

Hanesbrands Inc.

TICKER:
NYSE:HBI

MARKET CAPITALIZATION:
US\$ 11 billion

HEADQUARTERS:
United States

8 OUT OF 20

Company's Overall Ranking

54 OUT OF 100

Company's Overall Score

Hanesbrands Inc. (Hanesbrands) ranks eighth in the benchmark, with an above-average overall score of 54 out of 100 points. The company scores high on the themes of commitment and governance as well as monitoring. Notably, the company achieves the highest score on the theme of remedy. Hanesbrands has an opportunity to improve by developing and disclosing a process through which it assesses forced labor risks in its supply chain, by strengthening its practices with regards to recruitment agencies to avoid exploitation of migrant workers, and by engaging with workers in its supply chain.

THEME LEVEL SCORE

Commitment and Governance	81 out of 100
Traceability and Risk Assessment	38 out of 100
Purchasing Practices	56 out of 100
Recruitment	8 out of 100
Worker Voice	28 out of 100
Monitoring	78 out of 100
Remedy	88 out of 100

LEADING PRACTICES

None.

NOTABLE FINDINGS

Traceability

Hanesbrands discloses that it maps its suppliers beyond the first tier, especially for its "owned capacity" (85% of its volume). The company further discloses geographic information about the different tiers of its supply chain, which includes garment factories (Central America, the Caribbean, Vietnam, and China), textile mills (Dominican Republic, El Salvador, and China), yarn (United States) and cotton (United States). Hanesbrands reports it is in the process of preparing to disclose facility-level information.

Supplier selection

Using an independent third party, Hanesbrands assesses potential suppliers using its human rights audit program, which covers forced labor and human trafficking risks. For Hanesbrands,



subcontracting is a zero-tolerance issue, which the company clearly communicates to its suppliers and, in case of a breach, will lead to termination of contract.

Process for responding to complaints and examples of remedy provided

Hanesbrands discloses it prioritizes grievances received through its mechanism and assigns them to trained investigators in local countries who provide recommendations to the headquarters. For issues of particular severity, senior management will be engaged throughout the process and help make disciplinary decisions. A typical investigation lasts 14-30 days. The complaining party is usually contacted multiple times throughout the process, in their local language, to provide additional information and is informed of the final outcome.

Hanesbrands works with stakeholders to help remedy issues discovered at suppliers' facilities. The company discloses that it has discovered instances where suppliers have fired employees for exercising their right to freedom of association. In these cases, the company required reinstatement of employment.

OPPORTUNITIES FOR IMPROVEMENT

Traceability and risk assessment

Hanesbrands is encouraged to develop and disclose a process through which it assesses the forced labor risks associated with specific commodities, regions, and/or groups in its supply chain and to disclose forced labor risks identified through this process. The company is further encouraged to disclose the names and locations of at least its first-tier suppliers.

Recruitment

Hanesbrands may consider developing and disclosing a policy that encourages direct hiring, requires recruiters in its supply chain to uphold workers' rights, and requires suppliers to disclose to Hanesbrands the recruiters that they use. Further, Hanesbrands is encouraged to audit recruiters to assess the risks of human trafficking and forced labor. While the company strongly opposes the imposition of recruitment fees on workers, and, in high-risk countries like Jordan asks suppliers for a written confirmation that they will not impose recruitment fees, the company is encouraged to develop a supply chain-wide policy which prohibits recruitment fees from being charged to workers. Further, Hanesbrands is encouraged to disclose details and evidence of how it ensures fees are reimbursed in the event that they are discovered to have been charged.

Worker voice

To complement its monitoring system and both ensure workers are empowered to exercise their rights as well as get a better understanding to what extent this is the case, Hanesbrands is encouraged to engage with workers outside of the context of the factories in which they work, either directly or in partnership with stakeholders. Where there are regulatory constraints on freedom of association, the company may encourage suppliers to ensure workplace environments in which workers are able to pursue alternative forms of organizing. Further, Hanesbrands may consider ensuring the existence of its grievance mechanism is proactively communicated to suppliers' workers and including its expectation for suppliers to have in place a grievance mechanism as a requirement in its Global Standards for Suppliers.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)

