



VF Corporation Global Wastewater Discharge Standards

2013 SUPPLIER POLICY



May 8, 2013

Supplier Policy: VF Corporation Global Wastewater Discharge Standards

Dear VF Partner,

At VF, we recognize expanding world populations and increasing demand are creating strains on the planet's natural resources. We also acknowledge our responsibility to help ensure the long-term health of the earth, now and for future generations. We believe environmental responsibility is a business imperative and are dedicated to reducing our operations impact, and those impacts of our supply chain partners, on the environment.

Responsible use of water is a crucial component to environmental responsibility practices. When apparel and footwear manufacturing processes include water-intensive operations, we require our manufacturing partners to ensure the water used in production is treated properly before returning it to the surrounding ecosystem and community. Business with VF requires fulfilling your obligations as described in VF Corporation Global Wastewater Discharge Standards.

While all suppliers are currently required to follow all applicable local laws and regulations related to wastewater, VF is going a step further by implementing the **Business for Social Responsibility (BSR) wastewater discharge standards**. The BSR standards are used widely by the apparel and footwear industry and will ensure that no matter where a supplier facility is located, water use and discharge to the surrounding community is conducted responsibly.

You will find the details of the VF Corporation Global Wastewater Discharge Standards in the attached program. **The supplier policy takes effect immediately with the first third-party certified laboratory reporting deadline on July 31, 2013.**

We expect your support in helping protect our environment and thank you in advance for your cooperation.

Should you have any questions or require any assistance with our wastewater program, please contact globalwastewater@vfc.com.

Sincerely,

Thomas A. Nelson
Managing Director,
VP Global Product Procurement
VF Asia

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Scope of 2013 VFC Global Wastewater Discharge Standards

Inclusion

All vendors and nominated supplier and licensee facilities that are subject to our compliance audit program and use 50 cubic meters per day or more of process water are required to follow the 2013 VFC Global Wastewater Discharge Standards. This includes all VF Tier-1 garment vendors and all Tier-2 fabric mills, laundry facilities, dye facilities, tanneries or any vertically integrated facility where VF nominates product that uses 50 cubic meters per day or more of process water.

Exclusion

Any supplier that uses less than 50 cubic meters per day of process water is excluded from the 2013 VF Corporation Global Wastewater Discharge Standards. However, all suppliers are expected to follow applicable laws and regulations in the jurisdiction where they are located. Discharging even small volumes of untreated wastewater into the environment is considered a serious violation of environmental stewardship and will not be tolerated by VF Corporation.

Legal Discharge Limits and Discharge Permit Limits

Suppliers will at all times comply with applicable legal discharge limits and applicable wastewater discharge permits. The facility will ensure its wastewater is discharged within the limits set by VF in the Global Wastewater Discharge Standards or applicable legal discharge limits and wastewater discharge permits, whichever is strictest. The VF Global Wastewater Discharge Standards in no way supersede applicable legal discharge limits.

Discharge to Municipal/Public Wastewater Treatment Facility (POTW)

Any supplier included in the scope of the 2013 VFC Global Wastewater Discharge Standards that discharges to a Municipal or Public Wastewater Treatment Facility (POTW) must prove that it is legally permitted to do so.

- If the supplier holds a valid permit to discharge 100% of its wastewater to the applicable POTW, then the 2013 VFC Global Wastewater Discharge Limits do not apply.
- It is expected that the supplier will properly discharge all of its wastewater to the POTW without any bypass mechanisms and comply with all applicable local legal discharge requirements.
- It is at no times acceptable for a supplier to discharge wastewater directly to the environment without proper treatment.
- If the supplier holds a valid permit to discharge only a portion of its wastewater to the applicable POTW, the 2013 VFC Global Wastewater Discharge Limits apply for the wastewater that is not accepted by the POTW.

2013 VFC Global Wastewater Discharge Limits

Sampling and Traditional Parameters

Parameter	Limit Value
Temperature*	≤37°C*
pH, Standard Units	6.0-9.0
Total Suspended Solids (TSS)	≤30 ppm
Biological Oxygen Demand (BOD)	≤30 ppm
Chemical Oxygen Demand (COD)	≤200 ppm

*Should the facility be located in a region with an ambient temperature consistently above 37°C, the discharge temperature should be not exceed the temperature of the receiving body of water.

Chemical Constituents

Parameter	Lower Limit Value
Antimony	≤0.50 ppm
Arsenic	≤0.01 ppm
Cadmium	≤0.01 ppm
Chromium	≤0.10 ppm
Cobalt	≤0.02 ppm
Copper	≤0.25 ppm
Cyanide	≤0.20 ppm
Lead	≤0.10 ppm
Mercury	≤0.01 ppm
Nickel	≤0.20 ppm
Zinc	≤1.00 ppm
Color	≤150 ADMI units OR 150 CO-PT units

Other Parameters

Parameter	Limit or Requirement
Coliform	400 bacteria per 100ML
Foam	No visible discharge of floating solids or persistent foam
Domestic Sewage	All wastewater, including domestic sewage, must be properly treated before being discharged to the environment. If a public treatment facility is not available then the factory must properly treat sewage onsite before discharging.
Lab Equipment	The facility shall have a pH meter, Imhoff Cone, and Thermometer in good working order.
Flow Meters	The facility shall have, at a minimum, functioning flow meters are the input and output points of their wastewater treatment facility.

Illegal discharge of wastewater or bypassing treatment facilities will not be tolerated.

Sampling Methods and Reporting Guidelines

Sampling Methods

Sampling by Third-Party Laboratory

All sampling and wastewater analysis must be conducted by a **certified third-party laboratory two times per calendar year** to ensure the integrity of the samples and the analysis.

Contact Details for Third-Party Laboratories

Company	Website
SGS	http://www.sgs.com/en/Office-Directory.aspx
Bureau Veritas	http://www.bureauveritas.com/wps/wcm/connect/bv_com/group/home/worldwide-locations
Intertek	http://www.intertek.com/contact/

In addition, suppliers may contact their applicable national accreditation bureau to find certified laboratories in their jurisdiction. The International Laboratory Accreditation Cooperation (ILAC) lists national accreditation bureau contact details on its website.

ILAC members contact details: https://ilac.org/members_contact_details.html.

While highly unlikely, should a supplier be unable to find a certified third-party laboratory to conduct the wastewater sampling and analysis, it is the duty of the supplier to contact VFC at GlobalWastewater@vfc.com in a timely manner, well ahead of the deadline for report submission. In this unlikely scenario, VF Corporation will offer assistance to suppliers to find a certified third-party laboratory, but it at all times remains the responsibility of the supplier to submit the proper wastewater discharge reports by the deadlines stated in "Reporting Guidelines."

Sample Collection Point

If the local authorities designate a sampling point under applicable regulations, then that sampling point must be used. In the absence of legal regulations, the sampling point will be determined by the third-party laboratory after reviewing the wastewater treatment plant and flow patterns.

Composite Sampling

The certified third-party laboratory is to conduct a 2-hour composite sampling at the sample collection point, where a minimum of 6 grab samples will be taken at regular intervals of 15-20 minutes. An automatic sampler may also be used by the laboratory where applicable.

Sample Storage

Samples will be properly stored at the correct temperature and using the proper preservation techniques as determined by the certified third-party laboratory.

Reporting Guidelines

General Guidance

VF Corporation will only accept reports generated by the certified third-party laboratory that conducted the wastewater sampling and wastewater analysis. Reports written by suppliers or edited by suppliers in any way will not be accepted by VFC.

Guidelines for Laboratories

In addition to the normal set of information included in the laboratory reports related to the sampling and analysis performed by the laboratory, reports should include:

- All relevant contact information for the selected laboratory (email address, mailing address, telephone details)
- Details of technician(s) performing the sampling
- Date and time of sampling along with a sampling details
- Name and contact details of staff performing the sampling
- Date and time of analysis along with analysis details
- Name and contact details of staff performing analysis
- Analytical method used in analysis
- Laboratory certifications, accreditations, affiliations, and other relevant details

Reporting Deadlines in 2013

In 2013, suppliers will be required to submit one wastewater discharge report from a certified third-party laboratory according to the following schedule:

2013 Reporting Schedule

Submission Deadline	July 31
Sampling Window*	May-July

*Sampling must take place during these months.

Reporting Deadlines after 2013

Suppliers are required to complete wastewater sampling and testing by third-party certified laboratories twice per year according to the following schedule:

Annual Report 1

Submission Deadline	January 31
Sampling Window*	November – January

*Sampling must take place during these months.

Annual Report 2

Submission Deadline	June 30
Sampling Window*	April – June

*Sampling must take place during these months.

Submission of Reports

The original third-party certified laboratory report must be submitted by the specified deadlines to globalwastewater@vfc.com by the laboratory with the following details included:

- Supplier and facility name/ID
- Name and contact details of responsible person at supplier facility

Suppliers are also expected to keep a hard copy of the original report for inspection during the VF audit.

Auditing by VF Compliance Team

Inclusion in Facility Audit

The VF compliance team will include the VFC Global Wastewater Discharge Standards in their compliance audit at the specified supplier facility. Auditors will ensure that reports were submitted in a timely manner and that the supplier complies with the VF Global Wastewater Discharge Standards. Suppliers that fail to submit reports by the specified deadlines will be declared **“Not in Compliance”** with VF Corporation’s supplier policy. All facilities will have their wastewater report reviewed within two months of the submission deadline by the VF compliance team. Any new facility added to our supplier list after the June 30 deadline will also be checked for compliance with VFC Global Wastewater Discharge Standards prior to receiving approval.

Exempt Facilities

Facilities that are excluded as specified in “Scope of 2013 VFC Global Wastewater Discharge Standards” must prove that their exemption is valid to the VF auditor on the day of the compliance audit. Facilities that fail to prove that their exemption is valid will be declared **“Not in Compliance”** with VF Corporation’s supplier policy.

Facilities that Discharge to Municipal or Public Wastewater Treatment Facility (POTW)

Facilities that discharge wastewater directly to a POTW must show all applicable permits that allow the facility to do so. The supplier must certify that all wastewater is discharged to that facility. All wastewater that is not accepted by the POTW and is discharged to the environment must comply with the VFC Global Wastewater Discharge Standards. Facilities that fail to show all applicable permits for discharge to the POTW or facilities found to bypass the POTW and discharge some or all of their wastewater directly into the environment without complying with the 2013 VFC Global Wastewater Discharge Standards will be declared **“Not in Compliance”** with VF Corporation’s supplier policy.

Facilities Declared “Not in Compliance”

Facilities that are declared Not in Compliance under the 2013 VFC Global Wastewater Discharge Standards will be immediately placed on a Corrective Action Plan. The facility **will have two months to become compliant** with the policy. Facilities that require large scale capital investments to become compliant (approximately US\$1 million or more) may be granted an extension on a case-by-case basis. It will be the duty of the supplier to apply for the extension through the VF compliance team and no facility will be granted an extension beyond December 2013.