

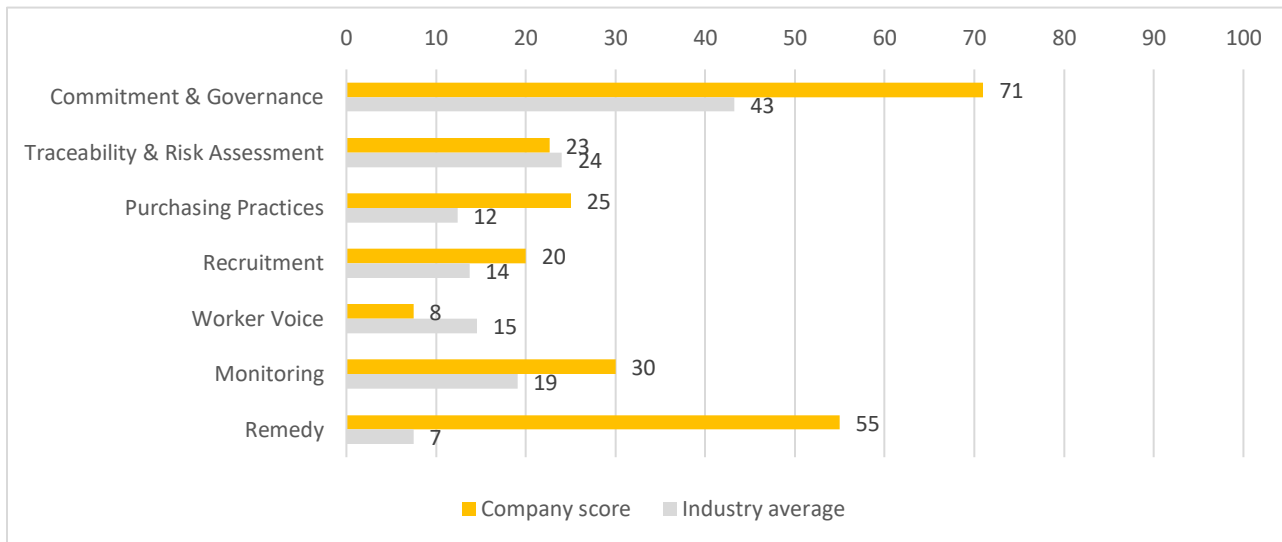
Gildan Activewear Inc. (Gildan Activewear)

TICKER
TSE:GIL

MARKET CAPITALISATION
US\$7.40 billion

HEADQUARTERS
Canada

DISCLOSURES
UK Modern Slavery Act: [Yes](#)
California Transparency in Supply Chains Act: [Yes](#)
Australia Modern Slavery Act: [Yes](#)
OVERALL RANKING
17 out of 65
[2021 Rank:](#) 15 out of 37

OVERALL SCORE
32 out of 100
THEME-LEVEL SCORES

KEY DATA POINTS
FIRST-TIER SUPPLIER LIST

Yes (Limited)

RISK ASSESSMENT
 No

DATA ON PURCHASING PRACTICES
 No

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

Yes (Limited)

HIGH-RISK RAW MATERIALS²
 Cotton

SUMMARY

Gildan Activewear Inc. (Gildan Activewear), a Canadian activewear manufacturer and distributor, ranks joint 17th out of 65 companies. Since 2021, the company began disclosing a partial first-tier supplier list, with partial data on migrant and women workers, limited information on purchasing practices, the tracing process for labour agencies, and one example of remedy provided to supply chain workers. Notably, Gildan Activewear is the second-highest-scoring company on the theme of Remedy by disclosing relatively detailed process by which supply chain workers grievances are raised and resolved. However, the company did not disclose up-to-date information on its risk assessment methodology or information about how it supports responsible recruitment in its supply chains. As such, since 2021 it was overtaken by other companies in the benchmark that presented stronger disclosure, and its rank has dropped by two places. iv The company performed below average on the themes of Traceability & Risk Assessment and Worker Voice.

The company is encouraged to improve its performance and disclosure on the themes of Traceability & Risk Assessment, Purchasing Practices, and Worker Voice.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: While the company discloses a partial list of first-tier suppliers, the company is encouraged to disclose the names and addresses of its entire first tier, the countries in which its below-first-tier suppliers operate and all countries from which it sources raw materials at high risk of forced labour. While the company discloses that it has a “process for monitoring the compliance of its suppliers against its Code and international laws, best practice and industry norms” and that it “conducts a due diligence assessment prior to engaging with third party contractors” (suppliers), the company should disclose a detailed methodology of its risk assessment process and its forced labour risks across different tiers of its supply chains. Furthermore, it should disclose how it engages with relevant stakeholders including workers, unions, and civil society organisations to address forced labour risks identified.

Purchasing Practices: While the company discloses information related to order planning and forecasting, the company is encouraged to disclose quantitative data evidencing the concrete steps taken to implement these responsible purchasing practices. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Worker Voice: While the company provides information on the proportion of supply chain workers who have access to a trade union in a limited supply chain context, in order to evidence its understanding of the supply chain workers’ de-facto ability to negotiate decent working conditions, the company is encouraged to disclose the percentage of suppliers’ workers covered by collective bargaining agreements. The company should work with local or global trade unions to support freedom of association across supply chain tiers/ context. To guarantee protections for supply chain workers on freedom of association and collective bargaining, the company may consider entering into a global framework agreement or enforceable supply chain labour rights agreements with trade unions or worker organisations.

¹ Research conducted through June 2023 or through September 2023, where companies provided additional disclosure or links. For more information, see the full dataset [here](#) and Gildan's Additional Disclosure [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 apparel & footwear benchmark [findings report](#).