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## **Gildan Activewear Becomes A Participating Company Of The Fair Labor Association**

### **-- Next phase in demonstrating ongoing commitment to social responsibility --**

Montreal, November 5, 2003 - Gildan Activewear Inc. (NYSE: GIL; TSX: GIL.A) today announced that it is the first Canadian company and the first manufacturer catering to the wholesale imprinted activewear industry to become a Participating Company of the Fair Labor Association (FLA).

The FLA, recognized internationally as one of the most highly respected independent verification agencies, promotes adherence to international labour standards and improving working conditions. Gildan applied to become a Participating Company of the FLA largely because of the credible, transparent and open process it offers for compliance with labour standards. The FLA's method of annual public reporting, its strict Workplace Code of Conduct, and the fact it employs internal and external audits were all key elements that prompted Gildan to seek FLA membership.

Becoming a Participating Company of the FLA further demonstrates Gildan's commitment to being a socially responsible corporation aiming to achieve the highest possible standards of working conditions in all its facilities.

"Our participation in FLA is a logical next step in Gildan's mission to implement the highest standards and best practices throughout our operations," stated Greg Chamandy, Chairman of the Board and Chief Executive Officer of Gildan. "It also confirms that we are effectively doing what we set out to do: provide excellent working conditions that improve the quality of our workers' lives and that of their families wherever they are located."

FLA's ongoing independent monitoring system ensures its Participating Companies continuously comply with its Code of Conduct. Aurret van Heerden, FLA Executive Director, said, "Gildan's application demonstrated that it is willing and committed to respecting the FLA Code in its facilities. We will be working together to ensure that code standards are maintained through monitoring and remediation."

Gildan has had its own code of conduct for a number of years to monitor proper working conditions here and abroad, both in its own facilities and those of its suppliers. It is also in the process of recruiting a Director of Social Compliance to oversee conformity to the Corporation's and the FLA Code's high standards. Furthermore, four of Gildan's plants have been certified by the Worldwide Responsible Apparel Production (WRAP), and the Company was recognized last February by the Canadian International Development Agency (CIDA) for Excellence in Corporate Social and Ethical Responsibility.

### **About FLA**

The FLA is a Washington, D.C.-based non-profit organization whose goal is to complement other international and national efforts to promote respect for labour rights worldwide. It represents a multi-stakeholder coalition of companies, universities and Non-governmental Organizations (NGOs) committed to a rigorous program of Code of Conduct implementation, monitoring and remediation in order to bring their manufacturing sites into compliance with FLA standards. Over 175 colleges and universities have joined the FLA to promote fair and decent conditions in the

production of goods bearing their logo, requiring their licensees to participate in the FLA licensee program. It also includes human and labour rights advocates and organizations which compose the FLA NGO Advisory Council facilitating the involvement of local and international NGOs to ensure worker empowerment and the meaningful protection of workers' rights. The FLA issued its first public report in June 2003. This report and additional information on the organization can be found at [www.fairlabor.org](http://www.fairlabor.org).

### **About Gildan Activewear**

Gildan Activewear is a vertically-integrated manufacturer and marketer of premium quality branded basic activewear for sale principally in the wholesale imprinted activewear segment of the Canadian, U.S., European and other international apparel markets. The Corporation manufactures and sells premium quality 100% cotton and 50% cotton/50% polyester T-shirts, placket collar golf shirts and premium quality sweatshirts in a variety of weights, sizes, colours and styles. The Corporation sells its products as blanks, which are ultimately decorated with designs and logos for sale to consumers. Gildan employs more than 9,000 full-time employees and is committed to providing a socially responsible workplace for all its employees and to the principles of sustainable operations. More information on the Corporation may be found at [www.gildan.com](http://www.gildan.com).

### **BACKGROUNDER**

Based in Washington D.C., the Fair Labor Association (FLA) is a non-profit organization combining the efforts of industry, non-governmental organizations (NGOs), colleges and universities. Its mission is to promote adherence to international labor standards and improve working conditions worldwide. The FLA serves as a source of information to consumers as it promotes public awareness about labor conditions around the world through candid and transparent reporting.

Companies that have joined the FLA range from multi-national corporations producing footwear and apparel for the global market, to small businesses that manufacture goods for the US collegiate market.

NGOs play a vital role in helping the FLA accomplish its mission by influencing and participating in the FLA system from the policy level through to the facility level. They are among the stakeholders that founded and participate in the FLA. Human rights, labor rights, women's rights, and consumer organizations are represented on the FLA's Board of Directors. Colleges and universities join the FLA to promote fair and decent conditions in the production of goods bearing their logo. To date, there are over 175 colleges and universities affiliated with the FLA.

To advance fair, decent and humane working conditions, the FLA enforces an industry-wide Workplace Code of Conduct, which is based on the core labor standards of the International Labour Organization (ILO). The following principles are contained in the FLA Code of Conduct:

**Forced Labor:** There shall not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.

**Child Labor:** No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows).

**Harassment or Abuse:** Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

**Discrimination:** No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

**Health and Safety:** Employers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.

**Freedom of Association and Collective Bargaining:** Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.

**Wages and Benefits:** Employers shall pay employees, as a floor, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and shall provide legally mandated benefits.

**Hours of Work:** Except in extraordinary business circumstances, employees shall (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country do not limit the hours of work, the regular work week in such country plus 12 hours overtime and (ii) be entitled to at least one day off in every seven day period.

**Overtime Compensation:** In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate.

The FLA employs an accreditation procedure that involves monitors who conduct independent external monitoring of facilities used by companies wishing to become a member of the FLA.

The FLA reports on the global and factory level activities of their Participating Companies activities through their annual Public Report, which describes the compliance programs of Participating Companies; common compliance issues in countries of manufacture; and efforts by Participating Companies to address them. The FLA also publishes and periodically updates Tracking Charts of individual factories, which detail the noncompliance findings of FLA-accredited independent monitors and track the progress of Participating Company remediation in these factories.

For more information, please refer to [www.fairlabor.org](http://www.fairlabor.org).