



HANES
Brands Inc



WATER
SECURITY
2023

Welcome to your CDP Water Security Questionnaire 2023

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

HanesBrands is committed to doing its part to make the world more comfortable place for every body. For us, that means striving to be the apparel industry's leader in sustainability and corporate citizenship.

As one of the leading – and largest – manufacturers and marketers of everyday basic innerwear and activewear apparel in the Americas, Europe, Australia and Asia/Pacific, our company has both the commitment and resources to work each day to create a more responsible company. Powered by some of the world's strongest apparel brands, including *Hanes*, *Champion*, *Bonds*, *Maidenform*, *Bali*, *Playtex* and *Bras N Things*, HBI is keen to lead by example and learn from others.

We take great pride in our strong reputation for ethical business practices and our comprehensive sustainability program, which includes an intense focus on environmental stewardship. HBI is committed to the responsible management of energy, carbon emissions, water, wastewater, chemicals and waste in all of our facilities worldwide. The fact that the company owns a significant portion of its manufacturing and supply chain operations – unique in the apparel industry – means that we have an even greater ability to direct environmental programs and performance. Nearly 70% of our total unit volume is produced in facilities we own and control.



The company’s sustainability results speak to the strength of the programs in place. HBI has reduced energy consumption by 26% since 2007, water usage by 35%, and shifted 49% of the electricity the company uses to renewable resources. As a result of these and other performance metrics, HBI has been recognized by the U.S. Environmental Protection Agency Energy Star program for an unprecedented 14 years – first as a Partner of the Year (2010-2011) followed by Sustained Excellence Awards (2012-2023) – and remains the only apparel company to earn Sustained Excellence Awards in the program’s 29-year history.

But, there is much more work to do. That is why HBI announced new and even more aggressive long-term environmental and other sustainability performance goals late in 2020, along with launching a new sustainability website (HBISustains.com). This new website offers a deep and transparent look into our overall sustainability program and allows the public to track our progress. The company will continue to update it annually. We encourage you to visit this site to learn much more about our 3 pillars of sustainability: People, Planet and Product. You will see in our new Planet pillar that HBI has committed to:

- Reduce Scope 1 and 2 GHG emissions by 50% and Scope 3 by 30% by 2030 (these Scope 1 and 2 goals are in excess of Science-Based Targets submittal of Scope 1&2 reduction of 46.2% and Scope 3 reduction of 27.5% by 2030)
- Achieve 100% renewable electricity in our owned operations by 2030;
- Reduce water use an additional 25 percent by 2030 versus a 2019 baseline;
- Meet ZDHC wastewater standards by 2025; and,
- Achieve zero waste from landfill for all non-regulated waste produced by our company-owned operations.

On behalf of the company’s 55,000 associates and the communities in which it operates across the globe, we are focused on making a truly meaningful and lasting contribution to our world, now and in the years to come.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1, 2022	December 31, 2022

W0.3

(W0.3) Select the countries/areas in which you operate.

Argentina
Australia
Bangladesh
Belgium
Brazil
Canada
China
Costa Rica
Dominican Republic
El Salvador
France
Germany
Greece
Guatemala
Honduras
Hong Kong SAR, China
India
Indonesia
Ireland
Italy
Japan
Mexico
Netherlands
New Zealand
Philippines
Poland

Portugal
Puerto Rico
Republic of Korea
Romania
Russian Federation
Slovakia
South Africa
Spain
Sweden
Switzerland
Thailand
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes



W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Retail Stores and Commercial Offices	Water use at retail stores and certain small regional commercial offices is judged to be de minimis with respect to overall water usage, as it is used only for human consumption, sanitation, or general cleaning. In many cases, the water utility is part of a lease or rent calculation and specific water use / cost data is not available. Water use at these locations is estimated to be less than 1% of the total water used by HanesBrands.
Certain Temporary and Seasonal Warehouses and Storage Facilities	At year-end 2022, Hanesbrands had a total of 10 commercial warehouse and storage properties located in 7 countries totaling 783,815 square feet in which water usage was not tracked. This represents 4% of total company square footage and has been excluded from reporting. The excluded space primarily consists of overflow warehouses used for the storage of surplus equipment and/or the storage of excess finished product due to seasonal swings in product supply and demand. Water is only used for human consumption, sanitation, or general cleaning. These spaces are leased/rented and are typically occupied or accessed on a short-term basis to accommodate requirements of our dynamic supply chain. Spaces may include sublease of a facility for warehouse space or security structures (guard house) for trailer parking storage. Often, the water is included in the space rental. In these instances, HanesBrands does not have visibility to the use. Most of these spaces use little water with respect to the overall company's water use and it has been determined that the water use in warehouses and storage spaces is not material nor relevant. Water use at these locations is estimated to be less than 1% of the total water used by HanesBrands and is not material.

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	US4103451021

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	<p>i) Direct use: Ample quantity of treatable freshwater is important to the direct operations at HanesBrands. It is most important at our textile manufacturing operations. Treated freshwater is also used at other facilities such as offices, cut and sew operations and distribution centers primarily for sanitation and safety purposes.</p> <p>ii) Indirect use: The use of freshwater is important in indirect operations. Upstream: important for sourced fabrics and cotton supplies for our yarn. Cotton fiber is an important raw material and cotton yields or markets can be impacted by water availability. Downstream: water is important to our consumers to keep their apparel clean.</p> <p>iii) Good quality freshwater supplies in direct operations are important because the majority of HanesBrands fabrics are produced at company owned textile facilities. The sufficient supply of good quality water ensures the consistency and quality of color and finishes in our products at our wet processing facilities. At a corporate level, risk is somewhat mitigated by the large global footprint which allows flexibility in the event of a water impact on a single facility or basin. Risk from water quality is also mitigated because of on-site water treatment, which allows for filtration, treatment and softening of incoming water within a range of quality parameters at facilities that do not get incoming water from third party sources.</p> <p>iv) Water for indirect use is rated as important because of the utilization of cotton grown in</p>



			<p>non water stressed areas of the United States, which depend primarily on rain water. This reduces the risk for negative water impacts. Water quality has much less potential impact in this indirect use for agriculture.</p> <p>v) Future water dependency in direct and indirect operations is projected to remain similar, as Hanesbrands manufacturing operations such as bleaching and dying are dependent on water consumption, and so is growing the cotton that we need to make our textiles.</p>
<p>Sufficient amounts of recycled, brackish and/or produced water available for use</p>	<p>Not very important</p>	<p>Not very important</p>	<p>i) HanesBrands does not currently use any externally acquired recycled, brackish or produced water directly. HanesBrands is recovering and reusing grey water for sanitary purposes in a few limited applications.</p> <p>ii) Recycled, brackish, and/or produced water may be used in very limited indirect applications such as consumer washing but not in a significant way.</p> <p>iii). For direct operations, the importance of recycled, brackish, and/or produced water was rated not very important, due to the geographical location and the supply available to HanesBrands facilities which do not support the use of these types of water.</p> <p>iv) The indirect use of recycled, brackish, and/or produced water is also rated as not very important because most cotton used to make yarn utilized by HanesBrands is sourced from low or no-irrigation areas of the United States and mainly dependent on rain water. Additionally, brackish water is not a viable option if irrigation were to be needed. Recycled water could be used, but the use is very limited.</p> <p>v) Future dependency on sufficient amounts of recycled, brackish and/or produced water available for use is projected to remain the same, as HanesBrands' use of this type of water is limited and it is not expected to grow. Future projects to include more recovered and grey water for sanitary purpose in our facilities could increase dependency, but we have no plans for such projects as of right now.</p>



W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	76-99	Monthly	<p>HanesBrands facilities source data from either meter reading or invoice. The water withdrawal and usage data is logged and reported at the site level continuously or daily and to corporate each month.</p> <p>Water data is stored in an enterprise-wide utilities data collection system and is monitored for consistency on a regular basis. As a corporation, HanesBrands monitors both total withdrawals and water intensity (withdrawals per unit of production). Corporate goals are based on water intensity.</p>	<p>Over 90% of the company's total water use occurs within its textile manufacturing facilities. The company recognizes the importance of water as a valuable resource and measures and manages its use within the facilities that have the highest and most impactful use.</p> <p>i) HanesBrands defines sites as individual operating facilities such as textile manufacturing, cut and sew, distribution centers and offices.</p> <p>ii) Exceptions to the scope of water measurement includes low water-use facilities for which water is supplied from a third-party and is included in the lease.</p> <p>Water withdrawals for these facilities are projected based on measured withdrawals at similar HanesBrands facilities for purposes of measuring progress against corporate goals.</p>



Water withdrawals – volumes by source	76-99	Monthly	Total volume of water withdrawn from those known sources and water-use intensity are both monitored at a corporate level on a monthly basis based on data provided by each facility. This data comes from either meter reading or invoices.	The sources of water withdrawals are known at all facilities included within the operational control boundary. This includes surface water, renewable groundwater, or third-party suppliers as defined by CDP. In addition, HanesBrands has confirmed the water sources utilized by nearly 100% of the third-party suppliers serving its facilities. HanesBrands can analyze water withdrawal volumes by source as needed.
Water withdrawals quality	76-99	Monthly	<p>All Hanesbrands facilities verify the quality of potable water at least annually, through either supplier certification (for third-party suppliers) or internal testing.</p> <p>Water withdrawn for on-site treatment and use within textile manufacturing locations is tested daily to ensure the appropriate level of treatment is applied.</p>	<p>HanesBrands supplies its own water to seven facilities and purchases water from third-party suppliers at all other facilities. At facilities where HanesBrands supplies its own water, water quality is monitored at least daily as required by regulation to ensure that it meets applicable legal and operational standards. Third-party suppliers (generally municipalities) also test supplied water to ensure it meets applicable regulatory requirements. In addition, the HanesBrands Global environmental Management System (GEMS) requires that all facilities verify the quality of potable water at least annually, through either supplier certification (for third-party suppliers) or internal testing</p>

Water discharges – total volumes	76-99	Monthly	Water discharges are measured either by meter or by invoice for the majority of HanesBrands facilities. Exceptions include low water-use facilities for which water is discharged to a third-party and is included in the lease. Water discharge volumes for these facilities are projected based on measured withdrawals at similar HanesBrands	Water discharges are measured either by meter or by invoice for the majority of HanesBrands facilities. Exceptions include low water-use facilities for which water is discharged to a third-party and is included in the lease. Water discharge volumes for these facilities are projected based on measured withdrawals at similar HanesBrands sites.
Water discharges – volumes by destination	76-99	Monthly	Water discharges for these facilities are projected based on measured discharges at similar HanesBrands facilities for purposes of measuring progress against corporate goals. Where wastewater is discharged through third-party suppliers, HanesBrands has confirmed the final discharge body of water for nearly all wastewater treatment facilities operated by those third parties. These volumes are monitored on a monthly basis.	The immediate wastewater discharge destination is known for all facilities throughout Hanesbrands. For all facilities, water is discharged either through an on-site wastewater treatment process or through wastewater treatment systems operated by municipalities or industrial parks. Water discharges into these known destinations are measured either by meter or by invoice for the majority of HanesBrands facilities. Exceptions include low water-use facilities for which water is discharged to a third-party and is included in the lease. Water discharges for these facilities are projected based on measured discharges at similar HanesBrands facilities for purposes of measuring progress against corporate goals. Where wastewater is discharged through third-party suppliers,



				HanesBrands has confirmed the final discharge body of water for nearly all wastewater treatment facilities operated by those third parties. These volumes are monitored on a monthly basis.
Water discharges – volumes by treatment method	76-99	Monthly	Volume is measured either by meter or invoice data at all sites on a monthly basis.	Water discharges from textile manufacturing facilities account for the vast majority of the volume produced by Hanesbrands and for these facilities treatment happens either at a company-owned wastewater treatment facility or at a municipal or industrial park treatment facility. Biological treatment is the primary type of treatment used for wastewater discharge from HanesBrands facilities. For all other facilities treatment is handled by local municipal systems. Volume is measured either by meter or invoice data at all sites on a monthly basis.
Water discharge quality – by standard effluent parameters	76-99	Monthly	Wastewater quality parameters and reporting frequency differ by facility, but parameters are measured and reported in accordance with facility-specific discharge permits and all applicable regulations.	Water discharge quality is monitored for all owned textile manufacturing facilities and at all other facilities that have onsite wastewater treatment. Wastewater quality parameters and reporting frequency differ by facility, but are measured and reported in accordance with facility-specific discharge permits and applicable regulations. Wastewater parameters are continuously monitored by lab testing

				<p>across the full spectrum of indicators include BOD, COD, TSS, pH, and bacteria. Additional parameters must be monitored for wet processing facilities. Facilities that do not monitor wastewater discharge quality firsthand are those that discharge to a third-party supplier. These are low discharge volume facilities, and the supplier has determined that a discharge permit and/or regular sampling is not required. Discharge from these facilities is typically from kitchen, sanitary, cleaning, or utility sources.</p> <p>HanesBrands has adopted wastewater treatment goals that align with ZDHC</p>
<p>Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)</p>	76-99	Yearly	<p>Water discharge quality emission to water (Nitrates and Phosphates) is monitored for all owned textile manufacturing facilities and at all other facilities that have onsite wastewater treatment. The quantity of Nitrates and Phosphates emitted to water measured by total discharged wastewater is multiplied by the concentration of Nitrates and Phosphates reported in wastewater quality reports.</p>	<p>Water discharge quality is monitored for all textile manufacturing facilities and at all other facilities that have onsite wastewater treatment. Wastewater quality parameters and reporting frequency differ by facility, but parameters are measured and reported in accordance with facility-specific discharge permits and all applicable regulations. Wastewater parameters are continuously monitored by lab testing across the full spectrum of indicators include Phosphates, Nitrates, BOD, COD, TSS, pH, and bacteria count.</p>



				<p>Additional parameters must be monitored for wet processing facilities. Facilities that do not monitor wastewater discharge quality firsthand are those that discharge to a third-party supplier. These are low discharge volume facilities, and the supplier has determined that a discharge permit and/or regular sampling is not required. Discharge from these facilities is typically from kitchen, sanitary, cleaning, or utility sources.</p> <p>HanesBrands has adopted ZDHC standards.</p>
Water discharge quality – temperature	76-99	Daily	For textile manufacturing wet processing plants with on-site wastewater treatment, temperature is typically recorded daily at least once per work shift, using a thermometer.	Wastewater discharge temperature is monitored by textile, hosiery and sock wet processing facilities and by other facilities as required by wastewater discharge permits. Temperature monitoring frequency is established by regulation and facility specific permits.
Water consumption – total volume	76-99	Monthly	Water consumption at Hanesbrands facilities measured by invoices (for purchased water) or meter on monthly basic	At Hanesbrands, water consumption is a projected number based on both process knowledge and subtraction of wastewater discharge volumes from incoming water withdrawals at each facility. This number is calculated monthly based on the reported volumes from the facilities.



Water recycled/reused	76-99	Monthly	using meter and comparing water consumption before/after improvement made	<p>HanesBrands currently recycles water from non-process sources on a limited scale.</p> <p>i) Cotia, Brazil textile manufacturing facility recycles about 10% of its textile plant effluent for reuse in lavatories to flush commodes and also reuses a portion of process water.</p> <p>ii) El Salvador Textile manufacturing plant, they've completed the installation of a reverse osmosis (RO) system to recycle wastewater for use as boiler makeup water, saving 32 million gallons/year.</p> <p>iii) El Salvador Sock manufacturing facility utilizes the recycling / reuse of grey water from its cooling tower blowdown to flush toilets.</p> <p>iv) Hung Yen South manufacturing facility recycles 25% volume of the discharged wastewater from WWTP for flashing toilet.</p> <p>v) Surin manufacturing plant utilize rainwater for flashing toilet (reduce 30% water consumption).</p> <p>The company is reviewing opportunities for more extensive recycling and will consider monitoring of recycled water.</p>
The provision of fully-functioning, safely	100%	Yearly	HanesBrands utilizes internal self-assessments and audits, as well as audits by external auditors, as primary tools to	<p>All HanesBrands facilities provide fully functioning WASH services to workers.</p> <p>The company is committed to providing</p>



<p>managed WASH services to all workers</p>			<p>assure that its workplaces comply with applicable safety and health standards--including fully functioning WASH facilities for all workers</p>	<p>high quality workplaces to its employees. This is a main tenet of both its Global Standards for Suppliers ("GSS") and detailed Global Safety Management System (GSMS). HanesBrands utilizes internal self-assessments and audits, as well as audits by external auditors, as primary tools to assure that its workplaces comply with applicable safety and health standards--including fully functioning WASH facilities for all workers. For these and other reasons, HanesBrands has been recognized by the "Great Place to Work" Institute for its work practices in multiple countries.</p>
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W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	6,932.1	Much lower	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	Given normal fluctuations in operating schedules and product mix, Hanesbrands has set the following definitions for total water discharges: "About the Same" = ±5% to previous year; "Higher" or "Lower" = 5-10%



						<p>change from previous year; "Much Higher" or "Much Lower" = >10% change from previous year.</p> <p>Using these definitions, total withdrawals were much lower in 2022 compared to 2021, (26% reduction year over year). Hanesbrands had a much lower withdrawal of water in the reporting year versus the previous year due to significant decrease in textile production volume and also for the divestiture of our Hanes Europe Innerwear business unit. The divestiture resulted in 110k cubic meters of water.</p> <p>We expect our total withdrawals to decrease in the future as water efficiency increases, with only small variations depending on demand and product mix.</p>
Total discharges	6,376.91	Much lower	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	<p>Given normal fluctuations in operating schedules and product mix, Hanesbrands has set the following definitions for total water discharges: "About the Same" = $\pm 5\%$ to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower" = >10% change from previous year.</p> <p>Using these definitions, total withdrawals were much lower in 2022 compared to 2021, (26%</p>



						<p>reduction year over year). Hanesbrands had a much lower withdrawal of water in the reporting year versus the previous year due to significant decrease in textile production volume, the divestiture of our Hanes Europe Innerwear business unit (resultant 110k cubic meters), and the implementation of several small-scale continuous improvement projects and improvements across the portfolio of manufacturing sites that had a favorable impact on water use.</p> <p>We expect our total withdrawals to decrease in the future as water efficiency increases, with only small variations depending on demand and product mix.</p>
Total consumption	829.7	Much higher	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	<p>Water consumption at HanesBrands facilities is essentially limited to evaporation from one of the following sources:</p> <ul style="list-style-type: none"> (1) Drying of wet cloth following the bleaching or dyeing process in wet processing facilities; (2) Production of steam in onsite boilers; or (3) Evaporation from cooling towers utilized in an HVAC system or from basins / tanks used in onsite water or wastewater treatment. <p>Reported water consumption is a calculated</p>



						<p>number based on an aggregation of both facility-level measurements and calculations. Given normal fluctuations in operating schedules and product mix,</p> <p>Hanesbrands has set the following definitions for total water discharges: "About the Same" = $\pm 5\%$ to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower" = $> 10\%$ change from previous year.</p> <p>Using these definitions, total consumption was much lower in 2022 compared to 2021, (26% reduction year over year). Hanesbrands had a much lower consumption of water in the reporting year versus the previous year primarily due to significant decrease in textile production volume.</p> <p>We expect our total withdrawals to decrease in the future as water efficiency increases, with only small variations depending on demand and product mix.</p>
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W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	Identification tool	Please explain
Row 1	No	WWF Water Risk Filter	<p>Every two years, HanesBrands utilizes the WWF-Water Risk Filter to assess risks at all its large textile or hosiery /socks wet processing facilities and at several other facilities that represent other types of HanesBrands operations and are in a variety of geographical regions. A total of 32 operations were recently evaluated using the WWF Water Risk Filter, accounting for over 96% of water withdrawals.</p> <p>HanesBrands has utilized the WWF-Water Risk Filter since 2017 after concluding it was the most applicable for company facilities. The Water Risk Filter’s risk assessment is based on a company’s geographic location, which informs a site’s basin-related risks, as well as characteristics of its operating nature (e.g., its reliance upon water, its water use performance given the nature of the business/site), which informs a site’s operational-related risks. WWF uses the World Resources Institute’s Baseline Water Stress risk indicator which measures the ratio of total annual water withdrawals to total available annual renewable supply, accounting for upstream consumptive use. A higher percentage indicates more competition among users. Locations were selected for analysis by the WWF-Water Risk Filter based on their total water withdrawals, type of operation (to represent wet processing, apparel assembly, distribution, and commercial offices), and geographical location (to represent the global nature of HanesBrands operations).</p> <p>For all facilities, the facility GPS coordinates were utilized for purposes of the analysis. However, there are no known cases in which the company facility is not located in the same basin as the water source. In fact, the largest textile wet processing facilities withdraw water from an on-site source. The current version of the WWF-Water Risk Filter did show a moderate (20-30%) level of water depletion for the HanesBrands textile facility in the Dominican Republic. However, this assessment was based on a more general view of the Dominican Republic and not on a specific evaluation applicable to the water supply at the sub-basin level.</p> <p>Given its 15+ year history of operations at the site, the company applied more site-specific knowledge and information for a more granular analysis. This facility is in a mostly rural, more mountainous area in the center of the country and withdraws its water from two rivers originating in the mountains nearby. Water</p>



			<p>withdrawn by this facility is treated onsite after use and discharged to one of the rivers from which it is withdrawn; therefore, it remains in the same sub-basin. The average annual rainfall in the area is 1956 mm (77 inches), with an average rainfall for the driest calendar month of 99 mm (3.9 inches). [Rainfall data source =Climate-Data.org] Given this additional information, this facility does not withdraw its water from a water stressed area (defined as an area likely to experience water scarcity due to drought or other causes in a given RCP scenario).</p>
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W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	2,035.5	Much lower	Increase/decrease in business activity	<p>HanesBrands has set the following definitions for total water withdrawals: "About the Same" = $\pm 5\%$ to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower" = $> 10\%$ change from previous year.</p> <p>There was a 12% year-over-year decrease in surface water withdrawals primarily due to significant decrease in production volume, the divestiture of our Hanes Europe Innerwear business unit, and the implementation of several small-scale continuous improvement projects and improvements across the portfolio of manufacturing sites that had a favorable impact on our operations.</p>

					<p>We expect our total withdrawals to decrease in the future as water efficiency increases, with only small variations depending on demand and product mix.change.</p> <p>Furthermore, in the coming years we will continue efforts to align our water reporting methodology with the industry-leading Higg FEM platform which provides for verification audits and benchmarking across the industry.</p>
Brackish surface water/Seawater	Not relevant				<p>This measurement is not relevant because brackish surface water / seawater was not a direct water source at any company facility during 2022. It is expected that this water source will remain "not relevant" going forward. That said, there is the potential for future impact to third-party water suppliers in Australia, which supply certain HanesBrands offices and have the option of receiving water from desalination plants.</p> <p>Regardless, this would make an extremely small impact on HanesBrands overall results due to the extremely small volume of water withdrawn by the HanesBrands-Australia facilities relative to the company's total water withdrawal volumes.</p>
Groundwater – renewable	Relevant	3,378.3	Much lower	Increase/decrease in efficiency	<p>HanesBrands has set the following definitions for total water withdrawals: "About the Same" = ±5% to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower"</p>

					<p>= >10% change from previous year.</p> <p>This measurement is relevant due to the significant percentage of total water withdrawals. Groundwater is the water source for a large manufacturing site (wet processing operation) and is an alternate source at a smaller wet processing facility. There was a 13% reduction in groundwater withdrawals due to lower volume and better water utilization. It is expected that water withdrawals from ground water will remain at similar or reduced levels moving forward due to water reduction projects being pursued.</p>
Groundwater – non-renewable	Not relevant				<p>This measurement is not relevant because HanesBrands' groundwater withdrawals are from more shallow, renewable wells. At this time, this source is not expected to become relevant for future operations</p>
Produced/Entrained water	Not relevant				<p>This measurement is not relevant because there are no water sources that meet the definition of "Produced / Entrained Water" associated with company operations. This water source is not expected to become relevant given current operations and processes.</p>
Third party sources	Relevant	1,518.3	Much lower	Increase/decrease in efficiency	<p>HanesBrands has set the following definitions for total water withdrawals: "About the Same" = $\pm 5\%$ to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower"</p>



					<p>= >10% change from previous year.</p> <p>This measurement is relevant due to both the significant percentage of total water withdrawals and the fact that the vast majority of HanesBrands facilities receive their incoming water from third-party water sources. There was a 52% reduction in water withdrawals from third-party sources due to some facilities change sources of water usage and efforts to reduce water consumption at our facilities This volume is expected to remain at similar or reduced levels going forward with fluctuations in product mix affecting where products are manufactured.</p>
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W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	5,167.62	Much lower	Increase/decrease in efficiency	<p>HanesBrands has set the following definitions for total water discharge : "About the Same" = $\pm 5\%$ to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower" = $>10\%$ change from previous year.</p> <p>This measurement is relevant because of the percentage of total wastewater discharge volume associated with textile</p>

					and hosiery / sock wet processing operations utilizing onsite wastewater treatment facilities and discharging to surface water. There was a 11% decrease in discharges to fresh surface water compared to 2021 due to lower production volume and facilities' efforts to recycle process/domestic water within their operation. Wastewater discharge to fresh surface water is expected to remain at similar or reduced levels due to normal fluctuation in production volume and product mix, and water reduction projects.
Brackish surface water/seawater	Not relevant				Wastewater discharge to brackish surface water or seawater is not relevant because there are currently no HanesBrands facilities operating in areas where direct discharge to brackish surface water or seawater is geographically available.
Groundwater	Relevant	75.77	About the same	Increase/decrease in efficiency	<p>HanesBrands has set the following definitions for total water discharge: "About the Same" = $\pm 5\%$ to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower" = $> 10\%$ change from previous year.</p> <p>Discharge to groundwater is less than 1% of HanesBrands wastewater discharges, as it is limited to a few apparels assembly (non-wet processing) facilities, via either package wastewater treatment plants or industrial septic systems. It should be emphasized that no wastewater is discharged to groundwater without prior treatment and monitoring for applicable wastewater quality parameters. Our wastewater discharges to groundwater decreased by 4% compared to 2021 due to volume reduction. As noted for discharges to</p>



					surface water, the level of discharge to groundwater is expected to remain similar or be reduced going forward.
Third-party destinations	Relevant	1,133.51	Much lower	Increase/decrease in efficiency	<p>HanesBrands has set the following definitions for total water withdrawals: "About the Same" = $\pm 5\%$ to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower" = $>10\%$ change from previous year.</p> <p>This type of wastewater discharge is relevant due to both the volume of wastewater discharged to third parties and the fact that the great majority of HanesBrands facilities utilize third-party wastewater treatment service providers. There was an 51% decrease in discharge to third-party destinations compared to 2021 because of the closure of some operations that discharged wastewater to a third party as well as facilities' efforts to reduce or recycle water. The level of discharges to third party providers is expected to remain at similar or reduced levels going forward.</p>

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
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Tertiary treatment	Relevant	4,782.57	Much lower	Increase/decrease in business activity	1-10	<p>The three largest textile processing facilities, that account for nearly 90% of water used by HanesBrands, apply additional treatments to discharge water to remove constituents after biological treatment. Hanesbrands treats wastewater to the appropriate level to comply with regulatory requirements.</p> <p>Additionally, Hanesbrands has adopted wastewater goals that align with ZDHC standards.</p> <p>HanesBrands has set the following definitions for total water withdrawals: "About the Same" = ±5% to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower" = >10% change 18% lower due to lower production volume and effort of reducing water usage</p> <p>The volume of water is much lower than the previous year due to a reduction in production volume</p>
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						within company owned/operated manufacturing facilities.
Secondary treatment	Relevant	200	Much lower	Increase/decrease in efficiency	1-10	<p>Three of the four largest wet processing facilities have moved to tertiary treatment which resulted in the use of secondary treatment being much less than in previous years. One wet processing location continues to use biological treatment in the form of activated sludge in wastewater ponds. A small, non-wet processing facility uses a septic system. HanesBrands treats water to the appropriate level to comply with regulatory requirements.</p> <p>HanesBrands has set the following definitions for total water discharge : "About the Same" = $\pm 5\%$ to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower" = $>10\%$ change from previous year.</p>
Primary treatment only	Not relevant					No facilities use only primary treatment, thus it is not relevant to our operations



Discharge to the natural environment without treatment	Not relevant					HanesBrands does not discharge any water back to the environment without treatment, thus this is not relevant to our operations
Discharge to a third party without treatment	Relevant	1,394.34	Much lower	Increase/decrease in efficiency	81-90	<p>All our other facilities utilize third-party sources to treat wastewater. The volume of our discharge of water to a third party without treatment decreased by 35% compared to previous years because of a lower production volume and increased efforts of our facilities to improve water usage. Hanesbrands complies with all applicable regulations.</p> <p>HanesBrands has set the following definitions for total water discharge: "About the Same" = $\pm 5\%$ to previous year; "Higher" or "Lower" = 5-10% change from previous year; "Much Higher" or "Much Lower" = $> 10\%$ change from previous year.</p>
Other	Not relevant					Other treatment methods are not relevant



W1.2k

(W1.2k) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

	Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	Please explain
Row 1	105.22	Nitrates Phosphates	Hanesbrands facilities, who generating industrial wastewater, have bi-annually wastewater quality monitoring as per local requirements as well as ZDHC wastewater discharge alignment, thus we can track the quantity of Nitrates and Phosphates emissions in our wastewater discharges.

W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	6,223,650,000	6,932.1	897,801.532003289	Water withdrawal efficiency is expected to increase as HanesBrands continues to increase revenues and use water more efficiently in the future.

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	Hanesbrands does not have any products that contain substances classified as hazardous by a regulatory authority.



W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement
Suppliers	Yes
Other value chain partners (e.g., customers)	Yes

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

Yes, we assess the impact of our suppliers

Considered in assessment

Basin status (e.g., water stress or access to WASH services)

Supplier dependence on water

Supplier impacts on water availability

Supplier impacts on water quality

Number of suppliers identified as having a substantive impact

100

% of total suppliers identified as having a substantive impact

1-25

Please explain



HanesBrands has over 7k active suppliers representing direct and indirect categories. Of these suppliers, about 10% are direct suppliers providing packaging or other textile-related supplies/services. Of this subset of suppliers, water security is a potential issue within our tier 2 fabric, turn-key sourced product, and paper/paperboard/corrugate packaging suppliers. Hanesbrands requires sourcing facilities and strategic suppliers to complete the Higg vFEM platform by 2025. Hanes can then more closely analyze impact on water security from those suppliers. There were 95 tier 2 fabric factories that completed the FEM/vFEM and disclosed their information; 40% of these facilities reached at least level 1 for the water section, which requires suppliers to assess their dependence and the possible risks associated with water. Additionally, Hanes Global Standards for Supplier assessment program contains water-related questions and is supported by on-site, third party verification.

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization’s purchasing process?

	Suppliers have to meet specific water-related requirements
Row 1	Yes, water-related requirements are included in our supplier contracts

W1.5c

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

Water-related requirement

Reporting against a sustainability index with water-related factors (e.g., DJSI, CDP Water Security questionnaire, etc.)

% of suppliers with a substantive impact required to comply with this water-related requirement

100%

% of suppliers with a substantive impact in compliance with this water-related requirement

51-75

Mechanisms for monitoring compliance with this water-related requirement



- Fines and penalties
- On-site third-party audit
- Supplier self-assessment
- Supplier scorecard or rating

Response to supplier non-compliance with this water-related requirement

Retain and engage

Comment

HanesBrands recognizes water as a valuable resource important to the textile industry. We own and operate the majority of our textile manufacturing facilities that produce approximately 2/3 of the products we sell and strive to be the employer of choice and a good corporate citizen where we live, work, and play. We expect our key suppliers to have like-minded values when it comes to environmental stewardship. We require our suppliers to complete the apparel's industry-leading Higg Facility Environmental Module assessment program and have the results third-party verified. Additionally, the company has an internal Global Standards for Suppliers program that is comprised of robust audit protocols and is third party verified. These two tools provide quantifiable scores that can be used to influence key suppliers towards desired behaviors.

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement

Innovation & collaboration

Details of engagement

Encourage/incentivize innovation to reduce water impacts in products and services
Educate suppliers about water stewardship and collaboration

% of suppliers by number

1-25



% of suppliers with a substantive impact

1-25

Rationale for your engagement

i) Explanation of coverage:

HanesBrands collaborates with its process technology and chemical suppliers to identify water saving opportunities for its fabric dyeing and bleaching operations. The company partners with these suppliers to identify and execute water and cost savings opportunities that support the company in its pursuit of its long term sustainability goals. The company's suppliers are innovative and recognize the opportunity to improve their own operations through the advantages of water-saving improvements in their product technologies and chemistry. Investments in newer and more efficient technologies helps the company pursue its own continuous improvement goals

Impact of the engagement and measures of success

i) Details of beneficial outcomes:

HanesBrands continues to innovate in its dyeing and bleaching operations and recognize substantial water efficiency improvements and cost savings as a result. One beneficial outcome includes successfully optimizing bleaching processes in our textile facilities to reduce temperatures and therefore minimize water needed for thermoregulation. Another example is transitioning to more water efficient dyeing machines with lower liquor ratio capabilities that reduce the amount of water needed to dye the same amount of fabric. Investments in technological and process improvement projects with our business partners lead to accretive cost and water savings that benefit the company over time.

ii) Measuring supplier engagement success:

Supplier engagement success is measured formally through key progress indicators including water efficiency gains and cost savings. Success is also measured informally through a variety of methods including the maintenance of ongoing and mutually beneficial business relationships with long-term partners that progress the company towards its water saving goals.

Comment

W1.5e

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder

Customers

Type of engagement

Innovation & collaboration

Details of engagement

Collaborate with stakeholders on innovations to reduce water impacts in products and services

Rationale for your engagement

HanesBrands has set ambitious long term sustainability goals and knows it will need to continue engaging with its business partners to reach them. HanesBrands has frequently engaged with peer companies and business partners in its value chain. For example, in previous years, HanesBrands partnered with customers, other textile companies, NC State University, and industry organizations for the Wastewater Challenge, an initiative designed to improve water quality associated with textile wastewater treatment processes. As part of the project, the group developed a website "toolbox" as a forum for wastewater issues (<https://wastewater.sustainabilityconsortium.org/>). Engaging value chain partners through initiatives like the Wastewater Challenge enable HanesBrands to participate in efforts moving the industry as a whole towards better water treatment practices. HanesBrands has also partnered with Tide to encourage consumers to use cold water when washing their clothes. This would improve water quality in our oceans as washing in cold releases fewer microfibers

Impact of the engagement and measures of success

Engagement success is measured formally and informally. HanesBrands uses the Higg FEM process as a formal measure. Informally, HanesBrands' success in delivering quality and value depends on strong relationships with our suppliers and business partners. The company believes in doing business with partners that embrace and demonstrate high standards of ethical business behavior, including the commitment to protecting the quality of the environment around the world through sound environmental stewardship practices. Further, HanesBrands understands the need to engage suppliers and customers in identifying opportunities to leverage best practices in energy and water usage conservation, greenhouse gas emissions reductions, and solid waste avoidance. Partnering on initiatives like the Wastewater Challenge strengthens business relationships.



W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
Row 1	No	During reporting year there were no fines or penalties to Hanesbrands internal operation sites

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified
Row 1	Yes, we identify and classify our potential water pollutants	All Hanesbrands facilities must participate in the company's Global Process Sustainability (GPS) management system - which requires facilities to conduct a Global Environment Management (GEMS) assessment which includes an audit by a third party every two years. The GEMS assessment requires all Hanesbrands facilities to conduct environmental impact assessments related to water, including the use of water pollutants.



		<p>In addition all HanesBrands facilities and suppliers are required to complete the Higg FEM verification audit. In 2022 55% listed suppliers/facilities completed the Higg FEM assessment and/or the Higg FEM verification audit, which include an assessment on potential of water pollutants.</p> <p>Furthermore, the company has a robust chemical management system, supported by policies and procedures, that governs the entry of substances into our facilities and the use of chemicals globally. All chemicals are reviewed and approved before allowing entry and use within our facilities. The review process particularly looks at human health and environmental impacts of the substance's use.</p>
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W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category

Nitrates

Description of water pollutant and potential impacts

The environmental impacts of nitrate pollution include ecological and amenity damage to water bodies. It can also lead to higher costs, energy use and carbon emissions for drinking water treatment to bring nitrate concentrations to safe levels. Nitrates also have long-term impacts for groundwater.

Hanesbrands facilities generating industrial wastewater are subject to wastewater quality monitoring as per the ZHDC standard. We have an average Nitrate concentration of 18.54 mg/l which is lower than the limit of 20mg/l required by ZDHC.

Value chain stage

- Direct operations
- Supply chain

Actions and procedures to minimize adverse impacts

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
Resource recovery
Implementation of integrated solid waste management systems
Industrial and chemical accidents prevention, preparedness, and response
Provision of best practice instructions on product use
Water recycling
Reduction or phase out of hazardous substances
Upgrading of process equipment/methods
Procedure(s) under development/ R&D

Please explain

Hanesbrands facilities conducted Higg vFEM annually and, to ensure we're holding ourselves accountable to the highest standards, HanesBrands has also committed to meeting the wastewater standards of the Zero Discharge of Hazardous Chemicals initiative by 2025. We have worked to model changes needed to fully meet the standards and will be further evaluating options and their cost implications in 2023. Based on the results of our wastewater tests our Nitrates concentration was only 93% of the foundational limit in ZDHC.

Water pollutant category

Phosphates

Description of water pollutant and potential impacts

Too much phosphorus can cause increased growth of algae and large aquatic plants, which can result in eutrophication. High levels of phosphorus can also lead to algae blooms that produce algal toxins which can be harmful to human and animal health.

Hanesbrands facilities generating industrial wastewater are subject to wastewater quality monitoring as per the ZHDC standard. We have an average Phosphates concentration of 3.36 mg/l which is above the 3mg/l required by ZDHC. We are working on decreasing the Phosphate concentration of our wastewater.

Value chain stage

Direct operations

Supply chain

Actions and procedures to minimize adverse impacts

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

Implementation of integrated solid waste management systems

Industrial and chemical accidents prevention, preparedness, and response

Provision of best practice instructions on product use

Water recycling

Reduction or phase out of hazardous substances

Upgrading of process equipment/methods

Procedure(s) under development/ R&D

Please explain

Hanesbrands facilities conducted Higg vFEM annually and To ensure we're holding ourselves accountable to the highest standards, HanesBrands has also committed to meeting the wastewater standards of the Zero Discharge of Hazardous Chemicals initiative by 2025. We have worked to model changes needed to fully meet the standards and will be further evaluating options and their cost implications in 2023. based on actual result of wastewater test our Phosphate concentration was 112% of the foundational limit in ZDHC. Hanesbrands will applied all improvement needed to bring Phosphate level within limit. Additionally, chemicals containing phosphates are reviewed through our chemical management process before use is allowed.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations
Supply chain

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

More than once a year

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Enterprise risk management
International methodologies and standards
Databases

Tools and methods used

Enterprise Risk Management
ISO 31000 Risk Management Standard
Environmental Impact Assessment
IPCC Climate Change Projections

Contextual issues considered

Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Impact on human health

Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers
Employees
Investors
Local communities
NGOs
Regulators
Suppliers
Water utilities at a local level
Other water users at the basin/catchment level

Comment

HanesBrands assesses all risks, including those that are water-related, through its comprehensive enterprise risk management (ERM) process. HanesBrands' ERM applies the principles, framework, and process described in the ISO 31000-2009 Risk Management Principles and Guidelines. These guidelines include distinct steps to identify, assess, treat, and report risks. In June of 2020, we engaged with Anthesis to conduct a workshop with our senior ERM, supply chain, finance and sustainability leaders to map our most significant climate and weather-related risks. Climate risk assessment will be an on-going risk evaluation process that, like all of our ERM activities, will be reported to the senior management team and Board of Directors. For our owned operations, and those of key suppliers, we assessed different risks including: increased frequency and severity of big precipitation events; droughts; and interruptions to road infrastructure due to increased heat and precipitation. We then used Resilient Analytics' peer reviewed climate modelling methodology to analyze over 100 facility locations for two climate scenarios (RCP 4.5/"2 degrees" and RCP 8.5/"Business as Usual") and two time horizons (2030 and 2050).

W3.3b

(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	<p>HanesBrands identifies, assesses and prioritizes all risks, including those that are water-related, through its enterprise risk management (ERM) process. HanesBrands ERM applies the principles, framework and process described in ISO 31000:2009 Risk Management Principles and Guidelines.</p> <p>Substantive financial impacts are defined broadly in our Enterprise Risk Management (ERM) and each risk is considered for its potential to impact the company. Any risks deemed potentially significant to the company at large are sorted into broader categories (e.g. supply chain network optimization, business continuity, and reputational risk) and identified for ongoing oversight and management. The ERM Steering Committee assigns</p>	<ul style="list-style-type: none"> - At the company level, water-related risks that could have a significant impact on the business are identified by the ERM process through biannual risk identification interviews with senior executive management, business function management & leads, an annual survey process with employees at the director level and above. - The internal risk identification process is supplemented with third-party global risk reporting that highlights emerging risks by industry sector, geography, velocity. - HBI engaged with the consultancy Anthesis to conduct a workshop with our senior ERM, supply chain, finance and sustainability leaders to map most significant climate & weather-related risks through climate scenario analysis. - For owned operations, key suppliers, we assessed different water-related 	<p>Stakeholders have a role to play or an influence on our activities, thus we are assessing all stakeholders that we consider important to our business and that could, in return, be impacted by our activities.</p>	<p>At the asset level, water-related risks are identified and assessed by staff and through facility inspections carried out by the company’s property loss risk control program. Property-loss inspections that may identify physical vulnerabilities to water-related risks span HanesBrands’ global manufacturing facilities. Any findings that result from facility inspections are documented and addressed by management, and any significant risks identified are escalated to senior executive leadership and the ERM Steering Committee to inform the company’s risk definitions and future action plans.</p> <p>Substantive financial impacts are defined broadly in the ERM Steering Committee’s review process and reviewed quarterly. Each risk is considered for its potential to impact</p>

	<p>risk owners to each category to oversee current risk management activities and take appropriate action to mitigate risks based on their severity.</p>	<p>risks including increased frequency & severity of big precipitation events; droughts; interruptions to road infrastructure due to increased heat and precipitation. Then used Resilient Analytics' peer reviewed climate modelling methodology to analyze over 100 facility locations for two climate scenarios (RCP 4.5/"2 degrees" and RCP 8.5/"Business as Usual") and two time horizons (2030 & 2050). Climate risk assessment will be an on-going risk evaluation process that, our ERM activities, will be reported to the senior management team and Board of Directors.</p>		<p>the company. Any risks deemed potentially significant to the company at large are sorted into broader categories (e.g. supply chain network optimization, business continuity, and reputational risk) and identified for ongoing oversight and management. The ERM Steering Committee assigns risk owners to each category to oversee current risk management activities, future action planning, and progress against targets.</p>
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W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

i. Definition of Substantive Impact



Substantive strategic and financial impacts are defined broadly in the enterprise risk management (ERM) function's review process, and identified risks escalated and disclosed to the ERM function bi-annually. Each defined risk presented by the ERM function is considered across short, medium and long-term time horizons for its potential to impact factors including but not limited to profitability, shareholder return, business reputation, continuity across the business and the environment. Any risks deemed potentially significant to the company at large are sorted into broader risk categories for ongoing oversight, management, and review at future meetings. Executive management and the ERM function coordinate to assign risk oversight owners to each category to supervise current risk management activities, future action planning and progress against targets.

Substantive impact to the company, climate-related or otherwise, is better represented across multiple metrics rather than by a single quantitative value. HanesBrands defines substantive impact from water-related risk as a condition or set of conditions related to water supply that would result in production interruptions or curtailments at one of its primary operating facilities to the extent that the company's ability to fulfil customer orders is materially impacted. This definition applies to the company's direct operations, particularly its textile facilities where fabric is dyed and/or bleached.

ii. Description of Quantifiable Indicators

Any risks deemed potentially significant to the company at large are sorted into broader categories (e.g. supply chain network optimization, business continuity and reputational risk) for ongoing oversight and management. The ERM function and executive management coordinate to assign risk oversight owners to each category to supervise current risk management activities, future action planning and progress against targets with forward-looking key risk indicators. The key risk indicators track performance through quantifiable metrics and are reported and monitored internally through our ERM process. As examples of indicators considered, HanesBrands measures water consumption and water intensity, as well as water withdrawals and water recycling rates. Performance on key risk indicators like these inform the company of our overall exposure to water-related risks and allow us to stay informed on developments that could lead to substantive financial or strategic impacts. For more information, see www.HBISustains.com, particularly the 2030 goals section.

W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

Primary reason	Please explain
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<p>Row 1</p>	<p>Risks exist, but no substantive impact anticipated</p>	<p>HanesBrands continues to monitor and assess its water-related risk through multiple methods.</p> <p>The company monitors daily water usage at its owned textile facilities, and has taken steps through its Global Environmental Management System (GEMS) and its Global Energy and Environmental Sustainability Policy to continually conserve and protect water quality. Water-related KPIs are reported from textile operations to regional and corporate management on at least a monthly basis.</p> <p>The World Wildlife Fund Water Risk Filter analysis that was completed by the company in 2021, which covered over 96% of the company's overall water usage, found the company has minimal or limited basin-related risk, mainly due to the geographic locations of the company's manufacturing and distribution facilities.</p> <p>A detailed climate scenario analysis conducted in 2020 evaluated the company's exposure to climate-related water risks such as drought and greater precipitation, and found that while the company has some exposure to drought risk in 2050 under a "business as usual" scenario (RCP 8.5), this risk is limited and the company's work to date has prepared it well to mitigate and manage climate-related risk.</p> <p>HanesBrands has taken actions to mitigate water-related risks by ensuring that the majority of our cotton is sourced from non-water-stressed areas in the US and our facilities are located in areas with access to water sheds and high water availability. Moreover, we are implementing water efficiency and water recycling projects at our facilities to decrease our reliance on water, thus making HanesBrands' global operations more resilient. We are also geographically diverse, providing flexibility to mitigate risks associated with a single facility or site, and we maintain a comprehensive insurance coverage so that aggregate risk is largely limited to insurance deductibles.</p> <p>Based on the company's water management practices and the findings of external tools like climate risk analysis and the WWF Water Risk Filter, the company does not expect any substantive water-related impacts in the future, although impacts are always possible.</p>
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W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	<p>HanesBrands supplier network is in similar locations to the company's self-owned facilities. However, the company recognizes the importance of working closely with its suppliers and has implemented a supplier outreach program that includes capturing water usage data via an annual supplier questionnaire. The intent of the outreach is to identify and share best practices across the company's value chain, as well as identify potential environmental concerns at the supplier level.</p> <p>Additionally, HanesBrands requires all suppliers to certify compliance with the company's Global Standards for Suppliers ("GSS") and conducts hundreds of in-person supplier audits in accordance with the accompanying GSS protocol annually, covering all finished-goods. GSS requires suppliers to commit to protecting the quality of the environment around the world through sound environmental management and complying with all applicable environmental laws and regulations. The company favors suppliers who seek to reduce their water usage and minimize their environmental impacts. Specific water-related requirements include tracking water usage and having a designated environmental officer for the company. Through certification of compliance, we are inherently limiting exposure to certain water risks related to our suppliers.</p> <p>By 2025, we will only manufacture and source product from facilities that have completed the Higg FEM and will include Higg FEM scores in our factory compliance evaluations. This disclosed information provides us with insight on the water risks that our suppliers could face and that have the potential to trickle down to us.</p>

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

Strategic water reduction projects were underway at HanesBrands' Dos Rios and El Salvador textile facilities to reduce or reuse the amount of water in the textile dyeing process. Among the projects underway are bleaching process optimizations to reduce water and energy required for cooling and thermoregulation, low liquor dye machines with improved liquor ratios, and hot water system redesigns to allow for a better soaping process, reducing water usage for dark colors. These capital investments in process improvements and new technology will improve water efficiency and drive cost savings for the business.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)



Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

500,000

Explanation of financial impact

The financial impact range is estimated and subject to change depending on production volume, chemical costs, market energy rates and water treatment costs. Savings will be realized from reduced cost to treat process water and wastewater, along with reduced energy usage related to heating less water volume and in some cases reduced charges for the use of water.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?


Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Commitment to align with international frameworks, standards,	To continuously monitor and improve HanesBrands' environmental performance, the company has instituted its Global Environmental Management System (GEMS) and Global Energy Management Policy, which govern the company's management and tracking of environmental and energy performance. These company-wide policies detail requirements and procedures for environmental compliance in our owned global supply chain. Water-related topics detailed in these policies include but are not



	<p>and widely-recognized water initiatives</p> <p>Commitment to prevent, minimize, and control pollution</p> <p>Commitment to reduce or phase-out hazardous substances</p> <p>Commitment to reduce water withdrawal and/or consumption volumes in direct operations</p> <p>Commitment to reduce water withdrawal and/or consumption volumes in supply chain</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities</p> <p>Commitment to water stewardship and/or collective action</p> <p>Commitments beyond regulatory compliance</p> <p>Reference to company water-related targets</p> <p>Acknowledgement of the human right to water and sanitation</p>	<p>limited to storm water management, wastewater discharge, water conservation, water supply and drinking water procedures.</p> <p>HanesBrands is committed to providing all employees with clean and safe drinking water as well as sanitation in its facilities. This commitment extends beyond manufacturing facilities to include the surrounding communities. HanesBrands has the responsibility to use water in a thoughtful and sustainable way and to return the water at an even better quality than when it was first used.</p> <p>At www.HBISustains.com, our company environmental goals for water and current metrics are readily available to the public. The core focus areas of Planet, People and Product are explained as well as a variety of accomplishments, projects and informational material including wastewater and chemical management. Further, there you can view the company's commitments to the UN SDGs, including SDG 6: Clean Water and Sanitation.</p> <p>In addition, the company regularly conducts thorough environmental audits of owned facilities. HanesBrands also uses the Higg Facility Environmental Module to access facility performance and has a goal to align wastewater to ZDHC guidance by 2025 and further reduce water consumption 25% by 2030.</p> <p>The reduction of water usage is a focus of HanesBrands with current projects including the use of lower liquor ratio dyeing equipment, optimization of dye cycles, recycling a portion of wastewater to be reused in non-critical dyeing steps, the elimination of neutralization steps when possible, eliminating drain steps and using wash ranges to use less water per pound of fabric processed.</p> <p>To view the GEMS policy please visit the policies and standards area of the transparency section on www.HBISustains.com.</p> <p> 1</p>
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 1Manual-GEHS-HBI-1.pdf



W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
Chief Executive Officer (CEO)	<p>i) Water-related responsibilities: HanesBrands’ CEO, who is a member of the company’s Board of Directors, oversees business strategy and climate-related policy for the company. Our environmental and water-related policies are integrated into the company’s long-term business strategy, enterprise risk management (ERM) process, environmental management program and overall sustainability initiatives. Each of these holistically managed areas are led by a team of HanesBrands’ most senior executive management (“C suite”), including the CEO.</p> <p>HanesBrands CEO and senior executive management regularly review risk management initiatives, including those related to water, through ongoing management processes. Defined enterprise risks are also monitored through our ERM process and managed by executive “risk owners” who provide direction to management with responsibility in their respective business functions. This process is regularly reviewed for effectiveness and overseen and approved by the Audit Committee of the Board.</p> <p>ii) Example of water-related decision: With support from the most senior company leadership, including the CEO, HanesBrands hired external sustainability consultants to aid us in developing new sustainability goals including reducing water intensity, accompanying strategy, and to carry out climate scenario analysis including water risk.</p>

Board-level committee	<p>) Water-related responsibilities: The Board of Directors is elected by HanesBrands shareholders to oversee the health and overall success of the company’s business. Included in its responsibilities is assessing the company’s short- and long-term strategies, which include environmental and water-related policies and initiatives. The Board is also ultimately responsible for the oversight of HanesBrands’ risk-management function, including those risks that are environmental/climate related. The Board has delegated the primary oversight of the company’s enterprise risk management (ERM) process to the Audit Committee. The Audit Committee receives regular updates from HanesBrands’ executive management team regarding key risks facing the company -- including water-related risks -- and management’s mitigation plans.</p> <p>ii) Example of water-related decision The Audit Committee further prioritized water-related risk through the addition of a dedicated risk definition in the ERM process focused strictly on sustainability and climate risk. Risks identified in this risk category will be presented during quarterly meetings with ongoing management and review by the senior executive team, the ERM steering committee, and eventually the Audit Committee. We also conducted an in-depth analysis as per TCFD guidelines and disclosed this analysis in the Transparency section of www.HBISustains.com.</p>
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W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Monitoring progress towards corporate targets Overseeing acquisitions, mergers, and divestitures	The Board of Directors is elected by HanesBrands stockholders to oversee the health, governance, and overall success of the company’s business. Included in its responsibilities is assessing the company’s short and long-term strategies, which includes environmental and climate-related policies and initiatives. The Board is also ultimately responsible for the oversight of HanesBrands’ risk-management function, including those risks that are environmental/water-related. The Board has delegated the primary oversight of the company’s enterprise risk management (ERM) process to the Audit Committee. The Audit Committee



	<p>Overseeing and guiding scenario analysis</p> <p>Overseeing major capital expenditures</p> <p>Overseeing the setting of corporate targets</p> <p>Overseeing value chain engagement</p> <p>Providing employee incentives</p> <p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding corporate responsibility strategy</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p>	<p>receives regular updates from HanesBrands' executive management team regarding key risks facing the company -- including water-related risks -- and management's mitigation plans.</p> <p>Risks related to climate and weather, along with other potential environmental events, are included in the ERM evaluation and reporting process. The company's executive management own these risks and provide updates to the Audit Committee twice a year, and further as needed, depending on the priority of the specific risk. Water-related risks are evaluated in accordance with the ERM risk-priority category to which they are assigned, and we have proactively developed risk mitigation strategies and disaster recovery plans as part of the ERM process.</p>
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W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	There are two members of our board with competence on water-related issues – our CEO and an independent director. Our CEO held various senior leadership roles at a major retailer from 2005-2020 including as its Chief Merchandising



		<p>Officer. The independent director spent 8 years at the same retailer in a range of roles including president and CEO of its US business. This retailer is an industry-leader in driving climate and other sustainability initiatives and is committed to significantly reducing its overall carbon footprint.</p> <p>As members of the senior executive team of this retailer, they were both instrumental in overseeing the development of its very aggressive sustainability and climate programs. These programs include initiatives to, at large scale, move toward zero emissions and to engage suppliers in reducing or avoiding supply chain emissions by 1 billion metric tons by 2030. Their climate experience translates to sustainability and other resource use competence pertaining to water issues. Their climate competence through this experience can translate to a wider sustainability awareness to drive corporate environmental and water progress.</p> <p>Their years of experience with a company seen as such a leader in the climate space, and the climate- and water-related competence they developed there were part of the criteria assessed when they were evaluated prior to joining Hanes. HanesBrands values board and senior team competence and leadership commitment to all aspect of sustainability, including climate and water. Their experience, commitment, leadership and climate/water-related competence is now actively helping to drive our sustainability programs forward – as Hanesbrands continues in its efforts to be a leader in this space.</p>
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W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Other C-Suite Officer, please specify
 Executive Vice President (EVP), Global Supply Chain

Water-related responsibilities of this position



- Assessing water-related risks and opportunities
- Managing water-related risks and opportunities
- Setting water-related corporate targets
- Monitoring progress against water-related corporate targets
- Managing value chain engagement on water-related issues

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

HanesBrands' EVP Global Supply Chain, is an executive officer of the company and reports directly to the CEO. This officer has responsibility for global supply chain operations, environmental management and strategy, and, is the formal supply chain network optimization and business continuity risk owner in the company's enterprise risk management (ERM) process. This ownership includes managing water-related risks that could impact the company's supply chain operations. This officer also oversees the development and maintenance of contingency plans to address potential business interruptions caused by storms interrupting our manufacturing operations and shipping lanes in the Caribbean, unseasonal weather disrupting preferred cotton supplies and volatile fuel prices, among others. Updates are prepared bi-annually and/or managed more frequently depending on urgency and the nature of the risk.

Name of the position(s) and/or committee(s)

Chief Sustainability Officer (CSO)

Water-related responsibilities of this position

- Assessing water-related risks and opportunities
- Managing water-related risks and opportunities
- Setting water-related corporate targets
- Monitoring progress against water-related corporate targets
- Managing value chain engagement on water-related issues

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The assignment and ownership of water-related issues is included in the Chief Sustainability Officer's position responsibilities for corporate environmental, social, and governance (ESG) strategy and management. The Chief Sustainability Officer, who is directly overseen by the EVP Global Supply Chain, leads corporate water sustainability strategy development in conjunction with senior executive leadership and the company's Global Sustainability Consortium, which includes brand and regional representatives to provide input and execute the strategy with regard to their respective domains.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Chief Sustainability Officer (CSO)	Reduction of water withdrawals – direct operations Reduction in water consumption volumes – direct operations	The Chief Sustainability Officer's incentive compensation is linked to performance metrics that are tied to the overall financials of the company, which includes managing water-related risks and opportunities. As part of the company's performance management program, annual individual goals cascade from management through their reports. The Chief Sustainability Officer has set a specific goal to deliver the company's annual sustainability goals, which include milestones to execute the company's sustainability strategy and goals. These goals drive cost	The Chief Sustainability Officer incentive compensation is linked to performance metrics that are tied to the overall financials of the company, which includes managing water-related



			<p>saving initiatives such as improving water efficiency, which contribute to the company's profitability and reduce business interruption risk.</p>	<p>risks and opportunities. As part of the company's performance management program, annual individual goals cascade from management through their reports. The Chief Sustainability Officer has set a specific goal to deliver the company's annual sustainability goals, which include milestones to execute the company's sustainability strategy and goals. These goals drive cost saving initiatives such as improving water efficiency, which contribute to the company's profitability and reduce business interruption risk. The Chief Sustainability Officer incentive compensation is linked to performance metrics that are tied to the overall financials of the company,</p>
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				<p>which includes managing water-related risks and opportunities. As part of the company's performance management program, annual individual goals cascade from management through their reports. The Chief Sustainability Officer has set a specific goal to deliver the company's annual sustainability goals, which include milestones to execute the company's sustainability strategy and goals. These goals drive cost saving initiatives such as improving water efficiency, which contribute to the company's profitability and reduce business interruption risk.</p>
Non-monetary reward	No one is entitled to these incentives			Non-monetary incentives are not explicitly provided to C-suite employees or board



				members for the management of water-related issues
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W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

HanesBrands' alignment process is driven by its organizational hierarchy, which is structured so that relevant reporting relationships and day-to-day interactions drive alignment between policy and actions. Policy decisions are made at the highest levels of the organization and driven down through the close working relationships of our supply chain, sustainability, corporate communications, legal and government relations teams. Frequent communication within and between the organization's business units promotes consistency in company activities as they relate to overall water strategy and limits inconsistencies. Where an inconsistency is found, swift action is taken to correct course and align with policy.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

- Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	Water related issues are very important to the company's overall business strategy because water is required to manufacture products that the company manufactures and sells. To ensure that HanesBrands manages water and environmental issues effectively, the company launched a comprehensive global environmental sustainability initiative in 2008, established new, more aggressive goals in 2013 and reset these goals in 2020 after meeting the previous ones two years early. The purpose of the initiative was designed to reduce the company's overall environmental impacts. Long term goals during the reporting period are to reduce water use intensity by 25% by 2030 compared to a 2019 baseline. Additionally, we will align our wastewater with Zero Discharge with Hazardous Chemicals (ZDHC) wastewater standards by 2025. The water reduction goal is a key element of the company's energy goals because we heat much of the water we use; therefore, energy reductions and CO2e reductions will occur when less water is consumed. As of the end of the reporting year (2022), the company has reduced its water use intensity by 6.8% compared to a 2019 baseline. Thus, we are well on our way to achieving our 25% reduction goal. See www.HBISustains.com for more detail.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	The company has identified strategic projects that will move the company forward in achieving its 2030 goal to reduce water usage by 25% by 2030. HanesBrands commissioned a formal study by a consultancy to evaluate options to recycle and reuse wastewater from textile wet processing operations, with the intent of increasing the amount of recycled water usage and reducing both incoming water withdrawals and incoming water costs.



Financial planning	Yes, water-related issues are integrated	5-10	The company develops annual capital plans that incorporate the investments required to implement the projects required to achieve the company's 2030 goal to reduce water usage by 25%.
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W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

5

Water-related OPEX (+/- % change)

-7.5

Anticipated forward trend for OPEX (+/- % change)

10

Please explain

i) Explanation of why CAPEX/OPEX changed or remained the same compared to last year: CAPEX spending increased versus 2021 due to the continued purchasing of equipment for these projects and installation in Huichapan, Surin and Tlalnepantla . The anticipated forward trend is for progress on the projects to continue. OPEX are for treating water/wastewater, with the majority of spend attributable to water used in the dyeing and bleaching processes at the company's owned textile facilities. This includes purchasing salts and chemicals, operating on-site water and wastewater treatment plants, and water withdrawal fees. Trend is expected to remain in sync with a stable production volume but also account for inflation.

ii) What the water-related expenditure was used for: Huichapan Wastewater Treatment Plant Construction and Water Purification System at Surin and Tlalnepantla

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	In June of 2020, HanesBrands engaged with Anthesis to conduct a workshop with our senior ERM, supply chain, finance and sustainability leaders to map our most significant climate and weather-related risks in line with TCFD expectations. See the Transparency section of www.HBISustains.com for our TCFD disclosure. Climate risk assessment will be an on-going risk evaluation process that, like all of our ERM activities, will be reported to the senior management team and Board of Directors.

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization’s business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	In June of 2020, we engaged with Anthesis to conduct a workshop with our senior ERM, supply chain, finance and sustainability leaders to map	Key water-related conclusions from the analysis were 1) HanesBrands’ textile and garment manufacturing are well situated	Our work to date has prepared the company well to mitigate and manage climate and water-related risks to our



	<p>our most significant climate and weather-related risks in line with TCFD expectations. Climate risk assessment will be an on-going risk evaluation process that, like all of our ERM activities, will be reported to the senior management team and Board of Directors. With Anthesis' help, we looked at a full range of climate risks to our business and determined that a more detailed risk analysis was warranted on the inherent risks associated with business interruption that could result from future climate change effects. For our owned operations, and those of key suppliers, we assessed different scenarios including: increased frequency and severity of big precipitation events; droughts; and interruptions to road infrastructure due to increased heat and precipitation. We then used Resilient Analytics' peer reviewed climate modeling methodology to analyze 100+ facility locations for two climate scenarios (RCP 4.5/2 degrees and RCP 8.5/Business as Usual) and two time horizons (2030 and 2050). To conduct the analysis, Resilient Analytics compiled historic and projected data for each climate effect evaluated (cooling, transportation, heat stress, allergen, rainfall, and drought). They then calculated baseline and projected values using methodologies based on scientific research. They further calculated projected change from baseline over agreed upon time frames. Next, Resilient</p>	<p>to minimize physical climate risks such as extreme hurricanes associated with extreme precipitation and flooding that could significantly disrupt business; 2) drought risk is more significant to our primary facilities than the other measured risks; and 3) we see relatively little increased risk to our operations by 2030 but risks may increase by 2050, particularly under an RCP *.5 scenario ("business as usual").</p>	<p>business. We have mature emergency planning and recovery programs in place to limit damage and resume operations quickly. We have comprehensive insurance coverage so that aggregate risk is limited to insurance deductibles. We recognize that availability and cost of insurance is a potential future risk, and we have the capacity and previous experience to self-insure, if necessary. Further, we have built a diverse and resilient supply chain. We make and source materials and goods not only from many different facilities and vendors, but also from many different regions of the world. The scenario analysis results have influenced our business strategy by affirming our position that our supply chain will continue to serve us well under climate scenarios by 2030, but might need enforcement by 2050 under a business as usual scenario. The redundancy built into our business model will continue enabling us to effectively manage potential business interruption.</p>
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	<p>Analytics ranked the risks for each effect based on the highest risk intersection of impact and certainty on a risk-ranking matrix. This matrix informed a scoring rubric that was used for each location to assign risk points for each climate effect evaluated. Finally, the results were modeled with climate scenarios RCP 4.5 and RCP 8.5 for 2030 and 2050. See the Transparency section of www.HBISustains.com for our TCFD disclosure.</p>		
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W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

HanesBrands has not established a formal internal price on water because of its already high level of awareness of the water sources, water volumes, and water discharges (both wastewater treatment and discharge points). HanesBrands utilizes onsite water supplies and full wastewater treatment systems at its major textile facilities. At other HanesBrands textile facilities, there are wastewater pretreatment facilities that are utilized prior to discharge to a third-party. HanesBrands is also heavily involved with suppliers, communities, and other groups regarding potential water questions or concerns. Combined, these factors have allowed HanesBrands to remain cognizant of true water value in the regions where it operates without the need for setting a formal internal price. HanesBrands will continue to refine its knowledge of water costs going forward, and may choose to establish a formal internal price in the future.



W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Please explain
Row 1	Yes	Lower water intensity used during manufacturing wet processing compared to industry peers.	HanesBrands has made extensive headway in the reduction of water usage across all internal production processes. This includes the traditionally water intensive processes of dyeing and finishing fabrics. Between 2007 and 2019, water intensity was reduced by over 30% and we continue to make substantial progress, reducing water intensity another 8% since 2020 as we strive for a total reduction of 25% by 2030.

W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	No, but we plan to within the next two years	We do not currently have a target to reduce water pollution, but we have a requirement to make our wastewater compliant with the Zero Discharge of Hazardous Chemicals (ZDHC) standards by 2025 and they aim to reduce water pollution.



Water withdrawals	Yes	
Water, Sanitation, and Hygiene (WASH) services	No, and we do not plan to within the next two years	Hanesbrands requires all facilities to provide WASH services to workers. This is a requirement that all our facilities must abide by, therefore we do not have a target associated with this.
Other	No, and we do not plan to within the next two years	Hanesbrands has targets related to increasing water use efficiency and aligning our wastewater with Zero Discharge of Hazardous Chemicals (ZDHC) standards by 2025. We do not currently have any other targets related to water.

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Target coverage

Company-wide (direct operations only)

Quantitative metric

Reduction in total water withdrawals

Year target was set

2020

Base year

2019



Base year figure

8.39

Target year

2030

Target year figure

6.29

Reporting year figure

7.81

% of target achieved relative to base year

27.619047619

Target status in reporting year

Underway

Please explain

HanesBrands established a 2030 target to reduce water-use intensity (water withdrawal per production unit) by 25% versus its baseline year of 2019. As of year-end 2022, water-use intensity has been reduced by 28% of the goal.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

In progress

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain	<p>There are two main categories of plastics in HBI:</p> <ol style="list-style-type: none"> 1. Product – finish product, raw materials, and components. These are usually made of poly, nylon, spandex or lycra fibers. 2. Packaging – hangers, tags, hooks, poly bags packaging <p>In 2019, HBI collected data on global packaging used for products (i.e. hangers, tags, hooks, poly bags packaging) in order to create a baseline. We are tracking progress against our packaging reduction goal and single-use plastics reduction goal on an initiative basis.</p> <p>On a quarterly basis, HBI collects data on our global use of polyester and recycled polyester in our products.</p> <p>We keep track of all the materials that go into our products by having detailed specifications of materials used in every style that we have on the market.</p>

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Please explain
Row 1	Not assessed – but we plan to within the next two years	We are waiting for more guidance on conducting



W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Value chain stage	Type of risk	Please explain
Row 1	Yes	Direct operations	Regulatory	<p>The most prevalent type of regulations in the US are plastic bans and taxes at city and state-wide levels. We are currently affected by EPR in Oregon, Maine, California, and Colorado. Our paper retail bags are affected by recycled content regulation in multiple states such as Colorado, Washington, and California. Moreover, California’s SB 343 Law will forbid labelling packaging with chasing arrows unless it is deemed recyclable by California standards. CalRecycle is to release standards by January 1, 2024.</p> <p>The European Union (EU) Packaging and Packaging Waste Directive (PPWD) has been amended over the years to unify the method on how countries approach packaging waste. In 2018, it was amended to mandate all EU countries to establish an Extended Producer Responsibility (EPR) program by 2024. Several European countries are now improving their EPR systems so that fees will drive packaging to more sustainable formats – such as recycled content and widely recyclable plastics. All EU member states must have an EPR system in place by 2024 for all packaging types. Although the UK is no longer in the EU, it has adopted EPR regulations and other packaging regulations that are largely aligned to the EU. For instance, Hanes will be affected by the UK plastic tax for plastic components that do not have >30% recycled content.</p> <p>Under the Australian National Environmental Protection (Used Packaging Materials) Measure, Hanes must have an average of 50% recycled content across packaging (20% for plastics) by 2025. Brand owners who have more than AUD 5 million profit in a year are obligated to join the Australian Packaging Covenant which requires the company to meet the established targets.</p> <p>In order to reduce our exposure the these regulatory risks, we are reducing and eliminating virgin plastic, switching to PCR content and making our packaging more recyclable.</p>

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	Yes	Plastic packaging Plastic goods Waste management	<p>Reduce the total weight of plastic packaging used and/or produced</p> <p>Eliminate problematic and unnecessary plastic packaging</p> <p>Reduce the total weight of virgin content in plastic packaging</p> <p>Increase the proportion of post-consumer recycled content in plastic packaging</p> <p>Increase the proportion of renewable content from responsibly managed sources in plastic packaging</p> <p>Increase the proportion of plastic packaging that is recyclable in practice and at scale</p> <p>Increase the proportion of plastic packaging that is reusable</p> <p>Reduce the total weight of virgin content in plastic goods</p>	<p>Our aspiration is to completely phase out single-use plastic by 2025. If it can't be phased out, we're working to ensure that it is commonly recyclable or compostable. In 2022, we identified and began implementing projects that will reduce the weight of our single use plastics by 34% from our 2019 baseline. From embracing recycled paper and cardboard packaging to setting a goal to reduce overall packaging weight 25% by 2025, our global brands will reimagine and redesign the packaging that will help us deliver products safely to consumers in a new low-carbon, low-waste economy. We continued our excellent progress in 2022 by identifying packaging reduction projects that will reduce weight by 11%. In 2023, we will again be focusing heavily on reducing the weight of corrugate and paper board.</p> <p>Given the scale of our manufacturing operations, we are focused on waste reduction efforts: improving manufacturing steps to reduce waste overall, finding ways to repurpose certain waste streams and establishing local recycling partnerships to divert waste from landfills. As of 2022, we are diverting 92% of our facility waste from landfills, recycling tens of millions of pounds of fabric-cut parts, corrugate, plastic and other materials annually. At a number of our facilities, the diversion rate is already greater than 95% – especially in Asia. We've made outstanding progress taking aim in 2023 at those last few percentage points to achieve zero waste to landfill by 2025 across all of our operations. As a part of our broader environmental management program, our facilities teams have a mandate to continually seek new ways to reduce waste and increase reuse and recycling. For example, our facilities in Asia have partnered with local</p>



			<p>Increase the proportion of post-consumer recycled content in plastic goods</p> <p>Increase the proportion of recyclable plastic waste that is collected, sorted, and recycled in the community</p>	<p>recyclers to give our fabric waste new life as cushions, doormats, pillows and blanket inserts.</p>
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W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	No	
Production of durable plastic components	No	
Production / commercialization of durable plastic goods (including mixed materials)	No	
Production / commercialization of plastic packaging	No	
Production of goods packaged in plastics	Yes	
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	Yes	

W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	% virgin fossil-based content	Please explain



Plastic packaging used	2,310	% virgin fossil-based content	100	We conducted an assessment of our use of plastics in 2019 to establish a baseline at which point all of our packaging was made of virgin plastic. We are currently introducing posts-consumer recycled (PCR) content in our packaging.
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W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is technically recyclable	Please explain
Plastic packaging used	% technically recyclable	100	All our plastic packaging is technically recyclable because it is made of mono plastics that can be recycled if the right infrastructure is in place and if they reach a recycling facility.

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

N/A

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

Job title	Corresponding job category
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Row 1	EVP, Global Supply Chain	Chief Operating Officer (COO)
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SW. Supply chain module

SW0.1

(SW0.1) What is your organization’s annual revenue for the reporting period?

	Annual revenue
Row 1	6,233,650,000

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No facilities were reported in W5.1

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	Yes, for all facilities	We are able to provide geolocation data to all facilities, however, only the most significant facilities are identified below. Excluded locations such as warehouses or facilities with only domestic uses of water do not contribute significantly to the company's overall water use/consumption profile and are excluded.

SW1.2a

(SW1.2a) Please provide all available geolocation data for your facilities.



Identifier	Latitude	Longitude	Comment
Clarksville	35.495	-94.09	
Mount Airy	36.499	-80.607	
Oak Summit	36.186	-80.263	
Woolwine	36.775	-80.263	
Cotia	-23.601	-46.91	
Dos Rios	18.782	-70.364	
GFS-Commerce	38.953	-94.768	
HAA Truganina Distribution	-37.818	144.741	
HBES Socks	13.81	-89.352	
HBES Textiles	13.808	-89.372	
Jiboa	13.46	-89.017	
Perris Distribution	33.823	-114.638	
Phu Bai	16.39	107.696	
Villanueva Sewing	15.504	-88.016	

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Product name

Apparel: underwear and activewear--multiple types of garments.

Water intensity value

7.817

Numerator: Water aspect

Water withdrawn

Denominator

Finished Pounds of Cloth

Comment

Water-use intensity reported in response to this question is the reported overall 2020 water use intensity for the company in gallons per finished pound. Data is not available to break down this water use intensity to reflect only products purchased by individual suppliers requesting the CDP-Water report.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP



	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Please confirm below

I have read and accept the applicable Terms