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IFC's PaCT and VF Corporation Partner to Reduce Water, Energy and Chemical Use in Textile Factories in Bangladesh

IFC, a member of the World Bank Group, and VF Corporation, a global leader in branded lifestyle apparel, footwear and accessories, are working together to enhance the long-term competitiveness and sustainability of the textile wet processing sector in Bangladesh by reducing excessive groundwater extraction and surface water pollution, energy and chemical use.

The project will be carried out by IFC's Bangladesh Partnership for Cleaner Textile (PaCT) program. VF Corporation joins 12 other Brands in the PaCT family bringing the total partner brands to 13. The program has contributed to water and energy savings of 14.4 billion liters and 1.23 Million MWh per year, respectively, reduced GHG emission by 188,000 tonnes CO₂ equivalent per year and resource saving worth \$10 Million annually in 162 partner factories. In addition to the PaCT project, VF Corporation is also partnering with IFC in the Vietnam Improvement Project (VIP).

"Resource efficiency is a core facet of VF's Responsible Sourcing program. Through investments and continuous support from VF, we aim to assist our strategic suppliers in reducing their water, energy, waste, and chemical use, while simultaneously reducing the cost of production," said Brad van Voorhees, Senior Manager of Environmental Practices and Sustainable Operations at VF.

Mohan Seneviratne, IFC Program Manager for PaCT, said, "Water is a key input in the textile sector and large quantities are consumed in the direct operations and supply chain. Current groundwater abstraction rates in Bangladesh are close to their limit and growth projection of \$50 Billion by 2021 can only be achieved with the development of sustainable water supplies, effluent treatment facilities and resource efficient practices. We welcome VF Corporation joining PaCT to partner with us in this mission"

In Bangladesh, IFC is providing both investment and advisory support and working along with other stakeholders, to help the garments sector become globally competitive and safe for its employees.

As part of this engagement, PaCT will engage with VF Corporation's supplier factories in three ways – awareness building, basic cleaner production (CP) assessment and in-depth CP assessment. Major activities will include factory-level advice on basic CP measures, technical assessment of resource efficient textile processing, facilitating implementation through user groups, strengthening corporate water and energy management systems, and investment facilitation in technologies with significant water sustainability benefits.

IFC promotes sustainable growth and private sector development in Bangladesh by investing in critical infrastructure; boosting financial inclusion; enhancing textiles competitiveness and supporting reforms to make doing business easier for private sector. IFC committed \$635m in Bangladesh, in own and mobilized funds across 13 projects, for the fiscal year ended June 30, 2016. IFC's committed portfolio in Bangladesh as of that date was about \$1 billion in 47 projects.

About VF Corporation

VF Corporation (NYSE: VFC) is a global leader in the design, manufacture, marketing and distribution of branded lifestyle apparel, footwear and accessories. The company's highly diversified portfolio of powerful brands spans numerous geographies, product categories, consumer demographics and sales channels, giving VF a unique industry position and the ability to create sustainable, long-term growth for our customers and shareholders. The company's largest brands are *The North Face*[®], *Vans*[®], *Timberland*[®], *Wrangler*[®], *Lee*[®] and *Nautica*[®]. For more information, visit www.vfc.com

About PaCT

PaCT is playing a leading role in driving the long-term competitiveness and environmental sustainability of the textile wet processing sector, by addressing high water, energy, and chemical use through the adoption of best practices in the textile sector. For more: <http://www.textilepact.net/about-us/what-is-pact.html>

About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with 2,000 businesses worldwide, we use our six decades of experience to create opportunity where it's needed most. In FY16, our long-term investments in developing countries rose to nearly \$19 billion, leveraging our capital, expertise and influence to help the private sector end extreme poverty and boost shared prosperity. For more information, visit www.ifc.org