

## **Gildan Activewear Inc.**

### **Statement on Factory Closure Agreement Reached with Sindicato de Trabajadores de Gildan San Miguel (SITRAGSAM)**

On June 21, 2023, Gildan announced the closure of its San Miguel sewing facility located in Choloma, Honduras which is expected to be completed by August 31, 2023. This difficult decision was strictly based on the necessity to effectively respond to changes with regards to market conditions, global competition and the need to optimize and diversify our operations.

Following the announcement, Gildan immediately began dialogue with the union representing the impacted workforce, Sindicato de Trabajadores de Gildan San Miguel (SITRAGSAM) and assured them that the Company was committed to providing appropriate financial and other assistance to all affected workers including termination benefits owed under Honduran labor law. Gildan is further committed to providing impacted workers with the first opportunity with respect to any future job openings at its facilities in Honduras assuming that the former workers fulfill the technical profile required for the positions.

We would like to confirm that on July 14, 2023, following intensive and good faith efforts of all parties, an agreement was reached with the leadership of SITRAGSAM on the terms of the closure. The successful agreement reached is a testament to the full cooperative efforts of the parties involved to resolve the closure terms of the San Miguel facility thereby mitigating the uncertainty for our workers.

We also take this opportunity to again condemn the senseless and unrelated act that took place on June 24, 2023 at a billiard hall in Choloma that resulted in the murder of 13 individuals including 5 Gildan employees, among them the union President of SITRAGSAM. Gildan responded to this tragic event by providing financial support and assistance for the families of those murdered, and by holding three days of mourning at the San Miguel facility and making emotional and grievance support services available to our workforce.

Gildan reiterates its commitment to fully respect each employee's right to freedom of association and collective bargaining. These are fundamental rights embedded in our Code of Conduct, as exemplified by the presence of unions at our multiple facilities and the corresponding collective bargaining agreements in place. Gildan remains highly committed to its manufacturing strategy in Honduras, to our positive relationships and engagement with our workers and their unions, and to remaining a supportive member of the communities in which we operate.