

Hanesbrands Inc.

TICKER
 NYSE:HBI

MARKET CAPITALIZATION
 US\$8 billion

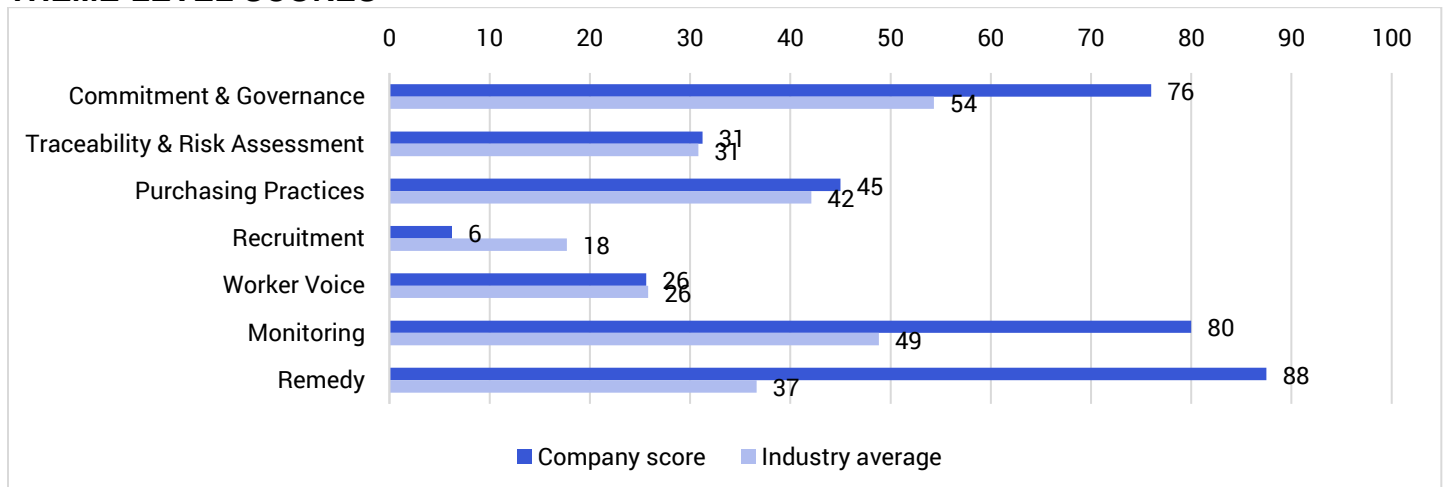
HEADQUARTERS
 United States

COMPLIANCE
 UK Modern Slavery Act: [Disclosure available, but not compliant](#)
 California Transparency in Supply Chains Act: [Yes](#)
COMMITMENTS
[None](#)
OVERALL RANKING
15 out of 43

(2016: 8 out of 20)

OVERALL SCORE
50 out of 100
SUMMARY

Hanesbrands Inc. (Hanesbrands), a US-based company focused on innerwear and activewear apparel, ranks 15th out of 43 companies, disclosing the same or more information on its forced labor policies and practices than its peers on all themes except Recruitment. Since 2016, the company has improved by disclosing board oversight over its supplier compliance program, a list with the names and addresses of selected suppliers, a slavery and human trafficking risk assessment process, and increased information on its auditing process and outcomes. Notably, the company achieved the second-highest score on the theme of Remedy. Additional steps the company could take to address forced labor risks in its supply chains include strengthening its disclosure and practices on the themes of Traceability & Risk Assessment, Recruitment, and Worker Voice.

THEME-LEVEL SCORES

 Research conducted through June 2018, or through August 2018 where companies provided additional disclosure or links. For more information, see the full dataset [here](#).

LEADING PRACTICES

None.

NOTABLE FINDINGS

Commitment & Governance: Hanesbrands discloses that it regularly conducts training on its supplier code of conduct for its compliance and sourcing staff. The company also notes that it trains its supply chain management, procurement, human resources, facility management, and compliance teams on its “scorecard auditing process” and human rights expectations, including on forced labor and human trafficking. It further states that it trains its suppliers on its standards. Hanesbrands discloses that it is an accredited member of the Fair Labor Association and works with the Better Work Program in Jordan, which includes “discussions on forced and migrant labor.”

Monitoring: Hanesbrands states that its suppliers are each visited two to three times a year by internal and external audit teams and that all audits are conducted on an unannounced basis. It states that the third-party audits include facility and dormitory tours (where applicable), payroll analysis, and confidential employee interviews that cover such issues as working hours, payment practices, and forced labor. The company discloses that, during each audit, about 25-50 workers are interviewed.

Remedy: Hanesbrands reports that cases of its grievance mechanism are assigned to trained investigators at the local level. It discloses that each issue is “fully investigated” and reported back to headquarters with a recommendation for next steps; it is then reviewed again by the headquarters team before disciplinary steps are taken. For issues of particular severity, it notes that the senior management team will be engaged throughout the process. Hanesbrands discloses that a typical investigation lasts 14-30 days and that the complaining party is often contacted multiple times throughout the process, always in their local language. The company also states that it works with stakeholders to help remedy issues discovered with its suppliers. It discloses that it has discovered instances when contractors withheld passports and that, in these instances, it required its suppliers to return the passports to the workers. Hanesbrands notes that it has followed up with training on freedom of association for a range of suppliers and required the suppliers in question to reinstate the employees “with backpay.”

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: The company is encouraged to demonstrate a strong understanding of its supply chains by disclosing a full list of its first-tier suppliers, the countries of below-first-tier suppliers, and the sourcing countries of raw materials at high risk of forced labor and human trafficking. The company is further encouraged to provide details on its risk assessment process and to disclose forced labor and human trafficking risks identified in different tiers of its supply chains.

Recruitment: The company may consider developing and disclosing a policy that requires direct employment in its supply chains and that requires recruitment agencies and, where relevant, employment agencies in its supply chains to uphold workers' fundamental rights and freedoms. Further, the company is encouraged to ensure that employment and/or recruitment agencies used in its supply chains are monitored and to provide details of how it supports ethical recruitment in its supply chains (for example by using ethical recruitment agencies or supporting the development of ethical recruitment schemes).

Worker Voice: To prevent forced labor in its supply chains, the company is encouraged to work with relevant stakeholders to engage with and educate workers in its supply chains on their labor rights. To ensure scalability and effectiveness, the company may consider ensuring that there are worker-to-worker education initiatives on labor rights in its supply chains and measuring and disclosing evidence of the positive impact of worker engagement in its supply chains.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)

