



FLA Board Decides on Gildan Activewear's Status in FLA October 26, 2004

The Fair Labor Association (FLA) Board of Directors met Tuesday October 26, 2004. During the meeting, Board members discussed the status of Gildan Activewear, an FLA Participating Company that was placed on Special Review at the July 2004 Board meeting. The Board unanimously passed the following resolution with regard to the company's status in the FLA. We hope that Gildan will meet the Board's requirements in order to maintain its participation in the FLA.

-- Auret van Heerden
FLA President and CEO

FLA Board Resolution on Gildan

Whereas Gildan was placed on 90-day Special Review Period regarding its status as a Participating Company on July 26, 2004.

Whereas although Gildan has made progress in addressing the issues that required the Special Review, the Fair Labor Association (FLA) has determined that Gildan has not fully met the requirements established as part of the Special Review and therefore is not in Compliance with the FLA Standards, as defined in the FLA Charter.

Therefore be it resolved that Gildan's status as a Participating Company in the FLA is terminated effective December 10, 2004 unless, by November 30, 2004, Gildan provides evidence satisfactory to the FLA that it has taken the following actions:

1. Issued a clearly worded public statement that acknowledges that there were restrictions in its El Progreso factory on workers' rights to freedom of association, including posting such statement on its website.
2. Corrected misrepresentations of Gildan's compliance with FLA Standards that appear on the Gildan website.
3. Corrected misrepresentations attributable to Gildan of the FLA's position or of Gildan's position relative to the FLA by sending written notices correcting the record to the specific media where any misrepresentations occurred.
4. Effectively communicated to Gildan Honduran employees Gildan's commitment to their associational rights.



5. Demonstrated the completion of a remediation plan, including:
 - Evidence of payment (or, if necessary, escrow) of back wages to the 39 dismissed workers on the list provided by Workers Rights Consortium, from the date of dismissal through September 30, 2004, as well as severance packages based on each worker's original date of hire at the factory.
 - Evidence of completion of initial training by Verite on freedom of association for workers and managers, and adoption of plans for subsequent trainings in Gildan Honduran facilities and a plan for evaluation of the effectiveness of the training.
6. Constructively engaged in discussions with Maquila Solidarity Network on issues related to Gildan's implementation of FLA Standards.

Please go to <http://www.fairlabor.org/all/transparency/charts2004.html> to access the relevant tracking chart in this case.