



HBI

SUSTAINABILITY

2024 SUMMARY REPORT

HBI CEO LETTER

Dear Stakeholders,

At HBI, our purpose is clear: Creating a more comfortable world for every body. This commitment goes beyond the products we make—it's about improving lives, protecting the planet, and manufacturing responsibly for consumers around the world.

In 2024, we made substantial progress toward our prior sustainability goals. These milestones reflect the passion, expertise and integrity of our global associates. We are also excited to announce our new 2030 sustainability goals, which I invite you to read about at [HBI.sustains.com](https://hbi.sustains.com). Together, we are innovating with purpose and scaling solutions that make a meaningful impact.

One of our greatest advantages is our unique supply chain. Nearly 75% of the apparel units we sell are made in our own facilities or by dedicated contractors. This level of control enhances cost efficiency and scalability while ensuring the highest standards for environmental and ethical manufacturing practices. It's a model that not only differentiates us—it powers our ability to lead.

We're proud to have earned recognition for these efforts. We achieved our near-term Science-Based Targets seven years ahead of schedule and received A- scores in both climate and water security from the Carbon Disclosure Project (CDP) for the third year in a row.

We improved to a B in forest disclosure and ranked among the top four global brands in the What Fuels Fashion report by Fashion Revolution for our transparency and emissions reductions. We were also recognized in the top 20% of apparel companies in Baptist World Aid's 2024 Ethical Fashion Report.

Sustainability at HBI is built on a holistic framework—People, Planet, and Product—and aligned with the United Nations' Sustainable Development Goals. We are proud of the more than \$31 million in cost savings delivered through our sustainability initiatives since 2020, including significant gains in 2024. These results reinforce what we've always believed: doing what's right is good for business.

Still, we know our journey is far from over. The world is evolving, and we must continue evolving with it. I invite you to read more in our 2024 Sustainability Summary Report and visit [HBI.sustains.com](https://hbi.sustains.com) to see how our iconic brands and talented associates are shaping a better future—and a more comfortable world for every body.

Thank you,

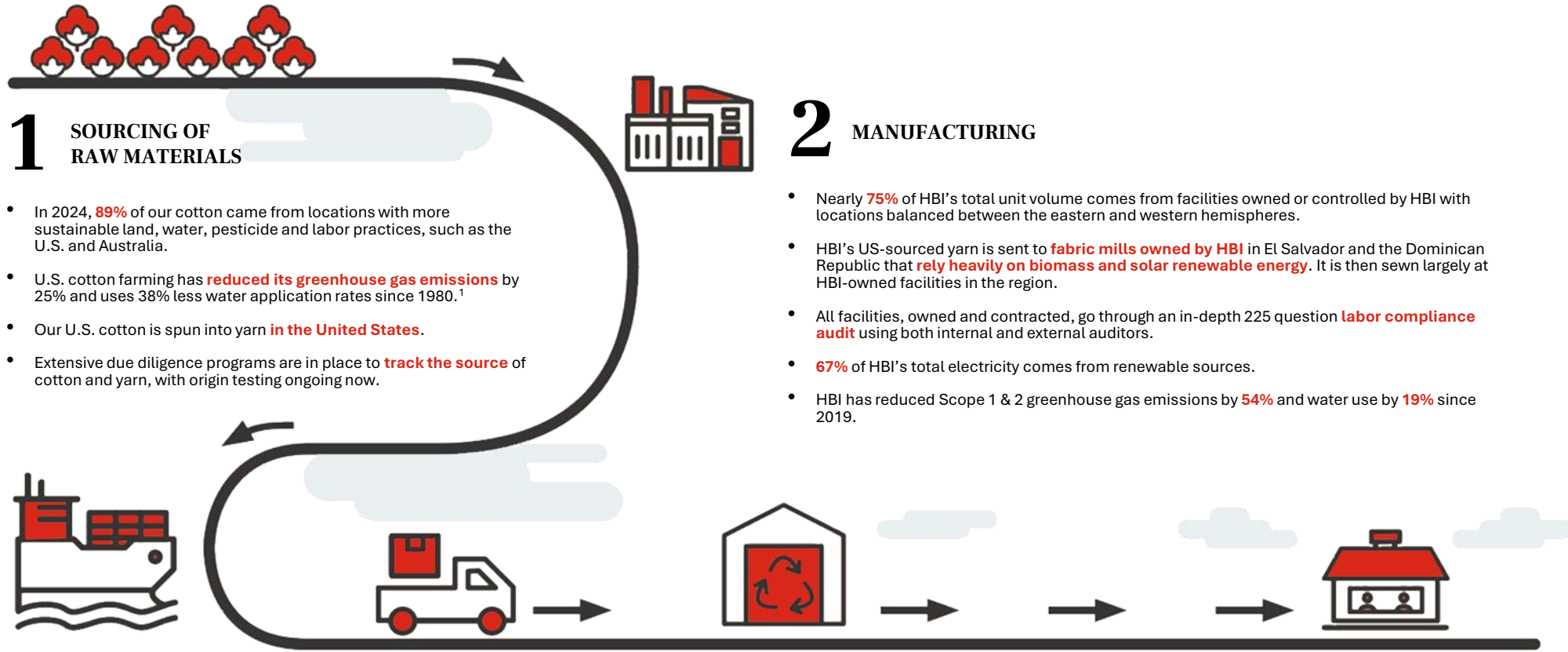


STEPHEN B. BRATSPIES
Chief Executive Officer

**TRANSPARENT REPORTING
UNDER LEADING
INTERNATIONAL
FRAMEWORKS AND
STANDARDS**



HBI CORE VALUE CHAIN



1 SOURCING OF RAW MATERIALS

- In 2024, **89%** of our cotton came from locations with more sustainable land, water, pesticide and labor practices, such as the U.S. and Australia.
- U.S. cotton farming has **reduced its greenhouse gas emissions** by 25% and uses 38% less water application rates since 1980.¹
- Our U.S. cotton is spun into yarn **in the United States**.
- Extensive due diligence programs are in place to **track the source** of cotton and yarn, with origin testing ongoing now.



2 MANUFACTURING

- Nearly **75%** of HBI's total unit volume comes from facilities owned or controlled by HBI with locations balanced between the eastern and western hemispheres.
- HBI's US-sourced yarn is sent to **fabric mills owned by HBI** in El Salvador and the Dominican Republic that **rely heavily on biomass and solar renewable energy**. It is then sewn largely at HBI-owned facilities in the region.
- All facilities, owned and contracted, go through an in-depth 225 question **labor compliance audit** using both internal and external auditors.
- **67%** of HBI's total electricity comes from renewable sources.
- HBI has reduced Scope 1 & 2 greenhouse gas emissions by **54%** and water use by **19%** since 2019.



3 TRANSPORTATION

- Transporting raw materials and finished products is done largely by sea and land – **significantly less expensive and emitting far less greenhouse gases** than by air.
- HBI is focused heavily on limiting air transport as part of our 2030 science-based target goals.



4 PACKAGING

- In 2024, we focused heavily on reducing corrugate, paper board, and plastic. In doing so, we generated **\$3 million** in savings.
- Projects have been implemented that reduced packaging weight by **20%** and single-use plastics by **68%** from a 2019 baseline.



5 WASTE MANAGEMENT

- Managing waste has long been a focus at HBI – especially the waste generated at our manufacturing facilities.
- In 2024, we diverted **162 million pounds** of operational waste from ending up in Landfills globally.
- Today, about **99%** of waste from operations is diverted from landfills.



6 CONSUMER USE & END OF LIFE

- We're committed to reducing our environmental impact at every stage — including after our products and packaging are used.
- Through our partnership with **How2Recycle** in the U.S., we provide clear recycling instructions on packaging to help consumers dispose of it properly.
- We also comply with all applicable Extended Producer Responsibility (EPR) regulations, promoting responsible management of these materials in line with local laws.

♡ PEOPLE *

OUR ASSOCIATES

- HBI welcomes, listens and embraces everyone. **Our culture is built on strong values and ethics.**
- We offer **opportunities for advancement and training at all levels** and over 1,000 leadership and training courses.
- The **health and wellness of our associates is important to us** with extensive medical clinics in our manufacturing facilities and headquarters.
- Since 2008, more than **3,600 associates**, mostly sewing machine operators, have earned their high school degrees and hundreds more have participated in college or post-graduate programs.

HUMAN RIGHTS/ RESPONSIBLE SOURCING

- Our **Global Standards for Suppliers** and **Global Human Rights Policy** call for all our suppliers to conduct themselves with honesty and integrity, to fully comply with the law and to treat associates with dignity and respect.
- We have an extensive audit program and audit all facilities against a 225 question labor compliance audit protocol, prior to production and yearly thereafter, using both internal and external auditors.
- We have a **zero-tolerance policy** against issues such as child labor, wage violations, serious health and safety violations, and sexual or physical harassment or abuse.

COMMUNITY ENGAGEMENT AND PHILANTHROPY

- Our Green for Good program, funded by savings from our plant recycling efforts, has provided thousands of people with access to medical services and over 1,700 life-changing surgeries since 2012.
- In 2024, we provided **1.38 million units** of essential clothing to over 50 organizations globally to support those in need.
- Our employees **devote tens of thousands of volunteer hours every year** to support charitable work.

GLOBAL ETHICS AND COMPLIANCE

- Our **Global Code of Conduct** that underpins our Global Ethics and Compliance program is translated into 13 languages.
- We have **Code of Conduct Officers** in all countries in which we operate. They are advocates for fairness, serving as trainers and resource providers for the program.

OUR PURPOSE

- We are creating a more **comfortable** world for **every body**.

OUR VALUES

PLAY TO WIN

We expect to win, working together to drive results. We push ourselves to simplify and innovate. When we fail, we learn from it. We will break with the past when necessary to move forward.

ACT LIKE OWNERS

We take action. We build relationships across functions so we can see the company holistically and seek out opportunities for improvement. We're willing to sacrifice in one area if that leads to our overall success.

DO WHAT'S RIGHT

We behave ethically. We are transparent. We share information about the factors influencing our actions. Our behaviors align with our values. Our products make the world a better place.

CREATE OPPORTUNITY FOR ALL

With success comes opportunity. Everyone is respected and included. We provide opportunities for all associates to reach their full potential.



🌲 PLANET *

CLIMATE

- We set **Science-Based Targets** calling for a 46.2% reduction in scope 1 & 2 and a 27.5% reduction in scope 3 emissions by 2030.
- Since 2019, we've already reduced scope 1 and 2 emissions by **54%**.
- Our goal is for our operations to be powered by **100% renewable electricity by 2030**. Today, we are at **67%**.

WASTE

- We are now **diverting 99%** of our facility waste from landfills, preventing more than 162 million pounds of fabric-cut parts, corrugate, plastic and other materials from ending up in landfills globally in 2024.
- Our **Green for Good** program, funded annually with proceeds from waste recycling, invests in community improvement projects in education, healthcare and disaster relief assistance.

WATER

- HBI is committed to **optimizing water use** throughout our value chain. We've reduced water use intensity by **19%** since 2019.
- We **monitor water withdrawals** from local water basins serving our textile facilities, then track this data against industry tools. This helped us confirm that our textile facilities (the biggest consumers of water) are not located in water-stressed regions.

WASTEWATER AND CHEMICAL MANAGEMENT

- HBI has put in place rigorous, industry-leading **wastewater and chemical management programs** at our owned facilities. All chemicals considered for use in those facilities must receive advance corporate-level approval and meet all legal requirements and our high, self-imposed standards.
- HBI aims to meet the wastewater standards of the **Zero Discharge of Hazardous Chemicals initiative** by 2025.
- **100% of wastewater from our major manufacturing facilities, including our strategic textile suppliers, is treated with state-of-the-art wastewater treatment plants** – more than 2 billion gallons per year.

AMBITIOUS, RIGOROUS AND SCIENCE-BASED EMISSION REDUCTION GOALS



46.2% reduction in Scope 1 and 2 emissions by 2030
27.5% reduction in Scope 3 emissions by 2030

Targets approved by SBTi based on 1.5°C or less limits for Scopes 1 and 2 and well below 2°C limit for Scope 3



In 2024, HBI earned a CDP score of **A-** in both Climate and Water, and **B** in Forests.



In 2023, **406** owned and contractor facilities completed the Higg FEM self-assessment



👕 PRODUCT *

MATERIALS

- We set a goal to use **100% sustainably grown cotton** by 2030. We are now at **89%**.
- We set a goal to use **100% recycled/degradable polyester** in our products by 2030. We are now at **52%**. The amount of recycled polyester that we've used in our products over the past six years is equivalent to recycling over **751 million plastic bottles**.

CIRCULARITY











- We've kickstarted the use of circular economy practices by partnering with yarn mills to manufacture **reclaimed and recycled cotton**.
- To accelerate our journey toward a circular economy, we set a goal for each of our brands to launch at least one fully circular product or initiative by the end of 2025.

PACKAGING

- We set a goal to completely phase out single-use plastic by the end of 2025. What couldn't be phased out must be commonly **recyclable or compostable**. Since 2019, we have implemented projects that eliminated **68%** of single-use plastic.
- We have partnered with **How2Recycle** in the U.S. since 2019, printing guides to recycling on over 500 million product packages. Similarly, in Australia and New Zealand, we have partnered with the **Australian Packaging Covenant Organization** to add the Australasian Recycling Label to all product packaging.
- From embracing recycled paper and cardboard packaging to **reducing overall packaging weight by 25%** by the end of 2025, our global brands will reimagine the packaging that will help us deliver products safely to consumers in a low-waste economy. Since 2019, we have implemented projects that reduced packaging weight by **20%**.



PROGRESS AGAINST PRIOR COMMITMENTS *

	Goal	Progress through 2024	Target Date	United Nations Sustainable Development Goals Alignment
PEOPLE	Community Engagement And Philanthropy Contribute to improving the lives of at least 10 million people.	4 million lives impacted	2030	  
	Volunteerism Encourage our associates to average at least 8 volunteer hours per year.	Salaried associates average 9 volunteer hours per year	2030	 
PLANET	Emissions ¹ Committed to a 50% reduction in Scope 1 & 2 emissions and a 30% reduction in Scope 3 emissions.	54% reduction in Scope 1 and 2 emissions in 2024 Scope 3 reductions will be calculated later in 2025	2030	 
	Energy ^{1,2} Reduce energy use in our owned facilities by 25% and support our key suppliers to do the same.	1% increase	2030	
	Renewable Electricity Use 100% renewable electricity in our owned operations through direct investment and renewable energy credits, where reasonably possible.	67% renewable electricity	2030	
	Water ^{1,3} Reduce water use in our owned operations by 25%.	19% reduction	2030	
	Wastewater Align our wastewater with Zero Discharge with Hazardous Chemicals (ZDHC) wastewater standards.	Performed gap analysis	2025	
	Waste Achieve zero waste across our operations and support key suppliers to do the same.	99% of waste diverted from landfill	2025	
	Higg Facility Environment Module (FEM) Work only with facilities that have completed the Higg FEM process and include Higg FEM scores in our facility evaluations.	406 owned and contractor facilities have completed Higg FEM self-assessment	2025	
PRODUCT	Materials Use 100% sustainable cotton and 100% recycled/degradable polyester in all HBI products.	89% sustainable cotton 52% recycled/degradable polyester	2030	
	Single-Use Plastics ¹ Eliminate single-use plastics in our product packaging. Any that remains must be commonly recyclable or compostable.	68% reduced single-use plastics	2025	
	Packaging Weight ¹ Reduce packaging weight by 25%.	20% reduced packaging weight	2025	

¹ From a 2019 baseline | ² Energy intensity = total energy consumed / total pounds of fabric produced | ³ Water intensity = total water consumed / total pounds of fabric produced

*The goals and targets discussed on this page were set prior to HBI's sale of its global Champion business in 2024.

We are excited to announce our new sustainability goals, which replace the prior goals. For information about these new goals, please see page 10 of this report and HBI.sustains.com.

2024 AWARDS AND RECOGNITIONS



HBI obtained a **CDP score of A- in both Climate and Water**, and **B in Forests** for its actions to cut emissions and water use, mitigate climate risks and develop the low-carbon economy.



HBI was recognized in the **top 20% of companies assessed by Baptist World Aid's 2024 Ethical Fashion Report**. The report grades companies based on the strength of their systems to mitigate against the risks of forced labor, child labor and exploitation in their supply chains.



HBI was ranked amongst **the top four out of 250 global brands assessed in the 2024 "What fuels fashion?" report** by Fashion Revolution, the world's largest fashion activism movement, mobilizing citizens, industry, and policymakers through research, education, and advocacy work.



HBI was recognized by FUNDAHRSE (Honduran Foundation for Corporate Social Responsibility) and was awarded the FUNDAHRSE seal, designed to recognize organizations that demonstrate **leading practices related to associate and community relations, human rights, labor practices, governance, marketing, environment and operational practices**, for the 13th consecutive year.



HBI El Salvador was awarded the "Positive Green Brand" award by the Business Foundation for Social Action (FUNDEMÁS) and the Spanish Agency for International Development Cooperation (AECID). The award is presented to organizations **contributing to the country's long-term projects on waste management and recycling within El Salvador**. HBI was the only textile and apparel company to win this recognition in 2024.




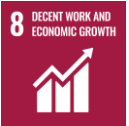






HBI was recognized by the government of the Dominican Republic for the **successful implementation of its circular economy project focused on recycling plastic waste**. The National Clean Production Award is a mechanism used by the Ministry of Environment and Natural Resources to promote and encourage the implementation of clean production strategies and the efficient and sustainable use of resources in the Dominican Republic.

OUR REFRESHED 2030 GOALS



OUR NEW 2030 SUSTAINABILITY GOALS

	Goal	Target Date	United Nations Sustainable Development Goals Alignment
PEOPLE	Associate Development Supporting our associates through development, training and education programs, delivering on average 24 hours of associate development per year.	2030	 
	Human Rights and Responsible Sourcing Align all suppliers to our Global Standards for Suppliers (GSS) by 2025, with owned and strategic facilities achieving an A rating and all others achieving a B rating at minimum.	2030	
	Transparency Attaining 100% disclosure of Tier 1 and Tier 2 suppliers.	2030	 
	Safety Achieving a ≤ 0.3 Total Recordable Incident Rate for internal operations.	2030	
	Volunteering Encouraging our associates to collectively achieve 100,000 volunteer hours per year.	2030	
	Community Engagement And Philanthropy Positively impacting at least 500,000 lives per year through community initiatives that focus on Comfort, Education and Health.	2030	
PLANET	Direct Emissions Reducing 50% of our Scope 1 and 2 emissions by 2030 from a 2019 baseline.	2030	 
	Indirect Emissions Decreasing 30% of our Scope 3 emissions by 2030 from a 2019 baseline.	2030	
	Renewable Electricity Using 100% renewable electricity where reasonably possible in our owned operations through direct investment and renewable energy credits by 2030.	2030	
	Water Reducing 25% of our water use in our owned operations by 2030 from a 2019 baseline.	2030	
PRODUCT	Cotton Using 100% Better or Best cotton by 2030.*	2030	
	Materials Using 90% Better or Best fibers across all our materials by 2030.*	2030	
	Single-Use Plastics Targeting 90% of all remaining single-use plastic in packaging to be recyclable by 2030.	2030	
	Problematic Packaging Eliminating 50% of specific problematic packaging materials by 2030 from a 2019 baseline.	2030	

IN THE LOOP: HBI'S CIRCULARITY ROADMAP

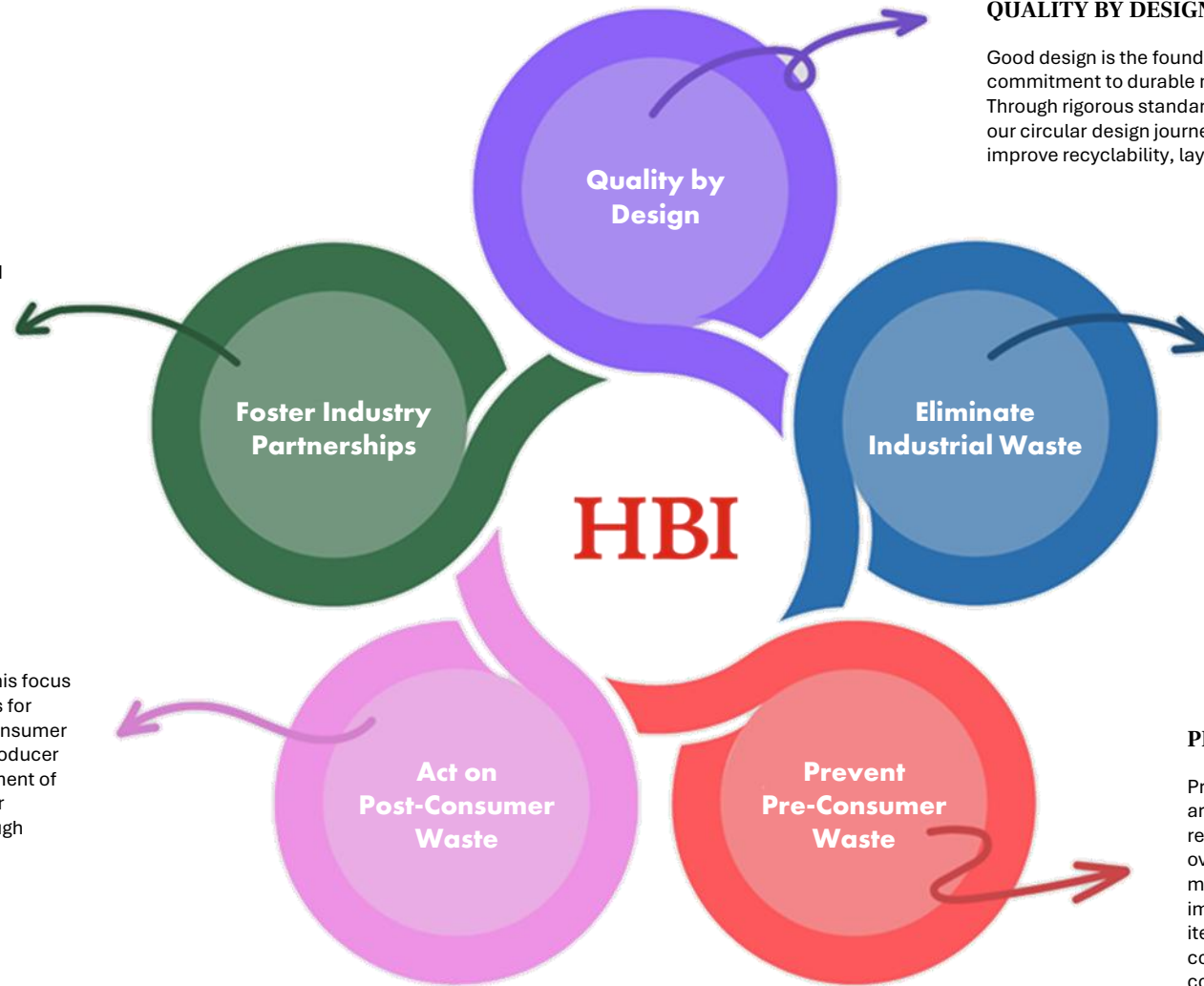
From design and production to end-of-life management, we focus on creating textiles and apparel that keep resources in use for as long as possible. We've already made strong progress with key initiatives that minimize waste, improve resource efficiency, and extend product life. Building on this foundation, our new roadmap will both reinforce these efforts and push us to explore new opportunities to further embed circularity in our processes and products. As we continue advancing, this roadmap will guide us toward a more sustainable future—helping us design better, waste less and keep products and materials in use longer.

FOSTER INDUSTRY PARTNERSHIPS

Circularity requires collaboration. We are committed to working closely with industry leaders, nonprofits and innovators who share our vision for a more circular future. By actively aligning with global initiatives and supporting cross-sector efforts, we strive to accelerate meaningful change and develop solutions that benefit both the industry and the planet.

ACT ON POST-CONSUMER WASTE

Our responsibility extends beyond the point of sale. This focus area plans for a product's next life by building systems for return, reuse and recycling, including a future post-consumer take-back program. We also comply with Extended Producer Responsibility (EPR) laws to promote proper management of textiles and packaging. Our goal is to make it easier for consumers to do the right thing and support that through effective infrastructure.



QUALITY BY DESIGN

Good design is the foundation of responsible apparel. This focus area reflects our commitment to durable materials, safer chemistry and design that extends product life. Through rigorous standards and testing, we create garments built to last. While still early in our circular design journey, we are exploring smarter tools and practices to reduce waste and improve recyclability, laying the groundwork for a more sustainable future.

ELIMINATE INDUSTRIAL WASTE

What happens behind the scenes is as important as the product. This focus area targets reducing environmental impact by eliminating operational waste and minimizing resource use. We're committed to zero waste to landfill, optimizing energy, reducing water use and improving manufacturing efficiency to minimize our footprint.

PREVENT PRE-CONSUMER WASTE

Preventing waste early is key to building a circular system. This focus area manages finished goods and inventory responsibly before reaching consumers. By improving forecasting, reducing overproduction and repurposing or donating unsold items, we minimize waste and extend product value. We're also working to implement a "No Landfill" policy for finished goods so that unsold items are reused or recycled, not discarded. While this is already a common practice across our operations, the policy will formalize our commitment

HBI

HANESBRANDS INC.



<https://hbisustains.com/>

Please visit our website for comprehensive information about our efforts to improve the lives of people, protect the planet and generate world-class, sustainable product.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

The materials we have filed or will file with the Securities and Exchange Commission, or the “SEC,” contain, or will contain, certain forward-looking statements regarding our environmental, social and governance goals and initiatives and our expectations related to their impact on our employees, communities, customers, business strategies, market potential, future financial performance and other matters. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can generally be identified by the use of words such as “may,” “believe,” “will,” “expect,” “project,” “estimate,” “intend,” “anticipate,” “plan,” “continue” or similar expressions. Forward-looking statements inherently involve many risks and uncertainties that could cause actual results to differ materially from those projected in these statements. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is based on the current plans and expectations of our management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. The following include some but not all of the factors that could cause actual results or events to differ materially from those anticipated: stakeholders, including regulators, views regarding our environmental, social and governance goals and initiatives, and the impact of factors outside of our control on such goals and initiatives; our ability to successfully execute our multi-year growth strategy plan to achieve the desired results; our ability to migrate our production and manufacturing operations to lower-cost centers around the world; the highly competitive and evolving nature of the industry in which we compete, and the level of consumer demand; any inadequacy, interruption, integration failure or security failure with respect to our information technology (including the ransomware attack announced May 31, 2022); the impact of significant fluctuations and volatility in various input costs, such as cotton, the primary material used in the manufacture of our products, and oil-related materials, utilities, freight and wages; the availability of global supply chain resources; our ability to effectively manage our inventory and reduce inventory reserves; any failure by us to successfully streamline our operations; retailer consolidation and other changes in the apparel essentials industry; our ability to keep pace with changing consumer preferences in intimate apparel; our reliance on a relatively small number of customers for a significant portion of our sales; financial difficulties experienced by any of our top customers; risks associated with our foreign operations or foreign supply sources, such as disruption of markets, changes in import and export laws, currency restrictions and currency exchange rate fluctuations; the impact of economic and business conditions and industry trends in the countries in which we operate on our supply chain; costs and adverse publicity arising from violations of labor and environmental laws by us or any of our third-party manufacturers; our ability to attract and retain key personnel; our substantial debt and debt service requirements which restrict our operating and financial flexibility, and impose significant interest and financing costs; rapid technological changes; future financial performance, including availability, terms and deployment of capital; and the outcome of any pending or threatened litigation; and the other factors described under the caption “Risk factors” in our annual report on Form 10-K, quarterly reports on Form 10-Q and other filings made with the SEC. The foregoing factors and others are described in greater length in our materials filed with the SEC. These forward-looking statements and such risks, uncertainties and other factors speak only as of the date they are made. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained in any materials we have filed or will file with the SEC, to reflect any change in our expectations with regard thereto or any other change in events, conditions or circumstances on which any such statement is based other than required by law.