



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

**Adopted by the Board of Directors on February 3, 2004
Last amended on May 1, 2014**



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 (collectively, “**Business Partners**”).

III. 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 official¹ or person doing business in the private sector (an

¹ 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).



“**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 CFPOA², they are prohibited under most anti-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 solicitation³. 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.

² 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.

³ Business Partners must report the solicitation to a Gildan employee and Gildan employees must report the solicitation to the Compliance Officer with responsibility for the specific business unit.



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 prior approval of the Gildan Director of 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.

IV. 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 A** and certification will be required on an annual basis.

V. 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 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.

VI. 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

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 and Title (please print)

Signature

Company Name (Business Partner)

Location