

A full-page background image showing four people (two men and two women) running or hiking on a grassy ridge. They are wearing athletic gear and backpacks. In the background, there are large, rugged mountains under a blue sky with scattered white clouds. The image has a semi-transparent geometric overlay consisting of several overlapping triangles in shades of blue and white.

Purpose. Action. Progress.

MADE for CHANGE
Sustainability & Responsibility Report
Fiscal Year 2020



CORPORATION

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CEO Welcome

Dear Stakeholders:

VF Corporation and our family of brands strive to be more than just an apparel and footwear company. Collectively, we work to be a leading global citizen, setting a high bar for corporate sustainability and responsibility.

From our owned offices to our partner factories around the world, we use our scale and resources to take actions that advance meaningful and measurable progress. This is reflected in the theme of this report and throughout its pages: Purpose. Action. Progress. It's what propels us.

Since 2018, when we last published our **Made for Change** Sustainability & Responsibility Report, so much has changed. A global pandemic. An awakening over pervasive racial and socioeconomic injustices. Growing recognition of the consequences of climate change and environmental degradation. These landmark issues all magnify how connected we are to each other and the world we share. And they have instilled a greater sense of urgency to make things better now and protect our collective future.





While this report focuses on FY2020, April, 2019 – March, 2020, it also shares stories and information from throughout the past year. In early CY2020 when the COVID-19 pandemic forced nearly all our stores around the world to close for months on end, we provided emergency paid leave to our retail associates. We paid an additional hourly premium to our essential distribution center associates. And we worked on **multiple fronts** to address the needs of healthcare workers in our communities and provide support for our suppliers.

Also, CY2020 proved to be a watershed year for public awareness of racial inequities that exist in society. At VF, we acted quickly to help accelerate the movement toward change by forming our own internal **Council to Advance Racial Equity, or CARE**. CARE is based on the premise that we must do more than advance racial equity. We must actively stand against racism of any kind.

We're taking action and leveraging our resources and the power of our brands to make real progress. Here are a few examples:

We're taking action and leveraging our resources and the power of our brands to make real progress.

- Setting ambitious greenhouse gas emission reduction targets, approved by the Science Based Targets initiative.
- Creating a Sustainable Materials Vision to strengthen our commitment to use more materials that originate from regenerative, responsibly sourced renewable or recycled sources.
- Issuing the apparel and footwear industry's first **green bond** with proceeds allocated to projects focused on delivering positive environmental impacts.

- Reaching over 290,000 people through our **Worker and Community Development** program, aimed at improving the lives of workers and community members in our supply chain.

We're proud of our progress but always remain acutely aware that the work is never complete. We will continue to lead by example and set an ever-higher bar for ourselves and others. We appreciate your interest in VF Corporation and our commitment to environmental and social responsibility. We encourage you to continue following our journey as we leverage our business to drive positive change and enable more sustainable and active lifestyles for the betterment of people and our planet.

Sincerely,

Steve Rendle, VF Corporation
Chairman, President & Chief Executive Officer



About

Business success. At VF, we believe it starts with a focus on delivering a positive impact for people, communities and our shared planet.

[OVERVIEW](#) | [ETHICS](#) | [GOVERNANCE](#) | [STRATEGY](#)



Our Purpose

We power movements of sustainable and active lifestyles for
the betterment of people and our planet.

Performance and Purpose. That's how VF Corporation creates value for all our stakeholders. We make important connections for – and with – associates, investors, consumers, communities, the VF family of brands, industry peers, NGOs, our global supply chain and others.

We believe there is a reciprocal relationship between purpose and profit, and when we get it right, we create a virtuous cycle that positively impacts the world **and** our bottom line.

VF leverages our size, scale and resources to work toward the betterment of people and the planet. And our iconic brands are front and center. Each

works diligently to enable sustainable and active lifestyles in their own unique way.

The strength and collective spirit of our brands empower us to live out our Purpose. We harness that incredible energy to connect with consumers, deliver strong shareholder returns and foster an inclusive and rewarding workplace.

At no point in our 121-year history has it been more important to genuinely live our Purpose. And the call for action and meaningful progress has never been more urgent. Rising to the challenge will require doing things differently. As a company. As an industry. As a society.

That's why, at VF, our Sustainability & Responsibility strategy, goals and targets are *Made for Change*.

**We put purpose on
par with profit.**



Related VF Reporting

In addition to our Made for Change Sustainability & Responsibility Reports, we dive deeper into key sustainability and responsibility topics in the following reports and offer additional information at www.vfc.com.

- [VF Inclusion & Diversity Annual Profile](#)
- [VF Green Bond Impact Report February 2021](#)
- [VF Human Rights Report 2020](#)

VF At A Glance – FY2020



NYSE: VFC
\$10.5B in revenue¹



~50K associates around the world



170+ countries where our products are sold



~1.4K owned retail stores



~400M units of apparel, footwear, accessories produced each year

OUR GUIDING PRINCIPLES



LIVE WITH INTEGRITY.

Be authentic and do the right thing, always.

ACT COURAGEOUSLY.

Think and act boldly.

BE CURIOUS.

Explore the world, learn and evolve.

ACT WITH EMPATHY.

Seek to understand and respect others.

PERSEVERE.

Persist and work together as One VF.



Meet Our Brands

Our brands² meet consumer needs across a broad spectrum of activities and lifestyles, while delivering value to our shareholders, providing rewarding jobs for our associates and helping improve our communities. Learn more about how each brand is working toward the betterment of people and the planet.

Outdoor



Work



Made for Change Report: Fast Facts



Fourth global VF Sustainability & Responsibility Report



Data primarily covers **fiscal year (FY) 2020: April, 2019 through March, 2020³**



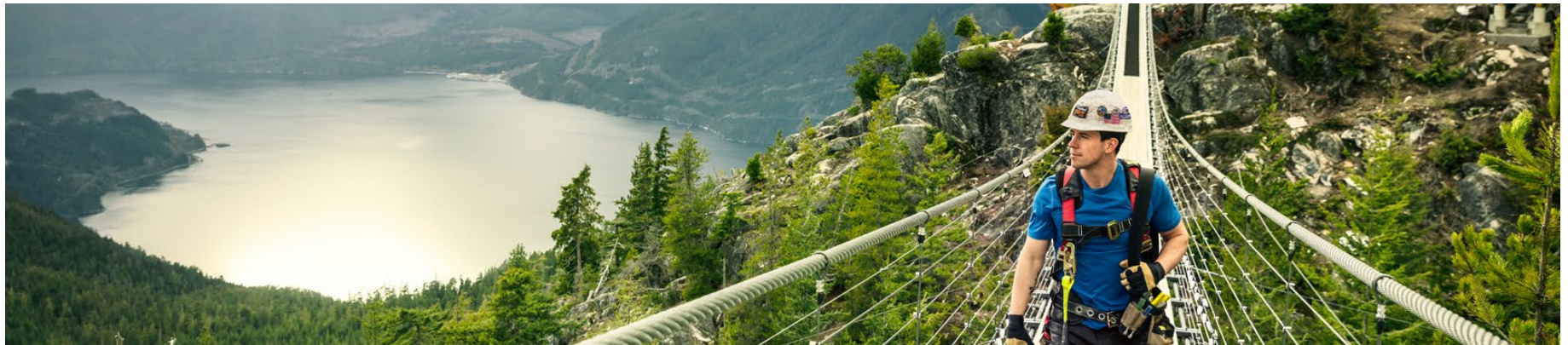
Scope of ESG data includes **all VF brands and businesses under operational control during FY2020**, including the Occupational Workwear brands⁴



Reporting is in line with the following internationally recognized frameworks, standards and indices:*

- Prepared in accordance with Global Reporting Initiative (GRI) Standards 2018, Core option;
- Aligned with Sustainability Accounting Standards Board (SASB) Apparel, Accessories & Footwear Standard 2018;
- Informed by Task Force on Climate-Related Financial Disclosures (TCFD) and United Nations Sustainable Development Goals (UN SDGs); and
- Serves as our UN Global Compact (UNGC) Communication on Progress.

* Please see the [Appendix](#) section of this report for specific framework indices.





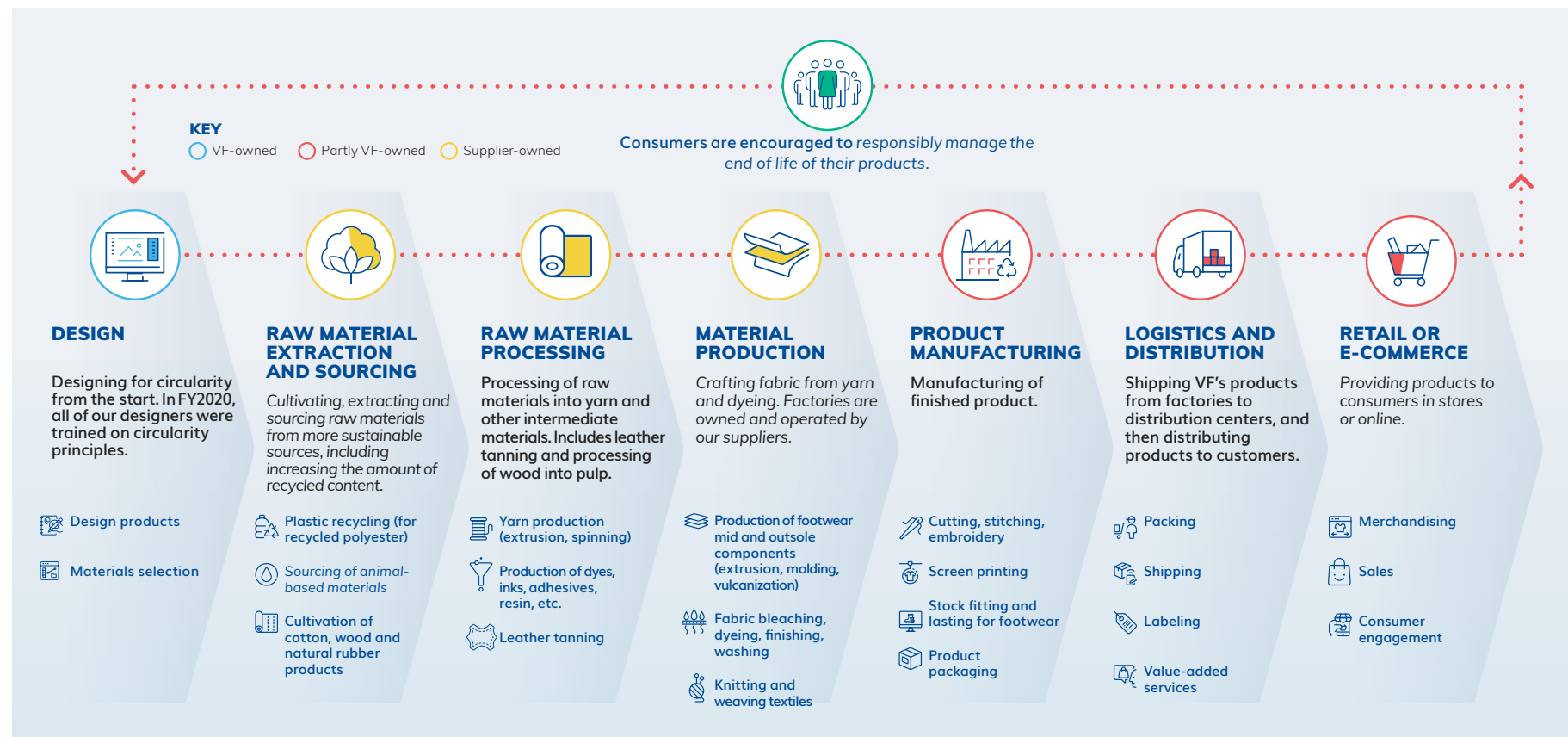
Explore Our Value Chain

Our value chain stretches from the hands of the farmers who produce our raw materials to the hands of consumers who enjoy our products and experiences.

Every step of the way, we have the opportunity to make a positive impact and add value. From how we source our materials to where we manufacture our

products and how we distribute them, our choices matter. We also encourage our consumers to make choices that will have a positive impact, including how they care for their purchases and what they do with them at the end of the product's useful life.

**Every step of the way,
we have an opportunity to
make a positive impact.**



¹ As stated in the VF FY2020 Form 10-K, during the three months ended March, 2020, the Company determined that the Occupational Workwear business met the held-for-sale and discontinued operations accounting criteria. Accordingly, all FY2020 revenue-based figures disclosed within this report exclude the Occupational Workwear business.

² The Eagle Creek® brand is included in both FY2020 financial data and ESG data. The acquisition of the Supreme® brand, which was completed Dec. 28, 2020, is not included in the financials or ESG data contained in this report.

³ In some cases, we reference data or activities that are more recent or from previous years. These references are clearly noted.

⁴ As stated in the VF FY2020 Form 10-K, during the three months ended March, 2020, the Company determined that the Occupational Workwear business met the held-for-sale and discontinued operations accounting criteria. Accordingly, all FY2020 revenue-based figures disclosed within this report exclude the Occupational Workwear business. As the Occupational Workwear business fell within our operational control approach for the reporting year, as defined by the GHG Protocol Corporate Standard and other ESG reporting guidance, all non-revenue data and Company information disclosed within this report includes the Occupational Workwear business.



Doing Business with Ethics and Integrity

Conducting business ethically is fundamental to who we are as a company.

We use our scale for good and lead by example by acting with integrity in all our interactions, whether with associates, consumers, investors, suppliers or any other stakeholder. These principles are embedded in our **Code of Business Conduct, Global Compliance Principles** and our **Global Ethics and**



Compliance Program, which includes our global Anti-Corruption Program. VF executives, associates, Board members and external business partners

receive clear and consistent communications and, as appropriate, training on each of these cornerstones of ethical business.

Through these foundational documents and related policies and procedures, we deliver on our commitment to business ethics by:

- Reinforcing VF's position that we do not pay bribes to anyone for any reason by communicating our expectations to associates and third parties.
- Striving to prevent misconduct by VF associates or third parties by providing training and resources, as appropriate, conducting due diligence and including relevant contractual language in our agreements with third parties.
- Detecting potential misconduct and responding appropriately to reports of potential misconduct

**We use our scale for good
and lead by example by acting with
integrity in all our interactions.**



by providing multiple reporting channels and reliable internal investigation processes, along with clear communication and consistent administration of consequences for misconduct.

- Driving continual improvement by conducting ongoing risk assessments and periodic testing and review of program activities to identify and act on opportunities for improvement.

Our Anti-Corruption Program promotes compliance with anti-corruption laws and provides a framework for leadership engagement; oversight, autonomy and resources; setting clear policies and procedures; training, communication and advice; reporting and investigation procedures; and periodic monitoring, auditing and assessment of our anti-corruption efforts.

Associates, suppliers and other third parties have access to the [VF Ethics Helpline](#) and web reporting tool. Both channels are available in multiple languages and administered by a third-party service provider. Our global investigation protocol requires us to promptly, consistently and confidentially investigate each reported issue.

Through foundational documents and related policies and procedures, we deliver on our commitment to business ethics.



Our Comprehensive Anti-Corruption Training

- Bribery and kickbacks
- Gifts and entertainment
- Conflicts of interest
- Interactions with government officials
- Use of third-party intermediaries
- Charitable contributions
- Accurate record keeping
- Methods for reporting misconduct

Reports Investigated

In FY2020, VF investigated a total of 1,033 reports globally, received through the VF Ethics Helpline and via the VF Open Door Policy. See the [GRI Content Index](#) for more information.



Sustainability & Responsibility Highlights

\$6.2M+ GRANTED

To community partners by The VF Foundation in FY2020

12 NEW TARGETS

Set since FY2020 across People, Planet and Product, including SBTi-approved climate targets

375+ LEADERS TRAINED

On inclusion and Unconscious Bias, achieving our CY2020 goal of integrating training at all levels that fosters inclusion and addresses unconscious bias

€493M+ GREEN BOND

Issued, representing the first of its kind in the apparel and footwear industry

290K+ PEOPLE

Reached so far through VF's Worker and Community Development program

600+ MT OF NON-PREFERRED CHEMICALS

Removed from VF's supply chain since 2016 through the CHEM-IQSM program

50M+ MT GHG REDUCTIONS

Achieved through our supplier factory sustainability programs as of FY2020

44 TRACEABILITY MAPS

Published for VF brand products, on our way to 100 maps by year end CY2021

13 GREEN BUILDINGS

Certified as LEED or BREEAM Gold or higher as of FY2020

100% OF FOOTWEAR

Leather finished in Leather Working Group audited tanneries

72% ZERO-WASTE*

VF Distribution Centers as of FY2020

44K+ PEOPLE REACHED

Through Water, Sanitation & Hygiene (WASH) interventions

\$10M+ DONATED

By VF, The VF Foundation and the VF family of brands for initial COVID-19 relief efforts

5-TIME HONOREE

On World's Most Ethical Companies list

*95% diversion rate or greater



Working from a Solid Foundation

Having the right structures and leadership support in place is essential for accelerating meaningful change. Our Governance framework sets the foundation for VF to address pressing social and environmental issues with the urgency they demand.

Our associates contribute to VF's Made for Change Goals and Targets (see [Page 16](#)), supported by robust management systems, consistent reporting practices and committed leadership at all levels.

Policies and Standards

Good governance is essential to ensuring our policies are implemented. We engage with external stakeholders to inform the development of our Sustainability & Responsibility policies and provide training to VF's associates and business partners when applicable.

VF's Terms of Engagement require our supply chain partners to adhere to the requirements of the policies and standards listed here. These are communicated to supply chain partners, including

Tier 1 and nominated Tier 2 suppliers, through annual communications reiterating that compliance is mandatory.

- Terms of Engagement
- Cotton Fiber Sourcing Policy
- Restricted Substance List
- Animal Derived Materials Policy
- Forest Derived Materials Policy
- Human Rights Commitment
- Responsible Recruitment & Anti-Forced Labor Commitment

For a complete list of VF Policies and Standards, please visit www.vfc.com.

VF's stakeholder engagement strategy drives our ambitions for a better tomorrow.



Engaging Diverse Stakeholders

We value and depend on close partnership, strong collaboration and meaningful engagement with a wide range of external stakeholders to design, accelerate and achieve our ambitions for a better tomorrow.

We define stakeholders as those who impact and/or are impacted by our business operations, including associates, customers, consumers, investors, suppliers, human rights defenders, NGOs, industry groups, communities, policymakers and governments. They help us understand and overcome barriers to progress, identify opportunities, hold us accountable, and create and share best practices.

We regularly engage with our key stakeholders to understand their evolving expectations for our

business, check their perceptions of our transparency and gain insights into the full scope of our business risks and opportunities.

VF seeks input from stakeholders on all S&R public policies and commitments before publication.

VF Stakeholder Engagement Strategy

In CY2020, we developed a Stakeholder Engagement Strategy to help us proactively leverage the insights of external stakeholders and maximize their impact. A key element of the strategy is a commitment to work with our stakeholders to obtain their input on all Sustainability & Responsibility (S&R) public policies and commitments before publication. This allows us to understand external stakeholder expectations and confirm that our policies are leading and impactful. It further enables our company to mitigate risk while advancing our business objectives.

A list of key stakeholders with whom we collaborate can be found at www.vfc.com.

Governance Structure

Our Chairman, President & Chief Executive Officer, Executive Leadership Team (ELT) and Board of Directors are responsible for the oversight of VF Corporation's Sustainability & Responsibility strategies and targets.

VF's Vice President of Global Sustainability, Responsibility and Trade updates the ELT on our progress at least four times a year and reports to the Governance and Corporate Responsibility Committee of the Board of Directors on Sustainability & Responsibility progress on a biannual cadence.

Our ELT Corporate Responsibility Working Group is led by the Vice President of Global Sustainability, Responsibility and Trade, and includes VF's Chairman, President & Chief Executive Officer.

The Council to Advance Racial Equity (CARE) is an advisory group of associate leaders from across the organization who help to inform the company's strategy to combat racial inequity and is sponsored by VF's Chairman, President & Chief Executive Officer.

All Brand Presidents report annually to VF's ELT on their individual brand's Sustainability & Responsibility progress.

Learn more about governance approach at www.vfc.com.

Consulting with External Stakeholders on COVID-19 Guidance

Our Responsible Sourcing Advisory Council (RSAC), comprising external experts, enhances our responsible sourcing program, including enhancing our focus and goals regarding labor rights topics throughout our supply chain. During the initial outbreak of COVID-19, the RSAC partnered with key VF leadership to provide strategic insights on the development and implementation of many of VF's actions in response to the COVID-19 pandemic. The Council's guidance validated our actions designed to help mitigate risk while protecting worker health and well-being.



Stakeholders

Internal
stakeholders



VF
EMPLOYEES



SUPPLIERS



SUPPLY CHAIN
EMPLOYEES



CONSUMERS/
CUSTOMERS



ACADEMICS



NGOs



SHAREHOLDERS



INDUSTRY
ASSOCIATIONS



POLICYMAKERS

External
stakeholders

Material Topics

As part of our stakeholder engagement approach, we periodically conduct a comprehensive materiality assessment. In FY2020, we collected feedback from internal and external stakeholders through phone interviews, online surveys and workshops. The Sustainability & Responsibility team also engaged with issue-area experts, business partners and nonprofits from across our global value chain to identify the topics most important to our stakeholders and the business. Groups engaged included representatives from:

- Academia
- Government
- IGOs
- Industry
- Investors
- NGOs
- Retailers
- Suppliers

The outcomes of the materiality assessment inform our Sustainability & Responsibility strategy and reporting, helping to ensure that our efforts stay relevant in a rapidly changing landscape. Based on the most recent assessment, our most material Sustainability & Responsibility topics include:

- Labor practices and workplace health and safety
- Climate action and energy efficiency
- Sustainable, circular and traceable materials
- Product stewardship and safety

The risks and opportunities associated with the above topics primarily occur throughout various tiers of our value chain. For more information on our material topics, please see the [GRI Content Index](#).



Acting On Our Strategy

Sustainable materials. Responsible business practices. Meaningful targets. All form the core of our Sustainability & Responsibility strategy. To execute on our strategy, we have established a comprehensive suite of Made for Change Goals and Targets organized under the focus areas of People, Planet and Product.

In FY2020, VF established 12 new targets as part of our ongoing commitment to continuous improvement. These are summarized in the following table and described in more detail in applicable sections of this report.

MADE FOR CHANGE GOALS AND TARGETS

STATUS / PROGRESS THROUGH FY2020

People

VF GOALS

SUPPLY CHAIN GOALS

Gender parity in leadership positions by 2030.	38% female leaders, a 3% improvement since 2018
VF associates will contribute 1 million hours to local communities by 2025.	36,000 cumulative hours tracked ⁵
Integrate training at all levels that fosters inclusion and addresses unconscious bias by 2020.	375+ directors and above trained
Aspire to achieve 25% representation of Black, Indigenous and People of Color (BIPOC) representation within our director and above population by 2030 in the U.S.	NEW GOAL
Slate 50% diverse candidates (defined as women, BIPOC, LGBTQ+ individuals, veterans and individuals with disabilities) when hiring or promoting associates.	NEW GOAL
Attain pay equity for associates, sponsored athletes and influencers by 2024.	NEW GOAL
Double supplier diversity spend by 2025.	NEW GOAL
Improve the lives of 1 million workers and their communities by 2025 and 2 million people by 2030.	290,315 reached, representing 130,000 more people since 2018
In-scope Supplier factories will implement gender-based violence prevention and reporting mechanisms by 2025. ⁶	NEW GOAL
No worker in the VF supply chain pays for their job by 2026. ⁷	NEW GOAL
Amplify the voices of in-scope supply chain workers through gender-proportional workplace committees by 2030. ⁸	NEW GOAL
All in-scope supplier factories are elevating and expanding industry-leading health and safety programs by 2025. ⁹	NEW GOAL



MADE FOR CHANGE GOALS AND TARGETS

STATUS / PROGRESS THROUGH FY2020

Planet

Science-Based Targets	Reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions 55% by 2030 (2017 baseline year).	67,826 MT CO ₂ e, a 17% reduction
	Reduce absolute Scope 3 GHG emissions from purchased goods and services and upstream transportation 30% by 2030 (2017 baseline year). ¹⁰	3,700,000 MT CO ₂ e, no change
	Utilize 100% renewable energy across our owned-and-operated facilities by 2025.	29% renewable energy, a 17% improvement since FY2017
	Achieve zero-waste* at all of our owned-and-operated distribution centers (DCs) by 2020.	72% of our DCs are zero-waste*, a 17% improvement since 2018 ¹¹
	Eliminate all non-essential, single-use plastics from VF direct operations and sponsored events by 2023. ¹²	NEW GOAL

Product

All footwear leather will be finished in Leather Working Group audited tanneries by 2021.	100%, goal achieved
Publish traceability maps for 100 of our brands' most iconic products by year end 2021.	44 maps completed since CY2018
All cotton purchased by VF will be grown in the U.S., Australia or under a third-party cotton-growing sustainability scheme by 2025.	75% grown in the U.S., Australia or under a third-party sustainability scheme ¹³
50% of polyester will come from recycled materials by 2025. ¹⁴	24% recycled polyester, a 12% reduction from FY2018
Eliminate and/or restrict 100% of unwanted chemicals or substances, using the innovative CHEM-IQ SM program from VF's supply chain by 2025. ¹⁵	NEW GOAL
Trace five of VF's key materials through 100% of our supply chain by 2027.	NEW GOAL
Eliminate all single-use plastic packaging by 2025. ¹⁶	NEW GOAL

⁵ Current VF volunteer tracking covers select North American corporate and brand operations, global volunteering hours are not yet incorporated in reported figures.

⁶ In-scope supplier factories are defined as Tier 1 VF authorized facilities. See [Page 33](#) of this report for further information.

⁷ VF aligns with the ILO Definition on Recruitment Fees and Related Costs.

⁸ In-scope supplier factories are defined as Tier 1 VF authorized facilities. See [Page 32](#) of this report for further information.

⁹ In-scope is defined as supplier factories covering Tier 1, Tier 2, and/or subcontractor VF authorized facilities depending upon sourcing country. See [Page 35](#) of this report for further information.

¹⁰ Following the approval of VF's SBT, which covers environmental impacts in the supply chain including raw materials; VF has rolled our goals to 'Halve our upstream environmental impact, farm-to-front door by 2030' and 'Reduce the average impact of our key materials by 35% by 2025' into our Scope 3 SBT. We will continue to track performance on reducing the environmental impact of our materials through progress updates on our SBTs.

¹¹ By the end of FY2021, 100% of VF active owned-and-operated DCs will be zero-waste*.

¹² Scope of elimination will focus on single-use plastics for which there is a viable product alternative.

¹³ Fluctuations in annual sustainable cotton sourcing can be attributed to changes in the VF brand portfolio. To learn more about how VF is supporting sustainable cotton growing practices in the U.S. and Australia, see [Page 51](#).

¹⁴ To align with the **2025 Recycled Polyester Challenge**, VF has updated its previously stated goal that '50% of nylon and polyester will come from recycled materials by 2025'. We continue to report progress on our uptake of recycled nylon on [Page 52](#).

¹⁵ Please refer to the Chemistry section on [Page 56](#) for further information on the CHEM-IQSM program and a complete list of in-scope classes of chemicals or substances for this goal.

¹⁶ All remaining packaging will be reduced, originate from sustainable sources and be designed for reuse or recyclability.

* 95% diversion rate or greater

A photograph of four women in a clothing design studio. They are gathered around a table, looking at a large fashion design sketch on a board. The woman on the right is pointing at the sketch with a pen. The other three women are looking on with interest. In the background, there are racks of colorful clothing and a large window. The word "People" is overlaid in large white letters across the middle of the image.

People

Change-makers. Our associates are a force for good in the world, sparking global movements that genuinely make a difference.

TALENT | DIVERSITY | COMMUNITY | HEALTH & SAFETY | PEOPLE-FIRST FACTORIES



Meet the Talented People of VF

At VF, we work hard to foster a culture that empowers associates to reach their full potential. To express bold ideas. To chase big dreams. And to find fulfillment in purpose-led work. The VF workforce is a richly diverse community that shares a relentless drive to succeed and consistently achieve amazing outcomes together.

Attracting and Inspiring Top Talent

We believe that working at VF blurs the line between career and calling. We motivate associates with competitive compensation, holistic well-being programs and easy-access resources that support their physical, emotional, social, financial and career well-being. And with the opportunity to truly make a difference in the world.

Being an employer of choice and attracting and retaining talent is critical to our business strategy. In FY2020, VF commenced a global job framework initiative to align our wages with the market standard, focusing on pay equity and consistency.

VF's Council to Advance Racial Equity (CARE) announced that by 2024, VF will assess and resolve any identified pay gaps for employees, sponsored athletes and influencers across the global organization through a pay equity analysis.

We encourage our people to live active lifestyles and explore the outdoors. As part of this focus, we offer a range of perks that support a healthy lifestyle, including on-site gyms, subsidized nutritious food options, annual health fairs, free biometric screenings and local walk/run challenges. Our 'Be Fit for Life' well-being program includes tools and resources that support a healthy lifestyle for our North American associates and their families.

**Working at VF blurs the line
between career and calling.**



Supporting Working Parents During the Pandemic

To help ease some of the burden placed on North American associates balancing work and families in CY2020, we offered:

More than 500 reconditioned laptops, for free, to eligible U.S.-based associates at our distribution centers, retail stores and customer service centers.

VF's partnership with Bright Horizons provided child care and tutoring discounts, free Sittercity access and other enhanced family supports.

VF's Employee Assistance Program to provide free access to confidential counseling sessions. VF also launched a series of emotional well-being webcasts led twice per month by behavioral health professionals for global associates to access.

Offering Training and Development Opportunities

We built our performance-driven culture on a foundation of collaboration and mutual support. Access to personal learning opportunities is a fundamental aspect of our Guiding Principle, Be Curious. We give our associates the space to explore, innovate, fail and try again. We embrace the power of coaching and mentoring, and we nurture associate networks that help make VF a place where everyone feels valued and strives to perform at their highest level.

External experts, such as the Institute for Corporate Productivity and The Conference Board, help us benchmark our performance. Our globally aligned performance management process is at the heart of how we track progress and help our people develop.



Living the Vans® Brand

VF's brands organize activities that align with the interests of associates. At the Vans® brand, associates celebrated the second annual Vans® Checkerboard Day in CY2020 encouraging the extended Vans® family to use creativity as an outlet for mental health. Around the world, people showed how they skate, draw and play music for their mental well-being and these efforts supported our donation of \$1 million for 10 partner charities to support creativity.



In part, through our Talent Development Center of Expertise, we manage learning at the global, regional, brand and functional levels – always working to balance consistency with personalization and local needs.

We offer training in personal skills, such as critical thinking and effective communication, that drive innovation, collaboration and meaningful work. Our global learning management system gives associates access to more than 300 digital learning assets and over 22 (virtual) instructor-led learning journeys.

We place a specific emphasis on developing exceptional managers. Several VF brands have implemented programs to help first-time managers develop their

leadership skills. And we've aligned all our programs for new managers to ensure consistency in how we build skills beyond their current roles and support one performance-driven culture across the VF enterprise.

Our mentoring program is an opportunity for junior team members to learn from more experienced associates. The program increases knowledge-sharing and networking. In turn, mentors develop their own skills and capabilities while building the next generation of business leaders.



Engaging Associates

Embracing agility. It was one of the capabilities that enabled VF to quickly pivot our associate engagement efforts and support the team through the COVID-19 pandemic.

The VF Associate Engagement team centralizes resources and provides standardized onboarding for new associates. Within the first 100 days, each associate receives a consistent cadence of information and access to critical touch points that help them get started on a fulfilling career at VF. We were able to quickly adapt this onboarding experience to the

virtual environment during the pandemic, helping to engage new hires without overwhelming them.

We gather crucial feedback from associates through our onboarding, regular surveys and exit interviews. This input is key to making real-time decisions and informing strategic improvement in our associate engagement opportunities. Some of the steps we took during the pandemic to support associates' needs included:

- Offering a stipend to purchase home-office supplies during the pandemic in North America.

- Providing timely tips and resources in associate newsletters for coping with pressing needs.
- Steering away from big virtual events in response to associate reports of online meeting fatigue and feedback that smaller engagements with immediate team members were more meaningful.

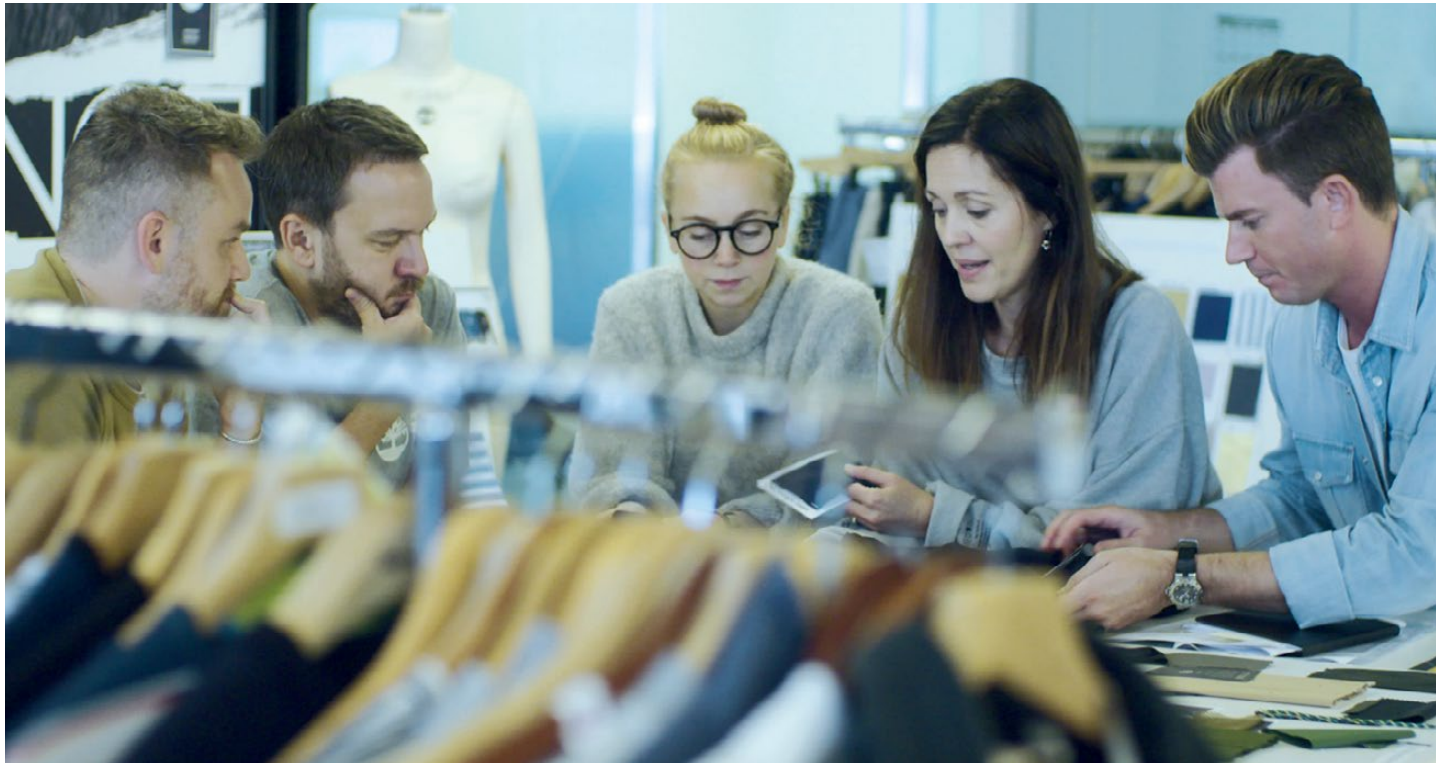
Moving forward, VF will activate our Workplace Next strategy, which outlines our approach to working and thriving in a post-pandemic workplace by incorporating best practices for and embedding workplace flexibility into our culture.

Creating New Career Paths with VF Growth Assignments

VF's Growth Assignment initiative allows associates in the APAC region to work on a different team for up to six months. Participants gain new skills and experiences while expanding their career options within the organization.

"My Growth Assignment expanded my understanding of traceability. I learned how to trace materials from Tier 1 to Tier 4 by mapping VF products and gained firsthand knowledge of the existing challenges and opportunities in defining VF's upstream suppliers."

– Wilson Chan, 2020 VF Growth Assignment





IDEA Driven: Inclusion, Diversity, Equity and Action at VF

At VF, connections are everything. From connecting our consumers to active lifestyles to connecting our associates with rewarding careers, we're engaging with diverse groups, finding common values and weaving together an interconnected movement for the betterment of people and planet.

In 2020, we strengthened our commitment to inclusion, diversity and equity, adding the word "Action" to the phrase and adopting the moniker "IDEA." Much more than just a shift in terminology, it represents an acceleration of our plans to take bold action and hold ourselves accountable to our goals.

Leaning into the Challenges: CARE

In the summer of 2020 VF launched our Council to Advance Racial Equity (CARE). This associate-led council brings diverse voices to the table so we can understand and assess the greatest opportunities to advance racial equity across our company, our communities and the apparel and footwear industry. Ultimately, we want to go beyond eradicating racism to build an anti-racist VF culture. We are on the road

to accomplishing this through the company's CARE initiative strategies (outlined on [Page 16](#)).

Equipping Associates for Our Cultural Movement

Throughout CY2020, we conducted multiple listening sessions, trainings and inclusive exercises with our associates to help embed our IDEA commitments into the fabric of VF. Key initiatives included:

- Completing a cross-functional review of unconscious bias training programs.
- Teaching associates how to express their allyship in actions as well as words.
- Debuting the "Inclusion starts with I" program to equip retail store associates with inclusivity best practices to better serve our customers.

We want to go beyond eradicating racism to build an anti-racist culture at VF.



ENABLING WOMEN IN OUR SUPPLY CHAIN



Women in South Asia face significant social stigma during their period. In CY2018, VF's **Worker and Community Development (WCD)** program sought to address this topic by partnering with the **Business for Social Responsibility (BSR) HERproject** to educate factory workers in India regarding menstrual hygiene management (MHM). We learned a lot from this program. Most importantly, we learned that workers need access to necessary MHM products in order to put their knowledge into action.

VF partnered with BSR again in CY2020 to design an enhanced MHM pilot for factories in Bangladesh. By providing key products, such as menstrual cups, and educating participants on MHM, workers were able to put into practice what they had learned. Results from the pilot were positive, and VF has incorporated these learnings into additional WCD initiatives.

Expanding the Dialogue Through Employee Resource Groups

Our Employee Resource Groups (ERGs) play a central role in fostering connection and supporting the rising tide of activism and advocacy. ERGs provide associates opportunities to develop leadership skills and business acumen while engaging in authentic conversations designed to increase learning and sense of community.

VF EMPLOYEE RESOURCE GROUPS



Attract. Connect. Engage. (ACE) Diversity
Building an inclusive culture for our BIPOC associates.



VF Pride
Fostering an inclusive environment for LGBTQ+ associates and allies.



Women of VF Empowerment Network (WOVEN)
Promoting women's leadership, attracting the best female talent, and building a community of safe and honest dialogue.



IDEA Annual Profiles

Our **IDEA Annual Profiles** offer additional insights into our commitments and initiatives across the global enterprise.

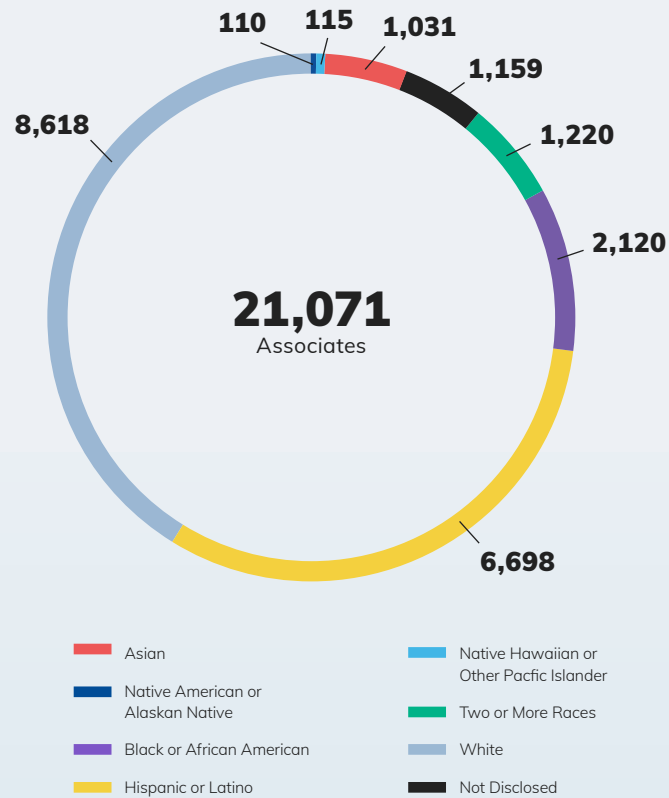
Women's Equality

VF's Chairman, President & Chief Executive Officer, Steve Rendle, signed the UN's Women's Empowerment Principles in CY2020, further strengthening VF's commitment to advancing women's rights across our value chain. As a signatory, VF is working to improve pay equity, equal representation and gender-responsive supply chain practices. See the **VF 2020 Human Rights Report** for more information.



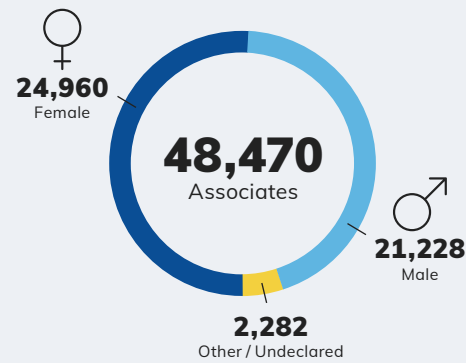
Our Workforce At A Glance

BY ETHNICITY (U.S. ONLY)

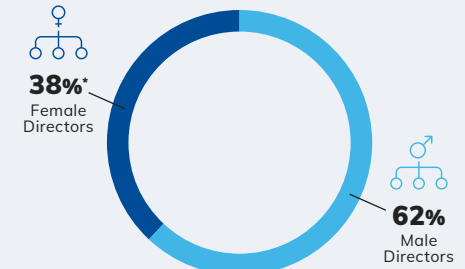


BY GENDER (GLOBAL)

Female/Male

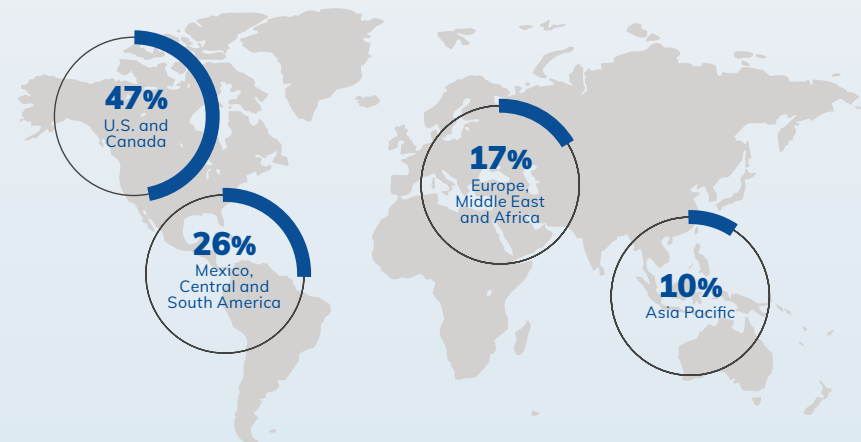


GENDER PARITY AT DIRECTOR LEVEL AND ABOVE



*Highest recorded since we started tracking metrics in 2015

WHERE WE ARE



For more information, see [Data Appendix](#)



Positively Impacting Our Communities

At VF, connection drives meaningful change. When the personal passions of our associates connect with our efforts to make a positive impact, we unleash outsized potential for real progress in our communities and beyond.

Bringing to bear our scale, resources and brands, we prioritize community causes under three key areas of impact: make the outdoors accessible and welcoming to everyone; support workforce development in the skilled trades; and encourage creativity and self-expression.

Our partnerships and social impact initiatives deliver targeted, measurable results that complement and amplify our brand-led campaigns. We drive these results in many ways, from strategic investments, advocacy and volunteering to philanthropic gifts and collaboration with partners.

The VF Foundation

The VF Foundation provides grants to organizations that align with our core beliefs and create ripple effects of positive impact around the globe. When COVID-19 threatened the livelihoods of millions of garment workers in Bangladesh due to factory shutdowns, The VF Foundation donated funds toward relief efforts through its partnership with GlobalGiving. As a result, more than 5,500 households struggling with basic needs received a cash stipend from local partner **BRAC** to help them buy food and other necessities.

Our grants to The VF Foundation create ripple effects of positive impact.



VF FOUNDATION FAST FACTS

\$6.2M+

Granted to **72 Community Partners** in FY2020

4M

People Reached in **53 Countries** since 2002

\$50M

In Grants and Donations Globally since Inception

Volunteering

Volunteering energizes our associates as agents for social change and community improvement. Our commitment drives every one of us – from our CEO to our newest colleagues – to give our time and expertise to the causes we care about.

In FY2020, we established an employee volunteering working group with the purpose of developing the VF Volunteer Time Off (VTO) Policy. We plan to grant up to 40 hours of paid time off (PTO) per year for full-time associates and up to 20 hours of PTO per year for part-time associates who volunteer with eligible nonprofits. PTO for eligible volunteer work applies to both corporate and brand associates. This policy is a significant step in achieving VF's goal that all associates will have the opportunity to contribute to their local community. The volunteering working group is also helping to expand the range of community involvement opportunities, making

it easier for associates to get involved. The group is also implementing a universal volunteer tracking system to capture our associates' impact.

VF associates in North America logged 11,000 hours of volunteer time in FY2020.¹⁷ We expect that number to grow exponentially once the VTO Policy is fully implemented, and we accelerate our efforts to amass 1 million associate volunteer hours by 2025.

VF Green Teams Move Toward a More Sustainable Future

VF launched a global Green Teams initiative focused on aligning existing regional- and brand-led Green Teams with VF's Purpose. VF Green Team members aim to embed a sustainability mindset within the

culture and environment of their specific workplace and within the broader community.

In the summer of 2020, VF established its first global Green Team program and a Green Team at the new headquarters in Denver. Subcommittee leaders on our Denver Green Team represent eight different functions across VF and our brands. Focused on waste, transportation, green buildings and community engagement, the VF Green Team has already established rich partnerships with local organizations, including Denver Urban Gardens, The Nature Conservancy, National Forest Foundation and more.

¹⁷ Current VF volunteer tracking covers select North American corporate and brand operations, global volunteering hours are not yet incorporated.



EMEA Region Purpose Day

In FY2020, 10 VF locations across the EMEA region joined forces during the same week to support their local communities through impactful volunteerism with nonprofit partners. The results illustrate how coming together for good in the community can make a difference:

880+

VF Participants

7,000+

Volunteer Hours

40

Community Projects



Advancing an Ownership Culture: Associate Health and Safety

VF puts people first. The mission of our health and safety program is simple: send associates home safely every day.

Our global Health & Safety team shapes policies that drive safety across our company. All our facilities must comply with legally mandated standards for workplace health and safety in the countries and communities where they operate.

Our health and safety strategy focuses on three key areas: **worker engagement, continuous improvement and driving action through data.**

Worker Engagement: Establishing Personal Ownership

Empowering people to identify issues, report safety risks and create safety solutions enables VF to maintain a global safety culture that positively impacts all facets of our business. To promote a “together we

own it” mentality, we conduct trainings and provide ongoing communications to managers and employees. Associates are empowered to identify potential hazards without fear or repercussions.

Continuous Improvement: Training and Education

To drive prevention of workplace accidents and safety-compromised situations, we provide resources to our managers and associates with consistent knowledge of best practices, including:

- 30-hour health-and-safety certification program for safety leaders at VF owned-and-operated locations in conjunction with North Carolina State University and the U.S. Occupational Safety and Health Administration (OSHA).

**Our “together we own it”
mentality is at the heart of our
global safety culture.**



- Monthly continuing education series for safety leaders, with topics selected based on data trends indicating areas for improvement.
- More than 100 safety courses in our digital library for on-demand use by both associates and suppliers.

Driving Action Through Data: Digital Safety Management System

To increase transparency and ease of reporting of health and safety data, in FY2020 VF began the global rollout of an employee-facing health and safety reporting application called ProcessMAP. Use of this reporting tool and the data generated enables the development of proactive data-based health and safety strategies and training priorities along with deploying tools matching risk trends. Data is also leveraged to strengthen our field investigation and root cause determinations to drive corrective actions.

See [Page 77](#) in the Appendix of this report for detailed information on our health and safety data.

Our health and safety strategy focuses on three key areas: worker engagement, continuous improvement and driving action through data.



COVID-19 Response: Keeping Associates and Consumers Safe

VF moved quickly in 2020 to navigate the COVID-19 pandemic with “people-first” decision-making focused on the safety of our associates, consumers and the communities where we work.

In accordance with local government guidelines, our manufacturing factories and distribution centers continued to operate with strict social distancing protocols, temperature screenings, added protective equipment and reduced and rotating shifts. Distribution-center associates in the U.S. and Canada received up to 14 days of emergency pay for medical leave. In late May, 2020, our global Health & Safety team developed a robust **COVID-19 Prevention Reference** to help keep associates and consumers safe as retail stores and offices began evaluating reopening plans. This is a living document that is continuously updated to align with best practices.



Putting People First at Supplier Factories

In FY2020 we employed nearly 50,000 people. But many more – upward of 1 million from nearly 60 countries – earn their income making our products. We have a responsibility to protect and lift up those who work across our operations and supply chain.

We work diligently to help people in our supply chain lead better lives because of their connection to VF. And we've developed a holistic strategy for doing just that.

FOUNDATIONAL ELEMENTS OF OUR HOLISTIC STRATEGY

HEALTH & SAFETY

Protecting the health and safety of the people in our supply chain and beyond.

WORKER RIGHTS

Promoting dignity, social dialogue and equal opportunities for all workers.

WORKER & COMMUNITY DEVELOPMENT

Improving the health, gender equality and economic status of workers and their communities.

We break down silos to enable positive outcomes throughout our supply chain.



We recognize that driving positive outcomes across our supply chain cannot be achieved in silos. The Betterment of People ethos is woven into our global operations, inspiring the entire organization to fulfill our Purpose. Our approach hinges upon our commitment to accountability, collaboration and continuous improvement. As we continue to raise the bar for our suppliers, VF works closely with external stakeholders to help provide the VF associates who enforce our supplier standards and support factory capacity building with the resources, knowledge and skills to execute our programs and achieve our goals.

Our Governing Principles

The policies and procedures in place across our supply chain are designed to uphold workplace safety in every factory, respect human rights and improve the lives of workers and their communities. Our standards follow the UN Guiding Principles (UNGP), as well as International Labor Organization (ILO) and OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear sector. We expect all partners and suppliers to adhere to these policies and procedures as well. We act on our conviction that workplaces associated with our brand – and our industry – should provide opportunities for personal

In CY2021, VF will strengthen its partnership with the ILO's Better Work program by becoming a global partner.

progress and economic advancement. We've partnered with recognized experts to guide our efforts to identify human rights risks across our supply chain. To learn more about our human rights approach and impact assessments, see the [VF 2020 Human Rights Report](#).

Engaging with Stakeholders

We prioritize focus on the topics and locations where we've identified the most salient risks. And at every step, we seek both the guidance of top organizations and feedback from those impacted by our operations. These engagements help us design our policies, trainings and programs intended to improve workers' lives and protect our planet.

Stakeholder collaboration plays a fundamental role in developing and enhancing VF's supply chain strategy. Our Worker and Community Development (WCD) needs assessment shaped our program by engaging directly with workers and community members to understand localized needs. VF's partnership with the ILO's Better Work program and the UN International Organization for Migration (IOM) have supported our work to advance labor rights in the supply chain.

Managing Our Supply Chain

Supply chain oversight at VF comprises two distinct functions: Responsible Sourcing and Global Assurance. The Global Assurance team, part of VF's internal audit function that reports to the Board of Directors, oversees supplier compliance. The Responsible Sourcing team, part of VF's supply chain operations, collaborates with internal and external stakeholders to drive continuous improvement across VF and our network of suppliers. These separate reporting structures support internal accountability by keeping oversight of factory standards independent from

business operations. That said, the two teams work closely together to lead supplier engagement across our global organization.

VF's Factory Compliance team, a key part of Global Assurance, completes more than 1,000 facility audits per year, and the Responsible Sourcing team's Sustainable Operations division helps our suppliers build capacity, understand our expectations and remain in compliance with our high standards. These teams are integral to the execution of VF's Health and Safety, Worker Rights, and WCD programs, which aim to better the lives and futures of those who make our products.

VF completes over 1,000 factory audits per year.

Auditing Suppliers and Building Capacity

Our Factory Compliance team conducts regular factory audits to verify that practices throughout our supply chain align with our [Global Compliance Principles](#).

Our audits include a thorough inspection of health and safety, environmental and social practices. We review factory records, including payroll, operating licenses and other details to confirm that our contracted suppliers comply with local laws and VF global supplier standards. We also conduct interviews with factory workers to better understand



FACTORY AUDIT DESIGNATIONS



If we identify low, moderate or high findings and designate the factory as noncompliant, we assign it one of three severity levels: Rejected or Pending Rejection; Developmental; or Accepted.

HIGH

High likelihood of physical, financial or psychological harm to a worker. Results in a factory designation of Rejected, or in the case of a previously Accepted factory, Pending Rejection.

MODERATE

Systemic compliance findings that threaten potential harm to workers. Results in a factory designation of Developmental.

LOW

Incidental compliance issues, such as missing paperwork. Low likelihood of harm to workers. Results in a factory designation of Accepted.

working conditions and worker treatment. For further information on the audit codes that VF suppliers are assessed against, see the [VF Facility Standards](#).

At the end of each audit, the factory manager is presented with a written Corrective Action Plan that details findings from the audit. Our Sustainable Operations team works with suppliers to build factory capacity through trainings and one-on-one assistance. Our goal is to build long-term relationships with our suppliers that enable a collaborative approach to continuous environmental and social improvement.¹⁸ Whenever possible, we choose remediation over ending our relationship with a factory. We believe remediation delivers better outcomes for all parties involved, including factory workers and communities.¹⁹

Enabling Responsible Purchasing

We value open dialogue with our supplier community, and through the [Better Buying Initiative](#), we invite suppliers to rate VF's purchasing practices using the online platform. Assessing buying behavior through the lens of our suppliers better informs our purchasing practices. Beyond VF, we hope this effort achieves industry-wide adoption of responsible purchasing.



SUPPORTING SUPPLIERS AND WORKERS DURING THE PANDEMIC



The COVID-19 pandemic has disproportionately impacted vulnerable and marginalized groups around the world, and we responded. VF adopted a people-first approach to supporting workers and their families, not only in our own operations, but also across our supply chain. We engaged with suppliers to understand their financial obligations, and we are using our banking relationships to implement supplier trade financing programs. As we worked to implement that program, we immediately paid out tens of millions of dollars in advance to suppliers who were experiencing cash flow challenges.

We joined with the ILO, International Organisation of Employers, International Trade Union Confederation and others in a united [Call To Action](#) to further support garment workers' rights throughout the pandemic and beyond.

At the onset of the COVID-19 pandemic, VF, The VF Foundation and the VF family of brands donated more than **\$10 million**²⁰ to assist with urgent medical needs and help those struggling to cope in the face of the coronavirus pandemic. Read more about our COVID-19 relief efforts [here](#) and [here](#).



Respecting Worker Rights

VF respects all human rights. We promote dignity, social dialogue and equal opportunities for all people across our supply chain to drive improvements, fair incomes and greater shared value for all.

In FY2020, we finalized the VF Worker Rights strategy by leveraging the outcomes of our **human rights due diligence process** to identify salient issues in our supply chain where we have the greatest opportunity for impact:

- Freedom of Association
- Responsible Recruitment
- Gender-Based Violence and Harassment
- Child Rights

VF's Worker Rights team aspires to go beyond "check-the-box" compliance by developing programs to assess the impacts of VF programs on supply chain workers. This strategy will enable us to not only measure activity outputs, such as the number of workers trained, but also assess whether they understand their fundamental rights, are able to act on their rights and if these programs have had a positive, long-term, impact on their lives. Implementation of this strategy is a crucial step in the pursuit of our Responsible Sourcing vision.

To activate this strategy, the Worker Rights team collaborates with key global organizations such as the ILO, IOM and CARE International on the design, development and execution of aligned initiatives. In 2020, we implemented the first stages of this strategy through a pilot in partnership with the IOM focused on the responsible recruitment of migrant workers in key regions of our supply chain.



Upholding Migrant Workers' Rights

In 2020, we launched our **partnership with the IOM** to uphold migrant workers' rights in garment and footwear supply chains. Through this collaboration, we're strengthening worker rights in Jordan, Taiwan and Thailand by improving workers' access to responsible recruitment channels. VF's 'Your Voice Matters' program, a key component of this pilot, launched digital tools that measure the program's impact on workers by leveraging remote impact assessments and a digital training platform. The program features online training modules in local languages and testing to support awareness of prevalent worker rights issues. The outcomes are a key first step in VF's Worker Rights strategy. We plan to implement similar digital tools across each identified salient issue area to support the measurement of the impact on workers and progress against our goals.

Human Rights Report

This report covers our human rights activities in FY2020 and is aligned with the UNGP Reporting Framework.



Freedom of Association

We support workers in our supply chain and their right to advocate for worker well-being, including the right to freely choose representation in the workplace and to exercise that right without employer retaliation. Freedom of Association (FOA) is key to empowering vulnerable groups and promoting individual rights.

VF is focused on respecting rights and remediating issues related to FOA and collective bargaining throughout our supply chain. In 2018, we launched our **Industrial Relations Leadership Pilot** with the ILO's Better Work initiative to enhance collaboration and communications at VF's strategic factories while building capacity for factory workers, their representatives and their management. Going forward, VF will partner with Better Work to run in-depth trainings and assessments on key issues impacting VF supply chains at factories in Bangladesh, Cambodia, Haiti, Indonesia, Jordan, Nicaragua and Vietnam.

Freedom of Association Milestones

- All relevant VF associates will be trained on industrial relations and conflict resolution best practices through the Better Work Academy by 2023.
- Workers in strategic supplier factories will be aware of their rights to enable effective social dialogue by 2025.
- Strategic supplier factories will have functioning grievance resolution mechanisms in place by 2025.

Responsible Recruitment

VF does not tolerate any form of modern slavery. We – and the entire business community – have a responsibility to work to eradicate forced labor from global supply chains. We strictly prohibit our supplier factories from using indentured labor, bonded labor or any other form of forced labor or human trafficking.

We are a signatory to **The Mekong Club's business pledge against modern slavery**, and the **American Apparel and Footwear Association (AAFA) and the Fair Labor Association's Apparel and Footwear Industry Commitment to Responsible Recruitment**.

We are committed to preventing workers in our supply chain from paying for their jobs and are partnering with the IOM to implement this policy on a global scale. In 2020, 85% of VF associates on the Global Assurance and Sustainable Operations teams, which conduct

Responsible Recruitment Milestones

- All relevant VF associates were trained on responsible recruitment and migrant worker best practices by the UN IOM by the end of CY2020.
- Recruitment of all migrant workers in VF's supply chain will meet VF's 'Supplier Guidelines for the Responsible Recruitment and Employment of Migrant Workers' by 2024, and workers will have the freedom to return home at any time.

audits and support factory capacity building, completed training with the IOM on responsible recruitment best practices and provided guidance on the development of VF's 'Supplier Guidelines for the Responsible Recruitment and Employment of Migrant Workers'.

Gender-Based Violence and Harassment

We believe all workplaces should enable workers to be safe and free from gender-based violence. In 2020, VF published its **Commitment to Eradicating Gender-Based Violence and Harassment (GBVH)** and finalized **our five-year strategy for GBVH in our supply chain** with the guidance of CARE International. We've also made progress against our 2021 milestone by launching our GBVH training program, designed and facilitated by CARE International, which focuses on increasing VF associates' knowledge of best practices and procedures to address GBVH in the world of work.

Child Rights

Child rights are the fundamental freedoms and inherent rights of all human beings under 18 years of age. VF promotes the rights and dignity of children to support their development and works to combat factors that compromise their rights, including child labor and beyond.

In addition to partnering with organizations such as the Centre for Child Rights and Business and UNICEF to enhance our policies related to the prevention of child labor in supply chains, we deploy a more holistic approach to this issue by developing strategies that address child rights across our value chain. In CY2020, VF completed a child rights impact assessment of our value chain to identify areas where VF has the potential to cause or contribute to child rights impacts



through our operations or business relationships. The outcomes of this assessment will directly contribute to the development of our upcoming child rights strategy and commitment.

Fair Wages

Workers everywhere have a right to be paid fairly for their labor. While there is not a universally accepted definition of a living wage, we believe fair wages are a core tenet of worker well-being and responsible business. Our Global Compliance Principles require supplier factories to offer compensation packages with wages and benefits that comply with legally mandated minimum standards or the prevailing industry wage, whichever is higher, along with legally required benefits.

While payment of fair wages remains a challenge for the apparel and textile industry as a whole, we are doing our part to understand the wages and potential gaps for our global supply chain workers. In 2021, we will initiate a program to collect and compare wage data for both VF associates and supply chain workers against credible wage methodologies and benchmarks. Furthermore, through Better Buying we will field a survey across all strategic

suppliers to assess VF's purchasing practices and initiate dialogue with suppliers.

This project will focus on fact-based costing and help us to identify engagement opportunities in the supply chain.

Supporting Workers Beyond the Factory Walls

Our industry-leading **Worker and Community Development (WCD)** program leverages VF's scale, influence and insight to improve the lives and futures of the workers and communities that support our global supply chain. The initiative is an integral part of activating VF's Purpose as it works together with the Worker Rights, Health & Safety and Sustainable Operations teams to create positive impacts in our supply chain.

We based the program design on the findings of a unique needs assessment, which collected feedback from over 5,000 factory workers to identify issues that are salient to the workers and communities surrounding our key manufacturing areas. The results led WCD to focus on three pillars: **access to water and sanitation; adequate health and nutrition;**

affordable child care and education, with a gender lens applied to each pillar.²¹

Through these efforts we are demonstrating the business case for industry peers and suppliers that investing in worker well-being is a key driver of long-term business success. We're confident that these programs will lead to shared value creation for our business and communities, building self-sustaining programs for the long term.

WCD Programs and Partnerships

Since CY2017

290k

Workers Reached

9

Countries Impacted

By 2030

2M

People Projected to be Reached



Water and Sanitation



Health and Nutrition



Child Care and Education



Worker Health and Safety Across Our Supply Chain

Prioritizing the health and safety of all people involved in making our products is fundamental to our Purpose.

We believe the health and safety of factory workers across our global supply chain is of paramount importance, and we undertake numerous efforts to prevent injuries to workers both within and outside the manufacturing facility. To accomplish this we not only audit our suppliers' factories but require management and employees at these factories to build the knowledge and employ the tools needed to implement health and safety management systems (HSMS). With an HSMS in place, factories create a safety-first culture with systems centered around following policies and procedures, adopting best practices and conducting self-assessments.

To support the expansion of our health and safety vision across the supply chain, we've set a goal that all in-scope supplier factories²² will actively elevate and expand industry-leading health and safety programs by 2025. Achievement of this goal will be measured by tracking the percentage of supplier factories that have:

- Completed VF's Critical Life Safety (CLS) assessment.
- Enrolled in an industry-leading health and safety initiative.
- Completed a risk assessment and have implemented a functioning HSMS.



Holding Suppliers to Our High Standards

Our supplier health and safety guidelines have been developed in collaboration with VF's internal Health & Safety team and are based on international best practices and global standards (e.g. OSHA and the National Fire Protection Association). We hold our suppliers to leading international standards everywhere in the world.

VF takes a holistic approach to the betterment of people and the planet, and our health and safety program is a key example. VF's Chemical Management and Health & Safety teams collaborate on an ongoing basis. Together, they have reduced potential health risks to factory workers by leveraging the **CHEM-IQSM** program to prevent hazardous chemicals from reaching the factory floor. Chemical management standards have been integrated into VF's health and safety guidelines.

Shaping the Industry and Beyond

We're collaborating with industry peers, social enterprises, NGOs and workers to build better health and safety standards across our supply chain. Specifically, we're co-founders and members of both the **LABS** (Life and Building Safety) and **Nirapon** worker safety initiatives.



LABS works to improve worker safety by identifying and remediating the most pressing risks related to fire, electrical, structural building safety and evacuation in supplier factories. Through these collaborative efforts, we encourage broader adoption of health and safety measures by upholding our commitment to transparency. LABS, for example, publicly discloses online all factory data, including factory status reports, remediation updates and helpline data. Going forward, we will require all in-scope VF supplier factories in India and Vietnam to join LABS, and we plan to expand the program to our suppliers in Cambodia. We are working with Nirapon to support the implementation of robust health and safety standards at factories in Bangladesh.

Encouraging Adoption of National Standards

VF not only engages with industry peers and factories through LABS, which we co-founded, but we also help shape in-country health and safety standards by working with and encouraging government entities in key sourcing countries to adopt LABS standards as law. For example, LABS is partnering with the Ministry of Construction of Vietnam to incorporate LABS health and safety standards into national regulations.



¹⁸ For additional information on our factory audit procedures, see Page 56 of the **2018 VF Sustainability & Responsibility Report**.

¹⁹ An overview of our FY2020 factory compliance audit findings is provided on Page 25 of **VF's 2020 Human Rights Report**.

²⁰ Representative of VF, The VF Foundation and the VF family of brands donations as of May, 2020.

²¹ For further information on VF's Worker and Community Development program, visit our website and see Page 58 of the **2018 VF Sustainability & Responsibility Report**.

²² In-scope is defined as Tier 1, Tier 2 and subcontractor supplier factories in Bangladesh and Primary Tier 1 supplier factories in other sourcing regions.

A large-scale photograph of a wind farm. In the foreground, two technicians in safety gear are walking on the nacelle of a large white wind turbine. The turbine's blades are partially visible, extending towards the top right. The background shows a vast landscape with many other wind turbines stretching into the distance under a clear blue sky. The word "Planet" is overlaid in large white letters.

Planet

A thriving planet. Central to our Purpose, fundamental to the well-being of all Earth's inhabitants, industries and businesses.

CLIMATE | ENERGY | WASTE | SUPPLIER ACTION | WATER | MATERIALS



Addressing Climate Change

The well-being of people and the planet are inextricably connected. The effects of climate change and other negative environmental impacts affect people's health, with the most vulnerable populations often bearing the brunt of those impacts.

Climate change is truly one of the defining challenges of our time. It drives far-reaching, irreversible damage to the environment and impacts millions of lives. At VF, we're committed to doing our part. Guided by our science-based targets, we're reducing greenhouse gas (GHG) emissions across our value chain.

Our Purpose puts the intersection of people and planet front and center. Our scale carries with it a clear responsibility to conduct business in better ways. And our multidimensional approach enables us to consider our processes and materials, the biodiversity of our ecosystems and, of course, the expectations of our stakeholders, including associates, consumers, communities and shareholders.

VF is elevating our commitment to take bold and urgent action regarding climate change. Our enterprise-wide environmental sustainability strategy prioritizes **sustainable materials**, **circularity** and **sustainable packaging** to drive scalable change by reducing our company's carbon footprint. Other critical components include renewable energy use, reducing waste, implementing green buildings and more across both our operations and supply chain. Through VF's leadership and industry collaborations, we are acting now to drive long-term progress at a critical moment in our planet's history.

We can, and will, make a difference.

We're taking bold and urgent action on climate across our value chain.



Assessing Climate Risk

Climate change, once thought to only be a future risk, is having clear impacts today on businesses and communities whose livelihoods depend on a stable and healthy natural environment. It can affect our business in a number of ways. That's why we have tracked and disclosed climate-related **risks and opportunities through CDP since 2010**. And in FY2020, we began work on a new climate-risk analysis in alignment with the Task Force on Climate-Related Financial Disclosures (TCFD). For more on our business risks related to climate change, see our most recent **Form 10-K**.

Engaging in Climate Action

Effective and comprehensive public policies on climate change require innovation, private sector solutions and policy frameworks, all working together across the various sectors of the economy. We are committed to calling on political leaders at the state, national and international levels to enact and expand policies to reverse climate change and mitigate its effects. This includes supporting legislation that calls for ambitious GHG reduction targets, environmental protection and enforcement, renewable energy investment and innovation in regenerative agriculture practices. Here's a sampling of our advocacy efforts in 2020:

- Signing the **Business Ambition for 1.5°C**, an initiative aimed at limiting global temperature rise to 1.5 degrees Celsius above pre-industrial levels.
- Signing the **Business and Investor CEO Letter on EU 2030 GHG Emissions Targets** aimed at sending a message to policymakers and businesses in support of efforts to cut GHG emissions.

- Promoting smart climate change policy as a member of Ceres' Business for Innovative Climate and Energy Policy (BICEP) by being a signatory of the **LEAD on Climate 2020** coalition.
- Setting the tone from the top with our CEO's and Brand Presidents' support of the Outdoor Industry Association and Protect Our Winters CEO Climate Change Pledge.
- Committing to climate change actions in response to the U.S. withdrawal from the Paris Climate Agreement of 2016 as a signatory of **We Are Still In**.
- Working with industry peers to promote Vietnam as a renewable energy model for the ASEAN region through support of Vietnam's Direct Power Purchase Agreement.
- Striving for net-zero emissions by 2050 as a signatory of the **United Nations' Fashion Industry Charter for Climate Action**.

Setting Ambitious, Science-Based Targets

In FY2020, VF set ambitious GHG emissions reduction targets, approved by the Science Based Targets initiative (SBTi). We modeled data across our entire value chain, from farm to store, to help us better identify and implement reduction strategies. We gathered the primary data for this effort from our owned facilities, distribution centers and global logistics, as well as more than 100 Tier 1 and Tier 2 suppliers. In FY2020, we adjusted our 2017 baseline inventory to have a consistent comparison to our business operations and brands.

As a signatory to the UN Framework Convention on Climate Change (UNFCCC) Fashion Industry Charter, we've also committed to work collectively with our industry peers to advance commitments that include:

- Reducing aggregate GHG emissions by 30% by 2030



POW 
PROTECT OUR WINTERS

The North Face® Fosters Climate Education

The North Face® brand sponsors the "Protect Our Winters Hot Planet/Cool Athletes" climate education program, which brings professional athletes to middle and high schools across the U.S. for fun and interactive climate change lessons.



- Supporting the movement toward circular business models and acknowledging the positive impact this will have toward reducing GHG emissions within the apparel sector
- Establishing dialogue with key governments to enable renewable energy, energy efficiency and the infrastructure needed to advance systemic change beyond the fashion industry

Investing in an Industry-First Innovation: Green Bond

Our investments in sustainable innovations benefit both the planet and our business. Our green bond — the first issued in the apparel and footwear industry — has been an important step toward delivering on our Sustainability & Responsibility strategy. Full allocation of the net use of proceeds provided positive environmental impacts in three core areas:

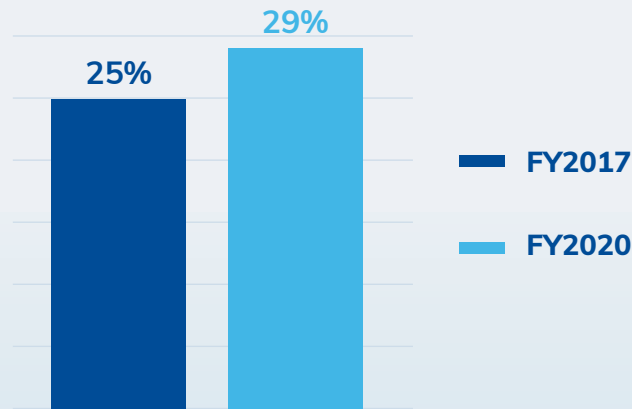
1. Sustainable products and materials
2. Sustainable operations and supply chain
3. Natural carbon sinks

Prepared in accordance with the International Capital Market Association Green Bond Principles 2018, our Green Bond Framework was reviewed by Sustainalytics, which provided a Second Party Opinion. Please see our [Green Bond Impact Report](#) for details on our Green Bond Framework.

Enhancing Energy Use

Managing our energy use to reduce GHG emissions is central to achieving our science-based targets, both in our own operations and across our supply chain.

VF's electric power from renewable energy



Advancing Renewable Energy

As a member of [RE100](#), we have committed to utilizing 100% renewable energy across our owned-and-operated facilities by 2025. **As of FY2020, 29% of our electric power originates from renewable energy sources, up from 25% in FY2017²³.**

In FY2020 we developed our new renewable energy strategy. Key components could include:

Virtual Power Purchase Agreements (VPPA) and/or Tax Equity Investments: Exploring new, flexible, renewable energy resources to the market.

Expansion of on-site renewables projects: On-site renewables (primarily solar) offer cost savings to the owner as they provide a portion of the electricity needed at any given time.

Unbundled Energy Attribute Certificates (EACs): An alternative to building new renewable energy solutions, Unbundled EACs are generated through existing renewable facilities.

Rethinking Distribution Center Energy Use

Our 1+ MW battery storage project at the Bardon U.K. distribution center is a model of success in these efforts and will achieve a BREEAM 'Outstanding' rating. The 338-kWh battery system will feed up to 236 kW of electricity onto the grid. This will allow us to reduce the estimated power requirement from the local utility by 50% during peak operating times and between 70% and 90% during nonpeak operating times.

We are also working with our suppliers to encourage a transition to renewable energy. Read more in the Supplier Action section on [Page 44](#).

Driving Energy Efficiency

Understanding energy consumption at each of our locations is key to improving energy efficiency and reducing emissions. That's why we've made energy use reduction a central component of our new renewable energy strategy and are adopting real-time lighting, heating and cooling monitoring systems across our global operations to increase efficiency and reduce consumption.

Improving Logistics

Logistics are a significant contributor to our Scope 3 emissions and are included in our science-based targets. To help minimize the climate impacts of global shipping, we joined 80-plus members from the global shipping industry in the [BSR Clean Cargo Working Group](#).

**State of VF Transportation in FY2020:**

- Sea: 87% of shipments by ton-mile, per year
- Land: 9% of shipments by ton-mile, per year
- Air: 3% of shipments by ton-mile, per year

Examples of recent efforts undertaken by VF to implement sustainable logistics strategies include:

- Switching from air to rail for some shipments from APAC to EMEA
- Transitioning to ground shipments, when possible, across North America and EMEA

Building Green

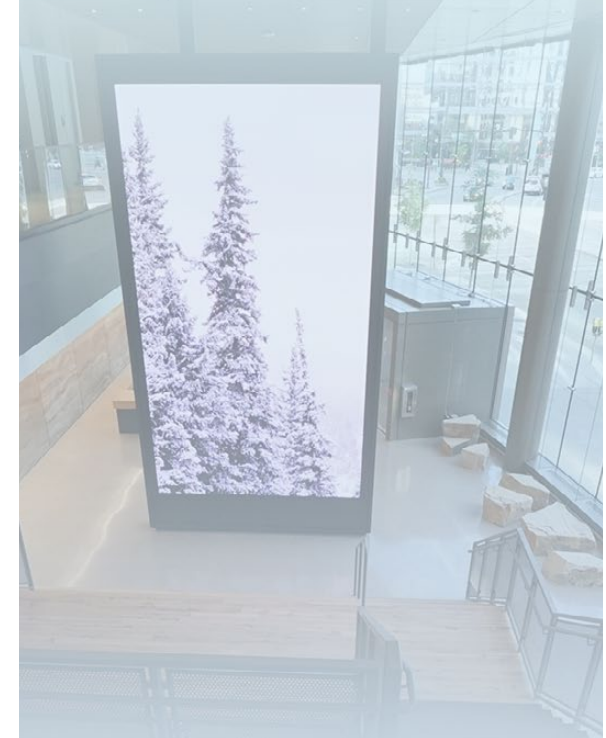
Green buildings enable enhanced control of heating, air conditioning and lighting, along with access to green space and other key features. The result is a healthier, more comfortable workplace, with energy-cost savings and reduced GHG emissions. VF has prioritized using green buildings for years.

In 2017, we published our **Green Building Policy** that outlines the minimum certification requirements for our global operations.

As of FY2020, 13 VF buildings are LEED certified or are BREEAM²⁴ rated 'Good' or higher. Several more facilities are in the pipeline. We are exploring other building design features that align with emerging workplace certifications, such as the WELL and Fitwel healthy building standards, which measure how building features can affect employee health and well-being.

Given that our owned-and-leased facilities account for over 90% of our Scope 1 and 2 emissions, the use of green buildings presents a significant opportunity in our science-based targets road map.

VF has prioritized using green buildings for years.

NEW LEED PLATINUM HEADQUARTERS

In 2020, we completed and moved into our new Denver, Colorado, headquarters. The building is designed for real-time energy monitoring and includes electric car charging stations and innovative waste management, reducing the building's environmental footprint while improving associate health and well-being. It has been certified to LEED Platinum, the highest rating level. It is also the first VF Fitwel-certified building for its wellness amenities, including a climbing wall, expansive outdoor space and an altitude training room.

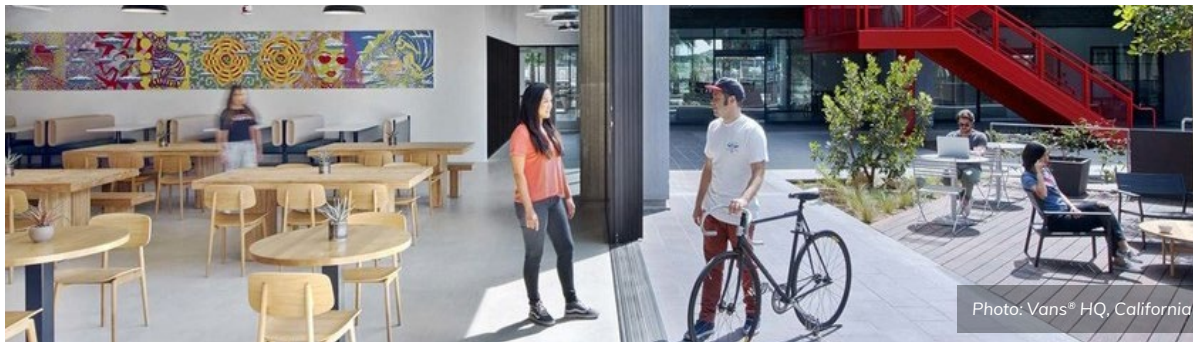


Photo: Vans® HQ, California

²³ Figures reported are representative of VF's renewable power sourcing without Occupational Workwear. FY2017 figures have been rebaselined to align with current VF operations.

²⁴ The Building Research Establishment Environmental Assessment Methodology (BREEAM) is administered by the Building Research Establishment (BRE) and is one of the oldest methods of assessing building environmental sustainability. It is commonly used in the European Union and the United Kingdom.



Reducing Waste

VF is driven to reduce or eliminate waste in our own operations and throughout our supply chain. In 2013, we set an aspirational vision of zero-waste* operations.

An enterprise-wide baseline assessment of our owned-and-leased facilities – offices, retail stores, factories and distribution centers – showed that distribution centers represented the majority of our global waste footprint.²⁵ As a result, we set a goal for our distribution centers to be zero-waste* by 2020. Between FY2016 and FY2020, VF increased the percentage of zero-waste* distribution centers from 28% to 72%. While we did not meet our 2020 goal, all active owned-and-operated DCs will be zero-waste* by the end of FY2021.

To achieve zero-waste* operations, VF developed rigorous zero-waste* management standards²⁶ for our distribution centers, focused on areas where we have the greatest impact – reducing, reusing, recycling and composting waste. Our facility waste

leaders use a three-step process to evaluate and improve waste-management operations at our distribution centers:

Tracking: We document waste streams by volume and diversion rates (amount of material we avoid sending to a landfill).

Assessment: We evaluate site recycling streams, bin placement, educational signage and associate training programs to align with VF standards.

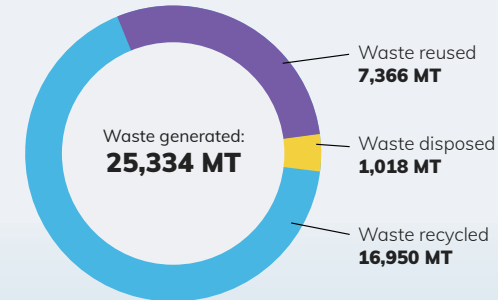
Verification: All sites complete walk-throughs with an external waste expert after achieving at least a 95% diversion rate over a 12-month period. The expert verifies that zero-waste* practices have been implemented and identifies opportunities for improvements.

72% of VF's Distribution Centers are zero-waste* as of FY2020.

* 95% diversion rate or greater



FY2020²⁷ Waste Outcomes at VF Distribution Centers



Impact of COVID-19 on Waste Disposition

The COVID-19 pandemic dramatically altered the volume of corrugated cardboard recycling and introduced large amounts of personal protective equipment and cleaning materials to distribution center waste streams. Distribution centers saw an increase in waste from personal protective equipment and a drop in demand for recycling, impacting our ability to achieve distribution center waste goals in the short term.

Going forward, we will expand our global waste-management program by implementing the learnings from the zero-waste* distribution centers to other facilities across VF's global network.

We are partnering with industry peers to train suppliers on the development and implementation of waste-management best practices.

Working with Suppliers on Waste Reduction

VF's global Supply Chain team works closely with Tier 1 and Tier 2 suppliers through the annual completion of the Higg Facility Environmental Module (FEM) to assess supplier waste streams and impacts. In 2020, VF suppliers reported generating over 1,600,000 MT of waste²⁸. Through our implementation of the Higg FEM, we are partnering with industry peers to train suppliers on the development and implementation of waste-management best practices, including waste diversion. We also encourage suppliers to obtain independent, third-party verification of all data submitted. Additionally, as a part of our circular economy vision, VF and our family of brands have developed new circularity initiatives to reduce textile waste throughout our supply chain. Read more about our circularity strategy and initiatives on [Page 60](#).

²⁵ This was reaffirmed in 2016 through VF's second enterprise-wide waste assessment, which identified distribution centers as the source of nearly 50% of VF's total waste generation.

²⁶ In the absence of an international standard zero-waste* at the outset of our zero-waste* initiative, we developed our own requirements aligned with nationally recognized definitions and emerging standards. We define zero-waste* sites as factories that divert 95% or more of their waste away from disposal through either recycling, composting or reuse. Up to 5% of a facility's waste may be disposed at a landfill or waste-to-energy facility.

²⁷ In 2019, VF transitioned from a calendar year to a fiscal year, as a result, historical data has been restated to align with the VF fiscal reporting year.

²⁸ Output is based on total waste generated by supplier facility operations. The majority of supplier factories that produce goods for VF also serve multiple companies. Through our work with the Higg FEM, VF is engaging with industry peers to tackle industry-wide impacts, not just those directly linked to VF's operations.

* 95% diversion rate or greater



Encouraging Supplier Action

Most of the environmental impacts of our business, approximately 65%, occur in our supply chain. That's why we collaborate with industry associations, supply chain partners and key stakeholders to measure our impact, share best practices and implement programs to drive meaningful change.

Collaborating with Industry Peers

The global apparel and footwear industry relies on a complex supply chain with many shared vendors. Collaboration is critical to our success. As a founding member of the Sustainable Apparel Coalition, we're tracking environmental impacts using tools such as the Higg FEM – a standardized sustainability measurement tool for apparel, footwear and textile manufacturing factories. We also committed to the [UNFCCC Fashion Industry Charter for Climate Action](#), which aims to reduce Scope 3 emissions across the industry's value chain.

Measuring Supplier Impact

In FY2020, over 500 VF supplier factories (228 Tier 1 factories and 273 Tier 2 factories) engaged

in the Higg FEM assessment process – a nearly 40% year-over-year increase. We use the Higg FEM assessment results to create annual energy reduction plans for our suppliers and track their progress as a part of our Scope 3 science-based target.

We engage with our supply chain partners through our Higg FEM training program to share environmental management best practices. Since 2018, our Supply Chain Sustainability team has trained 1,000-plus supplier factory representatives, 400 in FY2020 alone, how to implement leading energy efficiency and resource management strategies.

1,000+ VF suppliers were trained on energy efficiency and resource management.



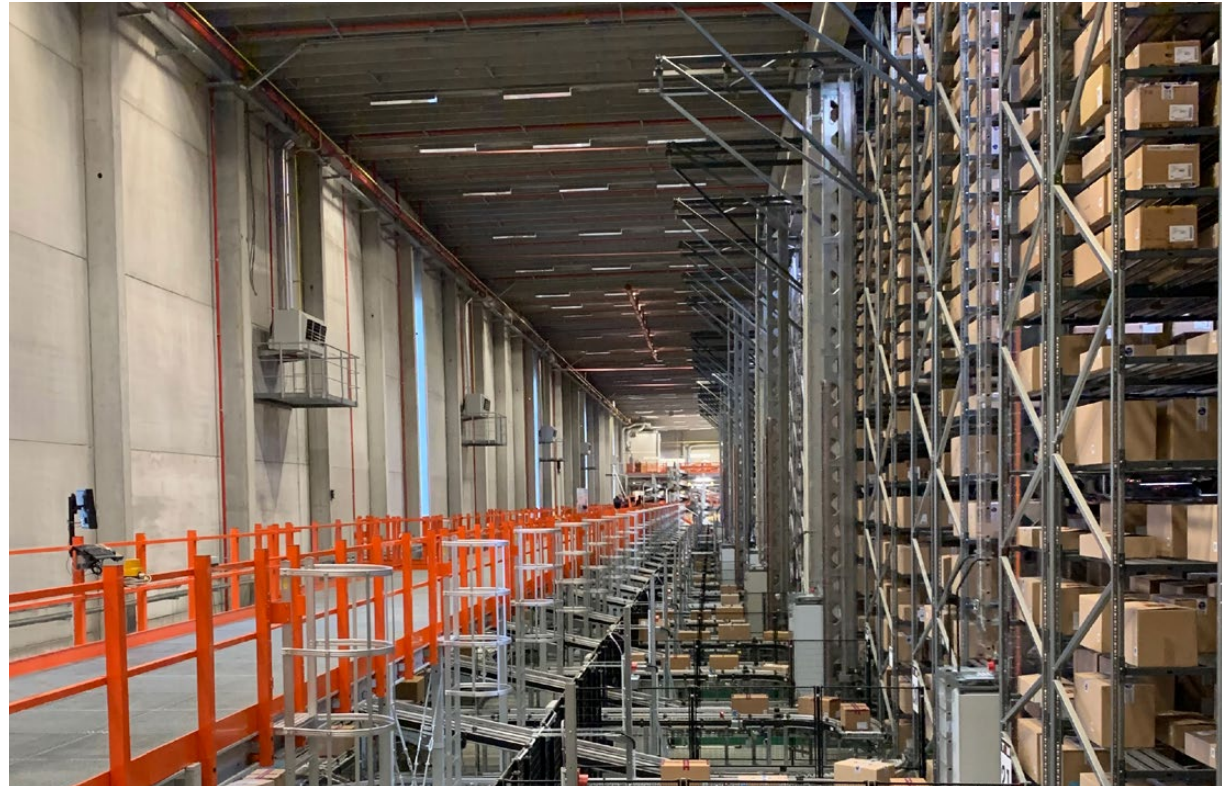
EXPANDING RENEWABLE ENERGY ACCESS ACROSS THE SUPPLY CHAIN



QuangViet, one of our Vietnam partner factories, celebrated the installation of 3 MWp (megawatt peak) solar panels in CY2020. And they plan to add another 3 MWp installation in 2021. With that addition, 90% of the factory's captured sunlight will be used for energy, decreasing carbon emissions by 75,000 tons over a 20-year period.

The Vietnam Improvement Program, in partnership with the International Finance Corporation (IFC) and with the support of VF's sponsorship, made this installation possible. We're now seeing a ripple effect in Vietnam, where the government encourages businesses to install solar technologies and distribute excess energy to the grid.

As of CY2020, more than 35 of our supplier factories used renewables. We're also working with GIZ, a German international development organization, to introduce new renewable energy programs at Tier 1 and Tier 2 factories in Bangladesh, Cambodia, China, Jordan, Korea and Vietnam.



Average Higg FEM section scores for participating verified Tier 1 and Tier 2 factories²⁹

(All scores are out of 100; the average verified score across our supply chain is 42)

Air Emissions: 31	Waste: 28
Chemicals: 22	Water: 59
Energy: 68	Wastewater: 52
Environmental management: 44	

Sharing Industry Best Practices

We share our learnings and have expanded our collaboration efforts for greater positive outcomes. Strategic partnerships enable us to scale our impact by engaging suppliers to pursue best practices in energy, water and chemical management. Together, we're producing results where it counts: on factory floors. In CY2020 we launched new energy-efficiency programs at 20 Tier 1 and Tier 2 supplier factories across Bangladesh, Cambodia, Jordan and Vietnam.

VF Supply Chain Sustainability Factory Programs (2018-2021)³⁰

Total In-Progress: 30 Total Completed: 17

Bangladesh

Programs: IFC & GIZ
In-Progress: 18
Completed: 2



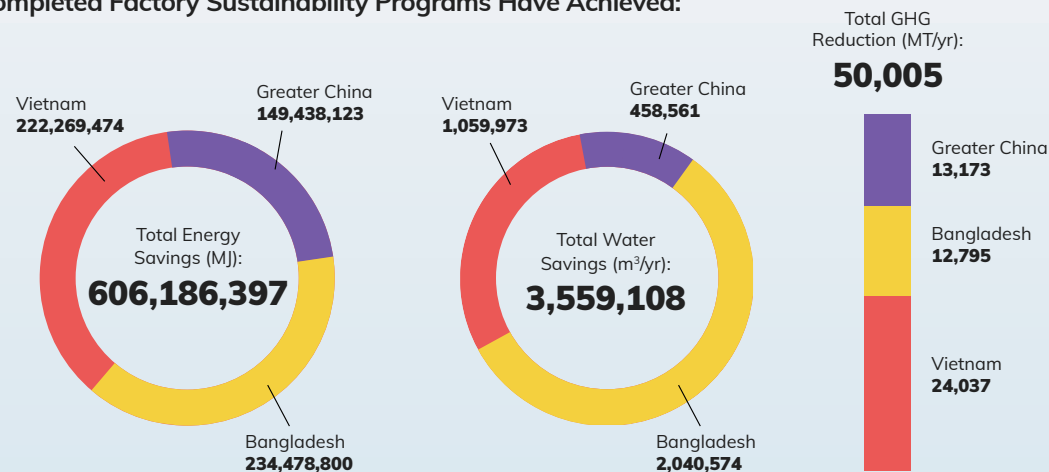
Greater China

Programs:
Clean by Design
In-Progress: 8
Completed: 2

Vietnam

Programs: IFC & GIZ
In-Progress: 7
Completed: 10

Completed Factory Sustainability Programs Have Achieved:



ADVANCING SUPPLIER SUSTAINABILITY PROGRAMS



VF is working across the supply chain to improve environmental sustainability. Examples include:

- A partnership with **GIZ** to promote the adoption of rooftop solar projects at supplier factories in Bangladesh, Cambodia, Jordan and Vietnam.
- An energy-efficiency pilot collaboration with the **UN Industrial Development Organization (UNIDO)** to increase suppliers' knowledge of environmental efficiency management systems.
- A partnership with the Apparel Impact Institute's **Clean by Design (CbD)** program, supporting wet-processing suppliers to implement systems focused on energy and wastewater management.
- A partnership with the **IFC**, a member of the World Bank Group, aimed at promoting resource efficiency and renewable energy adoption in supplier factories in key sourcing regions.

²⁹ Verified Higg FEM assessment results are from the FEM2019 cadence. The Higg FEM assessment cadence is based on the calendar year.

³⁰ Energy and resource efficiency data reflects completed programs only. Data of ongoing programs is not included in the table above.



Stewarding Precious Water Resources

From agriculture to laundering, the apparel and footwear industry uses a lot of water. In fact, VF's extended supply chain uses approximately 160 million m³ of water every year. Our most significant water impacts are in our supply chain, including cotton cultivation, leather production and water use by dye houses.

Our multifaceted approach to water stewardship focuses on three key areas:

Water Efficiency: We use the Higg FEM to collect information on facility-level water usage and promote water efficiency. Through partnerships with CbD, the IFC and others, VF supports suppliers in adopting water consumption and discharge best practices. For example, more than 350 suppliers have established rainwater harvesting programs, cumulatively collecting nearly 300,000 m³ of water per year, offsetting some of the need for water withdrawal from finite natural resources.

Wastewater Treatment: At our supplier factories, we conduct regular wastewater testing with

independent third-party labs to validate that water discharged from our operations meets our high-quality standards. We apply VF's strict **Global Wastewater Discharge Standards** to all Tier 1 and nominated Tier 2 suppliers that use more than 50 m³ of water per day in their operations. We also partner with suppliers implementing innovative wastewater treatment, such as Zero-Liquid Discharge factories that treat and recycle wastewater to reduce harmful environmental impacts and freshwater consumption.

In FY2020, we achieved 100% supplier compliance with our current Global Wastewater Discharge Standards. After achieving full compliance with

350+ VF suppliers are harvesting rainwater to reduce their freshwater consumption.



our wastewater standards, we reviewed and revised our standards significantly, raising the bar on what we expect. Our new guidelines align with the Zero Discharge of Hazardous Chemical (ZDHC) standards and incorporate additional substances of concern identified through our industry-leading CHEM-IQSM program. We recognize that implementing components of our updated Global Wastewater Discharge Standards may be challenging for some suppliers, and we commit to providing additional training and support to our suppliers, enabling them to achieve full compliance with our enhanced standards.

Water as a Human Right: Access to clean water and sanitation is a challenge for many communities near our supplier factories. We believe that this access is a basic human right. We're bringing clean water to our workers and their communities through our Worker and Community Development (WCD) program. As part of WCD, in CY2018, we completed a unique needs assessment throughout our supply chain to identify the most needed localized, community-specific resources. Based on our findings, it was clear that access to water, sanitation and hygiene (WASH) services needed to be one of the key pillars of the WCD program.

Understanding Suppliers' Water Use, Reducing Impacts

A rigorous, consistent approach to assessing the water used in our supply chain is a critical first step toward making a positive impact.

Water Risk: Every year we use the [World Resources Institute \(WRI\) Aqueduct Water Risk Atlas](#) to map our supplier water consumption against areas of water scarcity. We assess such location-based factors as water stress, water

PARTNERING TO DELIVER SAFE WATER IN CAMBODIA



Through our WCD program, we partnered with WaterAid Cambodia to bring safe drinking water and sanitation systems to rural communities near VF supplier factories. The partnership strengthened local government water authority systems by investing in the development of infrastructure to provide access to WASH services and offering knowledge-building activities to factory workers and community members. The initial investment, combined with sustained project management, will keep the water flowing long after projects are complete. One of the project components also supported local COVID-19 prevention programs.

- **44K+**³¹ people reached with WASH interventions in factories and surrounding communities.
- **350K+** people reached with COVID-19 response efforts, including hand-washing stations, awareness campaigns and training on how to prevent spreading the virus.

depletion, flood risk and drought risk and use the findings to determine the risk level of a geographic region.

In CY2020, we identified 151 supplier factories based in high- to extremely-high-risk locations for water availability. We found that 30% of these at-risk suppliers were in Vietnam, 20% in China, 11% in Bangladesh and 7% in India. As a result, we plan to expand our water risk assessment process by working with nonprofit partners to pilot factory-level water stress risk analysis that will inform the next steps in our water management strategy.

Impacts of Materials: Our global supply chain's impact on freshwater availability extends to raw material production. We're working to increase sourcing of more sustainable materials and develop more environmentally-conscious agriculture practices. We've also integrated water conservation into our material selection and product design process, using the Higg Material Sustainability Index (MSI), which measures five environmental impact categories: chemistry, global warming potential, nutrient pollution in water, water scarcity and fossil fuel depletion.

Access to clean water and sanitation is a basic human right.

³¹ Number of people reached throughout FY2020 – FY2021 data.



Pursuing Sustainable Materials

Across our brands, we aim to source materials responsibly and accelerate the innovation of materials development. Extraction, processing and production account for the largest portion (nearly 50%) of VF's overall carbon emissions globally.

Increasing our use of responsibly-sourced materials represents a significant opportunity to help lessen our environmental impact and achieve our science-based target for Scope 3 emissions. While some of the materials we need to reach our targets are not yet available, the field is evolving rapidly and deserves our encouragement. Increasing the volume and scale of sustainable raw materials through collaboration with industry experts and supply chain partners is a fundamental component of our environmental sustainability strategy.

To guide our efforts, we set an innovative Sustainable Materials Vision: Our top nine materials will originate from **regenerative, responsibly-sourced renewable or recycled** sources by 2030.

Assessing Sustainability

To bring our vision to life, VF uses tools such as the Sustainable Apparel Coalition's Higg MSI and Life Cycle Assessment (LCA) methodologies to identify the greatest opportunities to reduce environmental impact. We are also exploring industry-leading ways to recycle and reuse available synthetic materials as well as crossover solutions, such as natural alternatives to traditional synthetics or recycled natural materials. When available, we leverage third-party certifications to trace and certify materials along the supply chain, supporting compliance with our **Animal Derived Materials Policy**. Read more about our traceability efforts on **Page 63**.

We're rethinking and re-imagining our materials to help reduce our impact.



TIMBERLAND® PARTNERS TO BUILD REGENERATIVE LEATHER SUPPLY CHAIN



In CY2020, the Timberland® brand launched a collection of boots made with leather from verified regenerative ranches, **sourced in partnership with the Savory Institute**. Timberland® further supported the Savory Institute by co-funding the Ecological Outcome Verification™ process that helps to measure regenerative benefits and provides data back to farmers and ranchers at Thousand Hills Lifetime Grazed ranches. Going forward, Timberland® will expand its sourcing of regenerative leather and intends to launch regenerative pilots for natural rubber, cotton and sugar cane.

Regenerative Agriculture

A regenerative approach to agriculture uses farming or ranching principles that aim to help promote biodiversity, enhance water cycles, improve soil health and sequester carbon. As defined by the **PUR Projet**, these practices are intended to create net beneficial impacts on ecosystem services and provide beneficial economic and social impacts for farmers and local communities.

The principles commonly used in regenerative agriculture have been in use by Indigenous groups and cultures for centuries. One example is rotational grazing, where a grazing livestock herd is rotated among small paddocks for short durations, which

stimulates grass growth, naturally fertilizes microbes and allows rainwater to sink into the earth to bolster drought resilience and reduce runoff.

VF and our brands are supporting the development of regenerative supply chains for key materials used in our products. There's still much to learn about the benefits of regenerative agriculture and how best to quantify these outcomes. Each material is unique, and practices vary by crop, animal and region. To better understand the science, scale supply and source regenerative materials, VF brands are launching pilots across the globe focusing on implementing regenerative practices for our key materials.



Partnering with PUR Projet

"The continuous knowledge sharing and dedication to work with partners from across the value chain is a unique feature of VF's approach to building regenerative awareness and leadership. PUR Projet and VF are partnering to build strong foundations by developing scientifically-based and community informed regenerative practice knowledge and a culture that inspires stakeholders, from farmers to consumers, to support practices that have a net beneficial impact on ecosystems and communities."

– PUR Projet on its partnership with VF



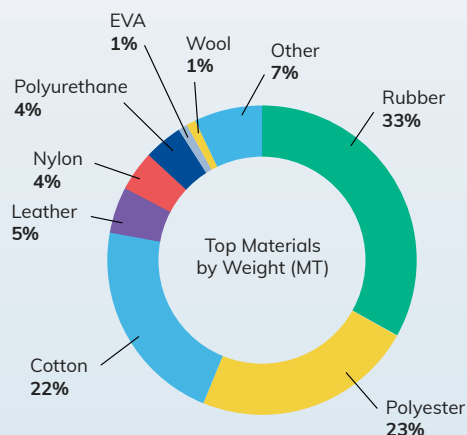
Beyond our company-wide sustainable materials goals, our brands are also establishing several product-level goals that cover the unique plant- and animal-derived materials they use. See the Brands section of this report for more details.

We are committed to supporting the Science Based Targets (SBT) Network's development of the **SBTs for Nature**. Building on the foundation of the SBTs for climate, SBTs for Nature seeks to develop targets to protect biodiversity and reverse the loss of natural environments.

Facilitating the Move to Sustainable Materials

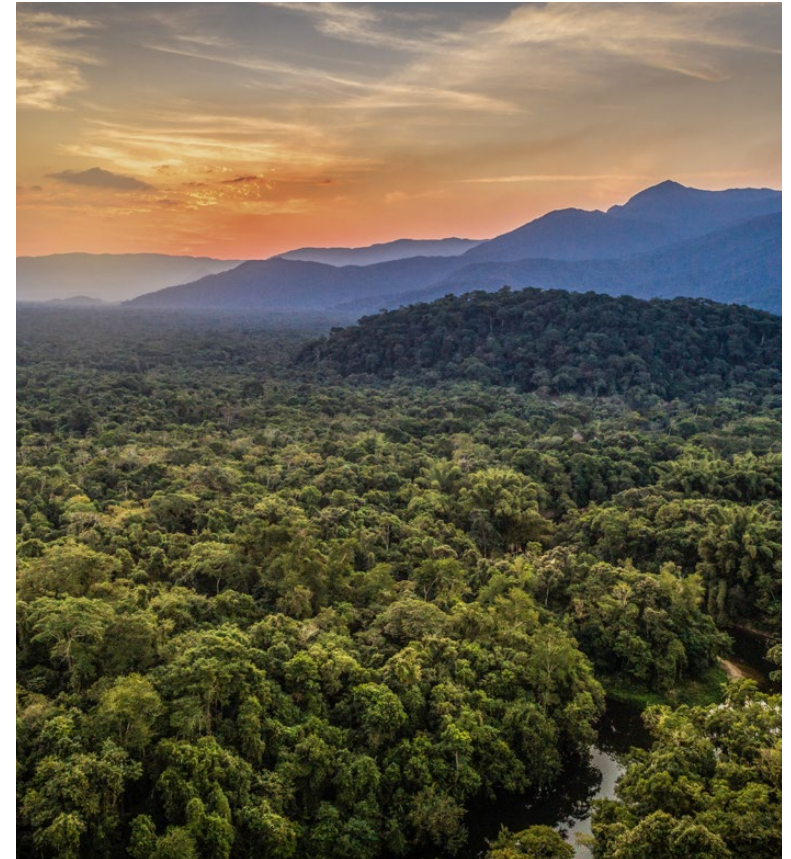
VF takes a holistic approach to sourcing materials to help minimize negative environmental and social impacts. Our robust efforts to certify and trace materials help us understand the origins of our materials and how they were produced.

FY2020 Top Materials



Discontinuing Leather Sourcing in Brazil

Knowing where our raw materials originate helps us make better decisions, for our business and for the planet. In FY2020, through our Traceability team's due diligence program, we identified potential environmental risks associated with sourcing leather from Brazil linked to deforestation in the Amazon Biome. As a result of tracing our entire leather supply chain, we were no longer satisfactorily assured that our de minimis volume of leather purchased from Brazilian suppliers upheld our commitments. We made the enterprise-wide decision to stop sourcing leather for international products from Brazil until we have the confidence and assurance that the materials used in our products do not contribute to environmental harm.



Leather

We have achieved our goal that by 2021, all VF footwear leather will be finished in Leather Working Group (LWG) audited tanneries. We partner with LWG for their comprehensive approach to strengthening environmental management across the leather tanning industry. We will be launching new, industry-leading initiatives that support our transition to regenerative or responsibly-sourced leather. Read more about [Timberland®](#) and its partnership with [Other Half Processing](#) to build a responsible leather supply chain through regenerative ranches.

Cotton

By 2025, all cotton purchased by VF will be grown in the U.S., Australia or under a third-party cotton-growing sustainability scheme. Through third-party verification, we are increasing transparency and aligning with emerging industry best practices. We remain dedicated to responsibly sourcing cotton and continue to support the development of sustainable cotton practices in the U.S. and Australia through engagement with industry associations, farmers, universities and agricultural experts, such as [Cotton Incorporated](#) and [Cotton Australia](#). In emerging



economies, we collaborate with growers on sustainable harvesting practices through third-party initiatives. See our policy on [Cotton Fiber Sourcing](#).

Natural Rubber

VF aims to sustainably source natural rubber. When not managed responsibly, rubber is a key contributor to deforestation and can negatively impact local communities' rubber forests. In FY2020, alongside the Timberland®, The North Face® and Vans® brands, VF signed onto the Forest Stewardship Council's (FSC) [Responsible Natural Rubber Commitment](#) and stated our preference to source FSC-certified natural rubber whenever available. Going forward, VF and our brands will partner with [Terra Genesis International](#) to pilot the footwear industry's first regenerative natural rubber supply chain with the aim of sharing our learnings with other brands in and outside of the industry.



Synthetics

VF is committed to sourcing 50% of the polyester used for our products from recycled materials by 2025. We are exploring new recycled material sources and investing in recycling technologies to progress toward a future where materials and products exist in a closed-loop system. By increasing our sourcing of recycled materials, we hope to reduce our climate, energy and water impacts. We are also exploring new and innovative bio-based sources of polyester and nylon that meet and/or exceed consumer expectations.

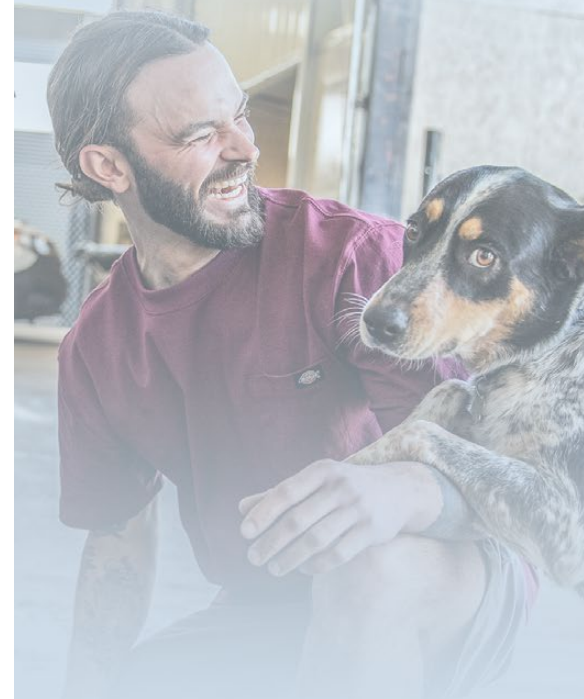
Microfibers

Invisible to the naked eye, microfibers measure fractions of a millimeter in diameter and are less than 5 millimeters long, yet can harm the environment by polluting waterways when released while manufacturing, washing, drying and using textiles. VF partners with other companies, industry initiatives and the scientific community to deepen

The Vortex Swim

In CY2019, the [icebreaker®](#) brand partnered with long-distance swimmer and ocean advocate Ben Lecomte as he swam 350 nautical miles, up to eight hours a day, through the Great Pacific Garbage Patch – an ocean area twice the size of Texas with the largest concentration of ocean plastic in the world. The Vortex Swim raised global awareness on the scope and impacts of plastic pollution.

DICKIES® JOINS COTTON LEADS: FUELING MOMENTUM FOR SUSTAINABLE COTTON



We are working to reduce the environmental impact of our cotton-based products by engaging with leading experts in the U.S. and Australia on the development of sustainable farming practices, such as the [U.S. Trust Cotton Protocol®](#). In 2020, the [Dickies®](#) brand joined [Cotton LEADSSM](#), an industry-led effort to connect businesses across the global supply chain with the leading efforts in sustainable cotton sourcing and production. The brand is also working to increase its uptake of recycled cotton and is engaging with Cotton Australia, a nonprofit representing over a thousand family-run cotton farms in Australia, on the adoption of sustainable cotton production techniques.



our understanding of the impacts of microfibers, and ultimately, reduce their formation. Innovation is essential to solving this issue, and we are funding academic and organizational research projects aimed at finding novel textile and garment construction methods. VF brands are committed to reducing microfiber shedding. For example, *The North Face*® brand belongs to the American Association of Textile Chemists and Colorists microfiber shedding test method development committee and collaborates with the Outdoor Industry Association (OIA) and The Microfibre Consortium on research initiatives.

Wool

More than 80% of our wool was responsibly sourced in FY2020, coming from either recycled or certified (including ZQ or RWS) sources. These standards require sheep be treated ethically during wool harvesting and farmland managed with environmental preservation in mind. Our **Animal Derived Materials Policy** prohibits the mulesing of sheep that provide wool for any VF product.

For the *Smartwool*® and *icebreaker*® brands, which use the most wool in VF's portfolio, responsible and regenerative wool sourcing is paramount. In 2007, the iconic brands helped to found the original ZQ platform with **The New Zealand Merino Company**. Together we are collaborating with peer brands and 167 sheep growers in New Zealand to create ZQRX, the world's first regenerative wool platform that addresses climate change, carbon emissions and animal welfare. Combined, the ZQRX founding brands source approximately 2 million kilograms of wool per year and have the opportunity to collectively influence improvements in responsible wool sourcing across the industry.

Down

In FY2020, VF continued to source 100% of down certified to the **Responsible Down Standard** (RDS). The RDS requires that down does not originate from animals subjected to unnecessary harm, provides supply chain traceability, and tracks and validates down from farm to finished product. In 2014, *The North Face*® brand launched the RDS with partnership expertise from **Control Union Certifications** and **Textile Exchange**. The brand then gifted ownership of the RDS to Textile Exchange, making it accessible to any organization in any industry. The RDS is now the globally adopted animal welfare and traceability standard within the apparel industry for responsible down and feather sourcing.

Promoting Sustainable Packaging

Plastic packaging pollution is pervasive, causing harm to aquatic and terrestrial life. To help address this global issue, we established sustainable packaging as a core pillar of our environmental sustainability strategy. Following a year-long assessment by a cross-functional, internal Sustainable Packaging Working Group, we announced new sustainable packaging goals in FY2021. As a step toward eliminating single-use plastic packaging by 2025, we commit that all single-use plastics in our product packaging will be 100% recycled, bio-based content or a combination of the two by 2023. We also commit to take a leadership role in key industry coalitions and policy initiatives focused on building the circular packaging infrastructure.

Plastic Polybags

Plastic polybags are used to guard our products against dirt, dust and moisture, but are also one of our largest sources of packaging waste. To achieve our sustainable packaging goals, we must find an

alternative to the industry-standard polybags. While reducing our plastic packaging consumption is a complicated process, we believe we can eliminate millions of polybags from our waste stream. With this in mind, the Sustainable Packaging Working Group set out to identify opportunities to reduce or eliminate the need for them across our entire operation from procurement to the end consumer.

As a result, we developed guidelines that provide VF brands with recommendations on sustainable packaging materials and have launched pilots to reduce the use of polybags. Ultimately, we are striving to find an alternative that can adequately protect our products while reducing harm to the environment. We continue to test and refine alternatives that can reduce our packaging waste without incurring the unintended waste from damaged products.

Polybag-Free Initiatives Underway

Implementing polybag-free shipping is no easy task, but our brands are taking on the challenge. In 2020, the *icebreaker*® and *Smartwool*® brands are piloting paper tissue bags as alternatives to polybags. We will share the results of these pilots and implement our key learnings, where applicable, across our business.



Product

Prioritizing health. So elemental to supporting active lifestyles. And VF brands do it with innovative, premium products.

STEWARDSHIP | CHEMISTRY | CIRCULARITY | TRACEABILITY



Innovating Responsible Product Stewardship

VF brands and their products touch millions of lives every year – from people who design and make apparel and footwear to the consumers who purchase and use them.



Our dedicated team implements VF's Product Stewardship program at all stages of our complex supply chain to assure all materials and products meet our rigorous product safety and compliance standards. To protect our associates, consumers and the environment, we utilize our innovative CHEM-IQSM program, enabling us to phase out entire classes of hazardous chemicals based on their hazard profiles and replace them with preferred alternatives.



We also provide extensive product safety training for Design, Development and Sourcing teams at VF as well as for Tier 1 and nominated Tier 2 suppliers.

Our Product Stewardship team leads our strategic, three-part product safety approach:

- Set, meet and/or exceed global regulatory and industry standards
- Implement standards through dedicated programs, training and design reviews
- Validate compliance with VF standards and effectiveness of our validation approach through material and product testing and factory evaluations

VF infuses product stewardship into all stages of our complex supply chain.



Managing Chemistry in Our Products

Smart, safe, preferred chemistry is at the core of VF's promise to deliver responsibly made products, and it plays an integral role in protecting people and the planet. Responsibly managed chemistry enables us to create high-performance products that consumers trust.

As with everything we do at VF, we are working to continuously improve and innovate our approach to **chemical management**.

Eliminating Unwanted Chemistries from Our Supply Chain and Beyond

VF's chemical management system encompasses our entire global supply chain, from materials and chemical innovation to product manufacturing. Our vision is to use chemistry as a force for good, enabling consumers to experience the industry-leading performance of our brands' products without harming the planet or the workers in supplier factories. This is what drives VF to go beyond industry standards and to announce our goal that we will **eliminate and/or restrict 100% of unwanted chemicals or substances**³²,

using the innovative CHEM-IQSM program, from VF's supply chain by 2025.

The CHEM-IQSM program is a unique and innovative component of our chemical management system that blocks unwanted chemical substances from our supply chain. The program identifies unwanted chemicals at the point of origin, replacing them with safer substitutes in a way that's scalable across our supply chain. And the CHEM-IQSM program allows us to proactively eliminate potentially harmful chemicals before they are identified or banned by industry-wide regulation. We're continuously expanding the CHEM-IQSM program and have committed that 100% of in-scope VF Tier 1 and nominated Tier 2 suppliers will be screened annually using the CHEM-IQSM program.

We aspire to use green chemistry as a force for good.



In FY2020, 63% of Tier 1, 71% of nominated Tier 2 and 69% of Tier 3 supplier factories completed a CHEM-IQSM screening. And we screened over 5,400 chemical auxiliaries across three tiers of our supply chain using CHEM-IQSM in FY2020 alone. This screening has enabled VF to eliminate more than 600 MT of unwanted chemicals from our supply chain and influenced the global chemical manufacturing industry to adopt safer chemistries by working with suppliers at every tier to identify and remove hazardous chemistries.

We're continuously improving our chemical footprint with the CHEM-IQSM program by:

- Phasing out red-rated chemistries and replacing them with more environmentally-conscious, safer alternatives
- Tightening our requirements for acceptable chemistries
- Providing CHEM-IQSM program trainings to our suppliers
- Sharing our program and learnings throughout the industry

CHEM-IQSM Uptake



22K+

Chemical Auxiliaries³³

screened through the CHEM-IQSM program since 2016



200+

Supply Chain Factories

participated in the CHEM-IQSM program in FY2020



600+ MT

of Non-Preferred Chemicals Removed

from the supply chain through the CHEM-IQSM program since 2016



Supplier factories completing a CHEM-IQSM screening in FY2020.

The CHEM-IQSM Program Differentiators

Proactive

Identifies and eliminates what is hazardous today, sometimes before chemicals are identified or banned by industry-wide regulation.

Precise

Performs chemical testing at point of use.

Public

Is available to the public, helping contribute to a consistent industry-wide chemical management approach.

Progressive

Drives stricter standards by periodically tightening the acceptable limits on hazardous substances.

Comprehensive

Screens for over 400 unique chemical substances that are restricted by the program.



CHEM-IQSM In Action

1



SUBMIT SAMPLES

All suppliers across VF's supply chain must provide a comprehensive chemical inventory to VF and our chemistry consultants for review. Following an analysis of each chemical inventory, key chemistries are selected for CHEM-IQSM screening. Suppliers are required to ship samples of the selected chemicals to VF's designated CHEM-IQSM screening laboratory.

2



CHEMICALS TESTING

For a low price, a laboratory screens the sample.

The sample is screened for more than 430 substances, giving each chemical formulation a rating of:

- Preferred Chemicals
- Allowed Chemicals
- Due Diligence Required
- Prohibited Chemicals

3



CHEMICALS REPORT

Factories receive a report on all chemicals submitted and are required to phase out use of any prohibited chemicals.

CHEM-IQSM Program Rating System

● Preferred Chemicals

Green-rated chemical formulations meet or exceed all regulatory requirements. They may be safely used in the workplace and responsibly discharged into the environment.

● Allowed Chemicals

VF allows yellow-rated chemical formulations in our products, but we minimize their use. Some chemicals may be yellow-rated because they have incomplete environmental, health and safety information or may be phased out in the future.

● Due Diligence Required

VF minimizes the use of orange-rated chemical formulations in our products. They are allowed if the VF nominated third-party laboratory and the VF CHEM-IQSM Program Manager have conducted appropriate due diligence for how they are handled and applied in the factory.

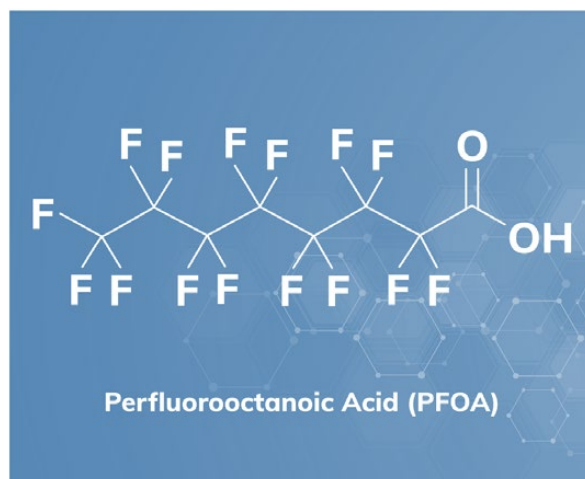
● Prohibited Chemicals

VF eliminates the use of red-rated chemical formulations in the manufacturing of our products. These chemicals are hazardous to the environment and the people who handle them.



VF's chemical management system is designed to ensure compliance with VF's strict guidelines, including our **Restricted Substances List (RSL)** and **Manufacturing Restricted Substances List (MRSL)**. To establish compliance, we provide training to our Product Development and Sourcing teams, supplier factory owners and managers, vendors and subcontractors.

In CY2021 we're employing **The BHive®** technology to digitize the chemical inventory of much of our supply chain. Consolidating this data on one, universal platform will improve chemical traceability and our ability to actively monitor chemical use to continuously mitigate potential health and safety risks to workers in supplier factories. Our chemical management system also directly influences our water impacts. Learn more about how we manage wastewater on [Page 47](#).



³² Classes and definitions of unwanted chemicals or substances are detailed on the Chemistry section of www.vfc.com with VF's Restricted Substance List policy and VF's CHEM-IQSM program.

³³ Chemical auxiliaries include softeners, dyestuffs, glues, detergents, among other compounds, and may contain multiple individual substances.

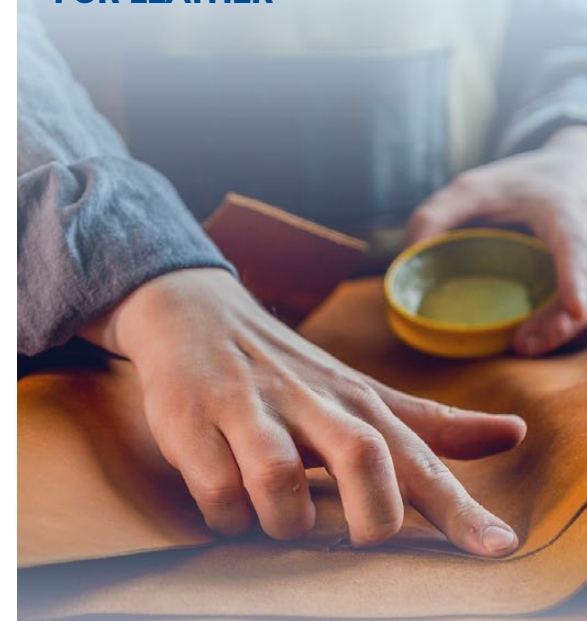
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Partnering for Progress

VF is part of a collaborative industry effort to improve chemical management. In 2017, we made our **CHEM-IQSM Program Manual** accessible to the public to help reach the industry's vision of zero hazardous chemicals, and to underscore our belief that partnerships are essential to creating industry-wide, scalable impact. Major partners include:

- Apparel and Footwear International RSL Management (AFIRM) Group
- American Apparel & Footwear Association (AAFA)
- Certification organizations (OEKO-TEX®, bluesign)
- Leather Working Group (LWG)
- Outdoor Industry Association (OIA)

TIMBERLAND® PARTNERS ON ADVANCED CHEMISTRY FOR LEATHER



In 2005, the Timberland® brand joined with industry peers to form the **LWG**, now a key driver of sustainability in the global leather industry. The cornerstone of the LWG is its **Leather Manufacture Audit** protocol, which places critical importance on chemical management. The LWG audits assess awareness, understanding and management of chemicals used in the leather manufacturing process, using the **Zero Discharge of Hazardous Chemicals (ZDHC) Manufacturing Restricted Substance List (MRSL)** as the minimum standard. Going forward, Timberland® and VF are working with LWG to develop innovative chemistries that will further reduce the impact of the leather supply chain on people and the planet.



Applying Circularity for Sustainability

Circularity means moving away from linear business models that generate endless waste in favor of made-to-last products that can be deconstructed and fed back into the production cycle, time and time again.

In FY2020, we identified circularity as a key pillar to support and power our environmental sustainability strategy. VF engages with thought leaders in the circular economy movement to fuel our brands' initiatives in the following key areas:

Designing for Circularity

Incorporating sustainable materials and designing for minimal waste, maximum durability, simplified disassembly and recyclability.

Extending the Product Life Cycle

Implementing product takeback programs, engaging in product re-commerce, developing strategies for disassembly and advocating for enhanced recycling infrastructure.

Reducing Resource Consumption and Waste

Using preferred chemistry, optimizing patterns, reusing factory scraps, donating deadstock and minimizing physical samples through digitization and other sustainable solutions.

With circularity in mind, our brands seek to design products with materials that can be repurposed, repaired and recycled. The goal is to extend and re-imagine the life cycle of our products by designing for maximum value and minimized environmental impact. We strive to make products with materials that can be recovered at the end of the product's useful life, either through biological circular cycles (materials are returned to the biosphere) or technical circular cycles (materials are reprocessed and used in new products).

Circularity will materially contribute to the achievement of our 2030 SBTs.



As a signatory of the **Global Fashion Agenda's 2020 Circular Fashion System Commitment**, we pledged that by 2020, all VF European designers would be trained on circular design principles. We achieved this goal, training 126 VF designers in Europe and 230 designers and brand leaders across VF's North American and APAC regions. These sessions advanced VF's aspiration to lead the transition to a circular economy and helped inform brand-led circularity initiatives.

Circular Design in Action

VF is creating a transformative platform for our brands that allows us to learn, share best practices and

collaborate on industry-leading product solutions. To enable VF's brands to design circular products, we developed trainings to teach designers about fundamental circular design theory. More than 350 designers and design leaders from all our brands participated and are now applying these learnings to their specific brand goals and consumer needs.

The VF Sustainability & Responsibility team supported the brands in creating design trainings to incorporate circularity principles into brand product guidelines. The *Napapijri*® brand is reducing surplus production and product waste by utilizing digital tools to create product samples. The *North Face*® brand

launched the Design Residency, a circular design program to educate designers through hands-on repair and redesign on the factory floor. Our circular design trainings focus on critical topics such as prioritizing the selection of sustainable materials.

See the **Brands** section of this report for more examples of how our brands are putting circular design best practices to use.

(Re)-commerce, Rental and Second Life

Reselling used products helps us to attract new consumers to our iconic family of brands and their high-quality products at a lower price point. Our intention

Building a Circular Economy that Works for All

VF is an industry partner of **Keeping Workers in the Loop** (KWIL), a group of industry leaders and stakeholders, led by Business for Social Responsibility, to advance the development of a circular apparel and footwear industry that works for all. KWIL brings foresight to critical decisions being made in the circular fashion transition by exploring the job impacts of this shift alongside the macro forces shaping the future of the industry, such as automation and climate disruption. Together, participants co-create industry and policy recommendations that support and advance circular business models that offer dignified, inclusive and resilient employment opportunities.



Circularity Takes Off at Timberland®

The *Timberland*® brand is putting circularity principles into action by integrating key concepts of circular design into its *Earthkeepers*® development guidelines. These guidelines define the minimum criteria that a *Timberland*® product must meet to be included in its *Earthkeepers*® platform, which represents the brand's highest expression of eco-innovation. Products can qualify as *Earthkeepers*® based on either their major material or method of make. For method of make, the guidelines outline that products should be designed for recyclability, reparability and/or designed from 100% recycled materials.



PRODUCT TAKEBACK PROGRAMS AT TIMBERLAND® AND THE NORTH FACE® BRANDS IN EMEA

In August 2019, the Timberland® and The North Face® brands teamed up with Soles4Souls, a nonprofit organization that creates sustainable jobs and provides free shoes and clothing worldwide. This partnership enhances takeback programs across more than 215 retail stores in Europe, the Middle East and Africa (EMEA). Consumers are invited to drop off their unwanted apparel and footwear products to be repurposed into a new life in disadvantaged communities across the globe. Since the beginning of this partnership, the Timberland® and The North Face® brands in EMEA have diverted 12,000 kg of shoes and apparel from the landfill or incineration.

is to increase the length of the products' life and make it easier for consumers to recycle. Our takeback and warranty programs help reduce the amount of waste that goes to the landfill. We're continuously learning by doing, piloting, innovating and iterating, and we work with partners across our industry to test, build and reinforce better business models.

Planning for Less Waste

VF's circular design trainings also focus on the beginning stages of our products, empowering VF brands to design for less waste, generating as little waste as possible during production stages. Our brands are also finding ways to incorporate textile waste and leftover materials into product design.

- The Eastpak® brand is using innovative principles with **Re-Built to Resist**, a groundbreaking collection of previously used backpacks that are transformed into new, unique designs. After disassembling pre-worn backpacks, pieces of fabric are stitched together to create unique designs that intentionally mismatch fabrics and colors. This collection marks the next step in the brand's shift toward sustainable solutions and circular business models.
- In partnership with **Christopher Raeburn**, a collaborative, creative fashion studio in the U.K., The North Face® brand launched a limited-edition range of packs made from used The North Face® tents. Tents that can no longer be repaired are carefully disassembled and then intelligently remade into a one-of-a-kind new pack.

We have also launched a program that surveys our strategic Tier 1 supplier factories to assess drivers of fabric and materials waste. We aim to use these findings to collaborate with our global business partners in developing strategies to reduce the overall footprint of our products.



Reselling used products helps us to attract new consumers to our iconic family of brands and their high-quality products at a lower price point.



Leading the Way in Traceability

Tracing the journey of our products and materials as they move through our complex supply chain is a monumental undertaking. But demystifying this process is foundational to maintaining a sustainable supply chain and driving improvements for both people and the planet. Our traceability program upholds our commitment to transparency and provides us with assurance that our rigorous standards are met every step of the way.

Recognizing we can only address problems we can see, we are extending our traceability efforts to dig deeper into our extended supply chain. As a part of this process, we have committed that by 2027, we will fully trace five of VF's key materials from Tier 1 to Tier 5. Expanding our traceability efforts will inform VF's continued collaborations with human rights experts, governments and international organizations to identify and improve salient human rights and environmental issues throughout our supply chain.

Mapping Our Products

Our product mapping transparency is leading in the apparel and footwear industry. In addition to understanding the origin of our materials, we develop and publish in-depth traceability maps that follow our

brands' products from raw material conversion and processing to material production and product assembly to our distribution centers (Tier 1 through Tier 4). This gives our consumers and other stakeholders an easily accessible, visual representation of a product's entire journey. In FY2019, we published 10 product maps with a goal to publish 100 product maps by 2021. By the end of FY2020, we've published 44 maps and are on track to meet our goal, [Explore Our Traceability Maps](#).

By creating product traceability maps that geographically visualize the product journey, key stakeholders can quickly and easily access factory-specific information about each supplier along the global value chain, including community development projects, water stewardship initiatives, energy efficiency, chemical management and the use of recycled materials.

**Our traceability builds
credibility while our
transparency builds trust.**



Tracing Our Materials

VF commits that by 2027, we will fully trace five of VF's key materials from Tier 1 through Tier 5. We currently trace to Tier 5 for many materials – including leather, cotton, rubber, wool and others – through third-party certifications such as the **ZQ Standard** for wool and the **Responsible Down Standard** (RDS). Using end-to-end supply chain data, we overlay human rights indices, as well as environmental risk data, that enable us to focus on various areas of risk – from human rights abuses to deforestation, water scarcity and pollution, and protected forest management.

Our comprehensive materials mapping includes commodity volume data, country-level risk maps, supplier surveys and information garnered from industry collaborations. Supplier surveys enable us to validate brand material and product claims, and verify compliance with **our policies** on Animal Derived Materials, Forest Derived Materials, Conflict Minerals and Cotton Fiber Sourcing and trade regulations.

Our comprehensive materials mapping includes commodity volume data, country-level risk maps, supplier surveys and information garnered from industry collaborations.

Product Mapping

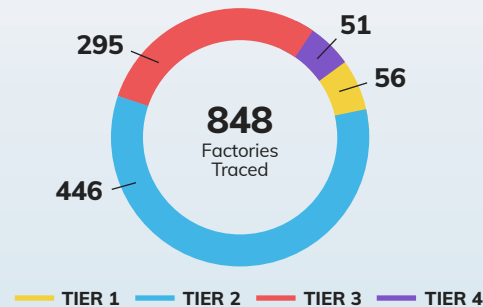
PRODUCT TRACEABILITY MAPS

Published in FY2020 **44**

Published by the end of FY2021 **68**

On track to publish by the end of FY2022³⁴ **100**

FACTORIES TRACED THROUGH PRODUCT MAPPING

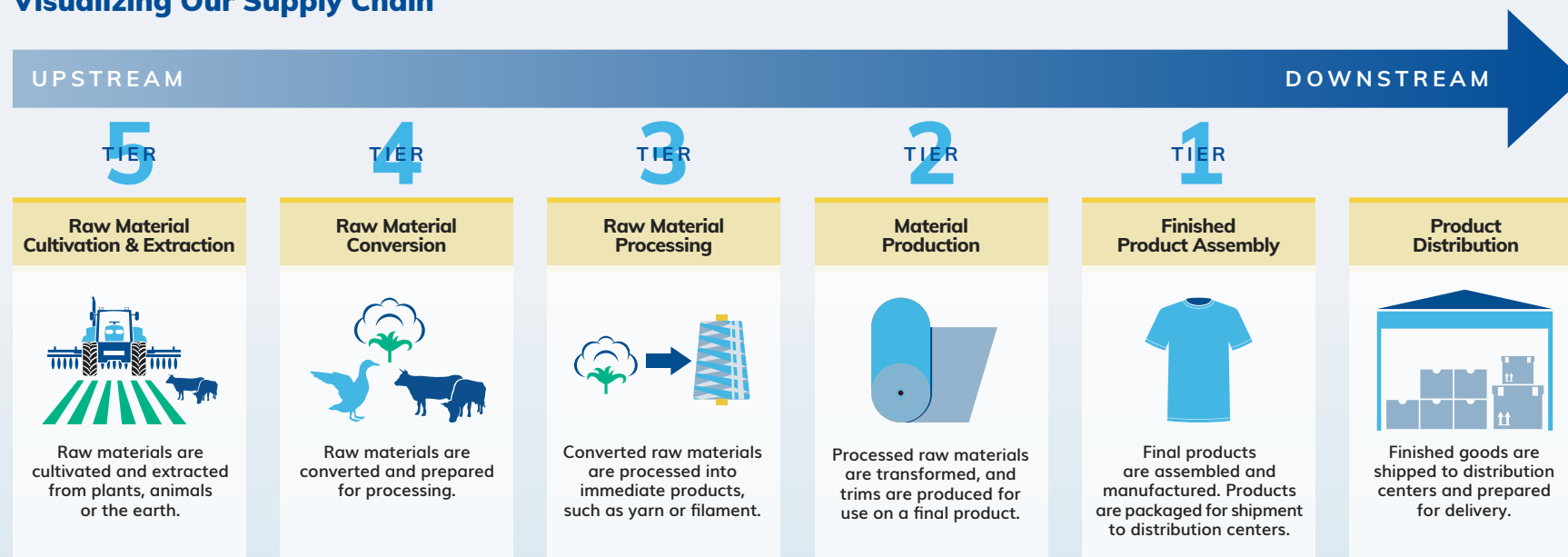


VF BRANDS BUILD INDUSTRY'S FIRST REGENERATIVE RUBBER SUPPLY CHAIN

VF and our Timberland®, Vans® and The North Face® brands are partnering with Terra Genesis International in Thailand to pilot the industry's first regenerative rubber supply system. Regenerative rubber farming incorporates multiple tree species to mimic a natural forest ecosystem and uses Indigenous farming techniques. It will help to diversify crop yields and provide multiple streams of income to the farming community. Through "train-the-trainer" programs, the brands and VF will transition more plantations to regenerative systems. This initiative is contributing to VF's efforts to trace the sources of all-natural rubber across all VF footwear brands. The brands' first regenerative rubber footwear products will launch in 2023 beginning with a pilot collection from Timberland®. In the spirit of collaborating for the greater good, VF will make this supply system available to other brands across and outside the industry.



Visualizing Our Supply Chain



VF Tier 1 - Tier 4 Suppliers Self-Reporting

One or More Third-Party Certifications

27%

Sustainable material certification

34%

Environmental or chemical management certification

14%

Health, safety or social responsibility certification

Established Programs at Supplier Factories

45%

Worker well-being programs (e.g. dental/medical clinics, safety education training, child care, trade unions, etc.)

40%

Community development programs (e.g. scholarship programs, donation programs, community service, employee volunteer programs, etc.)

28%

Environmental sustainability programs (e.g. waste reduction, rainwater harvesting, solar energy, biomass energy, zero-liquid discharge, wind energy, etc.)

Incorporating Third-Party Frameworks into Traceability Efforts

VF incorporates a variety of standards and certifications into our materials and product mapping, covering topics such as sustainable materials, environmental and chemical management systems, health and safety, and social responsibility. For further information, visit www.vfc.com.

³⁴ VF 'retires' product traceability maps when products are discontinued or when a brand is no longer a part of the VF family. To date, VF has retired eight maps that are no longer available online and have not been captured in the metrics provided above.



Brands

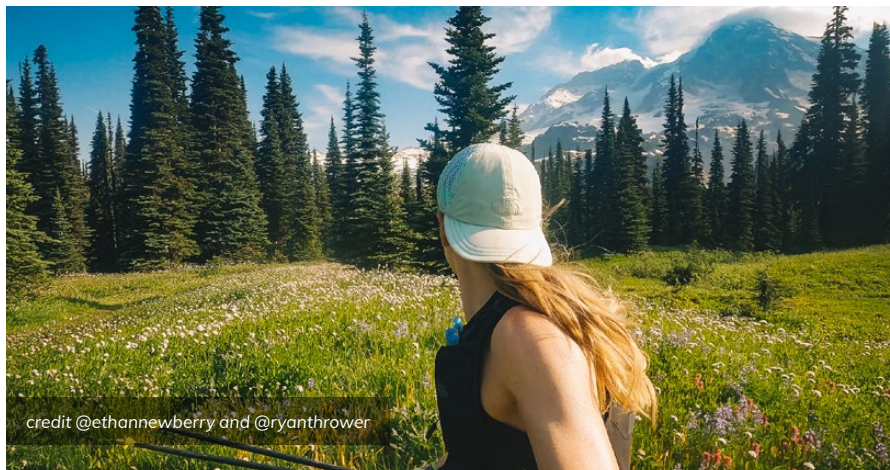


VF Brands in Action

Iconic Brands. Sustainable, Active Lifestyles.

Our brands connect millions around the world to the activities and experiences they love. And each brand contributes to the betterment of people and the planet in its own unique ways.

We're purpose-led and performance-driven in every way. With amazing innovative products. With circular and regenerative business strategies. With constant movement toward a better world.



credit @ethannewberry and @ryanthrower



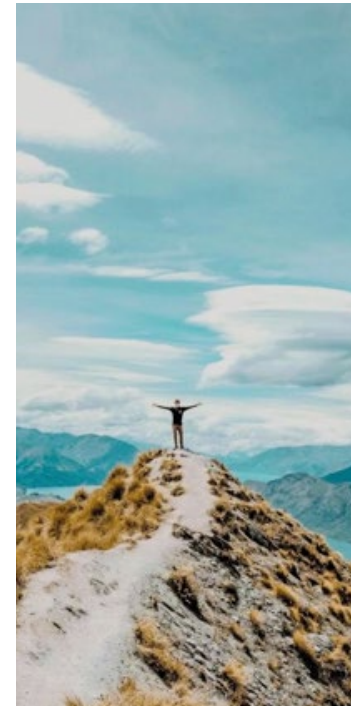
Altra® is a running shoe brand that is unleashing human potential by inspiring the world to move naturally. Altra® is helping VF achieve its sustainability goals one running shoe at a time by making smarter materials choices.



Altra® Aspirations

- Become PFAs-free by 2025
- Eliminate all single-use plastic by 2025

**Our mission
to get everyone out
and running may
be bold, but we won't
stop trying until
it's a reality.**





At the heart of the Timberland® brand is a core belief that business can and should be a force for positive change, and that a greener future is a better future. The brand's unwavering commitment to corporate social responsibility spans decades, with its **Path of Service** program launched in 1992.

With a bold vision for its products to be net positive, Timberland® aspires to pull more carbon out of the air than it emits by 2030 – and improve biodiversity, water quality and farmer well-being. Timberland® is leading the global apparel and footwear industry in the development of a regenerative supply chain for leather, cotton, natural rubber and sugar cane. And the brand has long prioritized circular design to minimize its environmental impact.

In 2020, Timberland® launched **ReBOTL™**, a material made from discarded plastic bottles by transforming them into rPET (recycled polyethylene terephthalate) yarns used in Timberland® footwear. To date, the equivalent of over 380 million plastic bottles has been incorporated into Timberland® footwear.³⁵

The brand's Path of Service gives associates up to 40 paid community service hours per year. Associates drive the brand's mission through service across the globe, such as in China's Horqin Desert where the brand's annual service project has planted more than 2.6 million trees since 2001 to help stop desertification and improve air quality in this arid region.

Our mission is to equip people to make a difference in the world.



The Timberland® 2030 Sustainable Product Vision

- Create a net positive impact on the environment
- Source 100% of natural materials from regenerative agriculture
- Design 100% of product for circularity

1.5M+
VOLUNTEER HOURS³⁶
by associates worldwide through the **Path of Service** program, with over 72K hours in 2019

10M
TREES PLANTED³⁷
with 50M more by 2025 as part of the **Nature Needs Heroes** campaign

380M
EQUIVALENT PLASTIC BOTTLES
have been incorporated into Timberland® footwear³⁸ since 2009

^{35, 36, 37, 38} Year-end 2019



Preservation and exploration of the great outdoors is the cornerstone of The North Face® brand. Through collaboration and innovation, The North Face® is enabling a better tomorrow with products designed for circularity and a reduced environmental footprint that helps to shrink the impacts of its consumers and suppliers in the process.

The North Face® teamed up with the [Alaska Wilderness League](#) to petition the U.S. Congress to support the Arctic Coastal Plains Protection Act, which passed the House of Representatives in 2019. In 2020, The North Face® gifted its innovative [Cost of Carbon Tool](#) to [Protect Our Winters](#) to enable all explorers to better understand the carbon impact of their outdoor adventures for free.

In 2020, The North Face®'s social impact and advocacy platform, the [Explore Fund](#), celebrated 10 years of building equity in the outdoors, connecting people to the benefits of outdoor exploration. Since 2010, The North Face® Explore Fund has contributed millions in grants to nonprofits working to build equity and protect wild places in support of exploration.

**Supporting the preservation
of the outdoors and inspiring
a global movement
of exploration.**



With its [Walls Are Meant For Climbing](#) campaign, The North Face® and [The North Face® Explore Fund](#), [The Trust For Public Land](#) and the [Chicago Park District](#) unveiled free, public climbing boulders to create access to outdoor recreation for nearly 30,000 people in underserved communities.

The North Face® 2025 Commitments

- Source 100% of apparel fabrics responsibly³⁹
- Eliminate all single-use plastic packaging

Designing for the Future

In FY2020, The North Face® brand's [Renewed Design Residency at The Renewal Workshop](#) gave designers the opportunity to learn the principles of circular design and incorporate them into one-of-a-kind, hand-crafted items. The pieces were auctioned off in the spring of 2020, and proceeds were used toward the [Explore Fund](#).



³⁹ Ensure all products are made with recycled, regenerative, or responsibly-sourced renewable fabric.



Promoting creative self-expression, authenticity and individuality for over 55 years.



Rooted in youth culture, the Vans® brand recognizes the responsibility it has to future generations. That's why it's committed to eliminating plastic packaging, recycling its products and sourcing materials from regenerative sources.

Through 'Vans Gives Back' associates have contributed more than 20,000 volunteer hours since 2012. And in 2019, Vans® donated \$50,000 to **The Trevor Project**, the world's largest suicide prevention and crisis intervention organization for LGBTQ youth.

VANS® Commitments

- Eliminate plastic shopping bags in our retail spaces by 2021
- 100% of our top materials will come from regenerative, responsibly sourced renewable or recycled sources by 2030



The Vans® x Save Our Planet collection utilized a variety of sustainable materials (e.g., organic, recycled cotton and recycled PET) and Vans® donated \$200K of the collection's proceeds to **Sustainable Coastlines Hawaii**.



Since 1922, the Dickies® brand has stood for the quality, toughness and pride that embodies the spirit of the American worker. Through its dedication to innovation, Dickies® has transformed from a small bib-overall company to a global workwear and trend-setting streetwear brand.

Launched Yours to Make to champion the dignity of work by **spotlighting** authentic artists, creators and makers.

Dickies® Support for Black-Owned Small Businesses

**\$100K
DONATED**

to the National Urban League Entrepreneurship Center Program and the Harold Hunter Foundation.



Dickies® is at the forefront of using DIY fashion to connect with consumers. Highlighting makers and artisans, the **#YourstoMake** campaign embraces sustainability by upcycling old clothing.

We take pride in personal ownership, acting ethically and fairly, and respecting the dignity of every person.



Smartwool®
go far. feel good.



icebreaker®

The Smartwool® brand believes that time outside is time well spent. The brand is dedicated to preserving the natural environment, **getting people outside**, and advancing **sock innovation** that pushes the boundaries of merino wool to help consumers stay warm while exploring outdoors.

It doesn't just start with our product, but with our community and our planet.



The Smartwool® and icebreaker® brands are partnering with **The New Zealand Merino Company** and others in the industry to launch the **world's first regenerative wool platform, ZQRX**. This groundbreaking initiative is advancing regenerative wool and supporting the brands' 2030 sustainable material goals.

Smartwool® Sustainability & Social Impact Road Map

- Source 100% carbon-positive wool, circular products and regenerative materials by 2030
- Introduce 500,000 urban youth to the outdoors by 2030



Nearly 7 tons of Smartwool® Merino 250 wool scrap from the brand's 250 Merino base layers have been converted into insulation for Smartwool's® Smartloft products.

icebreaker® Commitment

- Be **plastic-free** by 2023. Our aim is for all clothing to be made from merino wool or plant-based fibers. For the very small amount of petrochemical synthetics that cannot be removed, we're working on alternatives.

Sustainability isn't just a feature of our products, it's in the values and design of our business.

Driven by the belief that nature has the answers, the icebreaker® brand provides natural performance alternatives to create a healthier and more sustainable future for people and planet. As part of its commitment to fostering a culture of belonging and inclusion, icebreaker® has launched a series of **diversity-focused strategies**, including facilitating unconscious bias and inclusive hiring training. icebreaker® is passionate about innovative fiber solutions, and by partnering with **SPINNOVA®**, the brand has access to new plant-based textile fibers that support its 2023 goal of its products and eliminate all petrochemical materials from its products.



Eastpak® Aspirations

- Use 100% recycled polyester for printed material by 2021
- Use 100% recycled polyester for black components like linings and webbings by 2022



The Eastpak® brand is built to resist. Since 1952 it has made durable designs that are built to last. By opting for innovative designs that will stand the test of time, Eastpak® extends the life cycle of its products by incorporating responsibly-sourced materials and standing by the durability of their design. The brand is also launching circularity product collections such as Re-Built and Resist Waste.

We're on a mission to minimize waste while preserving style.



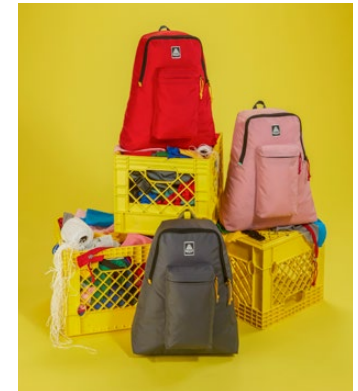
In CY2020, Eastpak® collaborated with **HOPE not hate** to inspire Black individuals to share their stories and participate in conversations about racial equity. And for the third year, the brand partnered with **ILGA** to create product collections and fund community projects to support LGBTIQ+ rights.

For over 50 years, the spirit of freedom and exploration has inspired the JanSport® brand to equip people for both great adventures and the kind that happen every day. All JanSport® bags are designed to last and come with a limited lifetime warranty. Of the brand's most iconic styles, 60% are made in part with recycled materials and 43% are produced in factories that run on 100% solar power.

Our mission is to protect and preserve the outdoors for future generations to enjoy.

JanSport® launched the Surplus Ski n' Hike, a backpack line made of 100% surplus materials. To promote circularity, JanSport® teamed up with New York based artist Nicole McLaughlin to create a series of upcycled designs. The proceeds from this collaboration were donated to the **Slow Factory Foundation**.

⁴⁰ Based on a 16 oz. plastic water bottle.



JanSport® Social and Environmental Impact

13M

EQUIVALENT PLASTIC BOTTLES⁴⁰ used in recycled fabrics in 2019

10K

BACKPACKS DONATED to **World Central Kitchen** in response to the COVID-19 pandemic

**Kipling® FY2020
Sustainability Highlights****100%****RECYCLED PAPER**
For hangtags and boxes**100%****RECYCLED POLYESTER**
In all linings and 70% in
woven tags

Combining creativity and sustainability, The Kipling® brand is re-imagining design, re-thinking materials, re-purposing energy and re-connecting to people and planet through its timeless designs. Kipling® strives to lighten its step on the planet and is partnering with Coca-Cola to make a product line from more than the equivalent of 270,000 plastic bottles. Additionally, in 2020, Kipling® consolidated its product offerings by 19%, resulting in the use of fewer manufacturing materials and less waste-to-landfill.



Inspired by its mission to empower people to embrace their uniqueness, Kipling® launched the 'Come As You Are' campaign for International Women's Day and pride-themed product lines in support of the LGBTQ+ community.

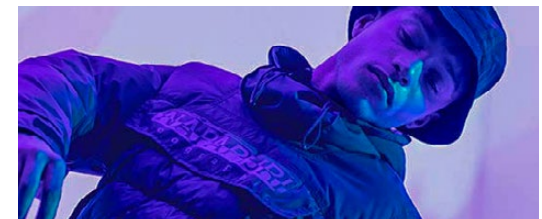
**We are committed to
lightening our step on
the planet.**



We believe sustainability is the new creativity.



An iconic outdoor fashion brand, the Napapijri® brand inspires authentic self-expression by crafting premium outerwear that channels its pioneering spirit driven by design, sustainability and innovation. The brand is committed to designing the future of circular fashion by re-imagining the life cycle of its products. Napapijri® is leading circular innovation with the release of its **Circular Series** of fully recyclable jackets. A first of its kind, the Circular Series is 100% recyclable made with ECONYL® regenerated nylon and is Cradle to Cradle Certified® Gold.

**Napapijri® Sustainability
Highlights****100%****RECYCLABLE**
The **Circular Series**
monomaterial composition
makes for an easier
recycling process.**CRADLE CERTIFIED® GOLD**
Cradle to Cradle Products
Innovation Institute granted
gold recognition to our
Circular Series collection.

To support a fully circular product offering, Napapijri® is developing a takeback system for its jackets that encourages customers to participate in the circular economy.



Appendix



Data Appendix

VF Associate Workforce

BY POSITION		FY2020	BY STATUS		FY2020
	Regular	47,617		Contingent	5,871
	Temp	853		Associate	48,470
	Total	48,470		Total	54,341
BY TIME TYPE		FY2020	BY AGE		FY2020
	Full Time	33,770		15 – 29	21,509
	Part Time	14,700		30 – 50	20,039
	Total	48,470		>50	3,907
				Not Disclosed	3,015
				Total	48,470
BY LOCATION		FY2020	BY GENDER		FY2020
	Distribution Centers	4,944		Female	24,960
	Headquarters	5,614		Male	21,228
	Local Offices	3,880		Not Disclosed	2,188
	Manufacturing	11,983		Other	94
	Shops ¹	21,307		Total	48,470
	Other ²	742			
	Total	48,470			
BY ETHNICITY (U.S. ONLY)		FY2020	BY JOB LEVEL		FY2020
	Asian	1,159		VP/Director	1,177
	Native American or Alaskan Native	110		Manager	3,105
	Black or African American	2,120		Analyst	8,233
	Hispanic or Latino	6,698		Other	35,952
	Native Hawaiian or Pacific Islander	115		Undefined ³ /Acquisition ⁴	3
	Two or More Races	1,220		Total	48,470
	White	8,618			
	Not Disclosed	1,031			
	Total	21,071			

¹ Shops refers to all retail, outlets and shop-in-shop locations.

² The 'Other' category refers to associates who work within job family groups such as administrative support, manufacturing, merchandising, sales, etc.

³ The 'Undefined' category refers to associates not classified in a global grade level.

⁴ The 'Acquisition' category refers to associates who were part of organizations acquired by VF, and who were not fully integrated into the Job Classification Identification system by end of FY2020. This does not refer to all associates from acquired organizations.

For more VF Environmental, Social & Governance (ESG) data, visit www.vfc.com.



VF Associate by Gender, Job Level and Region

FY2020	FEMALE	MALE	NOT DISCLOSED	OTHER
Asia Pacific				
VP/Director	84	98	5	0
Manager	292	234	15	0
Analyst	1,149	641	53	0
Other	1,614	715	112	0
Undefined/Acquisition	0	0	0	0
Europe, Middle East & Africa				
VP/Director	55	154	0	0
Manager	352	455	1	0
Analyst	1,107	1,010	6	0
Other	2,853	2,021	10	3
Undefined/Acquisition	0	0	0	0
Mexico & Latin America				
VP/Director	5	34	2	0
Manager	43	87	8	0
Analyst	405	741	93	0
Other	5,042	4,526	1,869	0
Undefined/Acquisition	0	1	2	0
USA & Canada				
VP/Director	303	437	0	0
Manager	799	816	2	1
Analyst	1,797	1,226	1	4
Other	9,060	8,032	9	86
Undefined/Acquisition	0	0	0	0



VF Associate Health and Safety

Total Recordable Injury Rate ⁵ - Per 100 Associates	FY2020	Lost Time Injury Rate ⁶ - Per 100 Associates	FY2020
Distribution Center	4.87	Distribution Center	1.98
Manufacturing	1.25	Manufacturing	0.72
Retail	4.27	Retail	1.56
Offices	0.18	Offices	0.04
Total	2.47	Total	1.04
Fatalities	FY2020		
Distribution Center	0		
Manufacturing	1		
Retail	0		
Offices	0		
Total	1		

⁵ The Recordable Injury Rate includes injuries greater than minor injuries (first aid) per OSHA reporting requirements.

⁶ VF classifies lost days as calendar days. Lost days begin the day after the injury.

⁷ Total number of licensees includes some VF factories that are shared with direct sourcing.

⁸ Total supplier factories includes Tier 1, Nominated Tier 2, Licensees and Subcontractors.

⁹ For information on VF supplier audit designations, please refer to VF's Factory Audit Procedures and the VF Factory Standards.

VF Supply Chain Snapshot

Supplier Factories, by Sourcing Region	FY2020	Supplier Factories, by Supplier Type	FY2020
Americas	196	Tier 1 and Subcontractor Factories	842
Asia Pacific	654	Nominated Tier 2 Factories	126
Europe, Middle East & Africa	118	Licensee Factories ⁷	272
Total Supplier Factories ⁸	968		

VF Supply Chain Audit Results

Tier 1 Supplier Factory Results ⁹	FY2020	Supplier Factory Results	FY2020
Accepted	595	Accepted	13
Developmental	564	Developmental	89
Pending Rejection	101	Pending Rejection	15

Continued next page

How We Classify Our Suppliers

We use standard industry classifications to define the different tiers of suppliers that we work with.

Tier 1: Production Manufacturing

Factories where the finished products are made. These are sometimes referred to as cut and sew facilities.

Tier 2: Material Production

Factories where materials are manufactured. Fabric is made from yarn and dyed. These are sometimes referred to as dye houses and/or fabric mills.

Tier 3: Material Processing

Factories that process raw materials into yarn and other intermediate materials. This includes processing of natural and synthetic materials into yarn.



VF Supply Chain Audit Results cont.

Tier 1 Rejected Supplier Factories ¹⁰		FY2020	Nominated Tier 2 Rejected Supplier Factories		FY2020
Americas		6	Americas		0
Asia Pacific		74	Asia Pacific		2
Europe, Middle East & Africa		11	Europe, Middle East & Africa		0
Supplier Factories Not Accepted During Initial Audit		FY2020	VF Auditing of Supplier Factories		FY2020
Tier 1 Supplier Factories		57	Total Number of Supplier Audits Conducted		1,470
Nominated Tier 2 Supplier Factories		1	Number of Audits Completed by Internal VF Auditors		1,184
Total		58	Number of Audits Completed by Third-Party Auditors		114

Worker and Community Development in the Supply Chain

Number of people reached through the WCD program, by Impact Pillar ¹¹		FY2020
Child Care & Education		86,250
Health & Nutrition		105,766
Water & Sanitation		98,299
Number of people reached through the WCD program, by Location ¹²		FY2020
Bangladesh		30,500
Cambodia		64,799
China		1,000
India		3,000
Indonesia		16,000
Kenya		17,400
Vietnam		11,835

¹⁰ Supplier factories rejections are due to factory compliance findings.

¹¹ Figures are reported by VF program implementation partners and have not been validated by an independent third party.

¹² Some workers participated in multiple programs resulting in the total numbers by focus area being higher than the total number of people reached.

¹³ Covers VF Tier 1 and licensee supplier factories.

¹⁴ Excludes workers trained at supplier factories in the Kontoor supply chain.

VF Supply Chain Health and Safety Programs

VF Critical Life Safety: Direct Source Inspections		FY2020	VF Critical Life Safety: Licensee Factory Inspections		FY2020
Number of Tier 1 direct source factories inspected		402	Number of licensee factories inspected		236
Percentage of Tier 1 direct source factories inspected		84%	Percentage of licensee factories inspected		46%
VF Critical Life Safety: Factory Remediations ¹³		FY2020	VF Supplier Fire Safety & Evacuation Training ¹⁴		FY16 – 20
Number that remediated all imminent and near-term findings		314	Number of supplier factory workers trained		310,688
Percentage that remediated all imminent and near-term findings		80%	Percentage of supplier factory workers trained		46%



VF Supply Chain Health and Safety Partner Initiatives

Life and Safety Building (LABS) Factory Inspections	FY2020	LABS VF Cumulative Results ¹⁵	FY18 – 20
Number of VF supplier factories inspected by LABS	16	Number of VF supplier factories onboarded	34
Percentage of VF supplier factories inspected by LABS	35%	Number of LABS assessments conducted	20
Nirapon Factory Remediation Results ¹⁶	FY2020	Number of safety trainings conducted	4
Number of VF supplier factories that closed initial CAP	35	Number of factory workers reached	96,789
Percentage of VF supplier factories that closed initial CAP	85%		

¹⁵ VF Tier 1 supplier factories in India and Vietnam were included in the LABS initiative.

¹⁶ VF Tier 1 VF supplier factories in Bangladesh.

VF Greenhouse Gas (GHG) Emissions

In FY2020, VF announced the sale of its Occupational Workwear segment. To align with VF's FY2020 Form 10-K, emissions data excluding the Occupational Workwear segment has been provided.

Including the Occupational Workwear Segment

Excluding the Occupational Workwear Segment

GHG Emissions, by Scope (MT CO ₂ e)	FY2020	FY2020
Scope 1 GHG Emissions	18,405	15,270
Scope 2 Location-Based GHG Emissions	83,896	65,969
Scope 2 Market-Based GHG Emissions	69,925	52,016
Scope 3 GHG Emissions		4,663,950
Scope 1 GHG Emissions, by Gas (MT CO ₂ e)	FY2020	FY2020
Carbon Dioxide (CO ₂)	18,223	15,211
Methane (CH ₄)	7	5
Nitrogen Dioxide (NO ₂)	56	54
Refrigerant CO ₂ e	120	0
Scope 1 GHG Emissions, by Consumption Type (MT CO ₂ e)	FY2020	FY2020
Mobile Fuels	29,604	29,604
Natural Gas	56,621	40,622
Other Stationary Fuels	2,890	2,334
Refrigerants (MT)	0.39	0.03
Scope 2 GHG Emissions, by Consumption Type (MT CO ₂ e)	FY2020	FY2020
Chilled Water	96	96
Total Electric Power	251,007	189,012
Non-Renewable Electric Power	196,997	135,002
Renewable Energy Credits	27,254	27,254
Renewable Power — Off-site	24,201	24,201
Renewable Power — On-site	2,554	2,554
Steam	195	195



VF Energy Consumption

In FY2020, VF announced the sale of its Occupational Workwear segment. To align with VF's FY2020 Form 10-K, emissions data excluding the Occupational Workwear segment has been provided.

Including the Occupational Workwear Segment

Excluding the Occupational Workwear Segment

Electric Power Consumption (MWh)	FY2020	FY2020
Electricity from Renewable Sources	54,010	54,010
Electricity from Non-Renewable Sources	196,997	135,002
Percentage of Consumption from Renewable Sources	21.5%	29%
Electric Power Intensity	FY2020	
VF Total Electricity Consumption (kWh)	201,905,000	
VF FY2020 Reported Revenue (\$)	10,488,556,000	
Electricity Consumption Per U.S. Dollar	0.02	

VF Waste Generation

VF Distribution Center Waste, by Disposal (MT)	FY2020	VF Zero-Waste* and Distribution Centers	FY2020
Total Waste Disposed	1,018	Total Number of Distribution Centers	29
Total Waste Recycled	16,950	Number of Zero-Waste* Distribution Centers	21
Total Waste Reused	7,366	Percentage of Distribution Centers that are Zero-Waste*	72%
Total Waste Generated	25,334		

*95% diversion rate or greater

VF CHEM-IQSM Program Results

Number of Supplier Factories Screened	FY2020	Percentage of Supplier Factories Screened	FY2020
Tier 1	73	Tier 1	63%
Subcontractors	34	Subcontractors	65%
Tier 2	80	Tier 2	71%
Tier 3	22	Tier 3	69%
Others	0	VF-Owned Factory	100%
Number of Chemicals Screened	FY2020	Number of Red Substances Phased Out	FY2020
Tier 1	1,564	Tier 1	50
Subcontractors	760	Subcontractors	10
Tier 2	2,191	Tier 2	21
Tier 3	909	Tier 3	0
Others	1	Others	1



Global Reporting Initiative (GRI) Content Index

Organizational Profile

102-01	Name of the organization	VF FY2020 Annual Report (p. 12)
102-02	Activities, brands and products	VF FY2020 Annual Report (p. 16 – 18)
102-03	Location of headquarters	VF FY2020 Annual Report (p. 12)
102-04	Location of operations	VF FY2020 Annual Report (p. 16, 33)
102-05	Ownership and legal form	VF FY2020 Annual Report (p. 34)
102-06	Markets served	VF FY2020 Annual Report (p. 16 – 18)
102-07	Scale of the organization	VF FY2020 Annual Report (p. 22, 33, 36)
102-08	Employees and other workers	VF FY2020 Sustainability & Responsibility Report (p. 24)
102-09	Supply chain	VF FY2020 Sustainability & Responsibility Report (p. 9) VF FY2020 Annual Report (p. 19 – 20)
102-10	Significant changes to the organization	VF FY2020 Annual Report (p. 16 – 20)
102-11	Precautionary principle or approach	VF 2021 CDP Climate Change Disclosure (p. 5)
102-12	External charters, principles, or other initiatives	VF Corporation's Human Rights Commitment
102-13	Memberships and associations	VF Stakeholder Engagement

Strategy

102-14	CEO Letter	VF FY2020 Sustainability & Responsibility Report (p. 3 – 4)
102-15	Key impacts, risks and opportunities	VF 2021 CDP Climate Change Disclosure (p. 5 – 11)

Ethics & Integrity

102-16	Values, purpose & principles	VF FY2020 Sustainability & Responsibility Report (p. 7)
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102-17	Organizational integrity and whistleblower policy	<p>Global Ethics and Compliance Program</p> <p>Our Global Ethics and Compliance Program helps ensure our associates have the guidance and re-sources needed to operate with the highest standards of corporate conduct in all our business dealings. The Program is led by our Vice President, General Counsel and Corporate Secretary, who also serves as our Chief Ethics and Compliance Officer. VF’s Vice President of Ethics and Compliance manages the Program’s day-to-day operations.</p> <p>VF is committed to fostering dialogue and communication through multiple channels, including our Open Door Policy and our confidential Ethics Helpline. The Helpline is available 24 hours a day/seven days a week in every country where VF has associates. Visit VFC Ethics & Compliance for further information.</p> <p>In FY2020, VF investigated a total of 1,033 reports globally, up from 865 in CY2018. The increase is attributed to an increased awareness of what constitutes misconduct and a willingness of associates enterprise wide to report concerns. Of the 1,033 reports received through the Ethics Helpline and via the VF Open Door Policy:</p> <ul style="list-style-type: none">• 130 were requests for guidance, up from 110 in CY2018.• 903 involved alleged violations of VF’s Code, policies or the law. We substantiated 448 of those cases, up from 352 in CY2018.• 0 substantiated claims of harassment or discrimination relating to pregnancy and maternity rights or gender discrimination in FY2020.• 201 other allegations of discrimination/harassment, 69 of which were substantiated, up from 38 in CY2018.						
Governance								
102-18	Governance Structure and Board committees responsible for ESG topics	VF FY2020 Proxy Statement (p. 17 – 20) VF Board of Directors Governance and Corporate Responsibility Charter						
102-19	Delegation of authority for ESG topics	VF Responsibility Governance						
102-20	Executive-level responsibility for ESG topics	VF FY2020 Sustainability & Responsibility Report (p. 14)						
102-22	Composition of the highest governance body	VF Governance At A Glance VF FY2020 Proxy Statement (p. 5, 6, 13) <table><tr><td>Average Director Tenure: 7.6</td><td>Number of Female Directors: 4</td></tr><tr><td>Average Director Age: 59</td><td>Number of Male Directors: 8</td></tr><tr><td>Average Director Attendance: 75%</td><td>Number of Independent Directors: 11</td></tr></table>	Average Director Tenure: 7.6	Number of Female Directors: 4	Average Director Age: 59	Number of Male Directors: 8	Average Director Attendance: 75%	Number of Independent Directors: 11
Average Director Tenure: 7.6	Number of Female Directors: 4							
Average Director Age: 59	Number of Male Directors: 8							
Average Director Attendance: 75%	Number of Independent Directors: 11							
102-38	Annual Total Compensation Ratio	VF FY2020 Proxy Statement (p. 51)						
Stakeholder Engagement								
102-40	Stakeholder groups engaged by the organization	VF Stakeholder Engagement						
102-41	Collective bargaining agreements	In FY2020, there were collective bargaining agreements in place at VF facilities in the United States and Mexico.						
102-42	Identifying and selecting stakeholders	VF Stakeholder Engagement						

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102-43	Approach to stakeholder engagement	VF FY2020 Sustainability & Responsibility Report (p. 14 – 15)
102-44	Key topics and concerns raised	VF 2020 Human Rights Report (p. 19)
Reporting Practice		
102-45	Entities included in consolidated financial statements	VF FY2020 Form 10-K (p. 200)
102-46	Report content and the topic boundaries	VF FY2020 Sustainability & Responsibility Report (p. 8)
102-47	Material topics identified	<p>In FY2020, VF conducted a new materiality assessment to ensure that the company's Sustainability & Responsibility efforts stay relevant in an ever-changing landscape. The assessment was conducted in partnership with an independent third-party expert and included feedback from key stakeholder groups, including associates, investors, suppliers, nonprofits, customers and more. Learn more about our materiality assessment process on the VF website.</p> <p>Identified material topics: Circular Economy, Economic Performance, Climate Change, Energy, Water Stewardship, Wastewater, Chemical Management, Microfibers, Manufacturing Waste, Sustainable Materials, Biodiversity, Employee Engagement, Health & Safety, Communities, Diversity, Equity & Inclusion, Fair Pay, Freedom of Association, Forced Labor, Child Labor, Business Ethics, Product Safety, Information Security, Supply Chain Traceability and Animal Welfare.</p>
102-48	Restatements of information	In the 2018 Made for Change Report , a fatality was reported in the FY2019 health and safety data. This incident transpired in April, 2019, which falls within VF's FY2020 reporting period. The incident has been reported again in FY2020 data and will be removed from FY2019 data in subsequent VF publications.
102-49	Significant changes from previous reporting periods	In 2018, VF's fiscal year-end changed from the Saturday closest to December 31 to the Saturday closest to March 31. To align, the reporting period for this report has shifted to a fiscal year (April – March) from a calendar year.
102-50	Reporting period for the information provided	VF FY2020 Sustainability & Responsibility Report (p. 8)
102-51	Date of the most recent previous report	VF 2018 Made for Change Report , December, 2019
102-52	Reporting cycle	VF FY2020 Sustainability & Responsibility Report (p. 8)
102-53	Contact point for questions	SustainabilityAndResponsibility@vfc.com
102-54	GRI Standards	VF FY2020 Sustainability & Responsibility Report (p. 8)
102-55	GRI content index	VF FY2020 Sustainability & Responsibility Report (p. 81)
102-56	External assurance	VF received third-party verification for FY2020 GHG emissions.
Economic Performance		
103	Management approach	VF FY2020 Annual Report (p. 38)
201-1	Direct economic value generated	VF FY2020 Annual Report (p. 21)
Anti-Corruption		
103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 10 – 11)

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205-2	Communication and training on anti-corruption policies and procedures	<p>VF Ethics & Compliance</p> <p>To reinforce our ongoing commitment to and understanding of our values-based principles, the VF Global Ethics and Compliance Program provides online and facilitator-led training on our Code of Business Conduct and other important topics such as anti-corruption, conflicts of interest, fair competition and intellectual property. In FY2020, 98% of associates completed the assigned online Code of Business Conduct training.</p> <p>The VF Code of Business Conduct and all relevant corporate policies apply to everyone who conducts business on behalf of VF, including associates and members of VF's Board of Directors, regardless of seniority or location. View the Anti-Corruption section of the VF Code of Business Conduct for further information.</p>
Materials		
103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 49 – 51)
301-1	Materials used by weight or volume	VF FY2020 Sustainability & Responsibility Report (p. 51)
Energy		
103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 40 – 41)
302-1	Energy consumption within the organization	VF FY2020 Sustainability & Responsibility Report (p. 80)
Water and Effluents		
303-1	Interactions with water as a shared resource	VF FY2020 Sustainability & Responsibility Report (p. 47 – 48)
303-2	Management of wastewater impacts	VF FY2020 Sustainability & Responsibility Report (p. 47 – 48)
303-5	Water consumption	VF FY2020 Sustainability & Responsibility Report (p. 47)
Emissions		
103	Management approach	VF 2021 CDP Climate Change Disclosure (p. 3 - 5)
305-1	Scope 1 GHG emissions	VF FY2020 Sustainability & Responsibility Report (p. 79)
305-2	Scope 2 GHG emissions	VF FY2020 Sustainability & Responsibility Report (p. 79)
305-3	Scope 3 GHG emissions	VF FY2020 Sustainability & Responsibility Report (p. 79)
305-5	Reduction of GHG emissions	VF FY2020 Sustainability & Responsibility Report (p. 17)
Waste		
306-1	Waste generation and waste-related impacts	VF FY2020 Sustainability & Responsibility Report (p. 42 – 43)
306-2	Management of waste-related impacts	VF FY2020 Sustainability & Responsibility Report (p. 42 – 43, 60 – 62)
306-3	Waste generated	VF FY2020 Sustainability & Responsibility Report (p. 80)
Supplier Environmental Compliance		
103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 43 – 44)

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308-1	New suppliers screened on environmental criteria	As outlined in the VF Factory Audit Procedures , “No production can commence until a factory audit has taken place with a positive result and VF’s Terms of Engagement has been signed.”
308-2	Negative environmental impacts	VF FY2020 Sustainability & Responsibility Report (p. 44 – 48)
Occupational Health & Safety		
403-1	Occupational health and safety management system	VF 2018 Made for Change Report (p. 67) VF 2020 Human Rights Report (p. 11)
403-2	Hazard identification and risk assessment	VF FY2020 Sustainability & Responsibility Report (p. 27 – 28)
403-3	Occupational health services	VF FY2020 Sustainability & Responsibility Report (p. 27 – 28)
403-4	Worker participation and communication	VF FY2020 Sustainability & Responsibility Report (p. 27 – 28)
403-5	Worker training on health and safety	VF FY2020 Sustainability & Responsibility Report (p. 27 – 28)
403-6	Promotion of worker health	VF FY2020 Sustainability & Responsibility Report (p. 20, 27 – 28)
403-7	Prevention and mitigation	VF FY2020 Sustainability & Responsibility Report (p. 27 – 28, 35 – 36)
403-9	Work-related injuries	VF FY2020 Sustainability & Responsibility Report (p. 77)
Diversity and Equal Opportunity		
103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 22 – 23) VF Inclusion, Diversity, Equity & Action Policy
405-1	Diversity of governance bodies and employees	VF FY2020 Sustainability & Responsibility Report (p. 75 – 76)
Non-Discrimination		
103	Management approach	VF believes that a respectful workplace is free from unlawful discrimination and harassment, but it is much more than compliance with applicable laws. It is a work environment that is free of inappropriate and unprofessional behavior, and one that is consistent with VF’s Purpose and guiding principles – a place where everyone can do their best work and a place where a person is free to report workplace concerns without fear of retaliation or reprisal. Read VF’s Respectful Workplace Policy to view our policy against unlawful discrimination.
406-1	Incidents of discrimination	VF FY2020 Sustainability & Responsibility Report (p. 82)
Freedom of Association and Collective Bargaining		
103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 33)
407-1	Freedom of association	VF 2020 Human Rights Report (p. 9, 15)
Child Labor		
103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 33 – 34) VF 2018 Made for Change Report (p. 52)
408-1	Child labor	VF 2020 Human Rights Report (p. 15)

Continued next page



Forced or Compulsory Labor

103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 33)
409-1	Forced or compulsory labor	VF 2020 Human Rights Report (p. 9, 15)

Human Rights Assessment

103	Management approach	VF 2020 Human Rights Report (p. 8)
412-1	Human rights assessments	VF 2020 Human Rights Report (p. 8 – 10)
412-2	Training on human rights policies or procedures	VF 2020 Human Rights Report (p. 13)

Supplier Social Assessment

103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 30 – 31)
414-1	New suppliers that were screened using social criteria	VF FY2020 Sustainability & Responsibility Report (p. 78) As outlined in the VF Factory Audit Procedures , “No production can commence until a factory audit has taken place with a positive result and VF’s Terms of Engagement has been signed.”

Public Policy

103	Management approach	VF Government Affairs
415-1	Political contributions	VF Government Affairs

Customer Health and Safety

103	Management approach	VF FY2020 Sustainability & Responsibility Report (p. 55)
416-2	Incidents of non-compliance	VF FY2020 Sustainability & Responsibility Report (p. 55)










Sustainability Accounting Standards Board (SASB) Index

Topic	Code	Accounting Metric	VF Response
Environmental Impacts in the Supply Chain	CG-AA-430a.1	Percentage of Tier 1 supplier facilities and supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreements.	In FY2020, 100% of in-scope Tier 1 and nominated Tier 2 supplier factories were determined to be in compliance with the VF Global Wastewater Discharge Standards .
	CG-AA-430a.2	Percentage of Tier 1 supplier facilities and supplier facilities beyond Tier 1 that have completed the Higg FEM assessment or an equivalent assessment.	In CY2020, 224 Tier 1 and 278 Tier 2 supplier factories completed the Higg FEM assessment. Of the more than 500 FEM assessments completed, over 75% were verified by an independent third party.
Labor Conditions in the Supply Chain	CG-AA-430b.1	Percentage of Tier 1 supplier facilities and supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, percentage of total audits conducted by a third-party auditor.	In FY2020, VF conducted a total of 1,470 supplier audits, of which 19% were conducted by third-party auditors. In accordance with the VF Factory Audit Procedures, 100% of VF's Tier 1 and approximately 70% (by procurement) Tier 2 supplier factories are audited at least once per year.
	CG-AA-430b.2	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits.	In FY2020, 12% of VF's audited supplier factories were rated 'pending rejection' due to non-conformance with one of our requirements as detailed in the VF Terms of Engagement . Failure to remediate issues can result in a factory designation downgrade and potential contract termination.
	CG-AA-430b.3	Description of the greatest labor and environmental, health and safety risks in the supply chain.	VF 2020 Human Rights Report (p. 9 – 10)
Raw Material Sourcing	CG-AA-440a.1	Description of environmental and social risks associated with sourcing priority raw materials.	VF FY2020 Sustainability & Responsibility Report (p. 49 – 53)
	CG-AA-440a.2	Percentage of raw materials third party certified to an environmental and/or social sustainability standard, by standard.	In FY2020, VF sourced: <ul style="list-style-type: none"> • Organic Cotton: 4% • Better Cotton Initiative: 33% • Recycled Cotton: <1% • Responsible Down Standard: 100% • ZQ & Responsible Wool Standard: 84% • Recycled Nylon: 14% • Recycled Polyester: 24% • Leather from LWG-audited Tanneries: 100%
Management of Chemicals in Products	CG-AA-250a.1	Discussion of processes to maintain compliance with restricted substances regulations.	VF FY2020 Sustainability & Responsibility Report (p. 56 – 59) VF's Product Stewardship Team closely monitors the chemical makeup of product components. We manage chemical usage in our supply chain by maintaining a robust Restricted Substances List (RSL) .
	CG-AA-250a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products.	VF FY2020 Sustainability & Responsibility Report (p. 56 – 58)
Activity Metric	CG-AA-000.A	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1.	In FY2020, VF sourced from 842 Tier 1 and subcontractors supplier factories, 126 Tier 2 supplier factories and 272 licensees ¹⁷ factories.








¹⁷ Figure includes supplier factories that are shared with direct sourcing.



United Nations Sustainable Development Goals (UN SDGs)

UN SDGs	SDG Target	VF Goal	Driving Progress for the UN SDG Targets Across VF	Additional Resources
	No Poverty	1.2	● Supporting Workers Beyond the Factory Walls (p. 34)	VF Worker Well-Being
	Zero Hunger	2.1	● Improving Workplace Health & Nutrition in Cambodia, 2018 Report (p. 58 – 59)	VF Worker Well-Being
		2.a	● Pursuing Sustainable Materials, Regenerative Agriculture (p. 49 – 51)	VF Materials
	Good Health & Well-Being	3.3	COVID-19 Response: Keeping Associates and Consumers Safe (p. 28)	VF Health & Safety
		3.4	Vans® supporting the mental health of LGBTQ youth (p. 70)	Vans® Inclusion & Diversity
		3.7	Supporting Workers Beyond the Factory Walls (p. 34)	VF Worker Well-Being
		3.9	● Managing Chemistry in Our Products (p. 56 – 59)	VF Chemistry
		3.d	Worker Health and Safety Across Our Supply Chain (p. 35)	VF Health & Safety
	Quality Education	4.5	Child Friendly Spaces, 2020 Human Rights Report (p. 22 – 23) Supporting Working Parents During the Pandemic (p. 20)	VF Human Rights
	Gender Equality	5.1	IDEA Driven: Inclusion, Diversity, Equity and Action at VF (p. 22)	VF IDEA
		5.2	● Respecting Worker Rights, Gender-Based Violence and Harassment (p. 32 – 33)	VF Human Rights
		5.5	● IDEA Driven: Women's Equality (p. 23)	VF Human Rights
	Clean Water & Sanitation	6.1	Stewarding Precious Water Resources, Water as a Human Right (p. 48)	VF Worker Well-Being
		6.3	Stewarding Precious Water Resources, Wastewater Treatment (p. 47 – 48)	VF Water
		6.b	Partnering to Deliver Safe Water in Cambodia (p. 48)	VF Worker Well-Being
	Affordable & Clean Energy	7.2	● Advancing Renewable Energy (p. 40)	VF Energy
		7.3	Expanding Renewable Energy Access Across the Supply Chain (p. 45)	The Sun's the Limit



UN SDGs	SDG Target	VF Goal	Driving Progress for the UN SDG Targets Across VF	Additional Resources
 8 DECENT WORK AND ECONOMIC GROWTH	8.5		VF Council to Advance Racial Equity (CARE) Commitments	VF IDEA
	8.7	●	Respecting Worker Rights (p. 32 – 34)	VF Human Rights
	8.8	●	Upholding Migrant Workers' Rights (p. 32) Worker Health and Safety Across Our Supply Chain (p. 35)	VF Human Rights VF Worker Rights
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.4		Advancing Renewable Energy, Improving Logistics (p. 40 – 41) Applying Circularity for Sustainability (p. 60 – 62)	VF Energy VF Waste
 10 REDUCED INEQUALITIES	10.2		IDEA Driven: Inclusion, Diversity, Equity and Action at VF (p. 22 – 23)	VF IDEA
	10.4		VF Council to Advance Racial Equity (CARE) Commitments	VF Human Rights
 11 SUSTAINABLE CITIES AND COMMUNITIES	11.7		VF Brands In Action (pp. 68, 69, 71)	The VF Foundation
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2	●	Pursuing Sustainable Materials (p. 49 – 53)	VF Materials
	12.4	●	Managing Chemistry in Our Products (p. 56 – 59)	VF Chemistry
	12.5		Working with Suppliers on Waste Reduction (p. 43)	VF Waste
	12.7		Applying Circularity for Sustainability (p. 60 – 62)	VF Circularity
	12.8		Leading the Way in Traceability, Mapping Our Products (p. 63)	VF Traceability
 13 CLIMATE ACTION	13.2	●	Engaging in Climate Action (p. 39) Setting Ambitious, Science-Based Targets (p. 39 – 40)	VF Climate
 14 LIFE BELOW WATER	14.1		The Vortex Swim (p. 52) Promoting Sustainable Packaging (p. 53)	icebreaker® Transparency Reports



UN SDGs	SDG Target	VF Goal	Driving Progress for the UN SDG Targets Across VF	Additional Resources
 Life on Land	15.1		VF Brands In Action (p. 68)	Timberland® Responsibility Reports
	15.2		Discontinuing Leather Sourcing in Brazil (p. 51)	VF Traceability
	15.5		Pursuing Sustainable Materials, Regenerative Agriculture (p. 49 – 51)	VF Materials
 Peace, Justice & Strong Institutions	16.3		VF Corporation's Human Rights Commitment	VF Human Rights
	16.5		Doing Business with Ethics and Integrity (p. 10 – 11)	VF Ethics & Compliance
	16.7		Respecting Worker Rights (p. 32 – 34)	VF Worker Rights
 Partnerships for the Goals	17.16		VF Advances Partnership with Better Work VF Stakeholder Engagement Strategy (p. 14)	VF Stakeholder Engagement

For more information on the UN Sustainable Development Goals and Targets, visit <https://sdgs.un.org/goals>.



Safe Harbor Statement

Certain statements included in this report are “forward-looking statements” within the meaning of the federal securities laws. Forward-looking statements are made based on our expectations and beliefs concerning future events impacting VF and therefore involve several risks and uncertainties. You can identify these statements by the fact that they use words such as “will,” “anticipate,” “estimate,” “expect,” “should,” and “may” and other words and terms of similar meaning or use of future dates, however, the absence of these words or similar expressions does not mean that a statement is not forward-looking. All statements regarding VF’s plans, objectives, projections and expectations relating to VF’s operations or financial performance, and assumptions related thereto are forward-looking statements. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. VF undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Potential risks and uncertainties that could cause the actual results of operations or financial condition of VF to differ materially from those expressed or implied by forward-looking statements include, but are not limited to: risks arising from the widespread outbreak of an illness or any other communicable disease, or any other public health crisis, including the coronavirus (COVID-19) global pandemic; the level of consumer demand for

apparel, footwear and accessories; disruption to VF’s distribution system; the financial strength of VF’s customers; fluctuations in the price, availability and quality of raw materials and contracted products; disruption and volatility in the global capital and credit markets; VF’s response to changing fashion trends, evolving consumer preferences and changing patterns of consumer behavior; intense competition from online retailers and other direct-to-consumer business risks; manufacturing and product innovation; increasing pressure on margins; VF’s ability to implement its business strategy; VF’s ability to grow its international, direct-to-consumer and digital businesses; VF’s ability to transform its model to be more consumer-minded, retail-centric and hyper-digital; retail industry changes and challenges; VF’s ability to create and maintain an agile and efficient operating model and organizational structure; VF’s and its vendors’ ability to maintain the strength and security of information technology systems; the risk that VF’s facilities and systems and those of our third-party service providers may be vulnerable to and unable to anticipate or detect data security breaches and data or financial loss; VF’s ability to properly collect, use, manage and secure business, consumer and employee data and comply with privacy and security regulations; foreign currency fluctuations; stability of VF’s and VF’s vendors’ manufacturing facilities and VF’s ability to establish and maintain effective supply chain capabilities; continued use by VF’s suppliers of ethical business practices; VF’s ability to accurately forecast demand for products; continuity of members of VF’s

management; VF’s ability to recruit, develop or retain qualified employees; VF’s ability to protect trademarks and other intellectual property rights; possible goodwill and other asset impairment; maintenance by VF’s licensees and distributors of the value of VF’s brands; VF’s ability to execute acquisitions and dispositions and integrate acquisitions, including the recently acquired Supreme® brand; business resiliency in response to natural or man-made economic, political or environmental disruptions; changes in tax laws and liabilities; legal, regulatory, political and economic risks and changes to laws and regulations; adverse or unexpected weather conditions; VF’s indebtedness and its ability to obtain financing on favorable terms, if needed, could prevent VF from fulfilling its financial obligations; climate change and increased focus on sustainability issues; and risks associated with the spin-off of our Jeanswear business completed on May 22, 2019, including the risk that VF will not realize all of the expected benefits of the spin-off; the risk that the spin-off will not be tax-free for U.S. federal income tax purposes; and the risk that there will be a loss of synergies from separating the businesses that could negatively impact the balance sheet, profit margins or earnings of VF. More information on potential factors that could affect VF’s financial results is included from time to time in VF’s public reports filed with the SEC, including VF’s Annual Report on Form 10-K, and Quarterly Reports on Form 10-Q, and Forms 8-K filed or furnished with the SEC.



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



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