensurate with the services to be rendered;
- o) The Business Partner requests large bonuses or substantial deposits or a substantial line of credit at the beginning or in advance of the contract or requests a “success fee” arrangement;
- p) The Business Partner makes requests to be paid compensation by means other than wire transfer or cheque or outside the country of business of the Business Partner; and
- q) The Business Partner refuses to provide standard commercial information about remuneration (i.e. a sales agent who refuses to disclose commission levels).

As required by the Anti-Corruption Due Diligence Guidelines, Gildan’s Corporate Security Department will be responsible for conducting the due diligence review. The Corporate Security Department will submit a written copy of the due diligence report to: (i) the Director of Corporate Compliance, (ii) the Gildan Sponsor, (iii) the Legal Counsel supporting the applicable business unit, and (iv) the Compliance Officer responsible for the applicable business unit.



IV. Approval and Engagement of Business Partners

Once the due diligence report for moderate and high risk Business Partners is submitted to the Director, Legal Affairs and Corporate Compliance, the Legal Counsel, the Gildan Sponsor and the Compliance Officer for the applicable business unit, they must collectively approve the engagement or renewal of the Business Partner. Notwithstanding the foregoing, Business Partners that continue to be high risk or are determined to be high risk based on the findings in the due diligence report may not be engaged or renewed without the prior approval of the Executive Vice-President of the business unit in consultation with the General Counsel.

Prior to the commencement of the engagement of any Business Partner, or at the time of their renewal, all Business Partners must execute written agreements or certifications containing two or more of the following terms (and at least (a) and (d), with (c) being mandatory for Business Partners assessed as high risk):

- a) Representations and undertakings relating to compliance with Anti-Corruption Laws and, where applicable, annual or periodic certifications of compliance with the Policy;
- b) Requirement to obtain Gildan's prior approval of any subcontractor and an obligation to obtain from any subcontractor representations and undertakings relating to compliance with Anti-Corruption Laws;
- c) Gildan's right to conduct audits of the books and records of the Business Partner that are related to its business with Gildan to ensure compliance with its representations and undertakings; and
- d) Gildan's right to terminate the Business Partner's engagement as a result of any breach of Anti-Corruption Laws or any representations and undertakings related to such matters.

The Legal Counsel, in collaboration with the Gildan Sponsor and the Compliance Officer responsible for the applicable business unit, will determine the format of the documentation referred to above taking into consideration, among other things, the risk level of the Business Partner and the nature of the business relationship. For example, it may be that under a separate Gildan policy, such as the Sourcing Guidelines for Manufacturing Contractors or the Procurement Policy, the Business Partner will be required to execute an agreement with Gildan, in which case the representations and undertakings referred to above will be included in such agreement.

V. Training and Ongoing Monitoring of Business Partners

All Business Partners must be made aware of Gildan's commitment to compliance with Anti-Corruption Laws in all the locations where it conducts business. In that regard, the Gildan Sponsor of the Business Partner and the Compliance Officer for the applicable business unit will be responsible for providing the Business Partner with a copy of the Policy and any related training materials that may be available at the time.



Where the Business Partner is required to periodically certify compliance with the Policy, the Gildan Sponsor of the Business Partner and the Compliance Officer for the applicable business unit will be responsible for ensuring that the Business Partner is implementing the Policy and that the required periodic certifications are provided by the Business Partner.

Adopted October 16, 2013
Last amended on October 20, 2015



Appendix A
to the Business Partner Guidelines

- Manufacturing contractors (worldwide, except Canada and the U.S.)
- Joint venture partners (worldwide)
- Customs agents, freight forwarding agents (where goods must clear customs), brokers or any other entity that will be required to interact with government officials in connection with its services to the Company (worldwide)
- Lobbyists (worldwide, except Canada and the U.S.)
- Lawyers/law firms (in jurisdictions with a Transparency International Corruption Perception Index rating of less than 50)
- Tax agents/specialists (in jurisdictions with a Transparency International Corruption Perception Index rating of less than 50)



SCHEDULE C

GILDAN ACTIVEWEAR INC. ANTI-CORRUPTION DUE DILIGENCE GUIDELINES

I. Introduction

Gildan Activewear Inc. and its subsidiaries (collectively, “**Gildan**” or the “**Company**”) is committed to conducting its operations at all times in accordance with all applicable laws, rules and regulations and to maintaining high ethical standards in all of our operations and business practices worldwide. Such commitments and standards, which apply to all Gildan directors, officers and employees worldwide, are set forth in the *Gildan Code of Ethics and Code of Conduct* (the “**Code of Ethics**”) and the *Gildan Anti-Corruption Policy and Compliance Program* (the “**Anti-Corruption Policy**”), among others (collectively the “**Gildan Standards**”).

Gildan believes in doing business with those who share and demonstrate the same standards of behaviour and business practices. This is why we expect all our third party business partners to not only be aware of the Gildan Standards, but also to abide by them, and Gildan will not knowingly engage in business relationships with third parties who operate in violation of applicable laws or regulations.

II. Purpose

The purpose of these Anti-Corruption Due Diligence Guidelines (the “**Guidelines**”) is to outline the process by which Gildan will ensure that it will not engage in business relationships with third parties who operate in violation of applicable laws or regulations or in violation of the Gildan Standards. The Guidelines set forth the procedure pertaining to the due diligence investigations (meaning performing some reasonable level of investigation of a business entity or person(s) prior to entering into a business relationship) to be completed in the selection of “**Business Partners**”.

“**Business Partners**” include any agents, representatives, intermediaries, consultants, distributors, customers, contractors, joint venture partners and suppliers working for or on the Company’s behalf anywhere in the world.

III. Scope

These Guidelines apply to all potential Business Partners selected by Gildan’s business units following a formal selection process assessing such potential’s Business Partners capabilities to perform the requested services/supply the requested goods. Such capabilities include an



evaluation of quality of services/goods as well as availability of resources (time, labour, financial resources, etc.).

IV. Procedures and Responsibilities

STEP 1 - EVALUATION OF RISKS ASSOCIATED WITH A POTENTIAL BUSINESS PARTNER

The Gildan employee responsible for the engagement of a new Business Partner (the “**Gildan Sponsor**”) shall perform, in collaboration with the Legal Counsel supporting the applicable business unit and the Compliance Officer responsible for the applicable business unit¹⁰, an evaluation of the risks associated with each potential Business Partner. Such risk assessment shall be documented by the completion of the *Business Partner Risk Assessment Form* (see Appendix A) and shall take into account at a minimum the following:

- The type of services offered by the potential Business Partner or the type of materials/goods to be supplied by the potential Business Partner;
- The location of the potential Business Partner or the origin of the materials/goods to be supplied (higher risk vs. lower risk countries);¹¹
- Whether the potential Business Partner is a government department, agency or state-owned entity (i.e. at least 30% owned by a government), or has ties to the government or government officials (i.e. is directly or indirectly owned by a government official or the owner is a close relation of a government official);¹²
- The size and significance of the business relationship to the Company; and
- The existence of any known “red flags”.

STEP 2 – COMPLETION OF COMPLIANCE QUESTIONNAIRE FOR BUSINESS PARTNERS AND DUE DILIGENCE INVESTIGATION

If a potential Business Partner is determined to be high risk (or is deemed to be high risk):

1. The Gildan Sponsor ensures completion in full of the *Compliance Questionnaire for Business Partners* (see Appendix B).
2. The Gildan Sponsor forwards the *Business Partner Risk Assessment Form*, along with the completed *Compliance Questionnaire for Business Partners* and other relevant supporting documentation (if any) to the Vice-President, Security, with a

¹⁰ For a list of the current Compliance Officers and their respective area of responsibility, please see Schedule A of the Anti-Corruption Policy.

¹¹ Any Business Partner located in a country with a Transparency International Corruption Perception Index rating of less than 50 should be considered moderate to high risk.

¹² “Government Official” includes all “foreign officials” and “domestic officials” as defined in the Policy.



copy to (i) the Legal Counsel supporting the applicable business unit and (ii) the Compliance Officer responsible for the applicable business unit. The Vice-President, Security will initiate the conduct of a due diligence investigation by validating the information contained in the *Compliance Questionnaire for Business Partners*, assessing the business reputation of the Business Partner, and performing background checks on the Business Partner's principals, among others. The services of a third party inquiry agent may be retained.

3. The Corporate Security department will conduct the due diligence in the following manners, among others and as deemed appropriate, depending on each Business Partner's circumstances:
 - ✓ External screening:
 - Media profiling
 - Watch List databases
 - Politically exposed persons
 - Company registry, business licenses and tax ID verification
 - Reverse directory search
 - Reference checking
 - Litigation records
 - Credit record /Financial health
 - Character testing
 - In-person interviews with Business Partner principals as well as with selected third-parties (customers for example)
 - ✓ Inspection of site/facility to ensure compliance with Gildan security standards (if applicable – i.e.: manufacturing contractors, leased premises, etc.).

Since it may take 3-6 weeks or more to complete a proper investigation, the Vice-President, Security ought to be contacted well in advance of the anticipated start of formal business relationship date. In any event, the Corporate Security department will make every effort to complete due diligence investigations in a timely manner so as to minimize business disruption or delay.

There may be occasions when due diligence investigations are conducted discreetly, however integrity and reputational due diligence investigations are usually conducted in the open, that is, with the full knowledge, cooperation and consent of the business entity and/or person(s) who are the investigation subjects.

STEP 3 – DUE DILIGENCE REPORT



The Vice-President, Security will prepare a report outlining the findings of the due diligence investigation. The Vice-President, Security will send the due diligence report for review and approval to: (i) the Gildan Sponsor, (ii) the Compliance Officer responsible for the applicable business unit and (iii) the Legal Counsel supporting the applicable business unit and (iv) the Director, Legal Affairs and Corporate Compliance.

STEP 4 – COLLECTIVE APPROVAL / REFUSAL OF BUSINESS PARTNER

Approval (or refusal) of a potential Business Partner determined to be high risk is to be given collectively, based on the due diligence report, by (i) the Gildan Sponsor, (ii) the Compliance Officer responsible for the applicable business unit, (iii) the Legal Counsel supporting the applicable business unit and (iv) the Director, Legal Affairs and Corporate Compliance.

Potential Business Partners for which the findings in the due diligence report raise concerns or issues may not be engaged (or renewed) without the prior review and approval of the Executive Vice-President of the business unit in consultation with the General Counsel.

No business transaction may occur prior to the approval of a potential Business Partner.

STEP 5 – LEGAL DOCUMENTATION

Once a potential Business Partner has been cleared via due diligence, the Gildan Sponsor is to work with the Legal Counsel supporting the applicable business unit in order to put in place all proper legal documentation to formalize the business relationship.

V. Frequency

- Due diligence is to be conducted at all times prior to the engagement of, and at the time of renewal of a business relationship with a potential Business Partner deemed or determined to be high risk.
- If there is no formal renewal date for any of the above identified Business Partners, due diligence ought to be performed no more than twenty-four (24) months following the date of the initial engagement.
- If the Company acquires a new business entity, due diligence ought to be performed on an existing Business Partner within three (3) months of determination of high risk, by the Compliance Officer with the responsibility for the new entity.
- In addition, a due diligence review of an existing Business Partner may be performed at any time upon the request of a Compliance Officer or any member of the Compliance Committee.

Adopted October 20, 2015



APPENDIX A

BUSINESS PARTNER RISK ASSESSMENT FORM

Date: _____ Previous DD review date: _____

New Business Partner Existing Business Partner

Name of Business Partner: _____

Address of Business Partner: _____

Gildan Sponsor: _____
(name, title and business unit)

1) Please assess whether the potential Business Partner falls within any of the following categories of deemed high risk Business Partners:

- Manufacturing contractor/Full pack supplier
- Joint-Venture Partner
- Customs agent, freight forwarding agent, broker
- 3PL
- Lobbyist (except Canada/US)
- Lawyer/law firm*
- Tax agent/specialist*
- Government department/government agency
- State-owned entity (30% or more owned by a government)
- Entity with ties to the government/government officials
(i.e.: is directly or indirectly owned by a government official
or is a close relation of a government official)



Please contact the Corporate Security Department to conduct due diligence

* Located in a country with a Transparency International Corruption Perception Index rating of less than 50.



2) If the potential Business Partner does not fall within any of the above, please continue to the risk assessment criteria below:

a) The Potential Business Partner is a:

Consultant/Service provider (please specify type of services):

Supplier of Goods/Equipment (please specify type of goods/machinery):

b) Will the potential Business Partner act as Gildan’s agent or assist Gildan in any way with Gildan’s interaction with a governmental entity or agency?

Yes →

 Please contact the Corporate Security Department to conduct due diligence

No

c) Special issues or concerns** : _____

** Please disclose the existence of any “red flags” (as described in the *Gildan Activewear Inc. Anti-Corruption Policy and Compliance Program Business Partner Guidelines*).

→ Risk Determination Based on the above criteria:

High Risk →

 Please contact the Corporate Security Department to conduct due diligence

Not High Risk



APPENDIX B

COMPLIANCE QUESTIONNAIRE FOR BUSINESS PARTNERS

This questionnaire must be completed and signed by third parties who desire to supply goods, perform services or act on Gildan's behalf (the "**Business Partner**"). Please answer all questions, or indicate reason if no answer given. If not enough space, please attach a separate page with complete information. Please provide all full names in English as well as in local language alphabet or characters.

Note: Information provided in this questionnaire will be verified by Gildan's third party inquiry agent. Your cooperation in facilitating these verifications is requested.

I. IDENTIFICATION OF BUSINESS PARTNER:

1. Full legal name (including all names by which Business Partner is known):

2. Place and date Business Partner was established:

3. Legal entity type :

Sole Proprietorship

Partnership

Corporation

Other: _____

[If incorporated, provide copies of commercial registry or equivalent official filings evidencing Business Partner's corporate formation.]

4. Tax identification number: _____

5. If Business Partner is an individual:

a. D.O.B.: _____

b. National ID number (and type): _____

6. Address, telephone and facsimile number(s):

7. How many years at this address? _____



II. OWNERSHIP INFORMATION:

8. Business purpose and brief history of the Business Partner:

9. Has the Business Partner ever done business with Gildan in the past? If yes, please provide details and include reasons of ceasing to do business (if applicable):

10. Identity and information of each individual owner/principal and individual beneficial owner (if different) of the Business Partner:

Full Name :

D.O.B. :

Citizenship :

National ID# (and type) :

Country of Residence :

Ownership % :

Full Name :

D.O.B. :

Citizenship :

National ID# (and type) :

Country of Residence :

Ownership % :

Full Name :

D.O.B. :

Citizenship :

National ID# (and type) :

Country of Residence :

Ownership % :



III. OPERATIONAL INFORMATION:

11. Identity of director(s), manager(s) and other key employee(s):

Full Name :

Title :

D.O.B. :

Citizenship :

National ID# (and type) :

Country of Residence :

Full Name :

Title :

D.O.B. :

Citizenship :

National ID# (and type) :

Country of Residence :

Full Name :

Title :

D.O.B. :

Citizenship :

National ID# (and type) :

Country of Residence :

12. Briefly describe experience and qualifications of the management personnel of Business Partner:



13. Are the Business Partner's premises owned or leased? Owned Leased

14. If business premises leased, please provide landlord name and telephone number:

15. Please describe the business premises (office, facility, equipment and machinery):

16. Approximately how many workers and how many administration/management staff does the Business Partner employ?

Number of workers: _____ Number of administration/management staff: _____

17. Are the workers unionized? Yes No

18. If workers are unionized, please identify all labor unions representing workers:

19. Please provide details and references for all relevant intellectual property owned and/or used by the Business Partner (include references to pending patents):

20. Please provide details of all necessary business licenses and permits:



21. How many customers is the Business Partner currently providing services to: _____

22. How much (in %) would Gildan represent of the supplier's/service provider's total capacity: _____

23. Please provide 3 legitimate business references of good standing who we can contact (for example: major customer) – kindly provide name and telephone number(s)/email(s) of contact person(s):

1) _____

2) _____

3) _____

24. Please provide the Business Partner's banking reference information :

Financial institution: _____

Address : _____

Name of Representative : _____

Tel. of Representative : _____

Financial institution: _____

Address : _____

Name of Representative : _____

Tel. of Representative : _____

IV. BACKGROUND INFORMATION:

25. Has the Business Partner ever been denied credit? If yes, please explain:



26. Is the Business Partner, any of the owner(s), partner(s), principal(s), shareholder(s), director(s), manager(s) and/or key employee(s) currently a defendant in any litigation, or is there a threat of any such litigation in the near future? If yes, please explain:

27. Is the Business Partner, any of the owner(s), partner(s), principal(s), shareholder(s), director(s), manager(s) and/or key employee(s) involved in any significant litigation that is having or could have a negative impact on the business, or is there a threat of any such litigation? If yes, please explain:

28. Have any of the owner(s), partner(s), principal(s), shareholder(s), director(s), manager(s) and/or key employee(s) ever been charged with or convicted of a criminal offense? If yes, please explain:

29. Have any of the owner(s), partner(s), principal(s), shareholder(s), director(s), manager(s) and/or key employee(s) ever been subject to regulatory penalties or sanctions? If yes, please explain:

V. CONFLICT OF INTEREST:

30. Identify whether any of the Business Partner's owners, principals, shareholders, directors, senior officers or key employees (including their immediate family members) are related to any current Gildan employee or director:

- Yes No



31. If yes, please list the individual(s) and provide details of the relationship(s):

VI. INVOLVEMENT OF GOVERNMENT OFFICIALS:

32. Identify whether (i) any of the Business Partner's owners, principals, shareholders, directors, senior officers or key employees, or (ii) immediate family member of the Business Partner's owners, principals, shareholders, directors, senior officers or key employees, is now or has been in the past five (5) years, directly or indirectly, a Public Official:

Yes No

33. If yes, please list the individual(s) and provide details of the position(s) held:

VII. COMPLIANCE PROGRAM:

34. Does the Business Partner have a Code of Ethics or a Code of Conduct?

Yes No

35. Does the Business Partner have an Anti-Corruption Policy?

Yes No

36. Does the Business Partner provide ongoing and systematic employee training on its Code of Ethics and its Anti-Corruption Policy?

Yes No

37. Does the Business Partner have internal controls in place to monitor compliance with its Code of Ethics and its Anti-Corruption Policy?

Yes No

38. Please describe the internal controls program:





CERTIFICATION

The undersigned certifies that the information relating to the Business Partner provided in this Compliance Questionnaire for Business Partners is true and complete.

Signature: _____

Name: _____

Title: _____

Date: _____

Email: _____

Tel.: _____



SCHEDULE D

GILDAN ANTI-CORRUPTION POLICY AND COMPLIANCE PROGRAM

CERTIFICATE OF COMPLIANCE

I acknowledge (i) that I have read and that I understand the Gildan Activewear Inc. Anti-Corruption Policy and Compliance Program (the “**Policy**”), and (ii) that I am not aware of any violations of the Policy that I have not previously reported. I undertake to comply with the provisions of the Policy, and I also confirm compliance thereto. I understand that Gildan may, at any time, add, change or rescind the Policy or any policy or practice at its own discretion, provided I am advised of such change.

Date

Name of Employee (please print)

Signature of Employee

Location