



HANES
Brands Inc

2020

**CARBON
DISCLOSURE
PROJECT**

**CLIMATE CHANGE
INFORMATION
REQUEST**

Welcome to your CDP Climate Change Questionnaire 2020

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

HanesBrands is committed to put forth every effort to be the apparel industry's leader in social responsibility and environmental stewardship.

As one of the leading – and largest – marketers of everyday basic innerwear and activewear apparel in the Americas, Europe, Australia and Asia/Pacific, the company has both the responsibility and commitment to work continually toward creating a more responsible company. Powered by some of the world's strongest apparel brands, including Hanes, Champion, Bonds, DIM, Maidenform, Bali, Playtex, Lovable, Bras N Things, Nur Die/Nur Der, Alternative, L'eggs, JMS/Just My Size, Wonderbra, Berlei, and Gear for Sports, Hanes is keen to lead by example and learn from others.

The company takes great pride in our strong reputation for ethical business practices and the success of our Hanes for Good corporate responsibility program, which includes an intense focus on environmental stewardship. As part of the latter, Hanes is committed to the responsible management of energy, carbon, emissions, water, wastewater, chemicals, and waste in all of our facilities worldwide. And, the company has the ability to direct its environmental programs and performance, because it owns the significant majority of its manufacturing and supply chain operations – unique in the apparel industry.

The company's results speak to the strength of its programs and performance. For example, Hanes has reduced energy consumption by 26 percent since 2007, and shifted more than 40 percent of the energy the company uses to renewable resources. As a result of these and other performance metrics, HanesBrands has been recognized by the U.S. Environmental Protection Agency Energy Star program for an unprecedented 11 years – first as a Partner of the Year (2010-2011) followed by Sustained Excellence Awards from 2012-2020 – and remains the only apparel company to earn sustained excellence awards in the program's 28-year history.

But there is more work to do, which is why Hanes set aggressive 2020 environmental-performance goals and reports annually on its progress. Compared to our 2007 baseline performance, by 2020 Hanes is committed to:

- Reduce energy consumption by 40 percent;
- Reduce 2020 CO₂e emissions by 40 percent



- Reduce water use by 50 percent;
- Increase our renewable energy use to 40 percent; and,
- Achieve zero waste by diverting from landfill all non-regulated waste from our company-owned operations.

On behalf of the company's 63,000 employees, its investors and the communities in which it operates across the globe, the company is focused on making a positive and lasting contribution to our world now and in the years to come.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2019	December 31, 2019	No

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Argentina
- Australia
- Brazil
- Canada
- China
- Czechia
- Dominican Republic
- El Salvador
- France
- Germany
- Honduras
- Indonesia
- Ireland
- Italy

Mexico
New Zealand
Philippines
Puerto Rico
Romania
Slovakia
South Africa
Spain
Thailand
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	<p>i) Responsibilities related to climate issues: HanesBrands' CEO, who is a member of the company's Board of Directors, sets business strategy and climate-related policy for the company. Our environmental and climate-related policies are integrated into the company's long-term business strategy, enterprise risk management (ERM) process, environmental management program and corporate social responsibility (CSR) 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>The CSR Oversight Committee and ERM Steering Committee meet quarterly and include the CEO, CFO, Chief Administrative Officer and Group Presidents, the management team leading the company. These committees are responsible for overseeing environmental and climate policy implementation and managing environmental and climate-related issues as part of the company's strategy and risk-evaluation framework.</p> <p>ii) Example of climate-related decision: With support from the most senior company leadership, including the CEO, HanesBrands hired external sustainability consultants during the reporting period to aid us in developing new sustainability goals and accompanying strategy.</p>
Board-level committee	<p>i) Responsibilities related to climate issues: The Board of Directors is elected by HanesBrands stockholders 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 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/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 climate-related risks -- and management's mitigation plans.</p> <p>ii) Example of climate-related decision Under board oversight, the company's ERM Steering Committee prioritized climate-related risks in the risk identification process through the addition of a dedicated sustainability risk definition during the reporting period. The new sustainability risk definition includes evaluating climate change risks and</p>

	opportunities per TCFD recommendations. Risks identified in the risk definition will be presented during quarterly meetings for ongoing management and review by the senior executive team and the ERM Steering Committee.
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C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<p>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/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 climate-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 Board as needed, depending on the priority of the specific risk. Climate-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.</p>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify Group President, Global Operations, American Casualwear and E-Commerce	Both assessing and managing climate-related risks and opportunities	Quarterly
Risk committee	Both assessing and managing climate-related risks and opportunities	Quarterly
Corporate responsibility committee	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Group President, Global Operations, American Casualwear and E-Commerce

i. Description of Responsibilities

The Group President, as noted in C1.2, row 1, is HanesBrands' Group President, Global Operations, American Casualwear and E-Commerce, who is an executive officer of the company reporting directly to the CEO. This officer has responsibility for global supply chain operations, environmental management and strategy, and, as a member of HanesBrands' Enterprise Risk Management (ERM) Steering Committee, is the formal supply chain network optimization and business continuity risk owner. This ownership includes managing climate, weather and disaster-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 disrupting our manufacturing operations and shipping lanes in the Caribbean, unseasonal weather disrupting preferred cotton supplies, and volatile fuel prices, among others. This officer coordinates with executive management, the ERM Steering Committee and other company personnel who monitor climate, weather and disaster-related issues. Updates are prepared quarterly and/or managed more frequently depending on urgency and the nature of the risk.

ii. Rationale for Responsibility Assignment

The assignment and ownership of climate-related issues is included in this position's responsibility for global supply chain operations, environmental management and strategy. Climate-related issues relevant to our operations are addressed through our Enterprise Risk Management process as any risk to the business continuity would be. As one of the most senior executives of the company, this President ensures climate-related risks to the business are addressed swiftly and appropriately in conjunction with the ERM Steering Committee to minimize business harm.

Risk Committee

i. Description of Responsibilities

The ERM Steering Committee is chaired by the CEO and includes the most senior executives of the company, including the Chief Financial Officer, Chief Administrative Officer and Group presidents – all of whom are officers of the company – along with presidents of the company's commercial businesses. The ERM Steering Committee is charged with identifying new risks and tracking identified risks, along with developing and implementing risk-mitigation plans. The ERM Steering Committee meets quarterly to review and evaluate the effectiveness of risk-management processes and action plans, oversee the risk framework's integration with company strategy, and provide input on the overall risk management framework and policies, including policies designed to identify and address environmental and climate-related risks. As an example, the Group President, Global Operations, American Casualwear and E-Commerce and Chief Administrative Officer share ownership of overall business continuity risk. It is their responsibility to consider HanesBrands' current management strategy for business continuity risk and oversee the development and progress of future action plans to address any necessary adaptations. In the reporting period, a survey delivered by the ERM Steering Committee to employees at the director level and above provided an opportunity to monitor developing risks across the company, including environmental and climate-related risks. At the request of the business continuity risk owners, the survey results were shared with the business analytics team who used the ERM survey data to inform production and sales forecasts in consideration of identified risks. This is now an annual process that supplements our risk monitoring process and brings significant developing risks to the attention of our most senior management.

ii. Rationale for Responsibility Assignment

The ERM Steering Committee is the company's cross-functional internal mechanism to identify, track, and address priority business risks, including those that are climate-related, at the most senior levels of the enterprise. The Committee formalizes the company's risk preparedness process through a coordinated approach tempered by the different perspective of executive leadership.

Corporate Responsibility Committee

i. Description of responsibilities

The Corporate Social Responsibility (CSR) Oversight Committee is chaired by the CEO and comprised of the most senior executives (“C Suite”) of the company, CFO, Chief Administrative Officer and Group presidents – all of whom are officers of the company – along with presidents of the company’s commercial businesses. The CSR Oversight Committee meets quarterly to provide direction and monitor results.

ii. Rationale for Responsibility Assignment

The CSR Oversight Committee oversees the implementation of environmental policies, environmental management and other CSR priorities. This oversight responsibility includes managing the company’s response to relevant climate-related issues.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

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

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
President	Monetary reward	Emissions reduction target	The Group President, Global Operations, American Casualwear and E-Commerce's incentive compensation is linked to performance metrics that are tied to the overall profitability of the company, which includes managing climate-related risks and opportunities. For example, the Group President has set aggressive 2020 goals to reduce greenhouse gas emissions by 40%, reduce energy usage by 40%, reduce water usage by 50%, increase renewable energy usage to 40% and eliminate waste disposal in landfills. These goals drive initiatives that result in significant cost savings, which contribute to improving the company's profitability and reduces business interruption risks.
Other, please specify	Monetary reward	Energy reduction target	The Chief Global Manufacturing Operating Officer who reports directly to the Group President, Global Operations, American Casualwear and E-Commerce, receives monetary incentives linked in part to reducing

Chief Global Manufacturing Operations Officer			operating costs, which includes achieving environmental sustainability goals that are set by the Group President. The Chief Global Manufacturing Operating Officer manages the execution of long-range plans designed to achieve the company's goals.
Facilities manager	Monetary reward	Energy reduction target	Facility Managers receive monetary incentives based on performance criteria linked with and partially dependent on reductions of emissions, energy use and water use. Facility managers play a key part in identifying, developing, and implementing energy and environmental initiatives and providing leadership and motivation to their teams. Energy expenditures within the supply chain contribute to overall conversion cost targets.
Energy manager	Non-monetary reward	Energy reduction target	Energy managers at our manufacturing facilities and distribution centers translate HanesBrands' annual energy, carbon, and water-reduction goals into energy-saving actions and projects at their respective facilities. Also, as part of their annual goals, energy managers pursue our internal President's Energy Efficiency Award and the U.S. Environmental Protection Agency's Challenge for Industry award. To date, 60 of our facilities have achieved the President's Energy Efficiency Award and 25 of our facilities have earned the Challenge for Industry award, which requires facilities to reduce energy usage intensity 10% or more during a five-year period. The achievements of energy managers and facilities are recognized internally through on-site celebrations in Hanes' global company newsletter ("Common Thread") which goes out to all 63,000 employees in their native languages and on the company's global intranet (Zone). Externally, environmental stewardship accomplishments are highlighted on company websites press releases/media outreach and integration in brand communications.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
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Short-term	0	1	
Medium-term	1	3	
Long-term	3		Long term risk management time horizon can vary depending on the risk identified.

C2.1b

(C2.1b) 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 ERM Steering Committee's review process, and identified risks escalated and disclosed to the ERM Steering Committee are reviewed quarterly. Each risk is considered for its potential to impact factors, including but not limited to profitability, shareholder return, business reputation, the environment and business continuity. Strategic indicators associated with each risk definition identified through the Enterprise Risk Management process are used to measure performance and potential impact. Substantive impact to the company, climate-related or otherwise, is better represented across multiple metrics rather than by a single quantitative value. However, as an example, an incremental annual profit gain or loss of 1% could be perceived by the investment community as substantive in the well-established and highly competitive apparel industry, especially relative to expectations for the same time period.

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 Steering Committee assigns 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 Enterprise Risk Management process. As examples, the company grades itself on supply chain efficiency through metrics like shipping schedule adherence, monitors trends in consumer preferences through metrics like percentage of sales from brick and mortar retail stores versus e-commerce, and monitors third party environmental, social, and governance (ESG) scores as part of assessing its own transparency. Performance on Key Risk Indicators like these inform the company of developments that could lead to substantive financial or strategic impacts.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

i. Description

HanesBrands identifies, assesses, prioritizes and manages risks, including those that are climate-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.

Risk Management reporting and escalation move between business leads and function management to executive management and the ERM Steering Committee, which is chaired by the CEO. Senior executive management (“C Suite”) have overall responsibility for developing and implementing high-level strategies to manage climate-related risk to meet organizational objectives, such as the company’s 2020 goal to reduce greenhouse gas emissions 40 percent per pound of finished fabric versus our 2007 baseline. The ERM Steering Committee and, ultimately, the Audit Committee of the Board of Directors oversee the risk framework design and review and evaluate the effectiveness of risk-management processes and action plans. Governance, strategy, oversight and communications flow from the top down, beginning with the Board of Directors and the Audit Committee, to ensure management is effectively identifying and addressing risks, including environmental and climate-change risks, associated with the business. HanesBrands’ ERM function facilitates the risk-management process and manages the risk framework design and integration with company strategies. The ERM function provides regular updates throughout the year on emerging and defined risks for ERM Steering Committee review.

Each risk presented to the ERM Steering Committee 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, the environment and continuity across the business. Any risks deemed potentially significant to the company at large are sorted into broader risk definitions (e.g. supply chain network optimization, business continuity and reputational risk) for ongoing oversight, management, and review at future meetings. The ERM Steering Committee assigns 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.

Climate-related risks that could have a significant strategic or financial impact on the business may be identified by business leads, function management, third-party experts, executive leadership or by the ERM function through their annual employee survey process with leadership at the director level and above. Climate-related risks are prioritized according to potential impact on shareholder value. The internal risk identification process is supplemented as needed with formal and informal input from global leadership and third-party global risk reporting that highlights emerging risks by industry sector, geography and velocity. Note climate-related risks were prioritized during the reporting period in the risk identification process through the addition of a dedicated sustainability risk definition to the current ERM definitions for ongoing management and review by the senior executive team and the ERM Steering Committee. The new sustainability risk definition includes evaluating climate change risks and opportunities per TCFD recommendations.

ii. Physical risk / opportunity case study

Climate-related physical risks are considered quarterly through the corporate Enterprise Risk Management (ERM) process. Broadly speaking, the ERM process seeks to identify uncertain events before they happen so contingency plans are in place. For example, in the reporting year (2019), Hurricane Dorian impacted our distribution operation in North Carolina, bringing flooding and heavy winds to the state that led to power outages. We responded rapidly in accordance to our pre-planned disaster recovery strategy developed through the ERM process under the oversight of the Audit Committee. Our distribution center management, facility engineers, and corporate leadership worked in conjunction to quickly implement appropriate measures, which included employee safety protocols and utilizing an on-site generator to minimize facility downtime. Because of strong oversight and management commitment to addressing our climate-related risks through the ERM process, we were able to restore and maintain operations in accordance with our recovery plans while providing support to employees and the community.

iii. Transition risk / opportunity case study

Climate-related transitional risks are considered quarterly through the corporate Enterprise Risk Management (ERM) process. For example, in the reporting period the company began developing its next set of sustainability goals in anticipation of shifting markets, emerging regulations and new stakeholder expectations over the coming decade. With support from the most senior company leadership, including the CEO, HanesBrands hired external sustainability consultants to aid us in developing new sustainability goals and accompanying strategy. The consultants led interviews with senior business leadership and function management across the company to collect data while also conducting benchmarking research with peer companies. This exercise highlighted the

growing importance of addressing sustainability risks relevant to our industry, such as eliminating single use plastics in packaging and increasing supply chain transparency. Results were formally shared with leadership present on the ERM Steering Committee through the proposal and adoption of a new sustainability risk definition to track progress versus these very issues. This process is ongoing and we anticipate sharing the results publicly in the future.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulatory risks, including those that are climate related, are considered quarterly through the corporate enterprise risk management (ERM) process. For example, our operations in the European Union (EU) were impacted by increased utility costs resulting from the EU's decision to reduce CO2 emissions by 2.2 percent for the 2021 – 2030 time period. The prices for CO2 emissions allowances reacted strongly, moving from 7 Euros per tonne in November 2017 to more than 25 Euros per tonne in April 2018 and continuing to steadily increase through 2019. The EU expects CO2 emission certificate prices to range from 25-30 Euros per tonne, with proceeds going to generate investments in carbon-reduction projects. These cost increases are impacting electricity rates throughout Europe. As a direct result, HanesBrands is pursuing further energy-saving projects in our European textile manufacturing and sewing operations to offset increased utility costs.
Emerging regulation	Relevant, always included	Emerging regulatory risks, including those that are climate related, are considered quarterly through the corporate enterprise risk management (ERM) process. Emerging climate-related regulatory risks are categorized by the specific nature of the risk. For example, HanesBrands monitors its supply chain energy costs globally. As utilities adjust to regulatory pressures incentivizing or discouraging investment in renewable energy sources and a modernized grid infrastructure, there is potential for associated costs to be passed to customers. HanesBrands has mitigated this risk through investment in renewable energy and reached its 2020 goal to achieve a 40% renewable energy portfolio ahead of schedule. These regulatory pressures can also lead to incentives improving the payback period on clean-energy investments (e.g. solar panels).
Technology	Relevant, always included	Technological risks, including those that are climate-related, are considered quarterly through the corporate Enterprise Risk Management (ERM) process. Risks are categorized by the specific nature of the risk. For example, any risks that could be associated with implementing our climate-related data tracking system in our facilities falls under our Supply Chain Network Optimization risk definition, while risks to our brands and corporate image associated with the failure of this system would fall under the Reputational risk definition.

Legal	Relevant, always included	Were the company to experience any climate-related litigation claims, these would be considered through the corporate Enterprise Risk Management (ERM) process. No such claims have been filed to date, and the company continues to be deliberate in its efforts to eliminate waste and improve energy and water use efficiency in our company-owned supply chain. As an example, the company was proud to earn US Environmental Protection Agency Energy Star Partner of the Year recognition for the 11th consecutive time. This external recognition validates the effectiveness of our energy-management program and challenged the company to achieve our 2020 goals to cut energy use and greenhouse gas emissions by 40% versus our 2007 baseline.
Market	Relevant, always included	Market risks, including those that are climate-related, are considered quarterly through the corporate Enterprise Risk Management (ERM) process. This risk type is directly addressed through the company's Marketplace Changes risk definition. For example, HanesBrands' consumer insights team has identified through internal and third-party market research that eco-citizenship is one of the top megatrends influencing consumer preferences in domestic and international markets. Hanes listens and responds to consumer preferences. Our EcoSmart products, featuring yarns made from recycled plastic, fit this trend and the company's commitment to environmental stewardship.
Reputation	Relevant, always included	Reputational risks, including those that are climate related, are considered quarterly through the corporate Enterprise Risk Management (ERM) process. Reputational risk is one of our formally defined risk categories; depending on the specific nature, climate-related reputational risks could also be considered under our Marketplace Changes risk definition. HanesBrands acknowledges that consumers are demanding corporate transparency on climate-related issues now more than ever – and the company has voluntarily disclosed its environmental performance on HanesforGood.com and through select third parties – such as CDP – for a number of years. Further, Hanes continues to invest in its company-owned supply chain to promote resource efficiency and avoid negative environmental impacts. For example, the company has invested millions of dollars in state-of-the-art wastewater treatment systems at its fabric manufacturing sites and in biomass renewable energy facilities to protect the natural resources the company and local communities in the Dominican Republic and El Salvador depend on.
Acute physical	Relevant, always included	Acute physical risks, including those that are climate-related, are considered quarterly through the corporate Enterprise Risk Management (ERM) process. Broadly speaking, the ERM process seeks to identify uncertain events before they happen so contingency plans are in place. For example, in this reporting year flooding in Venice, Italy directly impacted one of our Champion retail stores. The company responded rapidly to the flooding and power outages in accordance to our pre-planned disaster recovery and loss prevention strategy. Because of strong Board oversight and management commitment to addressing our climate-related risks through the ERM process, the company was able to respond swiftly and recover value for damaged goods.
Chronic physical	Relevant, always included	Chronic physical risks, including those that are climate-related, are considered quarterly through the corporate Enterprise Risk Management (ERM) process. This type of risk would generally fall into HanesBrands' Supply Chain Network Optimization and Business

		<p>Continuity risk definitions, both of which are overseen by Hanes' Group President, Global Operations, American Casualwear and E-Commerce. Further, during the reporting period, a new sustainability risk definition was added to the ERM process, which accounts for this risk category. For example, the company has disaster recovery contingency plans in place for every facility in our company-owned supply chain across the globe. These contingency plans are informed through inspections carried out annually by our property loss risk control program. Climate-related chronic physical risks, such as sea level changes, droughts, floods and an increased expected frequency of extreme weather events, are considered in the development of contingency plans. That allows the company to identify facility-level exposures to these risks through tools such as flood maps and we develop contingency plans accordingly.</p>
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C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

Tropical storms with strong winds and floods are occurring more frequently and are anticipated to continue in the future. HanesBrands' textile operations in the Dominican Republic and Puerto Rico have experienced varying degrees of physical impacts due to Hurricane Maria and other powerful storms. Our company-owned fabric manufacturing facilities in the Caribbean produce knit fabrics necessary for a variety of products, including our well-known "Beefy T" line. Prior planning and acting on emergency preparedness plans allowed us to minimize disruption to our Caribbean operations when these storms hit. Further, we require company facilities around the world be designed and constructed following international building codes to withstand strong storms and other extreme events, making it unlikely a storm would cause a total loss. Even so, we maintain comprehensive insurance coverage for physical losses and business interruptions and maintain operational contingency plans designed to maximize resiliency in case of down time resulting from facility damage or loss. According to these contingency plans, a loss of our Dominican Republic fabric manufacturing may lead us to move fabric production volume to other internal manufacturing locations or to external partners. This would allow the company to meet our business obligations by supplanting the lost fabric facility to other internal operations or to third-party vendors. Moving operations outside of our supply chain may add cost. These cost increases could continue for 12-to-18 months while we construct or purchase replacement fabric manufacturing capacity, adjust production schedules at other company-owned facilities and/or transition capacity to additional third-party fabric vendors. We carry sufficient inventory and supply chain capacity, however, to manage these types of transitions and reduce business interruption to 6.5 weeks.

Time horizon

Medium-term

Likelihood

Unlikely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

96,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Impacts from acute climate events vary depending on the severity and location of a storm. For this disclosure, the impact at our Dominican Republic textile plant, Dos Rios, is assumed to be 50% of the maximum foreseeable loss identified by our loss prevention and insurance program, plus potential production loss during up to seven weeks needed to shift production to other facilities (i.e., (structural + utilities) x 50% + production losses = \$US 96 Million). 100% of the total insured value, which includes the maximum foreseeable loss, is insured at this facility.

Financial impacts are defined broadly by the ERM Steering Committee, which has responsibility for identifying, quantifying and managing HanesBrands' physical risks as a part of our overarching ERM process. Financial impacts associated with losses related to damage caused by a named tropical storm are also insured and limited to the company's insurance program deductible. In addition, the company maintains operational contingency plans that leverage a diverse supply chain designed to maximize resiliency in case of a facility loss.

Cost of response to risk

1,600,000

Description of response and explanation of cost calculation

i) Description of Response

Risk from the increasing severity of powerful storms is comprehensively managed through careful planning and advanced preparations. First, we carefully choose where to locate our facilities based on geographical and geologic site surveys, taking into account flood plains, tectonic activity and common hurricane paths. Next, our facilities are constructed in accordance with international building codes for protection against wind, water and fire damage. We audit our facilities regularly to ensure the appropriate property loss mechanisms are in place. Further, we maintain detailed routing plans for each of our styles as contingency plans in case issues arise with the preferred option. For example, there are approximately 100 different routes to manufacture the Beefy T tee shirt product line. Finally, we communicate with our facilities every day and continually monitor any weather events that could create a loss.

ii) Explanation of Cost Calculation

In event of a catastrophic loss, however, professional engineering fees related to reconstruction and repair can range from 0% to 2% of the physical loss (i.e., only the facility loss portion of the \$US 96 Million financial impact, excluding business interruption). For example, the facility loss would be 2% x (\$US 96 Million minus assumed business interruption loss \$US 16 Million) = \$1,600,000. This cost is also covered by the company's insurance program.

Comment

The cost of management is included in our comprehensive Enterprise Risk Management process. The company's business continuity plan, which is reviewed by the ERM Steering Committee, identifies risks from extreme weather impacting product flow and raw materials. The risks are known, manageable and quantified. Elements of the plan include managing risks through the company's global supply chain and through loss prevention measures that prepare sites for potential catastrophic impacts.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical

Changes in precipitation patterns and extreme variability in weather patterns

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Significant fluctuations in climate patterns could lead to change in weather, droughts, floods, etc., creating industry-wide volatility in the price of various input costs for our clothing products, such as cotton or petroleum-related materials like polyester, or in our operations, such as in utilities, freight and wages. These climate change risks can also adversely impact physical plant operations and schedules.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

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)

2,000,000

Explanation of financial impact figure

Financial impacts related to chronic climate events are difficult to estimate, but a broad range of industrywide input costs on commodities such as cotton, chemicals and other raw materials, transportation, energy and water could be impacted by droughts or floods. For example, HanesBrands' cotton commodity costs variance could range from \$US 0 to \$US 2 million alongside the rise and fall of the global cotton market.

Cost of response to risk

1,000,000

Description of response and explanation of cost calculation

i) Description of Response

The risks of input commodity cost increases are known, quantifiable, and managed. For example, HanesBrands maintains tolerance models identifying how the business is impacted in the event floods or drought impacts cotton prices. Further, risks associated with climate change such as changing energy and raw material costs and availability of water led the company to implement its Global Energy and Environmental Sustainability policy, which establishes extensive and very detailed procedures to ensure a consistent, global approach to energy management, resource conservation and minimization of emissions.

ii) Explanation of Cost Calculation

Costs related to managing chronic climate-related issues are industry-wide and would vary depending on the precise risk; however, HanesBrands' incremental transportation and potential processing costs required to manage changes in cotton quality could range from \$US 0 to \$US 2 million. This is based on rising freight costs and longer process time required to remove mineral content. For the purposes of this disclosure, the cost of management is assumed to be the mid-point of the above range (50% of \$2 mm = \$1,000,000)

Comment

Cost related to managing chronic climate related issues, such as impacts from long- term drought, is uncertain and would vary depending on the precise risk; however, management costs are reviewed as part of the overall ERM process.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation
Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Changes in regulation of carbon and other GHG emissions as hazardous air pollutants could have a financial impact on the company, affecting both capital and operating costs. For example, HanesBrands has continued to experience increased energy costs in Europe as a direct result of carbon emissions taxes levied as part of the European Union's Paris Agreement obligations. In addition, regulatory actions taken to address urgent environmental conditions, such as urban smog, availability of water, floods, and violent storm risks, present additional risks -- including mandates to reduce manufacturing capacity that could increase both capital and operating costs.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

500,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Financial impacts related to changing climate policy vary by country and are difficult to predict since these costs are directly related to activities countries implement to accomplish specific Nationally Developed Contribution (NDC) commitments that were ratified by the COP21 Paris Agreement. However, our utility costs could increase up to \$US 500K due to carbon taxes added to the cost of electricity and natural gas . In this example, added carbon taxes in France (part of La taxe intérieure de consommation du gaz naturel; TICGN) have contributed to increased electricity and natural gas costs at some of the company's manufacturing locations. After rising sharply in the past five years, these taxes were originally scheduled to increase from 44 to 56 euros per metric tonne CO2e in 2020, although this was delayed due to broader tax protests. This rate multiplied by carbon emissions from the company's operations in France is approximately \$US 500k.

Cost of response to risk

10,000

Description of response and explanation of cost calculation

i) Description of Response

HanesBrands manages the cost increases impacting electricity rates in the European Union as a result of their Paris Agreement obligations through its energy management program as defined in the Global Energy and Environmental Sustainability policy and through the pursuit of energy savings projects in its textile and sewing operations to offset increased utility costs. Examples in our Hanes Europe Innerwear business include energy efficient air compressors, LED lighting, steam boiler optimization, air conditioning controls, etc.

ii) Explanation of Cost Calculation

The cost of management is uncertain but could range from \$US 5K to \$US 20K for consulting fees. These management costs would vary depending on the precise risk; however, the overall ERM process addresses these costs as part of the overall contingency planning process. For the purposes of this disclosure, management costs are assumed to be the mid-point of this range (50% of \$20,000=\$10,000)

Comment

Management costs would vary depending on the precise risk; however, the overall ERM process addresses these costs as part of the overall contingency planning process.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Returns on investment in low-emission technology

Company-specific description

HanesBrands is continuing to evaluate expanding its renewable energy portfolio by investing in renewable energy projects to install solar photovoltaic arrays to supply renewable electricity to the company's facilities. For example, the company is evaluating a potential 1.3MW roof-mounted solar array in Thailand. These types of projects will contribute to accomplishing the company's 2020 goals to reduce CO2e emission by 40% and increase use of renewable energy to more than 40% of the company's total energy requirements. The 1.3 MW system is expected to generate 1,404,000 kWh of renewable electricity annually.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

200,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Annual returns from the 1.3 MW solar array investment will vary depending on market electricity rates, but at current rates the financial impact is expected to be \$0.2 million annually from electricity cost savings versus grid prices in Thailand.

Cost to realize opportunity

1,100,000

Strategy to realize opportunity and explanation of cost calculation

i) Strategy to Realize Opportunity

HanesBrands has developed a long-range energy plan that identifies specific projects required to accomplish 2020 environmental sustainability goals to reduce CO2e emission by 40% and increase renewable energy to more than 40% as compared to a 2007 baseline. The 1.3 MW solar array is one of several strategic projects that has been identified in the long-range plan.

ii) Cost Calculation Breakdown

The cost to install the 1.3 MW solar array is estimated to be \$1.1 million, which is based on proposals received from solar-development companies and reported here. The average cost to install a fixed panel solar array is currently estimated to be \$0.84 per installed watt.

Comment

Multiple financial options are currently under review.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of new technologies

Primary potential financial impact

Other, please specify

Cost avoidance from investment in energy efficient technology

Company-specific description

The company's strategy to improve resilience includes installing backup power generation, redundant utility systems, reducing energy usage and the associated GHG emissions through investments in infrastructure and energy efficiency projects. An example of this type of investment is the heat-recovery project completed in one of our Central America operations. Wastewater heat is recovered through a shell and tube heat exchanger to preheat process make-up water, reducing the demand for steam, which increases steam generation reserves, and reduces GHG emissions.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

570,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The installation of a wastewater heat-recovery system in one of our plants in Central America permits recovering waste heat in the plant's wastewater stream and using the heat to preheat make-up water required by the manufacturing process. The recovered heat improves resiliency by increasing reserved steam generation capacity. In addition, the project reduces consumption of fuel oil used to produce process steam by approximately 662,300 gallons of heavy fuel oil annually, reducing energy costs by approximately \$570,000 per year. Cost savings in our operations contribute to improved financial performance and market valuations.

Cost to realize opportunity

900,000

Strategy to realize opportunity and explanation of cost calculation

i) Strategy to Realize Opportunity

Energy use efficiency is a key part of the company's strategy to reduce carbon emissions, to build resiliency to impacts related to climate change, and to reduce operating costs. As an example, wastewater heat recovery to preheat process make-up water reduced consumption of fuel required to generate steam, which reduces Scope 1 carbon emissions. This heat recovery project reduces thermal energy consumption by 1,987 mmbtu per week, resulting in a potential annual GHG emission reduction of 7,486 MtCO₂e based on reducing supplemental steam generated by oil-fired boilers.

ii) Cost Calculation Breakdown

The system required an investment of approximately \$US 0.89 million to buy and install the heat recovery equipment (pumps, heat exchangers, tanks, piping and controls). The engineering design work required was completed internally at an estimated cost of \$10k.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Participation in renewable energy programs and adoption of energy-efficiency measures

Primary potential financial impact

Other, please specify

Increased reliability of supply chain and ability to operate under various conditions

Company-specific description

The company's strategy to reduce GHG emission includes both improving energy efficiency (i.e., use less) and expanding renewable energy. To support this strategy, we set aggressive 2020 goals to improve energy use intensity by 40%, reduce GHG emissions by 40%, and increase use of renewable energy to 40%. We are very pleased that we achieved our renewable energy goal two years early through increased investments in biomass-fired steam generation and a combined heat and power plant. The company has further opportunities to increase utilization of these assets.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Annual savings from energy conservation investments, such as projects in the EU to mitigate the financial impact from carbon taxes, and investments in our biomass plants, generate returns on investment that vary depending on energy prices. These types of investments in our facilities improve the reliability of our manufacturing operations and our ability to operate under various conditions caused by uncertain energy markets all while reducing GHG emissions. At 2019

energy rates, incremental annual savings to fully utilize biomass assets are estimated to be \$2.0 million. Actual savings will depend on the market price of oil and electricity, both of which are very volatile.

Cost to realize opportunity

1,000,000

Strategy to realize opportunity and explanation of cost calculation

i) Strategy to Realize Opportunity

The company worked to increase the utilization of its biomass-fired energy plants by stabilizing fuel supply, improving operational maintenance, and prioritizing operating schedules in 2019. These efforts helped the company achieve its 2020 renewable energy goal of 40% two years early. When our biomass assets are fully utilized, these facilities will reduce heavy fuel oil use by more than 4 million gallons per year, which reduces operating costs while reducing GHG emissions. The company strategy is to fully utilize its renewable energy power plants to minimize use of fossil fuel while decreasing GHG emissions.

ii) Cost calculation breakdown

Ongoing energy efficiency projects and biomass plant maintenance projects will require incremental investments. For example, investments in improving boiler feed water quality will reduce boiler water blowdown, saving energy and reduce water usage, and investments in fuel-management systems will help to reduce fuel moisture, reducing fuel consumption required to generate steam. The \$1 million opportunity cost was calculated as preventative maintenance costs (\$US 0.25 million) + incremental investments (\$0.75 million) = \$US 1 Million.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.1b

(C3.1b) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
<p>Other, please specify</p> <p>Enterprise Risk Management Process</p>	<p>HanesBrands integrates climate-related scenario analysis in our business objectives and strategies covering short-term, medium-terms and long-term scenarios such as climate change, floods, droughts, etc. through continual risk/opportunity assessments that are conducted through the company's Enterprise Risk Management (ERM), the Corporate Social Responsibility (CSR) governance structures, the company's energy and environmental sustainability management process, and through corporate and operational functions including our legal, engineering, finance, government relations and internal audit teams.</p> <p>Short-term risks and opportunities are discussed as needed at executive management weekly staff meetings. Corporate-level risks are also evaluated through the formal ERM process and actively reviewed by the Audit Committee of our Board of Directors. We regularly evaluate key risks to our business and maintain contingency plans and strategies to ensure that the potential risks do not have an adverse effect on our business operations or financials.</p> <p>The company's formal loss prevention program for direct operations includes completion of annual facility-level audits that are designed to uncover risks related to fire, floods, earthquakes, and extreme weather events. As a result, the company prioritizes and continually invests in projects that improve resiliency at a facility level.</p> <p>An example of this is the construction of a flood control barrier to protect utility equipment from flooding that occurred during a tropical storm which caused significant flooding in the vicinity of one of its manufacturing plants located in Central America.</p> <p>In addition, the company’s aggressive 2020 goals to reduce GHG emissions by 40%, energy usage by 40%, water usage by 50% while increasing use of renewable energy to 40% compared to our 2007 baseline pushes the company to continually focus on projects that</p>

	<p>conserves natural resources, reduces costs and GHG emissions, all of which also improves resiliency to volatility in energy prices and availability of natural resources.</p> <p>Finally, the company's longterm relationship with the U.S. EPA Energy Star organization has helped further benchmark the company's effort to reduce GHG emissions against other multinational consumer products companies. The company's energy and environmental sustainability efforts are critiqued annually by the Energy Star organization, resulting in 11 consecutive Energy Star Partner of the year awards for energy management and environmental stewardship.</p>
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C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>i. Description of influence & time horizon it covers</p> <p>HanesBrands' products have been impacted directly by the eco-citizenship megatrend. The megatrend, which signifies a long-term market force influencing consumers, has inspired greater interest across the company in developing, manufacturing and marketing products with exceptional eco-characteristics. While the company believes all products made in its company-owned supply chain are environmentally friendly choices since they are manufactured in responsibly operated facilities, we are currently introducing new products to market to gauge consumer interest in this trend in the apparel space.</p> <p>In the medium and long term, we intend to expand our product lines with environmentally friendly attributes to expand on the EcoSmart products we manufacture with recycled content and other environmentally conscious attributes today.</p> <p>ii. Most Substantial Strategic Decision to Date Influenced by Climate Risks/Opps</p> <p>HanesBrands' business units are currently evaluating specific opportunities to identify circular economy business models to reduce textile disposal to landfills and extend a product's useful life. This process involves partnering with</p>

		<p>external circularity professionals to review the material and manufacturing of certain product styles to determine how design may be adapted with product end of life in mind. For example, this may mean preferring more widely recyclable and lower carbon-intensity fibers versus what is used today. The company anticipates releasing more detailed information in the coming 2 to 5 years.</p>
<p>Supply chain and/or value chain</p>	<p>Yes</p>	<p>i. Description of influence & time horizon it covers</p> <p>HanesBrands believes in doing business with suppliers that share the company's commitment to protecting the quality of the environment around the world through sound environmental management. Suppliers must comply with all applicable environmental laws and regulations, and must promptly develop and implement plans or programs to correct any non-compliant practices. HanesBrands favors suppliers who seek to reduce waste and minimize the environmental impact of operations.</p> <p>ii. Most substantial strategic decision to date influenced by climate risks/opps</p> <p>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 to the accompanying GSS Protocol annually, covering all finished-goods suppliers every 3 years. 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 waste and minimize their environmental impacts. Specific climate-related requirements include tracking energy and water usage, recycling, and having a designated environmental officer for the company.</p> <p>Additionally, during the reporting year, the company initiated the use of the Sustainable Apparel Coalition's Higg Index Facility Environmental Module (FEM). The Higg FEM is a comprehensive environmental assessment which provides a standard framework to capture metrics relating to energy, air and greenhouse gas emissions for comparison and benchmarking across multiple facilities.</p>
<p>Investment in R&D</p>	<p>Yes</p>	<p>i. Description of influence & time horizon it covers</p> <p>HanesBrands is currently investing in research and development (R&D) for new "eco" products and environmentally</p>

		<p>friendly processes as a result of the Eco-Citizenship megatrend and potential to improve operating efficiency. The company plans to continue doing so over the next decade (long-term). Areas of exploration include low-impact dyes, fabrics with greater recycled content, and increasingly more energy and water efficient fabric manufacturing processes. The R&D function responds to dominant trends in consumer preference as the company seeks to innovate in response to demand.</p> <p>ii. Most substantial strategic decision to date influenced by climate risks/opps</p> <p>HanesBrands R&D function has added sustainability as one of its primary innovation pillars as a result of the eco-citizenship megatrend. The company anticipates future consumers will be more discerning in their choices as they consider brand traits like environmental impact and reputation. Today we are exploring both active and passive apparel technologies (e.g. thermoregulative, sweat wicking, cold water washability) as well as fiber innovations like increased recycled content.</p>
Operations	Yes	<p>i. Description of influence & time horizon it covers</p> <p>HanesBrands' operations are impacted by acute and chronic physical risks in the short, medium, and long term time horizons. From an acute standpoint, in the reporting period we experienced the impacts of Hurricane Dorian at one of our distribution operations in North Carolina and flooding during unusually high tides at our Champion store in Venice, Italy. We responded rapidly in accordance with our pre-planned disaster recovery strategy developed through the ERM process under the oversight of the Audit Committee, for example using onsite generators to continue operations in North Carolina.</p> <p>We aggressively prepare for chronic risks that may impact our operations. For example, the risks associated with raw materials price volatility are known, quantifiable and managed. We maintain tolerance models identifying how our business is impacted in the event of floods or drought impacting cotton prices or new climate regulation impacting polyester prices.</p> <p>ii. Most substantial strategic decision to date influenced by climate risks/opps</p>

<p>We continue to invest in our company-owned supply chain as part of preparing our operations for the future. Investments in energy and water efficient process improvements mitigate future risk. Examples include investments in water-saving continuous wash ranges, energy-saving heat exchangers, and LED retrofits at many sewing facilities and distribution centers. The company's significant investments in on-site biomass plants reduce exposure to oil and grid price volatility.</p> <p>The company manages its diverse company-owned supply chain in part to mitigate potential harm from physical climate-related risks like more frequent extreme weather events. The company's supply chain network is geographically balanced across the eastern and western hemispheres to reduce risk from the events in any one part of the world. This strategy is informed by careful planning and consideration of environmental factors from internal experts and external consultants when planning facility locations. As part of ongoing evaluation of environmental risk, the company regularly evaluates itself using the World Wildlife Fund's Water Risk Filter tool to better understand geographic and industry water stresses.</p>

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Capital expenditures Capital allocation Acquisitions and divestments	i) Case Study of how climate-related risks and opportunities have influenced financial planning HanesBrands' supply chain capital allocation has been influenced by climate-related risks and opportunities. As an example, the company's financial plan includes allocating capital to implement wastewater recycling capabilities at a key textile operation in anticipation of rising water withdrawal costs in the future. The technology will recycle treated "end of the pipe" water back into our textile process to reduce dependence on the local water supply without hindering the company's ability to meet production targets. This investment will help the company progress towards its long-term water efficiency goals and reduce the company's environmental impact.

		ii) Time horizon Capital allocation for this project will take place over the next 3 years in accordance to the previously defined "medium" time horizon.
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C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

N/A

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Both absolute and intensity targets

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2013

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2007

Covered emissions in base year (metric tons CO2e)

404,947

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

40

Covered emissions in target year (metric tons CO2e) [auto-calculated]

242,968.2

Covered emissions in reporting year (metric tons CO2e)

234,319

% of target achieved [auto-calculated]

105.3397111227

Target status in reporting year

Achieved

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

Please explain (including target coverage)

HanesBrands has set a medium term global corporate goal to reduce absolute CO2e missions by 40% or 161,979 metric tons by 2020 versus its 2007 normalized baseline emissions, which represents an average annual reduction of 3.9% vs. its 2007 baseline year and 7% versus its 2013 start year, both of which are greater than the 2.1% required by CDP. As of year-end 2019, the company has achieved over 100% of its 2020 goal. This reduction is the result of significantly increasing use of renewable energy while reducing energy use.

To date, the company has not formally developed science-based targets as defined by the Science Based Targets initiative. We believe that our aggressive target is aligned with the intent of the Science Based Target initiative and will formally commit to implementing science-based targets by 2022.

Target reference number

Abs 2

Year target was set

2013

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2007

Covered emissions in base year (metric tons CO2e)

404,947

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

50

Covered emissions in target year (metric tons CO2e) [auto-calculated]

202,473.5

Covered emissions in reporting year (metric tons CO2e)

234,319

% of target achieved [auto-calculated]

84.2717688982

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

Please explain (including target coverage)

HanesBrands has set a long term global corporate goal to reduce absolute CO2e emissions by 50% or 202,474 metric tons by 2030 versus its 2007 normalized baseline emissions, which represents an average annual reduction of 3.0% vs. its 2007 baseline year and 9.4% versus its 2013 start year, both of which are greater than the 2.1% required by CDP. As of year-end 2019, the company has achieved 84.0% of its 2030 goal. This reduction is the result of significantly increasing use of renewable energy while reducing energy use.

To date, the company has not formally developed science-based targets as defined by the Science Based Targets initiative. We believe that our aggressive target is aligned with the intent of the Science Based Target initiative and will formally commit to implementing science-based targets by 2022.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2013

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Intensity metric

Metric tons CO₂e per unit of production

Base year

2007

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.001208

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2020

Targeted reduction from base year (%)

40

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

0.0007248

% change anticipated in absolute Scope 1+2 emissions

-40

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

0.000819

% of target achieved [auto-calculated]

80.5049668874

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative

Please explain (including target coverage)

HanesBrands has set a medium term global corporate goal to reduce CO₂e emissions intensity 40% per finished pound of textile fabric by 2020 versus its 2007 normalized baseline emissions. As of year end 2019, the company has achieved 81% of its 2020 goal, which represents an absolute annual reduction of 170,628 metric tons CO₂e. This reduction is the result of significantly increasing use of renewable energy above 40% while reducing energy use. Note that the absolute GHG reduction this goal represents (Abs 1) achieves CDP's standard of 2.1% year over year reduction for the time frame

To date, the company has not formally developed science-based targets as defined by the Science Based Targets initiative. We believe that our aggressive target is aligned with the intent of the Science Based Target initiative and will formally commit to implementing science-based targets by 2022.

Target reference number

Int 2

Year target was set

2013

Target coverage

Business division

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Intensity metric

Metric tons CO₂e per unit of production

Base year

2007

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.001208

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

50

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

0.000604

% change anticipated in absolute Scope 1+2 emissions

50

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

0.000819

% of target achieved [auto-calculated]

64.4039735099

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative

Please explain (including target coverage)

HanesBrands has set a long term global corporate goal to reduce CO₂e emissions intensity 50% by 2030 versus its 2007 normalized baseline emissions. As of yearend 2019, the company has achieved 64% of its 2030 goal, which represents an absolute annual reduction of 170,628 metric tons CO₂e. This reduction is the result of significantly increasing use of renewable energy while reducing energy use. Note that the absolute GHG reduction this goal represents (Abs 2) achieves CDP's standard of 2.1% year over year reduction for the time frame

To date, the company has not formally developed science-based targets as defined by the Science Based Targets initiative. We believe that our aggressive target is aligned with the intent of the Science Based Target initiative and will formally commit to implementing science-based targets by 2022.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2007

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: energy carrier

All energy carriers

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

Base year

2007

Figure or percentage in base year

28.8

Target year

2020

Figure or percentage in target year

40

Figure or percentage in reporting year

40.7

% of target achieved [auto-calculated]

106.25

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this is part of the Abs 1 target detailed in this section.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

Increasing use of renewable energy to 40%+ of total company energy (electricity and fuel) use is part of HanesBrands strategy to reduce CO₂e emissions 40%+ versus its 2007 baseline by 2020. HanesBrands has made significant progress towards its CO₂e goal by achieving its renewable energy target 2 years ahead of schedule. Our strategy going forward is to continuing to leverage our biomass assets to further reduce use of fossil fuel and to invest in solar energy to reduce scope 1 and 2 emissions.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2007

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency

MWh

Target denominator (intensity targets only)

unit of production

Base year

2007

Figure or percentage in base year

16.48

Target year

2020

Figure or percentage in target year

9.888

Figure or percentage in reporting year

12.195

% of target achieved [auto-calculated]

65.0030339806

Target status in reporting year

Underway

Is this target part of an emissions target?

This target is part of Int 1 and Abs 1.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

The company has an exceptional global energy management program that involves all facilities and is a member of the U.S. EPA's ENERGY STAR Industrial Partner network. It has earned multiple awards from the program, including achieving 11 consecutive Energy Star Partner of the Year awards. Additionally, 25 of HanesBrands' facilities have also earned the U.S. EPA Energy Star Challenge for Industry award, which requires a facility to demonstrate a 10% reduction in energy usage during a five-year period.

Target reference number

Oth 2

Year target was set

2015

Target coverage

Business division

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Percentage of total waste generated that is recycled

Target denominator (intensity targets only)

Base year

2015

Figure or percentage in base year

77

Target year

2020

Figure or percentage in target year

100

Figure or percentage in reporting year

90

% of target achieved [auto-calculated]

56.5217391304

Target status in reporting year

Underway

Is this target part of an emissions target?

No.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

HanesBrands has set a goal to reduce waste disposal by diverting 100% of non-regulated waste from disposal to landfills by 2020.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	38	1,278
To be implemented*	5	1,132
Implementation commenced*	7	216
Implemented*	47	8,161
Not to be implemented	3	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Maintenance program

Estimated annual CO2e savings (metric tonnes CO2e)

2,681

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

631,752

Investment required (unit currency – as specified in C0.4)

390,000

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

In the reporting year, the company initiated focused efforts on three (3) projects to improve operational efficiency and thermal performance of steam boiler systems within its textile manufacturing operations. Projects included 1) improvements of the fuel delivery system to eliminate foreign objects and improve biomass fuel quality (Dos Rios fuel yard); 2) changes in operational procedures to improve biomass fuel to increase thermal efficiency (El Salvador biomass fuel shed); and 3) continuous improvement of maintenance procedures to increase thermal efficiency by increasing the capture of waste heat (Woolwine steam traps). All of the projects were successful in improving operational efficiency.

Initiative category & Initiative type

Energy efficiency in buildings

Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)

225

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

44,350

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

3-5 years

Comment

During the reporting year, one of our textile manufacturing locations enhanced their participation in a power demand response program offered to customers operating on the electric grid in their region. This enhanced participation heightened the level of awareness to real time energy use and served as a catalyst to modify operational behavior to trim the electric load and shave the demand of electricity.

As per CDP guidance related to this question the payback period is selected as not applicable or "No payback" because the investment required to realize the benefit was \$0. $\text{payback} = \text{Investment} / \text{Annual monetary savings}$.

Initiative category & Initiative type

Energy efficiency in buildings

Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

30

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

16,456

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

16-20 years

Comment

In the reporting year, the company completed one (1) new project to replace HVAC equipment. The project was a chiller replacement of old equipment with a total implementation cost \$100k and was initiated due to building and process requirements. The engineering staff evaluated the equipment with energy efficiency in mind and selected the equipment and features that provided the greatest overall value. The chiller equipment provided improvements in energy required per ton of cooling but was necessary to support manufacturing operations. There was no incremental cost for the energy efficiency was embedded in the equipment price.

As per CDP guidance related to this question the payback period is selected as not applicable or "No payback" because the investment required to realize the benefit was \$0. $\text{payback} = \text{Investment}/\text{Annual monetary savings}$.

Initiative category & Initiative type

Energy efficiency in production processes

Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

3,904

Scope(s)

- Scope 1
- Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,233,900

Investment required (unit currency – as specified in C0.4)

10,000

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

In the reporting year, the company completed 51 process improvement projects across its supply chain network that required "no or low" cost to implement and targeted continuous improvement on existing equipment. The projects categories include process improvement in textile manufacturing, apparel sewing operations and material utilization.

Twenty three (23) projects targeted textile processes. These projects were collaborative whereby cross functional teams analyzed metrics and processes, benchmarked key performance indicators, brainstormed procedures, shared best practices and then implemented the operational changes. The projects yielded an energy savings of 81,858 MMBTU's and a combined scope 1 and 2 emissions reduction of 3,352 MT CO₂e.

Four (4) projects focused on apparel sewing processes by using lean principles for continuous improvement. The projects focused on management and scheduling of production lines, material flow, technical support and style changes. Efficiency of the sewing operations improved and resulted in an energy savings of 2,926 MMBTU's and a scope 2 emissions reduction of 297 MTCO₂e.

Twenty four (24) projects across fifteen (15) locations improved material utilization. The projects included increase in pattern marker efficiency and first quality during product assembly. The sum of the material utilization projects yielded a savings of 4,289 MMBTU's and a reduction of scope 1 and scope 2 emissions of

255 MTCO₂e.

Initiative category & Initiative type

Energy efficiency in production processes
Compressed air

Estimated annual CO₂e savings (metric tonnes CO₂e)

259

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

107,051

Investment required (unit currency – as specified in C0.4)

2,700

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

HanesBrands implemented 1 individual project focused on optimizing the use of compressed air and improving energy efficiency of the compressed air systems at one of its manufacturing facilities located in North America. The project included the implementation of program and control changes to better optimize compressed air use within multi-machine systems and the development and implementation of improved procedures to manage leaks and reduce waste

compressed air. The project required little investment to implement and the improvements are estimated to have a life of 3-5 years. The project had energy savings of 4,864 MMBTU's and scope 2 emissions reduction of 259 MT CO₂e.

Initiative category & Initiative type

Energy efficiency in production processes
Wastewater treatment

Estimated annual CO₂e savings (metric tonnes CO₂e)

231

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

45,560

Investment required (unit currency – as specified in C0.4)

12,000

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

At one textile manufacturing location in North America, HanesBrands implemented a project at the on-site, company-owned and operated wastewater treatment plant. The project consisted on control changes to operate the aerators on the basis of dissolved oxygen sensors versus timers and to strategically cycle/rotate

the run time of individual aerators within the multi-unit system. The project yielded an annual energy savings of 2,341 MMBTUs and a reduction of 231 MT CO2e.

Initiative category & Initiative type

Company policy or behavioral change
 Site consolidation/closure

Estimated annual CO2e savings (metric tonnes CO2e)

181

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

95,400

Investment required (unit currency – as specified in C0.4)

25,000

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

During the reporting year HanesBrands completed one project to consolidate two of its apparel operations located in Honduras into one building. The project yielded improved operational efficiency and also eliminated fixed energy at one location associated with lighting, compressed air leaks, air conditioning for building and offices. The project had an energy savings of 1,480 MMBTU's and a reduction in scope 2 emissions of 181 MTCO2e.

Initiative category & Initiative type

Company policy or behavioral change
Other, please specify
Energy Management Program

Estimated annual CO₂e savings (metric tonnes CO₂e)

650

Scope(s)

Scope 1
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

168,040

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

The company has a robust and mature energy management program that permeates the global portfolio of facilities. The program is supported by a formal energy management policy and is backed by the highest level of the company. The overall program has delivered outstanding results since its inception. In the reporting year, the company had a year-over-year reduction of 6.5% in energy intensity as measured in kBTU/finished pound of product manufactured and a

26% improvement compared to the 2007 baseline year. The company takes great pride in its accomplishments to date and is proud to be recognized as a US EPA ENERGY STAR Partner of the Year award winner. A significant contributing factor leading to the company's successful reduction in energy (other than the initiatives described above) is the focus on "Treasure Hunts," - a low- no- cost program that serves as a catalyst to raise the level of awareness and help maintain a vigilant culture of energy management within the company. Hundreds of individual "nuggets" contributed to a reduction of 4,484 MMBTU's and a reduction in scope 1 and scope 2 emissions of 650 MT CO2e.

As per CDP guidance related to this question the payback period is selected as not applicable or "No payback" because the investment required to realize the benefit was \$0. $\text{payback} = \text{Investment} / \text{Annual monetary savings}$.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	New equipment is installed to meet applicable local environmental standards. It is the policy and commitment of the company to meet or exceed performance designated by applicable regulations.
Dedicated budget for energy efficiency	Money is earmarked in the capital budget for energy efficiency projects and for use of alternate fuels.
Dedicated budget for other emissions reduction activities	Investments in emissions reductions are prioritized based on payback period and the extent of emissions reductions. The company actively pursues energy projects that clear internal financial hurdles and align with our business strategies.
Internal incentives/recognition programs	The company offers internal recognition through a variety of avenues including publication in the corporate newsletter and employee intranet and also through the President's Energy Efficiency Award. The latter is a global award that recognizes outstanding achievement in energy efficiency in our organization.
Employee engagement	Investing in employee engagement opportunities helps drive emissions reductions. For example, employees are engaged through inclusion in energy kaizen and treasure-hunt events that are focused on energy and water use reductions that help drive emissions reductions. In addition, the company provides ongoing communications with employees about the importance of conserving energy and water both at work and at home. HanesBrands regularly shares overall company, as well as site-specific, energy achievements including best practices that can be shared across the company's supply chain network. The company invests significant time and money to build a culture of energy management as a core business value.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Environmental responsibility means changing the way we make products and the nature of the products we make. HanesBrands' EcoSmart line features hoodies, socks, sweats and T-shirts made in part from recycled plastic bottles or recycled cotton. HanesBrands' Alternative Apparel brand also incorporates recycled polyester in its Eco Fleece, Eco Jersey and Eco Teddy products. Across HanesBrands, our EcoSmart products kept the equivalent of 189,786,738 plastic bottles from the landfill in 2019. The use of recycled polyester saved 188,451 MMBTUs when comparing to 100% virgin PET and avoided greenhouse gas emissions of 6,351 MT CO₂e.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Reduced energy, carbon emissions & waste to landfill

% revenue from low carbon product(s) in the reporting year

6

Comment

The use of post-consumer recycled polyester versus virgin polyester reduces energy consumption by 84% and greenhouse gas emissions by 71% [National Association for PET Container Resources (NAPCOR) <https://napcor.com/wp-content/uploads/2017/01/LCI-One-Page-Summary.pdf>].

Level of aggregation

Group of products

Description of product/Group of products

Certain sock and activewear products are made with yarns that contain post-industrial reclaimed cotton fiber. For example, in 2019 HanesBrands manufactured products from raw materials that included 2,043,372 pounds of recycled cotton fiber. The resultant cradle to gate CO₂e savings from using recycled fibers in these products was 2,248 metric tons. The use of recycled fiber also reduces environmental impacts for growing cotton. This results in reductions in water used for irrigation, fertilizer (energy-intensive to produce), and herbicides, and requires no additional harvesting and ginning.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Reduced GHG emissions, reduced energy and water usage

% revenue from low carbon product(s) in the reporting year

5

Comment

Emissions data pertaining to cotton obtained from "Life Cycle Assessment of Cotton Fibers and Fabric" published in 2012 by The Cotton Foundation provides a cradle to gate gross emission during cotton cultivation and processing at the gin of 1.1 kgCO₂e per pound of cotton. 2,043,372 lbs of recycled cotton x 1.1 kg CO₂e/lb of cotton = 2,247,709 kg CO₂e.

Level of aggregation

Group of products

Description of product/Group of products

Fabric care cold water wash instructions

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Reduced GHG emissions, reduced energy and water usage

% revenue from low carbon product(s) in the reporting year

26

Comment

Our activewear products contain garment care labels recommending washing in cold water. In the reporting year, the company had activewear sales of \$1.792 billion accounting for 26.3% of total company net sales (2019 HanesBrands annual report 10k, page 33). The American Cleaning Institute, in conjunction with The Sustainability Consortium, the University of Arizona and the University of Arkansas, published a technical brief titled "Technical brief: Benefits of Using Cold Water for Everyday Laundry in the US" that identifies 2.3 million metric tons of greenhouse gas emissions can be averted in the United States per year if each household washed one load of laundry per week in cold water instead of hot or warm.

(<http://coldwatersavestoolkit.com/wp-content/uploads/2017/05/Cold-Water-Wash-Technical-Brief.pdf>).

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2007

Base year end

December 31, 2007

Base year emissions (metric tons CO₂e)

138,939

Comment

Our annual energy and greenhouse inventory is aligned with our fiscal accounting calendar. Our 2007 base year was the 52 week fiscal year that ended on Saturday, December 29, 2007.

Scope 2 (location-based)

Base year start

January 1, 2007

Base year end

December 31, 2007

Base year emissions (metric tons CO₂e)

291,922

Comment

Our 2007 base year scope 2 location-based scope 2 inventory is based on publicly available U.S. EPA eGRID factors for USA based sites and IEA published factors for international locations.

Scope 2 (market-based)

Base year start

January 1, 2007

Base year end

December 31, 2007

Base year emissions (metric tons CO₂e)

266,008

Comment

Our 2007 scope 2 market-based CO₂e metric is based on utility provider-specific emission factors corresponding to the source of electricity being delivered to the site.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Energy Information Administration 1605B

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

98,839

Comment

2019 scope one emissions are 98,839 MT CO₂e and exclude emissions associated with the combustion of biomass.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

HanesBrands is reporting both a location-based and marked-based Scope 2 emissions inventory for fiscal year ended December 28, 2019.

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

163,583

Scope 2, market-based (if applicable)

135,480

Comment

The difference between our location-based and market-based scope 2 CO2e emissions inventory is due to the difference of utility provider-specific emission factors corresponding to the source of electricity being delivered to the site. We have used publicly available published emission factors, such as U.S. EPA eGRID, for example, to cover most USA locations and other publicly available sources such as the Greenhouse Gas Protocol Purchased Electricity Tool for International locations to assemble our location-based inventory. At several operations across the globe we have power-purchase agreements in place and use emission factors that are more granular and specific to the energy provided to the site versus the use of national averages or aggregated factors publicly available. These power purchase agreements in the reporting year covered 99,829 MWh's.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

HanesBrands direct-to-consumer retail outlet stores

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

HanesBrands' direct-to consumer operations include company-operated retail stores that sell its portfolio of branded products directly to the public. At year-end 2019, the company operated 1,032 locations in 16 countries. Many of the locations are comprised of sub-leased space in commercial malls, some of which have utilities included in the rental agreement. The sum total of all stores yields a square footage of 3.0 million square feet and an average retail store size of 2,914 square feet. A sampling of retail stores from across the United States is internally tracked using U.S. EPA's Energy Star Portfolio Manager tool. A greenhouse gas emissions inventory has been calculated for the portfolio of 1,032 retail mercantile locations using energy usage factors from the Energy Information Agency (EIA) Commercial Building Energy Consumption Survey (EIA 2012 CBECS), country-specific electricity emission factors using the Greenhouse Protocol's

Purchased Electricity Tool Version-4, and fuel-specific emission factors. The analysis indicated that an individual retail store had scope 1 emissions of 7.04 Metric tons CO₂e and location-based scope 2 emissions of 29.31 metric tons CO₂e (the sum of scope 1 and scope 2 average emissions of 36.35 Metric tonnes CO₂e) per year. Applying this average to the entire portfolio of 1,032 retail locations yields a GHG emission of 37,517 metric tonnes CO₂e.

When considering the size of the emissions from an individual location, the quantity of locations, the difficulty in obtaining market-based and location-based scope 2 emission factors, their individual potential to drive emissions reductions within their operations, and the overall contribution to the company's GHG inventory, it has been determined that the inclusion of their CO₂e emissions is not relevant.

Source

Fugitive emissions from company-operated on-site industrial waste water treatment works

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

Scope 1 fugitive GHG emissions (methane and nitrous oxide) reported as CO₂e from company owned and operated on-site wastewater treatment facilities have been evaluated and quantified by our engineering team and a third-party wastewater consultant in prior years and determined to be 462 MTCO₂e, less than 0.5% of total scope 1 CO₂e emissions. The findings and calculations have subsequently been reviewed by an independent verification team and a similar conclusion was reached. The majority of wastewater treatment occurs within treatment plants that use activated sludge and aerobic treatment, therefore minimizing the potential for methane emissions. Fugitive GHG's associated with wastewater are primarily from three locations that treat sanitary wastewater. The quantity of GHG's from these combined sources had minimal contribution to the company's overall GHG emission profile and determined not relevant nor materially significant.

Source

Certain regional sales and administrative offices

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

At year-end 2019, HanesBrands occupied 68 office locations in 33 countries around the world. The largest offices are primarily located in the United States, Europe and Australia, covering 83% of the office portfolio, and are included in the scope 1 and scope 2 inventory. Scope 1 and Scope 2 emissions from some 50 smaller regional offices totaling 189,581 square feet are excluded from the emissions inventory. The average size of these offices is less than 4,000 square feet. Many of these offices, although occupied by HanesBrands, are leased spaces. Calculations have been performed to evaluate the scope 1 and scope 2 emissions from these offices and the average scope 1 emissions at each office were 6.3 metric tons CO₂e and the average scope 2 emissions were 24.7 metric tons of CO₂e per year. The sum total of the scope 1 and scope 2 emissions from these regional offices is 1,548 metric tons of CO₂e and represents 0.7% of total scope 1 and 2 emissions, and has been determined to not be relevant.

Source

Certain temporary and seasonal warehouses and storage facilities

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

At year-end 2019, Hanesbrands had a total of 64 commercial warehouse/storage/distribution properties located in 26 countries totaling 12.3 million square feet. The GHG emissions from the most active warehouse and distribution space has been quantified and included in the company's scope 1 and scope 2 GHG inventory and represent 87.6% of the total portfolio. The remaining 12.4% (1.5 million square feet) has been excluded from the GHG inventory. 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. They have a total area of 1,526,061 square feet and minimal carbon emissions, 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. Most of these spaces use very little energy and have very low resultant scope 1 and scope 2 emissions. Often, the energy is included in the space rental. In these instances Hanesbrands does not have visibility to the energy use.

Calculations have been performed on the excluded 1,526,061 square feet of warehouse/storage space using energy use data published by the Energy Information Agency, and country-specific electricity and fuel-specific emission factors. The sum of these warehouse spaces yields scope 1 emissions of 1,796 metric tons of CO₂e and Scope 2 emissions of 3,356 metric tons of CO₂e per year. This quantity represents 2.2% of total scope 1 and scope 2 GHG emissions and is materially insignificant with regards to energy use and greenhouse gas emissions. It has been determined that the emissions from these warehouses and storage spaces is not material nor relevant.

Source

Fugitive emissions from HFC's, CFC's and other refrigerants associated with unintentional releases such as equipment leaks

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

Accounting for refrigerants is governed under HanesBrands' Global Environmental Management System (GEMS) and associated operational policies and procedures. Actual leak rates are significantly (order of magnitude) less than the suggested emission rates outlined in the U.S. EPA Climate Leaders Greenhouse Gas Inventory Protocol Core Module Guidance for Direct HFC and PFC Emissions from Use of Refrigeration and Air Conditioning Equipment methodology for calculating emissions. In prior years, an independent verification was performed of the company's greenhouse gas emissions inventory. During the verification, the team examined documentation relating to refrigerant use to confirm the low proportions this source category contributed to the overall GHG emission profile and deemed it not to be relevant.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

464,739

Emissions calculation methodology

Purchased goods and services emissions is a summation of five major categories of purchased goods and services including: sourced garments, yarn, packaging materials, dyes and chemicals, and component/accessories used to manufacture products. Emissions were calculated based on the following:

1. Data obtained from suppliers and calculated emissions in accordance with the WRI/WBCSD GHG Protocol.
2. Engineering estimates calculated based on internally measured carbon emission intensity factors for similar products and in alignment with the WRI/WBC SD GHG Protocol
3. Emission factors (MT CO2e/ \$1million spend) by category as calculated using emission factors taken from the Scope 3 evaluator tool by Quantis in partnership with The Green House Protocol. The tool estimates emissions using 2009 world multi-regional estimates of average environmental impacts by region-sector combined with global warming potential impact assessment (Timmer 2012, IPCC 2007).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

33

Please explain

33% of the total reported emissions in this category came from supplier data. The remaining emissions were estimated either by applying actual emission intensity taken from internal operations with similar processes applied to purchased goods, or by using a MT of CO2e/\$1 million spend factor that was developed using Quantis' Scope 3 evaluator tool.

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO2e

55,215

Emissions calculation methodology

Emissions from capital goods were calculated using emission factors (MT CO2e/ \$1million spend) derived from the Scope 3 evaluator tool by Quantis in partnership with The Green House Protocol. The tool estimates emissions using 2009 world multi-regional estimates of average environmental impacts by region-sector combined with global warming potential impact assessment (Timmer 2012, IPCC 2007).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

0% of the data came from suppliers, the emissions were estimated using a MT CO2e/\$1 million capital spend that was derived using Quantis' Scope 3 evaluator tool.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

11,992

Emissions calculation methodology

Emissions from fuel and energy not previously included in scope 1 and 2 emissions were calculated using emission factors (MT CO₂e/ \$1 million spend) derived from the Scope 3 evaluator tool by Quantis in partnership with The Green House Protocol. The tool estimates emissions using 2009 world multi-regional estimates of average environmental impacts by region-sector combined with global warming potential impact assessment (Timmer 2012, IPCC 2007). These emissions are considered not relevant because they represent less than 1% of total Scope 3 emissions and the efforts required to lower these emissions could not be justified at this time.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

0% of the data came from suppliers, the emissions were estimated using a MT CO₂e/\$1 million capital spend that was derived using Quantis' Scope 3 evaluator tool.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

0

Emissions calculation methodology

Emissions from upstream transportation and distribution related to delivery of goods and services are included in the Purchase Goods and Services source listed previously. To avoid duplication, this category has been intentionally reported as zero metric tonnes. Additionally, HanesBrands is partially vertically integrated and tracks raw materials shipments to our factories at the manifest level. Many of the shipping assets are co-mingled within the common reporting platform and since carbon emissions from upstream and downstream transportation are both recorded as scope 3, the company has elected to combine and report upstream and downstream transportation carbon equivalent emissions for approximately 60k annual shipments under downstream transportation and distribution.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

To avoid duplication resulting from emissions accounted for previously in purchased goods and services, this category was intentionally reported as zero metric tonnes. No data directly related to upstream transportation that falls outside of our shipping tracking systems was reported by suppliers for items such as dyes, chemicals, packaging, MRO, etc.

Total upstream and downstream transportation and distribution emissions are accounted for in downstream section below.

Waste generated in operations

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

1,729

Emissions calculation methodology

Scope 3 emissions from landfilling waste were calculated using the U.S. EPA's Waste Reduction Model (WARM) model to develop a weighted average emission factor of 360 kgCO2e per metric ton of waste based on the mix of waste generated during the reporting year multiplied by the tons of waste landfilled. At year-end 2019, the company's Zero Waste initiative had diverted 90% of waste out of landfills, which has avoided 17,500 metric tons of CO2e that are related to emissions from manufacturing replacement products and landfill emissions. These emissions are considered not relevant, because they represent less than 1% of total Scope 3 emissions and the efforts required to lower these emissions could not be justified at this time.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

On a regular basis (monthly), each facility within HanesBrands supply chain tracks, records and reports waste generation and recycle rates data by waste category type. All of the data came from facilities within HanesBrands supply chain and emissions were calculated using the U.S. EPA's Waste Reduction Model (WARM) model.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

74,484

Emissions calculation methodology

Emissions by business travel type (air, automobile, bus, rail) were calculated using emission factors (MT CO2e/ \$1million spend) that came from the Scope 3 evaluator tool by Quantis in partnership with The Green House Protocol. The tool estimates emissions using 2009 world multiregional estimate of average environmental impacts by region-sector combined with global warming potential impact assessment (Timmer 2012, IPCC 2007). The company's 2019 business travel cost in millions of U.S. dollars for each transportation mode was multiplied by the Quantis derived emission factor (MtCO2e/million dollars of spend).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

0% of the data came from suppliers; the emissions were estimated using a MT CO2e/\$1 million spent on business travel was derived using Quantis' Scope 3 evaluator tool.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

50,004

Emissions calculation methodology

Emissions for employee commuting by mode of transportation were calculated by multiplying various emission factors for each mode of transportation times the number of employees for each mode of transportation as follows: Emissions from employees commuting by car were calculated using an emission factor (1700 gCO2e/employee – year) that was taken from Quantis Scope 3 evaluator tool for category 7; "Documentation of the data and calculations to support GHG protocol". An emission factor of 1061 gCO2e/km traveled was used to calculate emissions from employees traveling by urban bus and then converted to a per employee emission factor. The factor was taken from the GHG protocol "Calculating CO2 Emissions from Mobile Sources - Guidance to calculation worksheet". An emission factor of 93 gCO2e/km traveled was used to calculate emissions from employees traveling by motorbikes that are lt;150cc and then converted to per employee emission factor. The factor was taken from the GHG protocol "Calculating CO2 Emissions from Mobile Sources - Guidance to calculation worksheet".

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

0% of the data came from suppliers; the emissions were estimated using factors derived from the Quantis' Scope 3 evaluator tool and the GHG protocol "Calculating CO2 Emissions from Mobile Sources - Guidance to calculation worksheet".

Upstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO2e

44,217

Emissions calculation methodology

Emissions for leased assets were calculated using emission factors (MT CO2e/ square foot of lease space) that were derived from actual emissions data for similar direct owned locations that are included in our Scope 1 and 2 emission reported in this disclosure. Actual Scope 1 and 2 emission for similar locations was divided by the square foot area for each location.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions are based on square foot calculations; zero emissions data was provided by suppliers.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

202,375

Emissions calculation methodology

HanesBrands tracks (at the manifest level for approximately 40k shipments) kilometer-kilogram traveled for all product movements within our global supply chain. Since we are mostly vertically integrated upstream transportation of raw materials to our factories, inter-facility transportation of work-in-process, and transportation from our apparel cut-sew factories to our distribution centers is all reported on a common platform and many of the shipping assets are co-mingled making it difficult and unnecessary to break down transportation emissions by upstream and downstream. Emissions for downstream transportation (defined as after garment manufacturing - truck, ocean, air and rail) as well as upstream transportation of raw materials to our manufacturing facilities, were calculated using carbon dioxide equivalent emission factors derived from US EPA "Emission Factors for Greenhouse Gas Inventories"; revised 9 March 2018; table 9 - Product Transport Emission Factors and GWP's from IPCC forth Assessment Report.

For example, Waterborne Craft 0.0412 kg CO2/ton-mile :

example calculations: $(0.059 \text{ kgCO}_2/\text{ton-mile} \times 1\text{GWP}) + (0.0005 \text{ grams CH}_4/\text{ton-mile}/1000\text{gram/kg} \times 25 \text{ GWP}) + (0.0040 \text{ grams N}_2\text{O}/\text{tonmile}/1000 \text{ grams/kg} \times 298 \text{ GWP}) \times (1 \text{ mile}/1.60934 \text{ km}) \times (1.102 \text{ ton}/\text{MT}) = 0.0412 \text{ kgCO}_2\text{e}/\text{km-MT}$

Air: 0.9039 kgCO2e/km-MT

Rail: 0.0159 kgCO2e/km-MT

Drayage, Truck, Fleet: 0.1387 kgCO2e/km-MT"

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

HanesBrands tracks all product movements across the global supply chain, at the manifest level by mode of kilogram-kilometer traveled.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Processing of sold products is not applicable to HanesBrands because none of our products require further processing.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

2,777,695

Emissions calculation methodology

Emissions related to use of sold products was estimated using research data that is published in a technical brief titled "TECHNICAL BRIEF : BENEFITS OF USING COLD WATER FOR EVERYDAY LAUNDRY IN THE U.S." published by The Sustainability Consortium, Arizona State University and The University of Arkansas. According to research presented in the paper, an average household consumes 341 Kwh of electricity annually or 0.24 MTCO₂e for laundry activities. According to the latest census, there are 128,597,000 households in the United States (US). Base on market research, Hanesbrands products can be found in 9 out of 10 US households; therefore, approximately 115,737,300 household laundry Hanesbrands products.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

As an apparel company, HanesBrands recognizes the impacts of consumers washing garments in hot water. For example, one additional load of laundry per household per week washed in cold water instead of hot water during the course of a year could potentially avert 2.3 million metric tons of GHG emissions. Even though the emissions are very difficult to measure, HanesBrands is actively engaged with The Sustainable Consortium's efforts to promote cold water washing and approximately 26% of total product offering provides garment care labels that recommend washing in cold water. HanesBrands is actively expanding garment care labels recommending cold water wash for additional product lines .

End of life treatment of sold products

Evaluation status

Not relevant, calculated

Metric tonnes CO₂e

4,002

Emissions calculation methodology

The total amount of product sold in the reporting year was approximately 400,163,587 pounds of finished goods. Assuming that all of these products ultimately end up in a landfill after use or second-hand use, the emissions associated with end of life are 4,002 MT CO₂e based on using the factor from the US EPA Waste Reduction Model (WARM).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

As an apparel company, HanesBrands recognizes impacts from disposal of our products. The company's effort to divert waste from landfills including reuse/recycle has pointed to multiple possibilities that could generate meaningful results in this category.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Leased assets are included in the upstream assets calculations.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Franchisees are not applicable to HanesBrands.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

No emissions relevant to this category are applicable.

HanesBrands is a growing company and has made acquisition in previous years which were previously excluded in the 2018 disclosure but are now included. Efforts continues to further refine and integrate energy and carbon metrics for these more recent acquisitions into the overall corporate accounting of GHG emissions.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

We are not aware of any other emissions that are not included in the categories listed above.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

We are not aware of any other emissions that are not included in the categories listed above.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

CO2 emissions from biogenic carbon (metric tons CO2)	Comment

Row 1	78,820	<p>CO2e emissions from the combustion of biomass fuel for process steam boilers. The calculations are based on EPA Emissions Factors for Greenhouse Gas Inventories, Last Modified: 26 March 2020, Table 1 - Stationary Combustion, Biomass Fuels - Solid, Wood and Wood residuals, 93.8 kg CO2/MMBTU; 7.2 g CH4/MMBTU; 3.6 g N2O/MMBTU = 0.0950 MT CO2e/MMBTU using AR5 emission factors of 28 for methane and 265 for nitrous oxide.</p> <p>Calculation = 830,069 MMBTU x 0.0950 MT CO2e/MMBTU = 78,820 MT CO2e</p>
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C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000033633

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

234,319

Metric denominator

unit total revenue

Metric denominator: Unit total

6,966,923,000

Scope 2 figure used

Market-based

% change from previous year

16.4

Direction of change

Decreased

Reason for change

For reporting year 2019, HanesBrands had a gross global scope 1 and market-based scope 2 emissions of 234,319 metric tons of CO2e and net sales of \$6,966,923,000 as reported in the company's 2019 10-K; yielding a CO2e intensity of 0.000033633 metric tons of CO2e/\$ net sales, a 16.4% decrease versus 2018. In 2018, HanesBrands had gross global scope 1 and market-based scope 2 CO2e emissions of 273,660 metric tons of CO2e and net sales of \$6,803,955,000 as reported in the company's 10-K. yielding an intensity of 0.000040221 MT CO2e/\$net sales.

The primary reasons for the change in CO2e intensity per unit of revenue is due to several factors:

- 1) An increase in year-on-year revenue from 2018 (net sales \$6.804 billion) to 2019 (net sales revenue of \$6.967 billion). The units of product sold was flat year-over-year but the product mix shifted to more activewear and international segments that tend to have a higher dollar cost per unit. Additionally, the increase in sales was in large part due to a growth in the company's Champion brand.
- 2) A 7.8% reduction in production volume as part of the company's business strategy to manage overall inventory by \$151 million in the reporting year versus the previous year.
- 3) A year-on-year increase in the use of renewable energy from 2018 RE portfolio of 40.1% to 2019 RE portfolio of 40.7% due to increased utilization of the company's biomass-fueled boiler operations required for process steam.
- 4) Implementation of various energy reduction activities within operations that focused on low- no-cost process improvements. Energy intensity as measured in kBTU/lb. of product improved 6.5%. The improvements in energy efficiency and the increase in renewable energy reduced CO2e emissions and was the primary contributor to a lower CO2e intensity.

Intensity figure

0.000819

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

234,319

Metric denominator

Other, please specify

Finished Product (000 lbs.)

Metric denominator: Unit total

286,180,572

Scope 2 figure used

Market-based

% change from previous year

7.1

Direction of change

Decreased

Reason for change

For reporting year 2018, HanesBrands had gross global scope 1 and market-based scope 2 CO₂e emissions of 273,660 metric tons of CO₂e; when divided by the company's annual production volume in pounds yields an intensity of 0.000881 MTCO₂e/pound of finished fabric. In 2019, HanesBrands had a gross global scope 1 and market-based scope 2 emissions of 234,319 metric tons of CO₂e; when divided by the company's annual production volume in pounds yields an intensity of 0.000819 metric tons of CO₂e/pound of finished fabric, a 7.1% decrease versus 2018.

The primary reasons for the change in CO₂e intensity per pound is due to 1) a 6.5% improvement in energy intensity as measured in kBTU/finished pound of product manufactured through the implementation of various energy reduction activities within operations; 2) an increase in the company's renewable energy portfolio from 40.1 renewable in 2018 to 40.7% in 2019 due to increased utilization of the company's biomass-fueled boiler operations required for process steam; and 3) implementation of various energy reduction activities within operations that focused on low- no-cost process improvements. Energy intensity as measured in kBTU/lb. of product improved 6.5%. The improvements in energy efficiency and the increase in renewable energy reduced CO₂e emissions and was the primary contributor to a lower CO₂e intensity.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	98,064	IPCC Fifth Assessment Report (AR5 – 100 year) ☞ ₁
CH4	130	IPCC Fifth Assessment Report (AR5 – 100 year) ☞ ₂
N2O	645	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	0	IPCC Fifth Assessment Report (AR5 – 100 year) ☞ ₃
PFCs	0	IPCC Fifth Assessment Report (AR5 – 100 year) ☞ ₄
SF6	0	IPCC Fifth Assessment Report (AR5 – 100 year) ☞ ₅

☞₁Our scope 1 and scope 2 greenhouse gas emissions are tracked and reported as CO2e for our corporate inventory reports. The methane and nitrous oxide components are included in these GHG inventory calculations using Global Warming Potentials from IPCC AR5-100 (CO2 = 1, CH4 = 28, N2O = 265).

☞₂In addition to the methane component of various fuels, methane as the result of fugitive emissions from our on-site company-owned and operated waste water treatment operations have been evaluated and quantified by our engineering team and a third-party wastewater consultant in prior years and determined to be 462 MTCO2e, less than 0.5% of total scope 1 CO2e emissions. The findings and calculations have subsequently been reviewed by an independent verification team and a similar conclusion was reached. The majority of wastewater treatment occurs within treatment plants that use activated sludge and aerobic treatment, therefore minimizing the potential for methane emissions. Fugitive GHG's associated with wastewater are primarily from three locations that treat sanitary wastewater. The quantity of GHG's from these combined sources had minimal contribution to the company's overall GHG emission profile and determined not relevant nor materially significant.

☞³HanesBrands has a comprehensive Global Environmental Management System (GEMS) policy that governs the use of refrigerants. Policy dictates that all documents are to be maintained in a central file at the site and include equipment inventory and log of leak repairs. In prior years, an independent verification was performed of HanesBrands' 2016 greenhouse gas emissions inventory. During the verification, the team examined documentation relating to the company's refrigerant use to confirm the low proportions this source category contributed to the overall GHG emission profile and deemed not relevant.

☞⁴The company does not use chemicals which contain perfluorocarbons. HanesBrands has a robust chemical management program in place that requires the review and approval of all chemicals before entering our facilities and no chemicals containing PFC's are used in our processes.

☞⁵We do not have any sulfur hexafluoride (SF6)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Argentina	0
Australia	0
Brazil	719
Canada	263
China	5,918
Czechia	166
Dominican Republic	3,527
El Salvador	24,456
France	3,777
Germany	745
Honduras	414
Indonesia	21
Ireland	52

Italy	225
Mexico	996
New Zealand	0
Philippines	17
Puerto Rico	1,950
Romania	1,761
Slovakia	2,462
South Africa	0
Spain	294
Thailand	36
United Kingdom of Great Britain and Northern Ireland	0
United States of America	18,841
Viet Nam	32,200

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Manufacturing Operations (Textiles, cut, sew, attribution)	92,120
Distribution Center	6,417

Administrative offices	302
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C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Argentina	368	368	938	0
Australia	4,625	4,625	4,188	0
Brazil	323	323	3,479	0
Canada	312	312	1,727	0
China	6,095	6,095	6,291	0
Czechia	149	149	158	0
Dominican Republic	33,609	33,609	60,557	0
El Salvador	20,244	2,657	78,797	68,454
France	946	946	13,293	0
Germany	3,539	3,539	7,450	0
Honduras	8,025	8,025	19,252	0
Indonesia	984	984	1,216	0
Ireland	33	33	115	0
Italy	412	412	1,001	0
Mexico	4,449	4,449	9,809	0
New Zealand	44	44	253	0

Philippines	719	719	1,433	0
Puerto Rico	6,317	6,317	7,398	0
Romania	954	954	1,984	0
Slovakia	1,018	1,018	3,580	0
South Africa	144	144	2,028	0
Spain	102	102	297	0
Thailand	3,256	0	5,181	5,181
United Kingdom of Great Britain and Northern Ireland	87	87	109	0
United States of America	41,406	34,146	111,601	17,550
Viet Nam	25,422	25,422	51,852	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Manufacturing Operations (Textiles, cut, sew, attribution)	136,427	108,325
Distribution Center	19,705	19,705
Administrative offices	7,450	7,450

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1,523	Decreased	0.6	<p>HanesBrands had a renewable portfolio of 40.7% in 2019, a slight increase of 0.6% versus the previous year and attainment of the company’s 2020 renewable energy portfolio goal of 40%. The year-over-year increase in renewable energy was primarily due to increase utilization of company-owned and operated biomass assets at our largest textile manufacturing locations. Three facilities (2 located in El Salvador, 1 located in Dominican Republic) utilize biomass-fueled boilers that produce steam required for textile manufacturing operations. The biomass-fueled assets in El Salvador also include combined heat and power equipment to provide electricity to the site for internal consumption. Significant efforts were undertaken during the reporting year to increase the utilization of the biomass-fueled boiler assets. Key performance indicators (KPI's) and goals were established for each site and performance was tracked daily against these KPI's. The improvement efforts focused on improving fuel supply operations, evaluating and appropriately adjusting maintenance routines, and adjustments to operational procedures. The specific activities associated with the increased consumption of renewable energy is also accounted for in section 4.3.</p> <p>Calculation: $16,354 \text{ MTCO}_2\text{e} / 273,660 \text{ MTCO}_2\text{e} = 0.6\%$</p>

				Note: 2018 normalized total scope 1 and market-based scope 2 emissions were 273,660 MT CO2e.
Other emissions reduction activities	8,161	Decreased	3	<p>A reduction of 8,161 MT CO2e was achieved through various energy reduction activities as referenced in section C4.3(b). Sixty-eight projects at multiple locations contributed to energy savings of 191,723 MMBTU's and the resultant CO2e reductions. The types of activities focused on compressed air equipment, improvements in HVAC systems, lighting upgrades, and other manufacturing process improvements. An effort (discussed in section 4.3) focused on process optimization and maintenance activities across the network to increase machinery reliability, reduce waste, decrease off quality, improve operational efficiency and improve material utilization. Overall, the emissions reduction activities generated good results.</p> <p>Calculation: $8,161 \text{ MTCO}_2\text{e} / 273,660 = 3.0\%$</p> <p>Note: 2018 normalized total scope 1 and market-based scope 2 emissions were 273,660 MT CO2e.</p>
Divestment	0	No change	0	N/A
Acquisitions	0	No change	0	HanesBrands 2018 energy and CO2e emissions inventory has been normalized to include recent acquisitions and integration of metrics in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard Revised Edition and supplemental scope 2 guidance. As such, no value for acquisitions has been submitted in this section since the previous year (2018) includes the Scope 1 and scope 2 GHG's from the acquisition.
Mergers	0	No change	0	N/A
Change in output	21,409	Decreased	7.8	<p>HanesBrands production volume decreased in 2019 versus 2018 by 24.3 million pounds. If no energy or carbon reduction activities would have been implemented, the company would have experienced a decrease of 21,409 MTCO2e when applying the 2018 carbon intensity factor of 0.8814 MTCO2e/000 pounds of product.</p> <p>Calculation: $24,289 \text{ (000lbs production)} \times 0.8814 \text{ MTCO}_2\text{e/finished pound of production} = 21,409 \text{ MTCO}_2\text{e}.$</p>

				21,409MTCO ₂ e/273660 MTCO ₂ e = 7.8%
Change in methodology	3,319	Decreased	1.2	<p>Our calculation methodology has remained the same but CO₂e emission factors for the reporting year have been updated for the USA electricity grid using the latest eGRID 2018 data that was updated March 2020.</p> <p>The pre-updated market-based scope 2 emissions were 138,523 MTCO₂e. Additionally, there was a slight change in the EPA published emission factor for propane. The pre-updated scope 1 emissions were 99,115 MTCO₂e; 99,115 MT CO₂e (Scope 1 emissions) + 138,523 MTCO₂e (Scope 2 emissions) =237,638</p> <p>When applying the updated factors, the market-based Scope 2 inventory calculates to 135,480 MT CO₂e. and the scope 1 to 98,839 MT CO₂e.</p> <p>98,839 MT CO₂e (Scope 1 emissions) + 135,480 MTCO₂e (Scope 2 emissions) =234,319</p> <p>A difference of 3,319 MTCO₂e.</p> <p>3,319 MTCO₂e / 273,660 MTCO₂e = 1.2%</p>
Change in boundary	0	No change	0	N/A
Change in physical operating conditions	0	No change	0	N/A
Unidentified	0	No change	0	N/A
Other	4,927	Decreased	1.8	<p>There are several factors that contributed to the company's gross reduction of 39,340 MT CO₂e in the reporting year as identified above. Additionally, the company has a robust energy-management program that lowered the overall energy intensity by 6.5% in 2019 versus the previous year. When applying this energy intensity reduction to the CO₂e intensity as measured in MTCO₂e per MMBTU and to a 2019 production volume minus the known emission activities, a resultant 4,927</p>

				<p>MTCO₂e is obtained.</p> <p>Calculation: 2019 production 286,181,572 lbs x (13.043kBTU/lb -12.195 kBTU/lb) x 2018 CO₂e emission intensity of 0.06758 MT CO₂e/MMBTU = 16,407 MT CO₂e. 16,407 MT CO₂e - 3,319 MT CO₂e due to change in methodology - 8,161 MTCO₂e associated with other emission reduction activities = 4,927 MT CO₂e associated with widespread energy management activities.</p> <p>4,927 MT CO₂e/273,660 MT CO₂e = 1.8%</p>
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C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes

Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	246,328	382,527	628,855
Consumption of purchased or acquired electricity		91,185	302,803	393,988
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		337,513	685,330	1,022,843

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No

Consumption of fuel for co-generation or tri-generation	Yes
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C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Bituminous Coal

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

93,112

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

93,112

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.094

Unit

metric tons CO₂e per million Btu

Emissions factor source

US EPA Emission Factors for Greenhouse Gas Inventories (last modified 26 March 2020); Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) 100-year GWP Methane (CH4) =28; Nitrous Oxide N2O = 265
 Bituminous Coal: Heat Content (HHV)=24.93 MMBTU/short ton; CO2 factor = 93.28 kgCo2/MMBTU; CH4 factor = 11 gCH4/MMBTU; N2O factor = 1.6 gN2O/MMBTU

Comment

Coal consumed in industrial boilers to make steam for use within the textile manufacturing process.
 A portion of HanesBrands' fabric is manufactured on company-owned production equipment at sites in Asia that supply steam from on-site coal-fired central utility plants, which the company recognizes as a major contributor to GHG emissions and global warming. Operational controls and standards have been established to manage the process, including but not limited to product quality, product design, social compliance, energy usage, chemical usage and GHG emissions. The company's strategy to reduce GHG emission includes both improving energy efficiency (i.e., use less) and increasing use of renewable energy, which includes influencing these site to reduce or eliminate the use of coal. In the reporting year, the company engaged with these facilities and promoted the energy treasure hunt concept as a means to save energy in a low and no cost manner. Additionally, the facilities were encouraged to investigate the option to cofire the coal-fired boilers with biomass.

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

3,012

MWh fuel consumed for self-generation of electricity

1,506

MWh fuel consumed for self-generation of heat

1,506

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0742

Unit

metric tons CO₂e per million Btu

Emissions factor source

US EPA Emission Factors for Greenhouse Gas Inventories (last modified 26 March 2020); Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) 100-year GWP Methane (CH₄) =28; Nitrous Oxide N₂O = 265

Distillate Fuel Oil No. 2: Heat Content (HHV)=0.138MMBTU/gallon; (LHV)=0.125MMBTU/gallon; CO₂ factor = 73.96 kgCO₂/MMBTU; CH₄ factor = 3 gCH₄/MMBTU; N₂O factor = 0.6 gN₂O/MMBTU

Comment

Diesel/No. 2 fuel oil is used in emergency stand-by generators, diesel fire pumps, and yard switching tractors. The CDP form does not permit breaking out the diesel fuel for mechanical energy so the fuel has been split 50% as MWh fuel for self-generation of electricity and 50% MWh fuel consumed for self-generation of heat.

Fuels (excluding feedstocks)

Biogas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3,048

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

3,048

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0532

Unit

metric tons CO₂e per million Btu

Emissions factor source

US EPA Emission Factors for Greenhouse Gas Inventories (last modified 26 March 2020); Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) 100-year GWP Methane (CH₄) =28; Nitrous Oxide N₂O = 265

Natural Gas: Heat Content (HHV)=0.001026MMBTU/scf; CO₂ factor = 53.06 kgCO₂/MMBTU; CH₄ factor = 1 gCH₄/MMBTU; N₂O factor = 0.1 gN₂O/MMBTU

Comment

Biogas is used at one of our European distribution facilities for building heat. Emissions from the biogas is accounted for at the same emission factor as natural gas 0.0532 MT CO₂e/MMBTU) rather than the using the emission factor for Other Biomass Gases of 0.0523 MT CO₂e/MMBTU. The use of the Natural Gas emission factor results in an overstatement of 9 MT CO₂e in the reporting year.

Fuels (excluding feedstocks)

Fuel Oil Number 6

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

69,424

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

69,424

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0754

Unit

metric tons CO₂e per million Btu

Emissions factor source

US EPA Emission Factors for Greenhouse Gas Inventories (last modified 26 March 2020); Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) 100-year GWP Methane (CH₄) =28; Nitrous Oxide N₂O = 265
residual Fuel Oil No. 6: Heat Content (HHV)=0.150MMBTU/gallon; CO₂ factor = 75.1 kgCO₂/MMBTU; CH₄ factor = 3 gCH₄/MMBTU; N₂O factor = 0.6 gN₂O/MMBTU

Comment

100% of No 6 fuel consumption is to self-generate steam. The company's strategy to reduce GHG emission includes both improving energy efficiency (i.e., use less) and expanding use of renewable energy. The company has set aggressive 2020 goals to decrease energy use intensity by 40% and to increase use of renewable energy to 40% by the end of 2020. In this reporting year, we are proud to announce the company achieved its renewable energy goal, primarily

through increased investments in biomass-fired steam generation and a combined heat and power plant. The company has an opportunity to increase utilization of these asset, which will further reduce use of No 6 fuel oil.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

120,568

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

39,213

MWh fuel consumed for self-generation of steam

81,354

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0532

Unit

metric tons CO₂e per million Btu

Emissions factor source

US EPA Emission Factors for Greenhouse Gas Inventories (last modified 26 March 2020); Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) 100-year GWP Methane (CH4) =28; Nitrous Oxide N2O = 265
 Natural Gas: Heat Content (HHV)=0.001026MMBTU/scf; CO2 factor = 53.06 kgCo2/MMBTU; CH4 factor = 1 gCH4/MMBTU; N2O factor = 0.1 gN2O/MMBTU

Comment

Natural gas used for building heat and for process steam.

Fuels (excluding feedstocks)

Propane Liquid

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

96,412

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

43,196

MWh fuel consumed for self-generation of steam

53,216

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0631

Unit

metric tons CO2e per million Btu

Emissions factor source

US EPA Emission Factors for Greenhouse Gas Inventories (last modified 26 March 2020); Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) 100-year GWP Methane (CH4) =28; Nitrous Oxide N2O = 265

Propane: Heat Content (HHV)=0.0915 MMBTU/scf; CO2 factor = 62.87 kgCo2/MMBTU; CH4 factor = 3 gCH4/MMBTU; N2O factor = 0.6 gN2O/MMBTU

Comment

Propane is used for direct firing of driers in the textile manufacturing process and boiler fuel used in steam boilers and thermal fluid boilers. Approximately 5% of the propane fuel is used for building heat.

Fuels (excluding feedstocks)

Wood Chips

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

243,279

MWh fuel consumed for self-generation of electricity

7,809

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

235,470

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0

Unit

metric tons CO2e per million Btu

Emissions factor source

WRI Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard

US EPA Emission Factors for Greenhouse Gas Inventories (last modified 26 March 2020); Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) 100-year GWP Methane (CH4) =28; Nitrous Oxide N2O = 265

Wood and Wood Residuals: Heat Content (HHV)=17.48 MMBTU/short ton; CO2 factor = 93.8 kgCo2/MMBTU; CH4 factor = 7.2 gCH4/MMBTU; N2O factor = 3.6 gN2O/MMBTU

Comment

A consensus accounting method for sequestered carbon by energy crops, such as fast-growing Acacia trees, has not yet been developed. For the purpose of this disclosure, HanesBrands biomass fuel consumption (wood chips) has been considered part of natural carbon balance and therefore has a 0 emissions factor.

However, as referenced in question 6.7(a) regarding the emissions associated from biogenic carbon relevant to our company from the combustion of biomass fuel (woodchips) for process steam boilers, the CO2e emissions calculations are based on EPA Emissions Factors for Greenhouse Gas Inventories, Last Modified: 26 March 2020, Table 1 - Stationary Combustion, Biomass Fuels - Solid, Wood and Wood residuals, 93.8 kg CO2/MMBTU; 7.2 g CH4/MMBTU; 3.6 g N2O/MMBTU = 0.0950 MT CO2e/MMBTU using AR5 emission factors of 28 for methane and 265 for nitrous oxide.

Calculations = 243,279 MWh x 1000 kwh/1MWh x 3412 BTU/1 kWh x 1MMBTU/1000000 BTU x 0.0950 MT CO2e/MMBTU = 78,820 MT CO2e

Additionally, the biomass-fuel combined heat and power plant at our facility located in El Salvador generated 7,809 MWh of electricity in the reporting year. This value could have been reported in the section for co-generation but was classified as MWh of fuel consumed for self-generation of electricity.

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	9,315	9,315	7,809	7,809
Heat	86,963	86,963	3,048	3,048
Steam	532,576	532,576	235,470	235,470
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

Low-carbon technology type

Geothermal

Country/region of consumption of low-carbon electricity, heat, steam or cooling

El Salvador

MWh consumed accounted for at a zero emission factor

68,454

Comment

El Salvador Textile Manufacturing Facility and El Salvador Sock Manufacturing Facility - Electricity is provided through a purchase power agreement for electricity that is generated off-site using geothermal sources and from a on-site biomass fired combined heat and power plant. A part of the company's energy management strategy includes increasing use of renewable energy either from self-generation or through negotiating supply agreements for renewable energy sources. This strategy impacts the emissions calculations for the two facilities mentioned above. In each case, the basis for the zero emissions factor applied to

electricity consumed is based on a written communication from the electricity supplier detailing the attributes of the electricity provided. The PPA instrument satisfies the definition of Low Carbon energy as outlined in the GHG Protocol Scope 2 Guidance, an amendment to the GHG Protocol Corporate Standard. The geothermal PPA is for 100% geothermal energy. Therefore, an emissions factor of 0.0 is applied to purchased electricity for the site. Similarly, process steam and self-generated electricity supplied by the on-site biomass fired combined heat and power plant mentioned previously, is considered to be a renewable energy source with a 0.0 emission factor.

Sourcing method

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

Low-carbon technology type

Hydropower

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Thailand

MWh consumed accounted for at a zero emission factor

5,181

Comment

A HanesBrands manufacturing facility in Thailand is supplied by the local utility that generates electricity from hydroelectric sources.

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Hydropower

Country/region of consumption of low-carbon electricity, heat, steam or cooling

United States of America

MWh consumed accounted for at a zero emission factor

17,550

Comment

The energy represented above (17,550 MWh) is the renewable component of the electric generation mix that is distributed by a municipal electricity provider to a manufacturing site located in the United States. The energy portfolio delivered to the site consists of 67% renewable sources, primarily hydroelectric sources and is accounted for at zero emissions.

Additionally, HanesBrands operates several locations across the United States including North Carolina, Virginia, Delaware, Arkansas, Texas, Kansas, and California. Some states have a renewable energy portfolio standard in place and others, although not regulated by a renewable portfolio standard, have a mix of renewable energy included in grid electricity. HanesBrands has obtained renewable energy values from EPA for each grid and sub-region and calculated the component of grid supplied electricity that is renewable and includes the renewable component of grid supplied electricity when calculating the company's overall renewable energy portfolio.

For purposes of the CDP Climate response C8.2a the MWh from renewable sources is reported as 91,185 MWh. However, the total renewable portion of electricity including the grid component and all PPA's is 170,201 MWh.

For scope 2 greenhouse gas emissions inventory, the grid component of renewable electricity is accounted for by using the EPA eGRID factor. (Values from egrid2018_summary tables_table 4 State Resource Mix. <https://www.epa.gov/energy/egrid-summary-tables>)

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

12.2

Metric numerator

total company energy use = 3,489,940 million BTU

Metric denominator (intensity metric only)

Finished production (000 pounds) = 286,181

% change from previous year

6.5

Direction of change

Decreased

Please explain

HanesBrands' global Energy and Environmental Management policy establishes a consistent approach to manage energy globally. The company's facilities around the world are required to track energy usage and cost, set goals, establish action plans, and conduct steering committee meetings that are led by the facility manager.

Note: we normalize our metrics to account for acquisitions and divestitures. Consequently, the value we reported last year in the CDP Climate disclosure of 13 (4,035,076 million BTU/310,469.8 kfinished pounds = 13.0 kBTU/pound) is now normalized to 13.043 kBTU/pound.
 3,489,940 million BTU / 286,181 kfinished pounds = 12.195 kBTU/pound.

$(13.043 \text{ kBTU/lb.} - 12.195 \text{ kBTU/lb.}) / 13.043 \text{ kBTU/lb.} = 6.5\%$

Description

Waste

Metric value

101,010,397

Metric numerator

90% recycled waste = 101,010,397 pounds

Metric denominator (intensity metric only)

Total waste volume = 112,037,088 pounds

% change from previous year

5

Direction of change

Increased

Please explain

The company continues to make progress towards its 2020 zero waste to landfill goal, improving from 86% landfill diversion in calendar year 2018 in 90% in 2019.

Description

Other, please specify
Water use intensity

Metric value

8.47

Metric numerator

Total global water use = 2,422,745 (000 gallons)

Metric denominator (intensity metric only)

Finished production = 286,180.6 (000 pounds)

% change from previous year

1

Direction of change

Increased

Please explain

Note we normalize our metrics to account for acquisitions and divestitures. Consequently, the value we reported last year in the CDP Climate disclosure of 8.43 is now 8.38.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Hanesbrands 2019 Scope 1-2 GHG Verification Statement_20200825.pdf

Page/ section reference

Statement of Verification for Hanesbrands Incorporated Related to Scope 1 and Scope 2 greenhouse Gas inventory for Calendar year 2019;
page 1; Scope covered, annual process, data verified, period covered, boundary, Calculation and Reporting Protocol, GHG Verification Protocol, percent of emissions covered.

page 2: period referenced, type of assurance

Relevant standard

Corporate GHG verification guidelines from ERT

Proportion of reported emissions verified (%)

70

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Hanesbrands 2019 Scope 1-2 GHG Verification Statement_20200825.pdf

Page/ section reference

Statement of Verification for Hanesbrands Incorporated Related to Scope 1 and Scope 2 greenhouse Gas inventory for Calendar year 2019;
page 1; Scope covered, annual process, data verified, period covered, boundary, Calculation and Reporting Protocol, GHG Verification Protocol, percent of emissions covered.

page 2: period referenced, type of assurance

Relevant standard

Corporate GHG verification guidelines from ERT

Proportion of reported emissions verified (%)

70

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Hanesbrands 2019 Scope 3 GHG Verification Statement_20200825.pdf

Page/section reference

Statement of Verification for Hanesbrands Incorporated Related to Selected Scope 3 Greenhouse Gas Emissions for Calendar Year 2019;
page 1; Scope covered, annual process, data verified, period covered, boundary, Calculation and Reporting Protocol, GHG Verification Protocol, percent of emissions covered.

page 2: period referenced, type of assurance

Relevant standard

Corporate GHG verification guidelines from ERT

Proportion of reported emissions verified (%)

67

Scope 3 category

Scope 3: Downstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Hanesbrands 2019 Scope 3 GHG Verification Statement_20200825.pdf

Page/section reference

Statement of Verification for Hanesbrands Incorporated Related to Selected Scope 3 Greenhouse Gas Emissions for Calendar Year 2019;
 page 1: Scope covered, annual process, data verified, period covered, boundary, Calculation and Reporting Protocol, GHG Verification Protocol, percent of emissions covered.
 page 2: period referenced, type of assurance

Relevant standard

Corporate GHG verification guidelines from ERT

Proportion of reported emissions verified (%)

95

C10.2




(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
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C6. Emissions data	Year on year change in emissions (Scope 1)	Environmental Resource Trust Corporate Verification Guideline (Tier II)	Year over year change in scope 1 ghg emissions  ₁
C6. Emissions data	Year on year change in emissions (Scope 2)	Environmental Resource Trust Corporate Verification Guideline (Tier II)	Year over year change in scope 2 ghg emissions  ₁
C8. Energy	Energy consumption	Environmental Resource Trust Corporate Verification Guideline (Tier II)	As part of the verification process of scope 1 and scope 2 emissions, energy consumption is verified.  ₁
C4. Targets and performance	Year on year change in emissions (Scope 3)	Environmental Resource Trust Corporate Verification Guideline (Tier II)	Year on year verification of the two largest contributors to scope 3 emissions  ₂

 ¹Hanesbrands 2019 Scope 1-2 GHG Verification Statement_20200825.pdf

 ²Hanesbrands 2019 Scope 3 GHG Verification Statement_20200825.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

France carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

France carbon tax

Period start date

January 1, 2019

Period end date

December 31, 2019

% of total Scope 1 emissions covered by tax

3.8

Total cost of tax paid

195,000

Comment

The cost of tax paid and percent of the company's total emissions is based on calculating the emissions associated with electricity and natural gas consumed in France using emission factors published by the International Energy Agency (IEA) and United States Environmental Protection Agency (US EPA) multiplied by the tax rate of 44 euros/metric ton of emissions.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

i) Description of the strategy to comply

HanesBrands' strategy is to invest in energy efficiency/conservation projects that mitigate increased energy cost caused by an increase in CO2e taxes and/or CO2e emission allowances (EUA) credits. HanesBrands has ramped up investments in energy efficiency/conservation projects in response to EUA cost increases expected to impact electricity and natural gas rates throughout Europe. These efforts contribute to the EU's overall climate strategy.

ii) Case study of how you applied the strategy

By way of example, the European Union has committed itself to reduce CO₂ emissions annually by 2.2% for the period 2021-2030. As a result, EUA prices reacted heavily and moved up from 7 EUR/t in November 2017 to well over 25 EUR/ton since April 2018 and have risen further through 2019. These EUA cost increases are impacting electricity and natural rates throughout the EU. In response, HanesBrands has remained focused on driving energy intensity improvement projects throughout its European operations, particularly its textile operations in France. The company is also exploring future opportunities to further offset its emissions through local investment in carbon sequestration.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit origination

Project type

Biomass energy

Project identification

HanesBrands owns and operates a biomass fired industrial steam boiler in the Dominican Republic that is registered with the UNFCCC under the Clean Development Mechanism (CDM) (see UNFCCC Project #6929; <https://cdm.unfccc.int/Projects/DB/DNV-CUK1344079596.55/view>). To date, the plant has not verified CO₂e emissions credits because the company currently does not plan to sell the credits generated. Instead, the company tracks actual monthly emissions and applies the CO₂e avoidance (self-generation) to the company's CO₂e reduction goal (self-retire) to reduce emissions by 40% versus a 2007 baseline and to increase the use of renewable energy to 40% of its total energy usage portfolio. During the previous reporting year, the company achieved its renewable energy target of 40% two years early by increasing utilization of its biomass fired energy plants.

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO₂e)

35,738

Number of credits (metric tonnes CO₂e): Risk adjusted volume

15,323

Credits cancelled

Not relevant

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Climate change is integrated into supplier evaluation processes

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

48

Rationale for the coverage of your engagement

HanesBrands believes in doing business with suppliers that share the company's commitment to protecting the quality of the environment around the world through sound environmental management. Suppliers must comply with all applicable environmental laws and regulations, and must promptly develop and implement plans or programs to correct any non-compliant practices. HanesBrands favors suppliers who seek to reduce waste and minimize the environmental impact of operations.

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 to the accompanying GSS Protocol annually, covering all finished-goods suppliers every 3 years. 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 waste and minimize their environmental impacts. Specific climate-related requirements include tracking energy and water usage, recycling, and having a designated environmental officer for the company.

Additionally, during the reporting year, the company initiated the use of the Sustainable Apparel Coalition's Higg Index Facility Environmental Module (FEM). The Higg FEM is a comprehensive environmental assessment which provides a standard framework to capture metrics relating to energy, air and greenhouse gas emissions for comparison and benchmarking across multiple facilities.

Impact of engagement, including measures of success

i) Measure of Success

HanesBrands measures success by percentage of suppliers audited according to the GSS protocol.

ii) Impact of Engagement According to the Measures of Success Chosen

100% of finished goods suppliers are audited in person by HanesBrands and a third party consultant according to the GSS Protocol. This has reduced incidence of non-compliance globally.

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

1

% total procurement spend (direct and indirect)

4

% of supplier-related Scope 3 emissions as reported in C6.5

4

Rationale for the coverage of your engagement

During the reporting year, the company grew its use of the Sustainable Apparel Coalition's Higg Index Facility Environmental Module (FEM). The Higg FEM is a comprehensive environmental assessment which provides a standard framework to capture metrics relating to energy, air and greenhouse gas emissions for comparison and benchmarking across multiple facilities. Facilities completing the FEM share their response with requesting parties and aim to show continuous

improvement over time. Further, the company continues to complete the Higg FEM module for its major textile operations. During the reporting period, HanesBrands expanded Higg FEM completion to its company-owned operations in Vietnam.

Impact of engagement, including measures of success

i) Measure of Success

Percentage of company owned and external suppliers engaged completing the Higg FEM disclosure.

ii) Impact of Engagement According to the Measures of Success Chosen

100% of suppliers engaged by HanesBrands to respond to the Higg FEM engaged in the process. In the future the company intends to expand participation.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

1

Please explain the rationale for selecting this group of customers and scope of engagement

As in prior years and again in 2019, HanesBrands' focus was on generating a year long dialogue – with internal and external audiences – about its environmental stewardship program and strong partnership with U.S. EPA Energy Star. Hanes started the year by releasing its 2019 environmental results, which played a part in the increased emphasis on domestic press coverage and helped generate a record number of impressions. More than 3,000 placements in a combination of business, trade, consumer, CSR and blogger outlets broadly communicated the company's commitment to ENERGY STAR and environmental sustainability. Covering media outlets included ABC, NBC, CNN, The Wall Street Journal, Bloomberg and The New York Times.

English- and Spanish-language social media channels (Facebook, Twitter, LinkedIn and Instagram in English; Facebook and Twitter in Spanish) helped Hanes continue the conversation throughout 2019. Regularly scheduled posts about environmental stewardship included highlights of the company's energy-management program and Energy Star.

Social media and other external efforts also helped drive increased traffic to Hanes' websites. In 2019, visitors to the company's corporate site and Hanes For Good corporate responsibility hub saw the Energy Star logo and new language about the company's commitment to the program.

Impact of engagement, including measures of success

i) Measures for Success

Our measures for success include the total number of impressions generated by each placement and overall ENERGY STAR Partnership campaign.

ii) Impact of Engagement According to the Measures of Success Chosen

To illustrate the impact of our engagement, our approach resulted in more than 1 billion total U.S. EPA ENERGY STAR brand impressions in the reporting year, the most impressions we have had to date.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

i. Explanation of who other partners in the value chain constitutes

Global employees and community members where we do business

ii. Case study of engagement strategy with those partners

Environmental Sustainability is one of five key pillars (1. Global Ethics, 2. Facility Compliance, 3. Environmental Sustainability, 4. Product Safety, 5. Communities and Philanthropy) that defines HanesBrands' Corporate Social Responsibility (CSR) program called Hanes for Good. Each of these pillars are overlapping and provide a

platform to encourage employee engagement in multiple corporate initiatives including climate-related engagement. For example, revenue generated from the sale of waste to recycling companies is used to fund community projects that are focused on fundamental needs in communities where the company operates. We call the program Green for Good. Green for Good projects include funding employee education, medical support programs, building medical clinics and classrooms, and participating in climate-related activities such as energy treasure hunts, beach cleanups and tree plantings. Green for Good has been in place for 10 years and the results are impressive: Since 2010, millions have been invested in 100+ projects with 500,000 employee volunteer hours - nearly half of the company's energy reductions are the result of employee-engagement efforts stemming from energy treasure hunts where low- or no-cost energy conservation projects are identified and implemented - employee volunteers have planted more than 93,000 trees and cleaned up multiple beaches – more than 2,600 employees have graduated from high school (GED equivalency) – and more than 1,100 life changing surgeries have been completed. By investing money that is generated from the sale of waste in the communities where we have operations and employees live, employees are continually incentivized to effectively manage waste and reduce energy. Additionally, employees feel a growing sense of ownership and participation in the company's overall environmental sustainability initiatives.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers

Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Energy efficiency	Support	HanesBrands engages policy makers through active participation in the Business Roundtable (BRT). BRT is an association of chief executive officers of leading U.S. companies working to promote sound public policy and expanded opportunity for all Americans through sound public policy. Business Roundtable CEOs are focused on 10 key issues at the intersection of the economy and business. In the Business Roundtable's Energy and Environment Committee Policies	HanesBrands is fully supportive of BRT's calls on Congress and the Administration to adopt policies that "focus research and development on cost-effective technologies that have the potential to improve energy efficiency while diversifying energy sources." HanesBrands encourages the adoption of environmentally responsible manufacturing and business practices by sharing the company's approach to energy management, chemical management and employee engagement. It is the intent of the

	<p>and Priorities, they state the following: "Access to reliable, affordable energy undergirds US national and economic security, and a clean, healthy environment is essential for economic prosperity now and for future generations. Business Roundtable supports policies that capitalize on America's strengths in technology and energy diversity to maximize U.S. energy options and preserve environmental quality. The business community has a special obligation to step forward and help build an economically sustainable future."</p>	<p>company to influence its suppliers and other companies to leverage best management practices, thereby further reducing energy usage, GHG emissions, water usage and cost, while increasing renewable energy use.</p>
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C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Business Roundtable

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

HanesBrands actively participates in the Business Roundtable (BRT). The BRT is an association of chief executive officers of leading U.S. Companies working to promote sound public policy and expanded opportunity for all Americans through sound public policy. Business Roundtable CEOs are focused on ten key issues at the intersection of the economy and business.

In the Business Roundtable's Energy and Environment Committee Policies and Priorities, they state the following: "Access to reliable, affordable energy

undergirds US national and economic security, and a clean, healthy environment is essential for economic prosperity now and for future generations. Business Roundtable supports policies that capitalize on America's strengths in technology and energy diversity to maximize U.S. energy options and preserve environmental quality. The business community has a special obligation to step forward and help build an economically sustainable future.”

How have you influenced, or are you attempting to influence their position?

HanesBrands is fully supportive of BRT’s calls on Congress and the Administration to adopt policies that “focus research and development on cost-effective technologies that have the potential to improve energy efficiency while diversifying energy sources.” Hanesbrands encourages the adoption of environmentally responsible manufacturing and business practices by sharing our approach to energy management, chemical management and employee engagement. It is the intent of the company to influence our suppliers and other companies to leverage best management practices thereby further reducing energy usage, GHG emissions, water usage, and costs.

Trade association

American Apparel and Footwear Association (AAFA)

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association’s position

AAFA Mission Statement: "AAFA stands at the forefront as a leader of positive change for the apparel and footwear industry. With integrity and purpose, AAFA delivers a unified voice on key legislative and regulatory issues. AAFA enables a collaborative forum to promote best practices and innovation. AAFA’s comprehensive work ensures the continued success and growth of the apparel and footwear industry, its suppliers, and its customers."

The AAFA board voted in the spring of 2020 to create a c-suite level sustainability committee, the first issue committee the industry group has created at the board level. While the AAFA has not taken an official position on climate, they support certain efforts like clean energy, an improved and healthy environment, and encouraging robust energy supply solutions.

How have you influenced, or are you attempting to influence their position?

Mr. Mike Faircloth, Group President, Global Operations, American Casualwear and E-Commerce, serves on the AAFA Executive Committee.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

HanesBrands' alignment process is driven by our 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, corporate social responsibility, corporate communications, legal and government relations teams. Frequent communication within and between the organization's business units promotes consistency in our activities as they relate to overall climate strategy.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).


Publication

In mainstream reports

Status

Complete

Attach the document

 2019 Annual Report.pdf

Page/Section reference

Climate Change is a Risk: PDF p. 17 (document p. 15)

Unseasonal weather risk: PDF p. 19 (document p. 17)

Content elements

Governance

Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

In addition to the discussion of weather-related risks and our Hanes for Good program, further information on our emissions figures and 2020 targets is publicly available at www.HanesforGood.com as referenced in our annual 10-K disclosure.

Publication

In voluntary communications

Status

Complete

Attach the document

 Voluntary Climate Communications.pdf

Page/Section reference

<https://hanesforgood.com/environmental-responsibility/>

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics
Other, please specify



Overall Corporate Social Responsibility program including environmental responsibility, ethics, philanthropy, and facility compliance is available on the company's Hanes for Good website.

Comment

Information relative to governance, strategy, risk and opportunities, emission targets, and progress toward achieving our targets are available on the company's CDP disclosure which can be found via our Hanes for Good website environmental-responsibility page. In addition, other information about the company's comprehensive Corporate Social Responsibility efforts is also available.

C15. Signoff

C-FI

(C-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

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Group President, Global Operations, American Casualwear and E-Commerce	President

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

See Introduction in C0

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

	Annual Revenue
Row 1	6,966,923,000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	4103451021

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Target Corporation

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail**Emissions in metric tonnes of CO2e**

10,872

Uncertainty (±%)

5

Major sources of emissions

The major sources of scope one emissions are petroleum based fuels such as fuel oils (light and heavy), propane, and natural gas. These fuels are consumed in on-site stationary industrial sources such as boilers used in the textile manufacturing process to generate steam and thermal heat required for textile dyeing and finishing processes, consumed in direct fired processes such as driers or used for building heat. Fuel types include propane, natural gas, heavy fuel oil, diesel, and biomass (primarily wood chips).

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Hanesbrands owns and operates the majority of their supply chain and as such, has control of the textile knitting, dyeing, finishing, cut, sew, packaging and distribution processes. This ownership allows for a high level of transparency and provides direct operational control to implement our key initiatives and policies within our +/-90 offices, factories and distribution centers. HanesBrands has an Energy and Environmental Sustainability Policy that is endorsed by executive leadership. Requirements of the policy include a host of energy management activities ranging from energy assessments, establishing facility-level key performance indicators and goals, energy data collection by energy type and reporting on a regular basis (at least monthly). Energy and carbon emissions data for each supply chain location are rolled up, reported, and reviewed at the corporate level on a monthly basis. Additionally, the corporate engineering staff makes frequent visits to our facilities and remain in frequent contact with facility staff on energy related topics. Energy data collection and resultant greenhouse gas emission inventory development is a difficult task but Hanes has appropriate measures in place to ensure a high quality of data. The company conducts

annual third party verification of underlying energy data and procedures used to develop our corporate-level greenhouse gas emission inventory. These verified CO2e emissions are allocated based on market value of products purchased.

Requesting member

Target Corporation

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

14,903

Uncertainty (±%)

5

Major sources of emissions

The major sources of scope 2 emissions are electricity provided by off-site electric generation companies owned by municipalities or other private/public external utility companies. Offsite electricity generated by others accounts for all of the scope 2. The electricity associated with scope 2 emissions is used to power industrial processes required in textile manufacturing, building lighting, Heating Ventilation and Air Conditioning (HVAC), material handling equipment within distribution centers, etc.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Similar to scope 1 above - HanesBrands owns the majority of their supply chain. This ownership provides greater transparency and control over operations versus a sourced supply chain model, as well as the ability to implement policies and procedures within these locations. Hanes has a corporate energy and environmental sustainability policy in place that outlines specific energy management activities that are required. Energy data from each site is reported on a frequent (at least monthly) basis and rolled up, reported, and reviewed at the executive level on a monthly basis. The corporate engineering team has direct contact with each location and makes frequent in-person visits as well as email and telephone/web-based conferencing. The company also conducts annual third party verification of underlying energy data and procedures used to develop our corporate-level greenhouse gas emission inventory. Greater than 70% of scope 1 and scope 2 emissions are verified and significant amount of scope 3 emissions as well. Hanes has good visibility of point of sale data and is able to generate reports based on customer volumes. This sales data is used to develop an accurate allocation of greenhouse gas emissions based on the market value of products purchased.

Requesting member

Target Corporation

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

404,308

Uncertainty (±%)

10

Major sources of emissions

Hanesbrands disclosed data on 9 of the 15 available scope 3 categories on CDP. The most significant scope 3 sources are purchased goods and services (63%), Upstream transportation and distribution (18%), and capital Goods (8%). This data was collected using a combination of direct data submission from our raw-material suppliers and service providers, and from the development of models using input data from our procurement department and model development in accordance with CDP guidance using Quantis' Scope 3 evaluator tool.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

HanesBrands has a thorough understanding of our value chain. We have consulted the GHG Protocol and have developed appropriate models based on Quantis resources that captures the most significant scope 3 ghg emission categories. Inputs to this scope 3 ghg emissions model is based on procurement spending with the addition of transportation and supplier specific data. Very high quality data for transportation was obtained from our transportation/logistic group that records product movement by mode. The distances and weights were used in conjunction with EPA emission factors for transportation to develop a comprehensive ghg emissions associated with transportation. Additionally, key raw material suppliers submit monthly production and ghg emissions data. The largest and most significant contributors to the scope 3 inventory have been third-party verified.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

13,837

Uncertainty (±%)

5

Major sources of emissions

The major sources of scope one emissions are petroleum based fuels such as fuel oils (light and heavy), propane, and natural gas. These fuels are consumed in on-site stationary industrial sources such as boilers used in the textile manufacturing process to generate steam and thermal heat required for textile dyeing and finishing processes, consumed in direct fired processes such as driers or used for building heat. Fuel types include propane, natural gas, heavy fuel oil, diesel, and biomass (primarily wood chips).

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Hanesbrands owns and operates the majority of their supply chain and as such, has control of the textile knitting, dyeing, finishing, cut, sew, packaging and distribution processes. This ownership allows for a high level of transparency and provides direct operational control to implement our key initiatives and policies within our +/-90 offices, factories and distribution centers. HanesBrands has an Energy and Environmental Sustainability Policy that is endorsed by executive leadership. Requirements of the policy include a host of energy management activities ranging from energy assessments, establishing facility-level key performance indicators and goals, energy data collection by energy type and reporting on a regular basis (at least monthly). Energy and carbon emissions data for each supply chain location are rolled up, reported, and reviewed at the corporate level on a monthly basis. Additionally, the corporate engineering staff makes frequent visits to our facilities and remain in frequent contact with facility staff on energy related topics. Energy data collection and resultant greenhouse gas emission inventory development is a difficult task but Hanes has appropriate measures in place to ensure a high quality of data. The company conducts annual third party verification of underlying energy data and procedures used to develop our corporate-level greenhouse gas emission inventory. These verified CO₂e emissions are allocated based on market value of products purchased.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

18,967

Uncertainty ($\pm\%$)

5

Major sources of emissions

The major sources of scope 2 emissions are electricity provided by off-site electric generation companies owned by municipalities or other private/public external utility companies. Offsite electricity generated by others accounts for all of the scope 2. The electricity associated with scope 2 emissions is used to power industrial processes required in textile manufacturing, building lighting, Heating Ventilation and Air Conditioning (HVAC), material handling equipment within distribution centers, etc.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Similar to scope 1 above - HanesBrands owns the majority of their supply chain. This ownership provides greater transparency and control over operations versus a sourced supply chain model, as well as the ability to implement policies and procedures within these locations. Hanes has a corporate energy and environmental sustainability policy in place that outlines specific energy management activities that are required. Energy data from each site is reported on a frequent (at least monthly) basis and rolled up, reported, and reviewed at the executive level on a monthly basis. The corporate engineering team has direct contact with each location and makes frequent in-person visits as well as email and telephone/web-based conferencing. The company also conducts annual third party verification of underlying energy data and procedures used to develop our corporate-level greenhouse gas emission inventory. Greater than 70% of scope 1 and scope 2 emissions are verified and significant amount of scope 3 emissions as well. Hanes has good visibility of point of sale data and is able to generate reports based on customer volumes. This sales data is used to develop an accurate allocation of greenhouse gas emissions based on the market value of products purchased.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail**Emissions in metric tonnes of CO₂e**

514,573

Uncertainty (±%)

10

Major sources of emissions

Hanesbrands disclosed data on 9 of the 15 available scope 3 categories on CDP. The most significant scope 3 sources are purchased goods and services (63%), Upstream transportation and distribution (18%), and capital Goods (8%). This data was collected using a combination of direct data submission from our

raw-material suppliers and service providers, and from the development of models using input data from our procurement department and model development in accordance with CDP guidance using Quantis' Scope 3 evaluator tool.

Verified

Yes

Allocation method

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

HanesBrands has a thorough understanding of our value chain. We have consulted the GHG Protocol and have developed appropriate models based on Quantis resources that captures the most significant scope 3 ghg emission categories. Inputs to this scope 3 ghg emissions model is based on procurement spending with the addition of transportation and supplier specific data. Very high quality data for transportation was obtained from our transportation/logistic group that records product movement by mode. The distances and weights were used in conjunction with EPA emission factors for transportation to develop a comprehensive ghg emissions associated with transportation. Additionally, key raw material suppliers submit monthly production and ghg emissions data. The largest and most significant contributors to the scope 3 inventory have been third-party verified.

Requesting member

Wal Mart de Mexico

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

226

Uncertainty (±%)

5

Major sources of emissions

The major sources of scope one emissions are petroleum based fuels such as fuel oils (light and heavy), propane, and natural gas. These fuels are consumed in on-site stationary industrial sources such as boilers used in the textile manufacturing process to generate steam and thermal heat required for textile dyeing and finishing processes, consumed in direct fired processes such as driers or used for building heat. Fuel types include propane, natural gas, heavy fuel oil, diesel, and biomass (primarily wood chips).

Verified

Yes

Allocation method**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Hanesbrands owns and operates the majority of their supply chain and as such, has control of the textile knitting, dyeing, finishing, cut, sew, packaging and distribution processes. This ownership allows for a high level of transparency and provides direct operational control to implement our key initiatives and policies within our +/-90 offices, factories and distribution centers. HanesBrands has an Energy and Environmental Sustainability Policy that is endorsed by executive leadership. Requirements of the policy include a host of energy management activities ranging from energy assessments, establishing facility-level key performance indicators and goals, energy data collection by energy type and reporting on a regular basis (at least monthly). Energy and carbon emissions data for each supply chain location are rolled up, reported, and reviewed at the corporate level on a monthly basis. Additionally, the corporate engineering staff makes frequent visits to our facilities and remain in frequent contact with facility staff on energy related topics. Energy data collection and resultant greenhouse gas emission inventory development is a difficult task but Hanes has appropriate measures in place to ensure a high quality of data. The company conducts annual third party verification of underlying energy data and procedures used to develop our corporate-level greenhouse gas emission inventory. These verified CO₂e emissions are allocated based on market value of products purchased.

Requesting member

Wal Mart de Mexico

Scope of emissions

Scope 2

Allocation level

Allocation level detail

Emissions in metric tonnes of CO₂e

309

Uncertainty (±%)

5

Major sources of emissions

The major sources of scope 2 emissions are electricity provided by off-site electric generation companies owned by municipalities or other private/public external utility companies. Offsite electricity generated by others accounts for all of the scope 2. The electricity associated with scope 2 emissions is used to power industrial processes required in textile manufacturing, building lighting, Heating Ventilation and Air Conditioning (HVAC), material handling equipment within distribution centers, etc.

Verified

Yes

Allocation method

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Similar to scope 1 above - HanesBrands owns the majority of their supply chain. This ownership provides greater transparency and control over operations versus a sourced supply chain model, as well as the ability to implement policies and procedures within these locations. Hanes has a corporate energy and

environmental sustainability policy in place that outlines specific energy management activities that are required. Energy data from each site is reported on a frequent (at least monthly) basis and rolled up, reported, and reviewed at the executive level on a monthly basis. The corporate engineering team has direct contact with each location and makes frequent in-person visits as well as email and telephone/web-based conferencing. The company also conducts annual third party verification of underlying energy data and procedures used to develop our corporate-level greenhouse gas emission inventory. Greater than 70% of scope 1 and scope 2 emissions are verified and significant amount of scope 3 emissions as well. Hanes has good visibility of point of sale data and is able to generate reports based on customer volumes. This sales data is used to develop an accurate allocation of greenhouse gas emissions based on the market value of products purchased.

Requesting member

Wal Mart de Mexico

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail**Emissions in metric tonnes of CO₂e**

8,395

Uncertainty (±%)

10

Major sources of emissions

Hanesbrands disclosed data on 9 of the 15 available scope 3 categories on CDP. The most significant scope 3 sources are purchased goods and services (63%), Upstream transportation and distribution (18%), and capital Goods (8%). This data was collected using a combination of direct data submission from our raw-material suppliers and service providers, and from the development of models using input data from our procurement department and model development in accordance with CDP guidance using Quantis' Scope 3 evaluator tool.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

HanesBrands has a thorough understanding of our value chain. We have consulted the GHG Protocol and have developed appropriate models based on Quantis resources that captures the most significant scope 3 ghg emission categories. Inputs to this scope 3 ghg emissions model is based on procurement spending with the addition of transportation and supplier specific data. Very high quality data for transportation was obtained from our transportation/logistic group that records product movement by mode. The distances and weights were used in conjunction with EPA emission factors for transportation to develop a comprehensive ghg emissions associated with transportation. Additionally, key raw material suppliers submit monthly production and ghg emissions data. The largest and most significant contributors to the scope 3 inventory have been third-party verified.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

For more information about the company's social responsibility initiatives, including environmental, greenhouse gas emissions, social compliance and community improvement achievements go to [www.http://hanesforgood.com/](http://hanesforgood.com/)

Information related to the percent of sales by custom can be found in our annual report 10-k (<https://ir.hanesbrands.com/financial-information/sec-filings>)

To prepare the comprehensive greenhouse gas inventory, published emission factors from the US EPA eGRID, and Emission Factors for Greenhouse Gas Inventories were used to calculate ghg emissions. (<https://www.epa.gov/egrid/egrid-summary-tables>) (<https://www.epa.gov/sites/production/files/2020-04/documents/ghg-emission-factors-hub.pdf>)

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
We face no challenges	Allocation based on market value of products purchased is the methodology used by HanesBrands. There are no significant challenges that we face in obtaining customer level sales data.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

HanesBrands embraces the notion of continuous improvement and has applied this principle to greenhouse gas emissions reporting. As customer and consumer requests for emissions data increase, we will continue to refine our data collection and reporting capabilities to provide appropriate customer data. We manufacture a broad array of products within our company-owned and operated supply chain that are distributed to multiple customers. We currently allocate emissions based on the market value of products purchased but we have begun to explore the development of product-based emissions.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Walmart, Inc.

Group type of project

Change to supplier operations

Type of project

Implementation of energy reduction projects

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

1

Estimated payback

0-1 year

Details of proposal

Adoption of US EPA ENERGY STAR program by the requesting company's suppliers.

ENERGY STAR tools and resources help businesses identify cost-effective approaches to managing energy use in their buildings and plants—enabling the private sector to save energy, increase profits, and strengthen their competitiveness. From commercial properties to industrial facilities, thousands of businesses and organizations look to ENERGY STAR for guidance on strategic energy management.

An effective energy management program aligns with Project Gigaton. The requesting customer could promote this free resource to its suppliers (that are based or have a manufacturing presence in the USA) to reduce emissions through energy savings .

Requesting member

Walmart, Inc.

Group type of project

New product or service

Type of project

Other, please specify

Behavioral change/activities to reduce the product end user's scope 1 and 2 carbon emissions.

Emissions targeted

Other, please specify

Product end user's scope 1 and 2 carbon emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

2,300,000

Estimated payback

Cost/saving neutral

Details of proposal

Develop in-store promotional activities to nudge customers to modify their behavior associated with garment care to wash more loads of laundry in cold water. These promotional activities could include additional shelf placement and/or additional floor displays and consumer facing messaging to encourage customers to support brands and retailers that recognize the environmental impacts associated with the use and care of our products.

Cold Water Wash Initiative - The average household washes 5 loads of clothes per week, 55% of which use warm or hot water. Changing one load of laundry a week from warm or hot to cold can save 175kWh per year and when considering 100 million US households have a washing machine, a potential CO2 savings of 2.3 million metric tons associated with 17,500 million kWh per year of energy use. (<https://www.cleaninginstitute.org/sites/default/files/assets/1/Page/Cold-Water-Wash-Technical-Brief.pdf>)

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

Yes

SC2.2a

(SC2.2a) Specify the requesting member(s) that have driven organizational-level emissions reduction initiatives, and provide information on the initiatives.

Requesting member

Walmart, Inc.

Initiative ID

2019-ID1

Group type of project

Other, please specify

Sustainability Program

Type of project

Other, please specify

Global Energy Management and Sustainability Program

Description of the reduction initiative

HanesBrands has a robust energy management program that serves as a key pillar of our overall sustainability initiative. The holistic elements of our successful program include environmental compliance, energy management, water reduction, renewable energy, and community engagement. As noted in our "Global Code of Conduct," we believe in being a responsible environmental steward and minimizing our emissions to the environment. We recognize the need to conduct business in a way that protects and improves the quality of life in our communities and improves the state of the environment for future generations.

Energy management is foundational to our overall sustainability program because it represents a significant cost to our company and also is the majority contributor to scope 1 + 2 carbon emissions. Our energy management strategic course was set by: 1) the business case of offsetting rising energy costs, and 2) our customers and consumers' increasing level of environmental awareness, and their expectation that companies be responsible environmental stewards. We recognize that "one-off" projects are insufficient to accomplish meaningful and sustainable environmental emissions improvements; therefore, a comprehensive strategy is necessary. Our success is not attributed to a single project or initiative, but instead is the culmination of over 63,000 employees from around the globe who have adopted energy management as a value and continuously contribute to reducing our company's impacts on the environment. Having supply chain members that support these values helps to provide momentum to initiatives and keeps them in the forefront.

Additionally, the CDP questionnaire also provides a standardized framework in which companies can remain focused on tracking and reporting environmental metrics which are relevant to the investment community and key customers. HanesBrands' engagement with this customer prompted research that helped us to understand that the majority of our environmental impacts fall beyond our direct control. This realization highlighted the need to refine and further develop methodology to quantify scope 3 emissions, establish goals and then develop strategies to achieve these, particularly related to the use of sold products.

Furthermore, this customer's recent initiative to adopt widespread use of the Higg Index Facility Environmental Module (FEM) has also increased a greater sustainability awareness within the manufacturing facilities.

Emissions reduction for the reporting year in metric tons of CO2e

2,510

Did you identify this opportunity as part of the CDP supply chain Action Exchange?

No

Would you be happy for CDP supply chain members to highlight this work in their external communication?

Yes

SC3.1**(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?**

No



SC3.2

(SC3.2) Is your company a participating supplier in CDP’s 2019-2020 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization’s goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms