FLA Board Rescinds Termination of Gildan ActiveWear
December 10, 2004

After reviewing the progress made by Gildan Activewear to meet the conditions set forth by the Fair Labor Association on October 26, 2004 (accessed at www.fairlabor.org/news/gildan, the FLA Board of Directors adopted the following resolution with regard to the company's status in the FLA. The conditions and Gildan’s progress in meeting them are summarized in a downloadable Chart.

The resolution, adopted by unanimous vote, is as follows:

• Noting the substantial steps taken by Gildan ActiveWear to meet the conditions specified by the Fair Labor Association (FLA) Board of Directors in its resolution of October 26, 2004, and
• Acknowledging that the remediation is ongoing and will be closely monitored and verified by FLA staff,
• The FLA Board agrees that Gildan has satisfied the conditions of the resolution.
• It agrees, therefore, to rescind the termination of Gildan and to reinstate the company as a Participating Company of the FLA, and
• It directs the FLA staff to provide an update to the Board at its February 2005 meeting on Gildan's progress in implementing the remediation plan; to make a public statement regarding the reasons for this reinstatement [the attached chart]; and to review in advance with Gildan any public statement that Gildan issues about this action.

In the event of Gildan opening a new plant in Honduras, the Board is particularly concerned that workers who lost their jobs at El Progresso should be granted first hire preference in order to fully restore their rights and complete the remediation.

According to FLA President and CEO Auret van Heerden, "We expect that Gildan will grant first hire preference at all of its plants in Honduras. More generally, while Gildan has worked hard to meet the requirements imposed by the Board at its October meeting, the company still has to meet its obligations as a Participating Company. We will continue to monitor the company's progress closely and hope that, through involvement in the FLA, Gildan will continue to improve its approach to workplace compliance."