W0. Introduction

W0.1

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

HanesBrands is on a mission to be the apparel industry’s leader in environmental stewardship and social responsibility.

As one of the leading - and largest - marketers of everyday basic innenwear and activewear apparel in the Americas, Europe, Australia, and Asia/Pacific, the company has both the responsibility and commitment to continually work toward creating an even more environmentally friendly company. Powered by some of the world’s strongest apparel brands, including Hanes, Champion, Bonds, Maidenform, DIM, Bali, Playtex, JMS/Just My Size, NurDie/Nur Der, L'eggs, Loveable, Wonderbra, Berlei, Alternative, Bras N Things, 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 focused on community building and environmental stewardship. As part of the latter, Hanes is committed to the responsible management of energy, carbon, emissions, water, wastewater, chemicals, solid waste, and recycled materials in all 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 more than 21 percent since 2007, and shifted 33 percent of the energy the company uses to renewable sources. During the same time period, Hanes has reduced its water use intensity by 30 percent. As a result of these and other performance metrics, HanesBrands has been recognized by the U. S. Environmental Protection Agency Energy Star program every year since 2010 - first as a Partner of the Year (2010-2011) followed by Sustained Excellence Awards from 2012-2018.

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

- Reduce energy consumption by 40 percent;
- Reduce 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 operations.

On behalf of the company’s 70,000 employees, its investors and the communities in which it operates across the globe, Hanes is focused on making a positive and lasting contribution to our world now and in the years to come.
W0.2

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

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start date</th>
<th>End date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January 1 2017</td>
<td>December 31 2017</td>
</tr>
</tbody>
</table>

W0.3

(W0.3) Select the countries/regions for which you will be supplying data.
- Argentina
- Brazil
- Canada
- China
- Czechia
- Dominican Republic
- El Salvador
- France
- Germany
- Honduras
- Indonesia
- Italy
- Mexico
- Philippines
- Puerto Rico
- Romania
- Slovakia
- Spain
- Thailand
- United States of America
- Viet Nam

W0.4

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

W0.5

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

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?
- Yes
(W0.6a) Please report the exclusions.

<table>
<thead>
<tr>
<th>Exclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Stores and Commercial Offices</td>
<td>Water use at retail stores and certain commercial offices is judged to be de minimis with respect to overall water usage, as it is used only for human consumption, sanitation, or general cleaning. In many cases, the water utility is part of a lease or rent calculation and specific water use / cost data is not available.</td>
</tr>
<tr>
<td>New acquisitions</td>
<td>Hanesbrands is a growth company and has made multiple recent acquisitions. Water consumption and discharge data is not yet available for certain of these recent acquisitions, but will be included in future disclosures. Due to the nature of these facilities (mostly offices or distribution centers), water usage is expected to total only a small fraction of one percent of total water consumption, given the measured usage at similar facilities.</td>
</tr>
</tbody>
</table>

W1. Current state

W1.1

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

<table>
<thead>
<tr>
<th></th>
<th>Direct use importance rating</th>
<th>Indirect use importance rating</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sufficient amounts of good quality freshwater available for use</td>
<td>Important</td>
<td>Neutral</td>
<td>i) Primary freshwater use: Freshwater is important to HanesBrands’ direct textile manufacturing operations, which include cloth bleaching, dyeing, and finishing. HanesBrands operates on-site water treatment systems for incoming water at the site. Indirect water use may impact spun yarns used in the value chain. Cotton fiber is an important raw material and cotton yields can be impacted by water availability. ii) Primary non-freshwater use: HanesBrands does not rely on non-freshwater for its direct or indirect operations. Recovered greywater is used for sanitation purposes in a few specific instances in our facilities. iii) Freshwater importance: Access to freshwater is necessary for our cloth bleaching, dyeing, and finishing operations. However, water is not as important to apparel assembly operations or distribution centers where wet processes are not utilized. iv) Non-freshwater importance: Non-freshwater is not important to our business.</td>
</tr>
<tr>
<td>Sufficient amounts of recycled, brackish and/or produced water available for use</td>
<td>Not very important</td>
<td>Not very important</td>
<td>With respect to direct use, HanesBrands currently does not operate facilities which are located in areas where brackish or produced water is available, either due to geography or to local utility regulation. Regarding indirect impacts, as noted above, the primary raw material potentially impacted by water is cotton fiber. Most cotton used by HanesBrands is sourced from the low-irrigation or no-irrigation areas of the United States. Brackish water is not a viable option for irrigation.</td>
</tr>
</tbody>
</table>

W1.2

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

<table>
<thead>
<tr>
<th></th>
<th>% of sites/facilities/operations</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water withdrawals – total volumes</td>
<td>76-99</td>
<td>HanesBrands has direct measurement of water withdrawals (either through company-read meters or supplier invoices) for all except six small facilities included within the scope of this report. Water withdrawals for these facilities (which total less than 1% of water withdrawals) has been estimated based on measured usage at similar facilities for purposes of measuring progress against corporate goals and metrics. HanesBrands facilities report their water withdrawals to the corporate headquarters and reviewed on a monthly basis, and annual water withdrawals for each facility are one of the criteria in evaluating the facility performance for purposes of internal award recognition. As a corporation, HanesBrands monitors both overall water withdrawals and water intensity (withdrawals per equivalent unit of production).</td>
</tr>
<tr>
<td>% of sites/facilities/operations</td>
<td>Please explain</td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Water withdrawals – volumes from water stressed areas</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Water withdrawals – volumes by source</td>
<td>HanesBrands has knowledge of the source of water withdrawals at all facilities included within its operational control boundary -- surface water, renewable groundwater, or third-party suppliers as defined by CDP. In addition, HanesBrands has confirmed the water sources utilized by nearly 100% of the third-party water suppliers serving its facilities.</td>
<td></td>
</tr>
<tr>
<td>Produced water associated with your metals &amp; mining sector activities - total volumes</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Produced water associated with your oil &amp; gas sector activities - total volumes</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Water withdrawals quality</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Water discharges – volumes by destination</td>
<td>HanesBrands supplied its own water at ten facilities operating in 2017 and purchased water from a third-party supplier at all other facilities. At facilities where HanesBrands supplies its own water, water quality is tested as required by regulation to be sure that the water supply meets applicable standards. Large textile facilities with on-site water supplies (either wells or surface water) also operate on-site water treatment plants that test for multiple parameters to assure effective operation. The HanesBrands Global Environmental Management System (GEMS) requires that all facilities verify the quality of potable water at least annually, through either supplier certification (for third-party suppliers) or internal testing.</td>
<td></td>
</tr>
<tr>
<td>Water discharges – total volumes</td>
<td>51-75</td>
<td></td>
</tr>
<tr>
<td>Water discharges – volumes by treatment method</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Water discharge quality – by standard effluent parameters</td>
<td>26-50</td>
<td></td>
</tr>
<tr>
<td>Water discharge quality – temperature</td>
<td>1-25</td>
<td></td>
</tr>
<tr>
<td>Water consumption – total volume</td>
<td>76-99</td>
<td></td>
</tr>
</tbody>
</table>
HanesBrands currently recycles water from non-process sources on a limited scale. For example, at its El Salvador Sock manufacturing facility, HanesBrands utilizes the recycling/reuse of grey water from its cooling tower blowdown to flush toilets. HanesBrands is currently reviewing other potential recycling processes. HanesBrands is currently reviewing opportunities for more extensive recycling, to include process water, and will review the need for monitoring of recycle water as part of these opportunities.

The provision of fully-functioning, safely managed WASH services to all workers

One hundred percent of HanesBrands facilities provide fully functioning WASH services to workers. HanesBrands has been recognized by the “Great Place to Work” Institute for its work practices in multiple countries. HanesBrands has a detailed Global Safety Management System (GSMS) and award winning Corporate Social Responsibility program, which are implemented throughout its global operations. HanesBrands also utilizes both internal self-audits (GPS-Global Process Sustainability) and audits by external auditors as primary tools to assure that its workplaces comply with applicable safety and health standards, to include fully functioning WASH facilities for all workers.

W1.2b

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

<table>
<thead>
<tr>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total withdrawals</td>
<td>9847.7</td>
<td>Higher</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gross water withdrawals increased by 3.1% in 2017 versus 2016. This is due to a year-over-year increase in manufacturing output. Water use intensity for the corporation as a whole (measured as water withdrawals per equivalent finished pound of fabric) improved by 6.7% in 2017 as compared to 2016.</td>
</tr>
<tr>
<td>Total discharges</td>
<td>9074</td>
<td>Higher</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gross water discharges increased by 2.1% in 2017 versus 2016. As noted in the previous response to “water withdrawals,” this increase is due to a year-over-year increase in manufacturing output. Water use intensity actually improved by 6.7% year-over-year.</td>
</tr>
<tr>
<td>Total consumption</td>
<td>773.8</td>
<td>Much lower</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Consumption for 2017 is much lower than 2016 because of the change in the definition of &quot;water consumption&quot; stated in the 2018 CDP Technical Note on Water Accounting. Water at the HanesBrands El Salvador textile complex is withdrawn from wells on-site, but water is discharged through an on-site wastewater treatment plant into a river. Per previous CDP direction, this would have been defined as consumption. However, with the new broader CDP definition of water consumption to define consumption as &quot;water not discharged back to the water environment or a third party,&quot; the water from this facility is now classified as &quot;water discharge&quot; since it is returned to the water environment.</td>
</tr>
</tbody>
</table>

W1.2d

(W1.2d) Provide the proportion of your total withdrawals sourced from water stressed areas.

<table>
<thead>
<tr>
<th>% withdrawn from stressed areas</th>
<th>Comparison with previous reporting year</th>
<th>Identification tool</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>About the same</td>
<td>WWF Water Risk Filter</td>
<td>In mid-2017 HanesBrands utilized the WWF Water Risk Filter to assess risks at all of its large textile manufacturing facilities and a number of other facilities which were representative of other types of HanesBrands operations/locations. A total of sixteen operations were evaluated using the WWF Water Risk Filter tool, with these facilities representing over 94% of the total water withdrawal for the previous calendar year (2016). Based on these results, no water stressed areas were identified.</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Source Description</th>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water, including rainwater, water from wetlands, rivers, and lakes</td>
<td>Relevant</td>
<td>2419.7</td>
<td>Higher</td>
<td>This increase is essentially due to a significant increase in annual production at one major textile facility which utilizes surface water drawn from rivers. Actual water intensity (water withdrawal per finished pound of fabric) decreased/improved in 2017 as compared to 2016.</td>
</tr>
<tr>
<td>Brackish surface water/seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Groundwater – renewable</td>
<td>Relevant</td>
<td>4212.2</td>
<td>Higher</td>
<td>This increase is due primarily to a year-over-year increase in production at one large manufacturing site which utilizes water from on-site wells.</td>
</tr>
<tr>
<td>Groundwater – non-renewable</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Produced water</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Third party sources</td>
<td>Relevant</td>
<td>3215.9</td>
<td>Lower</td>
<td>The reduction in water withdrawal from third-parties is a combination of changes in water withdrawal (both increases and decreases) spread among several facilities.</td>
</tr>
</tbody>
</table>

### W1.2i

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

<table>
<thead>
<tr>
<th>Destination Description</th>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water</td>
<td>Relevant</td>
<td>6284.3</td>
<td>Higher</td>
<td>This increase is due to increased production at three major textile facilities, which have on-site treatment plants and discharge treated wastewater to neighboring rivers. (This increase corresponds to the comments in question 1.2h relative to increased water withdrawals from surface water and groundwater at these facilities.)</td>
</tr>
<tr>
<td>Brackish surface water/seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td>Groundwater</td>
<td>Relevant</td>
<td>67.9</td>
<td>Much higher</td>
<td>This increase is due only to the change in CDP reporting guidance for 2017 to include domestic sewage under the definition of &quot;water discharges.&quot; [reference—&quot;CDP Technical Note on Water Accounting, CDP Water Security 2018&quot;]. The treatment and discharge of domestic wastewater from multiple facilities (via either package wastewater treatment plant or industrial septic system) is now included in this total volume. It should be emphasized that no wastewater is discharged to groundwater without prior treatment and monitoring for applicable wastewater quality parameters.</td>
</tr>
<tr>
<td>Third-party destinations</td>
<td>Relevant</td>
<td>2721.7</td>
<td>Lower</td>
<td>As with question 1.2h, the reduction in water discharge to third-parties is a combination of changes in levels of water withdrawal (both increases and decreases) spread among several facilities. These changes ultimately impact the volume of wastewater discharged to third-party destinations, since generally where there is a third-party water supplier, there is also a third-party provider for wastewater treatment of the water that is discharged.</td>
</tr>
</tbody>
</table>

### W1.4

### (W1.4) Do you engage with your value chain on water-related issues?

- Yes, our suppliers
- Yes, our customers or other value chain partners

### W1.4a
What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number
76-100%

% of total procurement spend
76-100

Rationale for this coverage
HanesBrands has implemented a process--Global Standards for Suppliers (GSS) that conducts formal annual audits for all apparel contractors supplying goods to HanesBrands. These suppliers are audited based on a standard, published protocol which includes a number of questions on water usage, wastewater discharge, water quality, and WASH, among others. Where potential issues are identified, follow-up is initiated by HanesBrands staff personnel. Audit schedules are established such that 100% of suppliers in this group are scheduled for audits each year. (Note that the amount of spending represented by these audits is estimated because the audits are conducted on a global basis, and there are multiple purchasing systems in place in various locations worldwide.)

Impact of the engagement and measures of success
The purpose and impact of the engagement is to assure that suppliers adhere to HanesBrands standards in key areas of Corporate Social Responsibility.

Comment
(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement
Innovation & collaboration

Details of engagement
Educate suppliers about water stewardship and collaboration

% of suppliers by number
Unknown

% of total procurement spend
Unknown

Rationale for the coverage of your engagement
In November 2017, HanesBrands planned and conducted an Environmental Sustainability Summit, in partnership with US ENERGY STAR. As part of the summit, an exposition was set up to educate attendees on HanesBrands’ energy, sustainability, water management, and corporate social responsibility commitments and processes. Invited attendees to the exposition included HanesBrands employees, guests representing local environmental groups, and local suppliers. As part of the exposition, attendees had the opportunity to interact with HanesBrands environmental sustainability leadership and share ideas. An opportunity was presented for attendees to formally write down ideas to share for future sustainability engagement. The purpose of this event was to promote ongoing business to business collaboration and leverage best practices.

Impact of the engagement and measures of success
Increased awareness of, and alignment with HanesBrands commitment to the environment.

Comment
The quality of planning, development, and execution of this event was cited by US EPA ENERGY STAR as a factor in Hanesbrands’ ENERGY STAR Sustained Excellence Award received in 2018.

Type of engagement
Innovation & collaboration

Details of engagement
Encourage/incentivize innovation to reduce water impacts in products and services

% of suppliers by number
76-100

% of total procurement spend
76-100

Rationale for the coverage of your engagement
Suppliers with greatest level of engagement with HanesBrands and potential to impact the environment.

Impact of the engagement and measures of success
For this initial engagement, the supplier questionnaire was sent to 274 companies, representing close to 100% of the companies that supply components found in products that are sold and / or manufactured by HanesBrands. Of the 274 companies that were contacted, 80 responses were received, and 42 of those had established energy and environmental goals. This initial response was considered weak but pointed to the importance of HanesBrands leadership in encouraging environmental sustainability. HanesBrands has plans to repeat this questionnaire annually and will take steps to ensure better participation, to encourage goal setting, to identify best practices, and to drive improvements in water use efficiency.

Comment
What is your organization’s rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

HanesBrands’ success in delivering quality and value depends on a large extent on strong relationships with our suppliers and business partners. HanesBrands believes in doing business with suppliers, contractors, joint venture partners, agents, sales representatives, distributors, and consultants who embrace and demonstrate high standards of ethical business behavior. From this commitment, HanesBrands also believes in doing business with suppliers who share the company’s commitment to protect the quality of the environment around the world through sound environmental management. HanesBrands understands the need to engage with suppliers and customers to identify opportunities to leverage best practices around energy and water usage conservation, greenhouse gas emissions reductions, and solid waste avoidance. As described in question 1.4b above, HanesBrands executed an Environmental Sustainability Summit, which involved both suppliers and other value chain partners.

In 2017 HanesBrands demonstrated its engagement with its customers and other supply chain partners in multiple ways. As a member of The Sustainability Consortium, HanesBrands has partnered with customers, other textile companies, NC State University, and other organizations to participate in the Wastewater Challenge, a project with the mission to improve water quality associated with textile wastewater treatment processes. HanesBrands has also engaged with individual customers in their efforts to support environmental sustainability, to include water-related issues, serving on the Technical Collaboration Board of one large customer. In response to a customer request, in 2017 HanesBrands launched its annual supplier sustainability questionnaire that requested information about suppliers’ environmental performance, to include water use and wastewater treatment. (Additional details of this engagement are described in 1.4b above.)

W2. Business impacts

W2.1

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

W2.1a
(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and total financial impact.

Country/Region
El Salvador

River basin
Lempa

Type of impact driver
Regulatory

Primary impact driver
Higher water prices

Primary impact
Increased operating costs

Description of impact
Increased fees imposed by the government for water withdrawal from on-site wells. Although significant at the facility level, this increase is negligible at the total company level.

Primary response
Adopt water efficiency, water re-use, recycling and conservation practices

Total financial impact
1

Description of response
The site impacted by these increased fees has already implemented (and continues to implement) energy management and water conservation programs, to include high levels of employee involvement. Site-specific KPI's have been developed for water use intensity (water withdrawal per finished pound produced), and progress is reported monthly. As a corporation, HanesBrands continues to review and evaluate options for process water conservation and recycling. Since 2012, HanesBrands has been a leadership member of CAESA (Comite Empresarial San Andrea), a business environmental committee, which regularly engages with the government on issues relative to water and wastewater, among other environmental issues.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?
No

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?
Yes, water-related risks are assessed

W3.3a

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

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment
Six-monthly or more frequently

How far into the future are risks considered?
2 to 5 years

Type of tools and methods used
Tools on the market
Enterprise Risk Management
International methodologies
Other

Tools and methods used
WWF-DEG Water Risk Filter
ISO 31000 Risk Management Standard
Environmental Impact Assessment
External consultants
Other, please specify (Wastewater Treatability Studies)

Comment
HanesBrands identifies, assesses, and prioritizes all risks, including those that are water related, through its comprehensive Enterprise Risk Management (ERM) process. HanesBrands ERM applies the principles, framework, and process described in the ISO 31000-2009 Risk Management Principles and Guidelines. These guidelines include distinct steps to identify, assess, treat and report risks. In 2017, HanesBrands applied the WWF Water Risk Filter to locations making up 94.9% of 2016 withdrawals.

Supply chain

Coverage
Partial

Risk assessment procedure
Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment
Six-monthly or more frequently

How far into the future are risks considered?
2 to 5 years

Type of tools and methods used
Enterprise Risk Management

Tools and methods used
ISO 31000 Risk Management Standard

Comment
As part of its Enterprise Risk Management Process, HanesBrands seeks to identify risks to primary suppliers, where those risks could impact HanesBrands’ operations on a significant basis.
Other stages of the value chain

Coverage
None

Risk assessment procedure
<Not Applicable>

Frequency of assessment
<Not Applicable>

How far into the future are risks considered?
<Not Applicable>

Type of tools and methods used
<Not Applicable>

Tools and methods used
<Not Applicable>

Comment

W3.3b
**W3.3b** Which of the following contextual issues are considered in your organization’s water-related risk assessments?

<table>
<thead>
<tr>
<th>Relevance &amp; inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water availability at a basin/catchment level</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Water quality at a basin/catchment level</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Stakeholder conflicts concerning water resources at a basin/catchment level</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Implications of water on your key commodities/raw materials</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Water-related regulatory frameworks</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Status of ecosystems and habitats</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Access to fully-functioning, safely managed WASH services for all employees</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Other contextual issues, please specify</strong></td>
<td>Not relevant, explanation provided</td>
</tr>
</tbody>
</table>

**W3.3c**

**W3.3c** Which of the following stakeholders are considered in your organization’s water-related risk assessments?

<table>
<thead>
<tr>
<th>Relevance &amp; inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water availability at a basin/catchment level</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Water quality at a basin/catchment level</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Stakeholder conflicts concerning water resources at a basin/catchment level</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Implications of water on your key commodities/raw materials</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Water-related regulatory frameworks</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Status of ecosystems and habitats</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Access to fully-functioning, safely managed WASH services for all employees</strong></td>
<td>Relevant, always included</td>
</tr>
<tr>
<td><strong>Other contextual issues, please specify</strong></td>
<td>Not relevant, explanation provided</td>
</tr>
</tbody>
</table>
### Relevant inclusion

| Customers | Relevant, always included | As noted in question 1.1, water is a critical input to certain textile processes, primarily the bleaching, dyeing, and finishing of cloth. The careful analysis of water risks is necessary to assure that facilities continue to operate on schedule and therefore to assure that assurance orders are fulfilled on time. From another perspective, HanesBrands engages individual customers / consumers through its "Hanes for Good" website by explaining, "How Is a T-shirt Responsibility Made?" This section discusses the potential environmental impacts (including water impacts) of a T-shirt–beginning in the cotton field and ending with the consumer. Consumers are encouraged to wash garments in warm or cold water and to repurpose their used T-shirts to minimize negative impacts. |
| Employees | Relevant, always included | The importance of employees as stakeholders is demonstrated in multiple ways. First, as discussed in Question 1.2, HanesBrands provides fully functioning "WASH" facilities to 100% of its employees. Second, HanesBrands has established and communicated multiple environmental goals and KPI's (to include water conservation), and has communicated those goals within its operations. HanesBrands recognizes individual facilities with an annual HanesBrands "President's Energy Efficiency Award." Although the award is named for energy, HanesBrands recognizes that water conservation is an important element of energy performance at its textile facilities, and includes water conservation as a part of the scoring mechanism for the award. Facility employees are involved as part of LEAN manufacturing in Kaizen events or "Treasure Hunts" to identify process improvements which lead to energy and water conservation. Water conservation is also noted as part of HanesBrands' Global Environmental Management System (GEMS). As part of its "Green for Good" program, thousands of HanesBrands employees in multiple countries have participated as volunteers in environmental clean-up and reforestation projects in recent years. To maintain awareness, highlights of these environmental projects are communicated to employees through the "Zone," the company's internal homepage, and through the "Common Thread," the intracompany news publication. Additional details of some projects are available to the public via internet at www.hanesforgood.com. |
| Investors | Relevant, always included | HanesBrands references its environmental accomplishments at a high level as part of the Corporate Social Responsibility discussion in its annual 10-K report. This high-level discussion includes a link to the "Hanes for Good" website for additional information, to include achievements in water conservation. HanesBrands continues to discuss its actions relative to water risk, water conservation, and water management through the submission of the CDP-Water module. |
| Local communities | Relevant, always included | Because 80% of HanesBrands’ products (by unit volume) are produced in its own facilities, HanesBrands has opportunities for daily contact with its host communities through multiple means of communication. As an example, as noted previously, in El Salvador HanesBrands is a leader within CAESA, which involves multiple stakeholders, including local communities, in dialogue on environmental concerns, to include water-related issues. In the Dominican Republic, HanesBrands has provided environmental awareness training in schools and has made available on-site educational opportunities at its large Dos Rios textile facility through the “Environmental Guards” program noted in question 3.3b. Through its “Green for Good” program, HanesBrands has utilized savings from waste recycling and other environmental management practices to fund community projects in multiple countries. These projects involve funding and volunteers from local HanesBrands facilities, often working in partnership with local communities and other groups. Some projects have had direct positive impact on water. These include beach clean-ups and planting of trees to manage erosion. Others are projects with direct impact on local institutions, such as improvements made to schools and to community medical or emergency response groups. As examples, in the Dominican Republic, HanesBrands has worked in partnership with the environmental ministry to plant over 20,000 trees since 2006, and in Honduras, HanesBrands employee volunteers have planted over 17,000 trees in protected areas since 2011. |
| NGOs | Relevant, always included | At the corporate level, HanesBrands participates with multiple NGO’s which address environmental issues (to include water conservation and management). These include: The Sustainability Consortium, the Sustainable Apparel Coalition, and the Corporate Eco Forum. As noted in previous responses, HanesBrands also engages with local and regional NGO’s. |
| Other water users at a basin/catchment level | Relevant, always included | As has been discussed, HanesBrands’ textile facilities in the Dominican Republic and El Salvador utilize both on-site water withdrawal and wastewater treatment. Both facilities have engaged with other country and / local water users through their involvement in ECORED and CAESA working groups, respectively. |
| Regulators | Relevant, always included | As noted, HanesBrands corporate environmental policy and Global Environmental Management System (GEMS) requires that an environmental coordinator be designated for each facility and that a facility environmental steering committee be established in every facility (to be chaired by the facility manager). Regular contact with local regulatory officials is specified in the GEMS system to be a responsibility of local management. HanesBrands’ use of local / regional counsel and regional technical environmental staff also provides opportunities for engagement with regulators, including those with responsibility for environmental quality. An example is the HanesBrands facility in Clarksville, Arkansas , USA where the facility environmental coordinator and representatives of the local water / wastewater treatment utility exchange informal visits on a routine basis. As another example, the local water / wastewater utility provider for the HanesBrands textile facility in Mount Airy, North Carolina, USA makes two or more formal visits to the facility annually, where operations at the HanesBrands facility are reviewed and any potential changes or impacts are discussed. |
| River basin management authorities | Relevant, always included | In locations where HanesBrands operates, the primary river basin management authority is often also a regulatory authority, and regular engagement occurs as described in the previous examples. As example is the situation previously discussed for the Clarksville, Arkansas textile facility, where Arkansas state water regulatory officials visit the facility on an annual basis to accompany the local utility provider. In other cases, HanesBrands’ primary interaction with river basin management authorities is through working groups such as CAESA in El Salvador. |
| Statutory special interest groups at a local level | Not relevant, explanation provided | There are no known, applicable “statutory special interest groups” working at a local level in which HanesBrands operates major facilities (based on groups such as the one cited in the example from the 2016 CDP guidance document). |
| Suppliers | Relevant, always included | As discussed previously, the greatest opportunity for water risks to impact HanesBrands’ suppliers would be an impact to the cotton utilized by HanesBrands’ yarn suppliers. HanesBrands is a partner with the trade / industry group Cotton, Inc. and a member of Cotton Leads, a program committed to responsibly produce cotton. HanesBrands also has corporate staff who interface with yarn suppliers to provide cotton specifications to insure that they provide yarn in adequate quantities and of acceptable quality. Through these interactions, HanesBrands is able to identify potential risks (water-related or otherwise) that could impact cotton crops and therefore have the potential to impact suppliers. As also discussed in the response to question 3.3b, as part of its participation with a large retail customer, HanesBrands participated in a project to promote the increased adoption of water soil moisture sensors for cotton growers to increase irrigation water use efficiency. |
At its Clarksville, Arkansas and Mount Airy, North Carolina textile facilities in the United States, as well as its Humacao textile facility in Puerto Rico, the water utility (either water supply, wastewater treatment, or both) is also the regulatory authority. Under US regulations, HanesBrands' textile facilities are classified as "industrial users" and are issued wastewater discharge permits by the local authority. These permits specify scheduled sampling and reporting of designated water quality parameters and also set up the frequencies for formal inspections by the water utility in its regulatory role. These formal interfaces are in addition to the informal visits cited in the Clarksville, Arkansas example cited previously in this table of stakeholders.

The stakeholders included in this list are believed to be comprehensive with respect to question 3.3c, and no additional stakeholders need to be added at this time.

At the company level, water-related risks that could have a significant impact on the business are identified by the ERM function through quarterly risk identification interviews with senior executive management, business function management and leads, and an annual survey process with employees at the director level and above. The internal risk identification process is supplemented with third-party global risk reporting that highlights emerging risks by industry sector, geography, and velocity.

At the asset level, water-related risks are identified and assessed by staff and through facility inspections carried out by the company’s property loss risk control program. Property loss inspections which may identify physical vulnerabilities to water-related risks span HanesBrands’ global manufacturing facilities. Any findings that may result from facility inspections are documented and addressed by management, and any significant risks identified are escalated to senior executive leadership and the ERM Steering Committee to inform the company’s risk definitions and future action plans.

Substantive financial impacts are defined broadly in the ERM Steering Committee’s review process and reviewed quarterly. Each risk is considered for its potential to impact the company. Any risks deemed potentially significant to the company at large are sorted into broader categories (e.g. supply chain network optimization, business continuity, and reputational risk) identified for ongoing oversight and management. The ERM Steering Committee assigns risk owners to each category to oversee current risk management activities, future action planning, and progress against targets.

W4. Risks and opportunities

W4.1

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

No
W4.1a

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

HanesBrands defines substantive impact from water risk as a condition or set of conditions related to water supply which would result in the curtailment of production at one of its primary operating facilities, to the extent that the company’s ability to fulfill customer orders is materially impacted.

W4.2b

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

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Risks exist, but no substantive impact anticipated</td>
</tr>
<tr>
<td></td>
<td>According the World Wildlife Fund Water Risk Filter analysis that was completed by the company in 2017 on over 94% of the company's overall water usage, HanesBrands has minimal to neutral basin-related risks, which is mainly due to the geographic locations of the company manufacturing and distribution facilities. However, the company monitors daily water usage and have taken steps through it's Global Environmental Management System (GEMS) and its Global Energy Management Policy to continually conserve water.</td>
</tr>
</tbody>
</table>

W4.2c

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

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Risks exist, but no substantive impact anticipated</td>
</tr>
<tr>
<td></td>
<td>HanesBrands supplier network is located in similar locations as the company's self owned facilities. However, the company recognizes the importance of working closely with its suppliers and has implement a supplier outreach that includes capturing data water usage data through an annual supplier questionnaire. The intent of the outreach is to identify and share best practices across the company's value chain.</td>
</tr>
</tbody>
</table>

W4.3

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

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

W4.3a
W6. Governance

W6.1

(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy that is publicly available

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

<table>
<thead>
<tr>
<th>Scope</th>
<th>Content</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide</td>
<td>Description of water-related performance standards for direct operations</td>
<td>To continuously monitor and improve Hanesbrands’ environmental performance, the company has instituted its Global Environmental Management System (GEMS) and a global energy management policy which govern the company’s efforts to manage and track environmental and energy performance. These are company-wide policies that detail company requirements and procedures for environmental compliance in our company-owned global supply chain. Water-related topics detailed in these policies include but are not limited to storm water management, wastewater discharge, water conservation, water supply and drinking water procedures. In addition, the company regularly conducts thorough environmental audits of owned facilities. Goals related to water reduction are publicly available through the company Hanes for Good website (<a href="http://hanesforgood.com/">http://hanesforgood.com/</a>).</td>
</tr>
<tr>
<td></td>
<td>Reference to international standards and widely-recognized water initiatives</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Company water targets and goals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commitments beyond regulatory compliance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commitment to water-related innovation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commitment to water stewardship and/or collective action</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Recognition of environmental linkages, for example, due to climate change</td>
<td></td>
</tr>
</tbody>
</table>

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**W6.2**

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

Yes

---

**W6.2a**
(W6.2a) Identify the position(s) of the individual(s) on the board with responsibility for water-related issues.

<table>
<thead>
<tr>
<th>Position of individual</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>HanesBrands' CEO, who is a member of the company's Board of Directors, sets business strategy and water-related policy for the company. Our environmental and water-related policies are integrated into the company's long-term business strategy, Enterprise Risk Management (ERM) process, environmental management program, and Corporate Social Responsibility (CSR) initiatives. Each of these interlocking areas are led by a team of HanesBrands' most senior (“C suite”) executive management, up to and including the CEO. The CSR Oversight Committee and ERM Steering Committee meet quarterly and are comprised of the CEO and our most senior executive officers, including the CFO, Chief Administrative Officer, and the Group Presidents leading all parts of the company. These committees are responsible for overseeing environmental and climate policy implementation and integrating environmental and climate-related issues into our company strategy and risk evaluation framework.</td>
</tr>
</tbody>
</table>

Other, please specify (Board / Executive Board) | The Board of Directors is elected by HanesBrands' stockholders to oversee their interests in the long term health and overall success of the company's business. In carrying out its responsibilities, the Board reviews and assesses HanesBrands' long-term strategy, which includes environmental and climate-related policies. The Board as a whole is also ultimately responsible for the oversight of HanesBrands' risk management function, including those risks that are change related. The Board has delegated primary responsibility for the oversight of HanesBrands' Enterprise Risk Management (ERM) process to the Audit Committee. The Audit Committee receives regular updates from HanesBrands' executive management team regarding key risks facing the company (including water-related risks, as applicable) and management's plans to mitigate such risks. |

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

<table>
<thead>
<tr>
<th>Frequency that water-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which water-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled - all meetings</td>
<td>Monitoring implementation and performance</td>
<td>The Board of Directors is elected by Hanesbrands stockholders to oversee their interests in the long term health and overall success of the company's business. In carrying out its responsibilities, the Board reviews and assesses HanesBrands' long-term strategy, which includes environmental and and climate-related policies. The Board as a whole is also ultimately responsible for the oversight of HanesBrands' risk management function, including those risks that are water-related. The Board has delegated primary responsibility for the oversight of HanesBrands' Enterprise Risk Management (ERM) process to the Audit Committee. The Audit Committee receives regular updates from hanesbrands' executive management team regarding key risks facing the company (including water-related risks, as applicable) and management plans to mitigate such risks. Risk owners from executive management also provide updates to the Board as needed, depending on the priority of the risk. Water-related risks are evaluated in accordance to the ERM risk priority category to which they are assigned; proactive risk management strategies and disaster recovery plans are developed. As an example, the reporting-year hurricane activity in the Caribbean directly impacted our textile operations in Puerto Rico. We responded rapidly in accordance to our preplanned disaster recovery strategy.</td>
</tr>
</tbody>
</table>

| Row 1 | Scheduled - all meetings | Monitoring implementation and performance | The Board of Directors is elected by HanesBrands stockholders to oversee their interests in the long term health and overall success of the company's business. In carrying out its responsibilities, the Board reviews and assesses HanesBrands' long-term strategy, which includes environmental and and climate-related policies. The Board as a whole is also ultimately responsible for the oversight of HanesBrands' risk management function, including those risks that are water-related. The Board has delegated primary responsibility for the oversight of HanesBrands' Enterprise Risk Management (ERM) process to the Audit Committee. The Audit Committee receives regular updates from hanesbrands' executive management team regarding key risks facing the company (including water-related risks, as applicable) and management plans to mitigate such risks. Risk owners from executive management also provide updates to the Board as needed, depending on the priority of the risk. Water-related risks are evaluated in accordance to the ERM risk priority category to which they are assigned; proactive risk management strategies and disaster recovery plans are developed. As an example, the reporting-year hurricane activity in the Caribbean directly impacted our textile operations in Puerto Rico. We responded rapidly in accordance to our preplanned disaster recovery strategy. |

| Row 2 | Monitoring implementation and performance | Overseeing and guiding risk management policies | Reviewing and guiding corporate responsibility strategy | The Board of Directors is elected by HanesBrands stockholders to oversee their interests in the long term health and overall success of the company's business. In carrying out its responsibilities, the Board reviews and assesses HanesBrands' long-term strategy, which includes environmental and and climate-related policies. The Board as a whole is also ultimately responsible for the oversight of HanesBrands' risk management function, including those risks that are water-related. The Board has delegated primary responsibility for the oversight of HanesBrands' Enterprise Risk Management (ERM) process to the Audit Committee. The Audit Committee receives regular updates from hanesbrands' executive management team regarding key risks facing the company (including water-related risks, as applicable) and management plans to mitigate such risks. Risk owners from executive management also provide updates to the Board as needed, depending on the priority of the risk. Water-related risks are evaluated in accordance to the ERM risk priority category to which they are assigned; proactive risk management strategies and disaster recovery plans are developed. As an example, the reporting-year hurricane activity in the Caribbean directly impacted our textile operations in Puerto Rico. We responded rapidly in accordance to our preplanned disaster recovery strategy. |

| | Overseeing acquisitions and divestiture | Reviewing and guiding risk management policies | Reviewing and guiding corporate responsibility strategy | The Board of Directors is elected by HanesBrands stockholders to oversee their interests in the long term health and overall success of the company's business. In carrying out its responsibilities, the Board reviews and assesses HanesBrands' long-term strategy, which includes environmental and and climate-related policies. The Board as a whole is also ultimately responsible for the oversight of HanesBrands' risk management function, including those risks that are water-related. The Board has delegated primary responsibility for the oversight of HanesBrands' Enterprise Risk Management (ERM) process to the Audit Committee. The Audit Committee receives regular updates from hanesbrands' executive management team regarding key risks facing the company (including water-related risks, as applicable) and management plans to mitigate such risks. Risk owners from executive management also provide updates to the Board as needed, depending on the priority of the risk. Water-related risks are evaluated in accordance to the ERM risk priority category to which they are assigned; proactive risk management strategies and disaster recovery plans are developed. As an example, the reporting-year hurricane activity in the Caribbean directly impacted our textile operations in Puerto Rico. We responded rapidly in accordance to our preplanned disaster recovery strategy. |

| | Monitoring implementation and performance | Overseeing acquisitions and divestiture | Reviewing and guiding corporate responsibility strategy | The Board of Directors is elected by HanesBrands stockholders to oversee their interests in the long term health and overall success of the company's business. In carrying out its responsibilities, the Board reviews and assesses HanesBrands' long-term strategy, which includes environmental and and climate-related policies. The Board as a whole is also ultimately responsible for the oversight of HanesBrands' risk management function, including those risks that are water-related. The Board has delegated primary responsibility for the oversight of HanesBrands' Enterprise Risk Management (ERM) process to the Audit Committee. The Audit Committee receives regular updates from hanesbrands' executive management team regarding key risks facing the company (including water-related risks, as applicable) and management plans to mitigate such risks. Risk owners from executive management also provide updates to the Board as needed, depending on the priority of the risk. Water-related risks are evaluated in accordance to the ERM risk priority category to which they are assigned; proactive risk management strategies and disaster recovery plans are developed. As an example, the reporting-year hurricane activity in the Caribbean directly impacted our textile operations in Puerto Rico. We responded rapidly in accordance to our preplanned disaster recovery strategy. |

W6.3

(CDP)
Below board level, provide the highest-level management position(s) or committee(s) with responsibility for water-related issues.

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

**Group President Global Supply Chain, IT & Ecommerce**

**Responsibility**  
Both assessing and managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**  
Quarterly

**Please explain**
HanesBrands’ Group President Global Supply Chain, IT and e-Commerce is an executive officer of the company and reports directly to the CEO. This officer has responsibility for global supply chain operations, environmental management and strategy, and, as a member of HanesBrands’ Enterprise Risk Management Steering Committee, is the formal Supply Chain Network Optimization and Business Continuity risk owner. This ownership includes managing water related risks that could impact the company’s supply chain operations.

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**W6.5**

**W6.5 Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**
Yes, direct engagement with policy makers  
Yes, trade associations

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**W6.5a**

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

HanesBrands’ policy requires every location to conserve water and to treat wastewater to meet or exceed regulatory requirements. To the extent that governments and/or trade associations desire to improve regulations or standards, respectively, HaneBrands works to influence policy to insure changes are feasible and consistent. A current example of the application of this policy is in El Salvador. HanesBrands holds a leadership position in CAESA (Comite Ambiental Empresarial San Andrea), a business environmental committee. CAESA is currently engaged with the government of El Salvador to provide input to the government as they formulate updated general regulations concerning water and updated regulations concerning wastewater discharge.

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**W7. Business strategy**

---

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

<table>
<thead>
<tr>
<th>Long-term business objectives</th>
<th>Are water-related issues integrated?</th>
<th>Long-term time horizon (years)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes, water-related issues are integrated</td>
<td>5-10</td>
<td>Water related issues are very important to the company's overall business strategy because water is required to manufacture products that the company manufactures and sells. To assure that HanesBrands operations manage water and environmental issues effectively, during 2013 the company launched a comprehensive global environmental sustainability initiative, which was an expansion of its global energy management program that had been in place since 2008. The purpose of the initiative was designed to reduce the company's overall environmental impacts. Today the program has grown and has established 2020 goals to reduce water usage 50%, energy usage 40%, GHG emission 40%, as compared to a 2007 baseline. The initial also includes increasing renewable energy usage to 40% and eliminating waste disposal in landfills. The water reduction goal is a key element of the company's energy goals because we heat most of the water we use; therefore, energy reductions and CO2e reductions will occur when less water is consumed. We are very proud to state that as of the end of the reporting year (2017), the company has accomplished 60.3 of its 2020 water reduction goal of 50%</td>
</tr>
</tbody>
</table>

Strategy for achieving long-term objectives

| Strategy for achieving long-term objectives | Are water-related issues are integrated | 5-10                           | The company has identified strategic projects that will insure the company achieves its 2020 goal to reduce water usage by 50% |

Financial planning

| Financial planning | Are water-related issues are integrated | 5-10                           | The company develops annual capital plans that incorporates the investments required to implement the projects required to achieve the company's 2020 goal to reduce water usage by 50% |

**W7.2**

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

<table>
<thead>
<tr>
<th>Water-related CAPEX (+/- % change)</th>
<th>Anticipated forward trend for CAPEX (+/- % change)</th>
<th>Water-related OPEX (+/- % change)</th>
<th>Anticipated forward trend for OPEX (+/- % change)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>4</td>
<td>4200</td>
<td>15</td>
<td>2</td>
</tr>
</tbody>
</table>

**W7.3**

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

<table>
<thead>
<tr>
<th>Use of climate-related scenario analysis</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>No plans for the next two years</td>
</tr>
</tbody>
</table>

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

Row 1

Does your company use an internal price on water?
No, and we do not anticipate doing so within the next two years

Please explain
HanesBrands has not established an internal price on water because of its level of awareness of the water sources, water volumes, and water discharges (both wastewater treatment and discharge points). As noted in section 1, HanesBrands utilizes onsite water supplies and full wastewater treatment systems at five major textile facilities. At two other HanesBrands textile facilities, there are wastewater pretreatment facilities which pretreat wastewater prior to discharge to a third-party treatment plant. As discussed in the answers to question 3.3b, HanesBrands is also heavily involved with suppliers, communities, and other groups regarding potential water questions or concerns. These factors have allowed HanesBrands to remain cognizant of true water value in the regions where it operates without the need for setting an internal price for water.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

<table>
<thead>
<tr>
<th>Levels for targets and/or goals</th>
<th>Monitoring at corporate level</th>
<th>Approach to setting and monitoring targets and/or goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide targets and goals</td>
<td>Qualitative goals are established through the implementation of the corporate energy management policy / environmental sustainability process and through regular review of operations with HanesBrands senior management. An example of a qualitative goal is the extension of the HanesBrands Global Environmental Management System (GEMS) to recent new acquisitions. Targets are established through the development of specific KPI's which support the goals. Data to track performance against environmental sustainability targets (to include the corporate water intensity target) is collected and monitored monthly.</td>
<td></td>
</tr>
<tr>
<td>Business level specific targets and/or goals</td>
<td>Targets are monitored at the corporate level</td>
<td></td>
</tr>
<tr>
<td>Site/facility specific targets and/or goals</td>
<td>Goals are monitored at the corporate level</td>
<td></td>
</tr>
</tbody>
</table>

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number
Target 1

Category of target
Product water intensity

Level
Company-wide

Primary motivation
Water stewardship

Targets relative to water intensity reflect are established for a number of reasons noted in the drop down menu for this question. A number of factors could have been chosen as to the reason for the establishment of a water reduction target.
**Description of target**
The company's water use target is based on water use intensity—water used per equivalent finished pound of cloth produced. “Equivalent finished pounds” was selected as the target unit because most water use is associated with the production of pounds of cloth in textile operations, and water use in other types of operations is generally limited to sanitary and utility use.

**Quantitative metric**
Other, please specify (Water use intensity-usage per unit.)

<table>
<thead>
<tr>
<th>Baseline year</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start year</td>
<td>2009</td>
</tr>
<tr>
<td>Target year</td>
<td>2020</td>
</tr>
<tr>
<td>% achieved</td>
<td>60</td>
</tr>
</tbody>
</table>

**Please explain**
HanesBrands has established a target to reduce water intensity (water withdrawal per production unit) by 50% versus its baseline year of 2007. Currently water intensity has been reduced by approximately 30% versus the baseline, or 60% of the goal as of the end of 2017. Plans are in place to further advance in this area through 2020.

**Target reference number**
Target 2

**Category of target**
Other, please specify (Water Use Intensity-usage per unit.)

**Level**
Site/facility

**Primary motivation**
Water stewardship

**Description of target**
HanesBrands Global Environmental Management System (GEMS) requires that individual facilities develop their site-specific environmental KPI's in support of the HanesBrands corporate environmental metrics. As applicable, these KPI's include metrics relative to water usage and wastewater discharge. In some regions, similar facilities combine their individual environmental metrics into regional business unit scorecards. The annual HanesBrands President's Energy Award program recognizes individual facilities for their performance in energy and environmental sustainability, and either gross water usage or water use intensity (depending on facility) makes up 20% of the overall award scoring. Facility metrics will vary by facility and are re-established annually based on schedule and product mix. Therefore, as an example, we are discussing the metric for HanesBrands' textile facility in the Dominican Republic. This facility set a 2017 goal of 5% reduction in water use intensity vs. 2016.

**Quantitative metric**
Other, please specify (Water use intensity-usage per unit.)

<table>
<thead>
<tr>
<th>Baseline year</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start year</td>
<td>2016</td>
</tr>
<tr>
<td>Target year</td>
<td>2017</td>
</tr>
<tr>
<td>% achieved</td>
<td>100</td>
</tr>
</tbody>
</table>

**Please explain**
The facility referenced in this example reviews its performance weekly within the maintenance / utilities group, and reviews its performance on a monthly basis in its Steering Committee meetings, which are chaired by the senior facility manager and involve multiple managers within the facility, as specified in the HanesBrands Global Environmental Management System (GEMS). This Steering Committee has the ability and authority to make improvements and adjustments to positively impact water use metrics.
W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

**Goal**
Engagement with suppliers to help them improve water stewardship

**Level**
Company-wide

**Motivation**
Risk mitigation

**Description of goal**
In the reporting period, HanesBrands engaged its third-party suppliers through a survey requesting water, energy, and other environmental data. The company determined a process to distribute the survey to its global fabric suppliers and collect data on total water use and wastewater discharge measures including chemical oxygen demand, biological oxygen demand, and total suspended solids, among others. While the response rate was poor in the initial exercise, the company is engaging with suppliers directly to improve response rates, with a goal of 100% participation by 2020.

**Baseline year**
2017

**Start year**
2017

**End year**
2020

**Progress**
During the reporting period, which is also the baseline and start year for the goal, the overall response rate was 29% of companies who received the environmental data survey, with 11% providing data on their water use.

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W9. Linkages and trade-offs

W9.1

(W9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?
Yes

W9.1a
(W9.1a) Describe the linkages or tradeoffs and the related management policy or action.

**Linkage or tradeoff**
Linkage

**Type of linkage/tradeoff**
Decreased energy use

**Description of linkage/tradeoff**
Some of the water utilized for the textile bleaching and dyeing processes must be heated to assure adequate product quality and process efficiency. HanesBrands' corporate strategy and specific actions to reduce water consumption in its bleaching and dyeing processes also allow for the reduced requirement for heating of water. In turn this reduces fuel consumption required to generate steam for heating.

**Policy or action**
As discussed in the previous section on goals and targets, HanesBrands' has recognized the link between water and energy consumption and has established a unified approach to environmental sustainability that focuses on this linkage. Through the implementation of a detailed its corporate energy management policy and with extensive employee involvement ("treasure hunts / Kaizen events, etc.), HanesBrands has made extensive progress in reducing both energy and water usage. As noted in the response to introductory question 0.1, HanesBrands has been recognized by US EPA ENERGY STAR for excellence in energy management (to include its linkage to water) for nine consecutive years.

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**Linkage or tradeoff**
Linkage

**Type of linkage/tradeoff**
Decreased GHG emissions

**Description of linkage/tradeoff**
This linkage is directly a function of the linkage between water and energy as described previously. Reducing water use required for the textile wet processes reduces the energy required to produce steam to heat the water, therefore reducing greenhouse gas emissions.

**Policy or action**
As part of its corporate energy management / environmental sustainability processes discussed in the previous question, HanesBrands has reduced its scope 1 and scope 2 GHG emissions.

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W10. Verification

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W10.1

**(W10.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1d)?**

No, we are waiting for more mature verification standards and/or processes

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W11. Sign off

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W-FI
Notes:

1) Please note that HanesBrands is pleased to report that the company has thoroughly investigated water risk in its company-owned supply chain using the WWF Water Risk Filter and has determined it has no facilities operating at a high risk intersection of basin and operational risk. The company is able to measure, monitor, and evaluate water use across its operations and does so continuously. As such, section W5 did not appear for us to populate information. Further, supply module responses SW1.1 and SW1.2 did not feature a response item that appropriately characterized our position; therefore, we did not respond to these items.

2) During the 2017 reporting year, HanesBrands ceased operations of an internal textile fabric manufacturing facility in China. The process equipment and fabric production was moved to regional dedicated suppliers. During the 2017 transition period, historic actual water use rates from the previous textile operations were used as a proxy for the suppliers. HanesBrands has worked with suppliers to confirm their reported water withdrawal sources, their water treatment processes, and water discharge destinations (to assure that the breakdowns by source, treatment, and destination included in section 1 reflect the best available information). The company will review the procedures to account for this production shift for future reporting.

W11.1

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

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group President Global Supply Chain, Information Technology and E-Commerce</td>
<td>President</td>
</tr>
</tbody>
</table>

W11.2

(W11.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate’s Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

SW. Supply chain module

SW0.1

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

<table>
<thead>
<tr>
<th>Annual revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>6471410000</td>
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</tbody>
</table>

SW0.2
SW0.2a

(SW0.2a) Please share your ISIN in the table below.

<table>
<thead>
<tr>
<th>ISIN country code</th>
<th>ISIN numeric identifier (including single check digit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>US</td>
</tr>
</tbody>
</table>

SW1.1

(SW1.1) Have you identified if any of your facilities reported in W5.1 could have an impact on a requesting CDP supply chain member?

Please select

SW1.2

(SW1.2) Are you able to provide geolocation data for your site facilities not already reported in W5.1?

Please select

SW2.1

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

SW2.2

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

No

SW3.1
(SW3.1) Provide any available water intensity values for your organization’s products or services across its operations.

**Product name**
Apparel: underwear and activewear--multiple types of garments.

**Water intensity value**
0.032

**Numerator: Water aspect**
Water withdrawn

**Denominator: Unit of production**
Finished Pounds of Cloth

**Comment**
Water use intensity reported in response to this question is the reported overall 2017 water use intensity for the company. Data is not available to break down this water use intensity to reflect only products purchased by individual suppliers requesting the CDP-Water report.

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**Submit your response**

**In which language are you submitting your response?**
English

**Please confirm how your response should be handled by CDP**

<table>
<thead>
<tr>
<th>I am submitting my response</th>
<th>Public or Non-Public Submission</th>
<th>I am submitting to</th>
<th>Are you ready to submit the additional Supply Chain Questions?</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am submitting my response</td>
<td>Public</td>
<td>Investors</td>
<td>Yes, submit Supply Chain Questions now</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customers</td>
<td></td>
</tr>
</tbody>
</table>

**Please confirm below**
I have read and accept the applicable Terms