Sustainability & Responsibility

As one of the largest apparel and footwear companies in the world, we have a responsibility and an opportunity to lead our industry toward a better future. Our first comprehensive sustainability and responsibility report highlights our actions, strategies and goals in three focus areas: Planet, Products and People.
A Values-Led Sustainable Business Strategy

VF’s first sustainability and responsibility report highlights the many actions—large and small—that we are taking to responsibly manage our business, across all brands and geographies.

Our powerful, iconic brands set us apart from others in the industry.

VF is a growth company. To succeed, we must consistently deliver top-quartile total return to shareholders while operating in a sustainable and responsible manner. Today, our social and environmental programs influence our business decisions and ensure our company maintains a competitive advantage.

VF is also a company of values. These values guide our actions every day, from the way we make, distribute and market our products to the way we work to preserve our environment and support local communities.

In this, our first global sustainability and responsibility report, we provide insight into the actions we’ve taken, outline our sustainability and responsibility strategy, put our social and environmental impacts and efforts into context and detail our goals and progress.

Read more
A Letter from Eric C. Wiseman, Chairman, President and Chief Executive Officer of VF

"Our commitment is to make changes that continually improve our performance as well as the world around us."

VF is a company of powerful brands and powerful business platforms that join to drive our business success. Our brands are diverse and often revered as iconic. They connect with people around the world in meaningful ways through their distinctive cultures and stories. Our brands also represent our commitment to responsible business practices.

Read more
Q&A with Eric Wiseman, VF’s Chairman, President and Chief Executive Officer

Integrating more sustainable and responsible practices into our business practices will make us an even stronger company for generations to come.

Q: What are the primary sustainability challenges for VF and its industry?
A: We are continuously advancing technology, quality and sustainable materials, all while ensuring the workers making our products and the communities where we operate are treated fairly and with respect. That question speaks to the challenge our entire industry faces as we strive to embed sustainability into our products and processes. We must work together and leverage our influence to meaningfully improve workers’ lives.

Q: How has sustainability evolved at VF?
A: From the beginning, we agreed we needed to focus primarily on building the foundational infrastructure to support a world-class sustainability platform. I am proud to say we have many of the building blocks in place – from strong governance programs to an enterprise-wide data management system to measure and track our progress. With the launch of this report, we are now moving into the second phase of our approach, which is really about making the positive impact we know VF has the potential to do. Additionally, I am equally impressed with the level of passion our associates have to do the right thing by integrating more sustainable and responsible practices into our business practices to make us an even stronger company for generations to come.

Q: How are you scaling sustainable business practices across VF’s brands?
A: Sustainability is one of our five business platforms. We apply the same rigor and business discipline used to run our business to sustainability. We are pooling the individual efforts taking place across our business and creating a single platform where we can share sustainability resources, capabilities and best practices. With this more focused approach, we are able to leverage our scale to introduce more sustainable materials and processes more efficiently and quickly. Additionally, we are establishing enterprise-wide goals and have an executive-level committee to oversee progress. This approach enables us to truly integrate sustainability into the way VF does business.

Q: What do you hope VF’s sustainability platform will look like a decade from now?
A: Our customers and consumers care deeply about how their products are made. As we share our 110 plus years of responsible and sustainable manufacturing practices from our owned facilities with our sourced partners, and as we scale best practices across our brands, we have the opportunity to bring functional, stylish and sustainable products to our broad consumer base. In this way, we can truly help shape the future of the apparel and footwear industry, sustainably.

Q: You have a personal passion for sustainability. Who or what has inspired this passion?
A: As a kid, I was an active Boy Scout. Like all Scouts, we spent a considerable amount of time outdoors – exploring, hiking and camping – you name it. Through these adventures, I cultivated a deep love and respect for the outdoors. As CEO of VF, I am energized by our groundbreaking products that inspire and enable our consumers to get outdoors, and for our dedication to sustainable practices that help to protect the environment for future generations.
A Letter from Scott Roe, Vice President and Chief Financial Officer

"Sustainability and responsibility add meaningful and measurable benefits to our business and our shareholders."

Scott Roe, Vice President and Chief Financial Officer

VF is focused on delivering sustainable, long-term growth to our shareholders. We do this by setting lofty goals, putting the right people and resources on the task and diligently measuring the results of our actions to ensure that our shareholders are rewarded for our efforts.

Read more
GUIDING PRINCIPLES

The Roadmap for Our Sustainability Journey

We’ve developed a set of sustainability guiding principles that encourage our associates, stakeholders and peers to think big, act collaboratively and engage smartly.

At VF, sustainability is not only an essential business platform, but it’s also an intrinsic part of our core values.

REMAIN VALUE ORIENTED
By applying a sustainability lens to our business, we can reduce risk and cost across operations while at the same time tapping into new revenue sources and enhancing value for our brands and business.

USE OUR SCALE FOR GOOD
Our size affords us a unique opportunity to help shape and lead the sustainability conversation across the apparel and footwear industry. Such a position empowers us to help meaningfully and measurably define a sustainable future.

BE PRAGMATIC
We’re focused on the efforts that will have the most meaningful impact, what we can control and the areas we can influence. We are making strides to reduce our environmental impacts. Further, we’re collaborating with our brands to develop and implement proven strategies to evaluate and improve upon our performance.

INNOVATE FOR SUSTAINABILITY
In addition to products and technology, we’re embracing innovation and exploring ways to connect with consumers on sustainability.

REMEMBER THAT WE CAN’T – AND WON’T – DO IT ALONE
We foster collaboration and encourage knowledge sharing across our brands, within the industry and with leading external experts. These conversations and partnerships streamline industry efforts with best practices.

LEAD THROUGH ACCOUNTABILITY AND TRANSPARENCY
VF is goal-oriented, competitive and committed to continuous improvement. Setting clear goals and establishing accountability are part of our DNA. This part of our culture is essential to our success in creating a more sustainable company.
Narrowing Our Focus, Expanding Our Impact

To focus our resources toward the issues most significant to our business, VF conducted a materiality assessment to identify our impacts, risks, and opportunities.

VF is a large company comprised of many brands across multiple geographies. To help us focus our efforts toward the areas and issues that have the greatest impact, we conducted a materiality assessment. The processes and inputs that guided our assessment follow. We:

• Analyzed peer sustainability reports, recent industry news coverage, Global Reporting Initiative (GRI) G3.1 Guidelines and the GRI Apparel & Footwear Pilot Sector Supplement to create a list of potential material issues.

• Quantitatively and qualitatively analyzed the list of potential material issues:

  • Implemented a formal survey asking internal and external VF stakeholders to rank sustainability issues based on each issue’s importance to them and impact on VF’s business, and
  
  • Conducted a series of interviews and meetings with key stakeholders who have a deep understanding of our business and its impacts – including Ceres, Worldwide Responsible Accredited Production, National Resources Defense Council, Social Accountability International and Boston Common Asset Management – to identify the issues that matter most to our industry and society.

• Completed Life Cycle Assessments (LCAs) across our business to document our carbon, water and waste footprints.

Read more
Collaboration as a Catalyst

We recognize that we can't make the kind of impact we aspire to on our business and our industry alone. We're building a comprehensive stakeholder engagement program to inform and guide our sustainability and responsibility efforts.

VF values open communication and collaboration with our stakeholders.

We are developing a comprehensive process for engaging with key stakeholders regarding social and environmental priorities and challenges. Some of our brands such as The North Face® and Timberland® are already leading voices in industry-wide conversations that advance more sustainable business practices. This website is an important step for VF as a whole to improve the way we provide information to our stakeholders. As we look forward, we will continue to engage our stakeholders in regular conversations and provide meaningful information on the issues most important to them.
GOVERNANCE

Shared Responsibility

The way to achieve transformational change in sustainable business practices is by sharing accountability across our global enterprise. We have developed management systems and reporting processes that hold us accountable, track our progress and measure our results.

VF Operation Committee: From left to right, standing: Martin S. Schneider; Stephen F. Dull; Thomas A. Glaser; Arvind Gream; Robert K. Shearer; Steven E. Reede; Scott A. Rac; Laura C. Meagner; Michael T. Conaway; Scott H. Baxter. From left to right, seated: Karl Heinz Salzburger; Eric C. Wiseman; Susan L. McDonald; Franklin L. Turkelsen.

Knowing the importance of sound governance, we’ve created an oversight system to guide our sustainability and responsibility efforts and goals that involves our senior leadership and a group of committed experts from around the globe.

Effective governance gives everyone, from suppliers to VF’s operating committee, a role in advancing our commitment to sustainability and responsibility. By embracing a shared responsibility, we collaboratively examine our policies, procedures and efforts – ultimately facilitating a better integration of sustainability and responsibility throughout our businesses. Furthermore, we have developed management systems and reporting processes that hold us accountable, track our progress and measure our results.

Read more
Modest Achievements. Growing Aspirations.

Our approach to setting sustainability and responsibility goals is ambitious yet pragmatic. We strongly believe that we must build goals around sustainability and responsibility in the same way as we approach other business goals: incrementally.

At VF, we are continually refining and adapting our programs, policies and processes to accomplish our sustainability goals.

One of VF's greatest challenges is aligning and balancing our goals for business growth with our sustainability actions. To date, our goals and achievements have been modest, mostly in the areas of data collection, energy efficiency and responsible sourcing.

Read more
Our Approach to Environmental Sustainability

By dedicating ourselves to using the earth’s resources efficiently and thoughtfully, VF will remain competitive in a resource-conscious marketplace and will help to ensure future generations live in a cleaner, healthier world.

VF is one of the largest apparel and footwear companies in the world, with more than 30 brands, 40,000+ associates and a multi-faceted supply chain that manufactures close to 500 million products each year.

With this scale comes responsibility. We recognize that we impact economics, communities and ecosystems on a local, regional and global level. VF’s approach is to clearly understand the affects we have, proactively address those impacts and relentlessly seek ways to improve ourselves and our global industry. Our consumers, customers, associates and communities demand no less.

In 2011, we identified and assessed these areas in our value chain where we have significant levels of control or influence. From manufacturing and shipping our products to lighting our stores and running our offices, our business operations require a significant amount of energy, water and we also generate waste. Because of this, we have chosen to focus on energy, water and waste.

Read more
Reducing our Carbon Footprint and Increasing Energy Efficiency

Today, about 10 percent of VF’s primary energy comes from fossil fuels. This represents a significant improvement in sustainability. Moving to renewable energy sources and improving our operational efficiency are our top priorities.

VF 2014 Sustainability Report - Green Buildings

We are actively pursuing strategies that reduce our carbon footprint while working with industry groups, governments and NGOs to support national action on climate change.

VF spends more than $125 million annually in energy, fuel and business travel to power our operations worldwide. Reducing this energy use is not just good for the environment; it’s also good for our business. We understand that physical aspects of climate change, such as shifts that result in precipitation or temperature changes and water scarcity, may also pose risks to VF’s global supply chain by affecting our ability to access raw materials, to manufacture products or to transport them to market. Additionally, our goal is to exchange carbon-intensive energy sources for cleaner, renewable sources such as solar and wind. Achievements in these areas will reduce our carbon footprint and help reduce potential carbon tax implications.

We believe the risks associated with climate change are real and that actions to address this issue on a global scale require immediate attention. As such, VF is collaborating with industry groups, governments and NGOs to lead meaningful dialogue on the topic, and we are pursuing multiple methods to mitigate and reduce our carbon impacts. In 2015, VF has saved 22,134 C02 from our efforts to reduce energy use.

Read more
Reducing Our Water Consumption

Just one tradition of jeans uses approximately 2,500 gallons of water during its lifetime. One simple white T-shirt uses more than 750 gallons. As the world’s largest manufacturer of apparel and footwear, our responsibility is clear: this is why VF aims to use water in the most responsible way possible. As of August 2014, we have submitted our first response to CDP’s water.

The production and care of apparel and footwear uses a tremendous amount of water, one of the world’s most scarce resources. Why? Cotton.

We rely heavily on cotton, which requires significant amounts of water to grow and process. Cotton garments also use a considerable amount of water once purchased by consumers, as regular washing is required to maintain them. Our synthetic materials, while not reliant on water from traditional agricultural processes, also require a large amount of water to transform fibers into the final products consumers purchase.

VF is working to be a responsible water steward where we operate. We recognize that while global factors influence water quality and use, it is a local issue—every watershed experiences different conditions, risks and demand pressures.

Read more
Reducing, Reusing and Recycling Materials

When it comes to reducing waste, doing it better often means doing it with less. It also means finding opportunities to reuse and give new purpose to recycled materials. We aspire to be a zero-waste to-landfill company.

VF has long viewed environmental waste as financial waste. Reducing it is part of our culture. For example, at our owned manufacturing facilities, we employ teams of engineers to find ways for us to use materials more efficiently. The initial pattern cutouts of our products, called "markers," are regularly evaluated to ensure we use every possible inch of fabric. The percentage of unused waste material for markers in our owned manufacturing facilities is in the very low double digits, considerably lower than industry averages. Between 2010 and 2013, we were able to reduce our total owned manufacturing waste by 9.91 percent, from 12.86 to 11.91 percent.

To meaningfully reduce waste, we are finding new ways to apply that philosophy to every aspect of our business. We are exploring new ways to reduce, reuse and recycle in the methods used to design and prototype our products. The operations at our owned manufacturing facilities, distribution centers, retail stores and offices.

Read more

OUR APPROACH AND GOALS

REDUCING WASTE IN HOW WE DO BUSINESS

REDUCING WASTE IN OUR PRODUCTS
Performance, Fit, Style, Price and Eco-Friendliness

VF manufacturers nearly 50 million units of product every year. In addition to having the right performance, fit, style and price, our consumers now expect them to be fabricated and produced in responsible manner. We consider how, where and where our products are made, as well as the associated environmental and social impacts.

Every day, VF manufactures approximately 1.5 million products; but diverse product portfolio includes sports, technical and casual wear, footwear, outerwear, accessories, shoes and luggage. We produced more than 70,000,000 fashion styles of apparel – many in a multitude of color combinations and sizes.

Producing all of these products makes VF one of the largest manufacturers of consumer materials in the apparel and shoe business. For example, a typical jacket is composed of 30 or so individual parts and is cut, sewn, labeled, finished, and packaged, in a similar way. We are one of the largest manufacturers in the world, and that means we take responsibility for our products. As we work to increase the potential of our role and develop to create more sustainable and responsible products that delight our consumers. Collaborations efforts among our brands, teams, functions, product teams and regions in products are creating the foundation for identifying our shared goal priorities and for acting on these important initiatives. We believe VF can help in shaping the future of green change.

Reasonable change starts with understanding what we can and cannot influence. This response takes a look of our products to understand initiatives for improvements can be made, the following section provides information regarding how we incorporate sustainable practices across the entire lifecycle of our products.
Our products define us. Our designers share a passion for finding solutions that reduce VF's environmental footprint, while taking our products to the next level for our customers.

Our products represent our best thinking in how to design and develop solutions that meet and exceed customer and consumer expectations. We recognize a number of ways to advance our portfolio's performance, from creating new sustainable product lines to designing durable products that last. We believe performance and sustainability are not at odds; rather, they can enhance each other. Every innovation should have a favorable outcome for both our customers and the planet.

Incorporating sustainability into the design process often introduces creative challenges for our product engineers and developers. Designing products with methods that use less water, energy and materials is incredibly difficult. We also demand high performance from our products, so determining which eco-conscious materials can meet functional requirements such as waterproofing, fireproofing and extreme weather protection is no simple task.

Adding to this list of requirements is that we also must develop these products in a responsible manner. VF's product safety team assures product health and safety regulatory requirements worldwide are incorporated into VF product standards, and it works frequently with individual brands during the product development phase to integrate product safety standards and certifications into product designs.
It’s What’s Inside That Counts

While we aim for superior performance, we also strive to mitigate environmental impacts and improve supplier practices associated with our key materials.

TAKING A LOOK AT THE ENVIRONMENTAL IMPACTS OF MATERIALS IN OUR PRODUCTS

Procuring and processing the materials we use in our products is traditionally a resource-intensive procedure. Growing cotton uses a substantial amount of water. Tanning leather often generates large amounts of waste. That’s why we are asking our designers to incorporate environmental performance into their decision-making processes. We are embarking on the process of identifying the most commonly used materials in order to better understand our potential points of leverage and to set targets for more sustainable materials.

A number of our brands are industry leaders in their responsible use of key materials such as cotton down and leather. By sharing these best practices across all our brands, VF has the opportunity to transform its products and our industry.

Below we discuss how we source and utilize the materials we use most, by volume, across our company.

Read more
Ensuring Operational Efficiencies and High Social Standards in Our Supply Chain

Our holistic manufacturing approach is called Manufacturing. Contract Suppliers and Third Way provide us with the competitive advantages of quality, service, speed and flexibility— as well as best-in-class social responsibility and environmental stewardship practices.

VF has over 110 years of experience in manufacturing at our own facilities. Our own manufacturing operations provide us with the most direct control over a number of important factors, including the introduction of greater operational efficiencies and social standards. Today, approximately one-third of our production takes place in the 3D manufacturing facilities that VF owns. These facilities are governed by our (Sustainable) Framework, which sets standards for how to operate and manage our sites in a safe and productive manner.

We work with external suppliers for two-thirds of our production. Like others in our industry, our contract suppliers enable us to respond quickly and efficiently to fluctuations in product demand. These engagements are governed by rigorous compliance principles, guidelines, audits and training to promote work environments that provide fair wages and are clean, safe, healthy and free from any form of discrimination.

Another unique element of our approach to supply chain management is our investment in what we call Third Way—a long-term strategic partnership with suppliers that gives us the ability to share our best manufacturing practices.
Sustainable Logistics to Reduce Costs and Our Environmental Impacts

VF transports more than 4.3 million units of apparel and footwear to market every day. This enormous logistical challenge is also a tremendous opportunity to improve our environmental performance.

VF is keenly focused on minimizing the environmental impacts in our logistics and distribution networks.

VF and its brands are investing significant time and effort to measure the carbon footprint of our logistics and distribution activities and identify where the greatest efficiencies exist. Our greenhouse gas emissions inventories have revealed:

• 70 percent of our distribution is shipping freight by sea. This is the least carbon-intensive method of transport.
• 25 percent of our distribution is done by vehicle fleet.
• Only 5 percent of our products are shipped by air; yet this delivery method contributes the single largest segment to VF’s carbon footprint within logistics and distribution.

We will continue to encourage our suppliers and brands to use more rail and sea freight channels, which are the most cost effective and environmentally-friendly modes of transport.

In order to improve fuel and other transport efficiencies in our owned VF trucking fleet, we have initiated upgrades that include more fuel-efficient tires and improved vehicle aerodynamics. We have also introduced improvements to container utilization in sea freight – standardizing existing cartons and creating new cartons with optimized dimensions – enabling us to maximize the use of container space and eliminate more than one million transit miles over the past four years.

We are also engaging with suppliers, industry peers and other stakeholders in an ongoing effort to identify new, more efficient methods for global product distribution.
Growing Our Retail Footprint While Shrinking Our Environmental Footprint

VF’s store count will double in the next five years. The rollout of these stores will include best practices for environmental efficiency in every aspect – including store design, materials and operations.

Sustainable practices are in place across our portfolio of brand retail stores.

Our owned and operated retail locations are taking steps to reduce their environmental footprints by increasing energy efficiency, reducing waste and sourcing sustainable materials locally.

The Timberland® brand has shown early leadership in energy efficiency at retail. In 2008, it became the first company to achieve Leadership in Energy and Environmental Design (LEED) retail certification for a mall-based store. Based on the lessons from early LEED certified store designs, all the Timberland® brand stores today incorporate key elements from the LEED framework. On average, Timberland® brand stores retrofitted with LEED features consume 30 percent less energy than the original store prototype, making it efficient from an environmental and cost perspective.

VF is working with the Retail Industry Leaders Association to influence the industry through collaboration with other retailers, as well as developers and landlords.

Here are a few examples of sustainable practices currently in place at our retail stores.

Read more
Apparel and Footwear Built to Last

All VF brand products are manufactured to meet the highest standards of workmanship using the best quality materials. With proper care and handling, they are designed for years of active life.

Our design teams take great care in developing long-lasting, eco-friendly products.

We encourage our consumers to review the cleaning and care instructions included with every item we make and sell. Following these instructions will often extend the useful life of the item. Footwear that is treated against water saturation and stains, kept clean and properly stored between uses will sustain many years of use. When it comes to apparel, consumers can increase their own energy and resource efficiencies by washing only full loads of laundry, using cooler water temperatures and avoiding the use of a hot dryer. Fleece garments in particular will air-dry within a few hours when placed on a hanger. These measures save energy and water, while also helping to prolong the product’s life.

Read more
Living Our Core Values

Because our workforce spans the world, we have created a set of global values that all of our associates – no matter which brand they work for or country they live in – can embrace. They are honesty, integrity and respect for others.

While all VF brands are unique, all share our core values of honesty, integrity and respect for others.

Our values are deeply embedded in the work we do across VF. They serve as an integral part of our operations with suppliers and in our communities. And they reinforce an environment of respect, collaboration and knowledge sharing that allows us to attract and retain some of the most talented and creative people in the industry. As an extension of our values, we abide by a Code of Business Conduct, which is available in 22 languages. The code sets forth policies and principles for all our associates to follow.

It is important that our values extend beyond our own walls. That is why we require our suppliers to observe the same principles outlined in our Code.

This section contains examples of our values in action. It also highlights meaningful examples of how we engage our associates, suppliers and communities in our sustainability work.
The Heart of Everything We Do

We value the unique ideas, perspectives, talents and contributions that each of our associates brings to his or her job. Perhaps that’s why more than 97 percent of our associates say they are proud to work for VF.

Our 50,000 associates from more than 50 countries are at the heart of sustainability at VF.

Our 59,000 associates represent a diverse collection of geographies, ethnicities and lifestyles, and we welcome the unique perspectives and talents each brings to our business culture and family of brands.

Many of our VF associates embody the lifestyles our brands represent: at the Reef® brand, many meetings take place at their local surf break. At The North Face® brand, associates are encouraged to get outside to use the brand’s products. At the U.S.-based Original Wrangler® brand, cowboy boots are part of the work attire. When it comes to culture, we have seen what works—authentic and personal engagement drives us to constantly pursue excellence in everything we do.

Our associates are at the heart of our ability to meet and surpass our sustainability goals. We count on them to strive for workplace safety and human rights, to champion sustainable processes in our operations and to fan out into their communities to serve the people and causes that matter most to them.

Whatever passions and interests may motivate our associates, we are committed to our policy to uphold an inclusive workplace environment where all people are treated the same, without regard to their race, color, gender, age, national origin, religion, sexual orientation, gender identity or expression, marital status, citizenship, disability, veteran status, AIDS status, or any other legally protected factor.

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Read more
A Positive Influence on Our Industry

At VF, our commitment to ensuring that individuals engaged in our work are treated with dignity, respect, and equity, live in a similarly ethical manner. We invest the time and effort necessary to properly vet prospective and contract suppliers to ensure they are in compliance with VF’s Global Compliance Program.

We award our licensees’ source products from approximately 1,800 factories in more than 42 countries, and each facility making products for us or our licensees must be certified by a VF auditor or an approved third-party audit company prior to submission of any purchase order. Our contract factories must meet our standards—our inspection process goes far beyond a simple check-the-box exercise. As part of our rigorous assessment process, we interview workers, review operating records, and conduct on-site inspections of factory floors, kitchens, and associated lodging before it is possible to ensure workers are being treated fairly.

Read more

GLOBAL COMPLIANCE PROGRAM

SUPPLIER TRAINING

VF’S AUDITING POLICY

SUPPLIER PARTNERSHIPS

HUMAN RIGHTS IN OUR SUPPLY CHAIN
Committed to Bettering Our Communities

VF is committed to making positive changes in the thousands of communities in which we operate.

Read more
HUMAN RIGHTS IN OUR SUPPLY CHAIN

Human Rights in Our Supply Chain

VF strives to ensure that all individuals in our supply chain have fair, safe, sustainable working conditions.

VF is committed to fair and safe workplaces across our supply chain and is leading many efforts in the apparel and footwear industry.

Read more
Reducing Waste in How We Do Business

vitamin® operates in a variety of countries, from America to Australia to 12 others. Each product is made to ensure traceability by its brands. However, we are continuously looking at sustainability goals. Health brands need to reduce and recycle all kinds of plastic and paper we use.

The materials we use today that are not directly incorporated into our products – such as corrugate, shipping tape, hang tags, and paper – provides an opportunity to build sustainable sourcing into our global production partnerships. To build our procurement team is now working to establish sustainability standards for these materials.

Additionally, we use our organizational scale to buy more sustainable materials at scale rates. Previously, de-identified, vitatoin® brands had purchased materials independently. The smaller size of orders often resulted in higher unit prices, and this sometimes forced brands to focus less on sustainable materials. Today, vitamin®’s Global Procurement Team aggregates volume to achieve price parity and, in some cases, a 50%+ savings. This enables us to both help our brands meet their goals and to send strong signals to suppliers and vendors that vitamin® prefers sustainability-sourced materials. Project sustainability benefits include increased material use, less waste, lower emissions, and improved supply chain resilience.

Read more
PROMOTING SUSTAINABILITY WITH OUR ASSOCIATES

Practicing Sustainable Business

Our associates are the most important element of our sustainability strategies.

Collaboration across VF and our brands is a key to our success.

At VF, we view sustainability as a “team sport” requiring the support of every associate. We are fortunate to have a passionate and talented group of associates throughout our company who are helping to lead our sustainability initiatives.

Our culture enables our associates to be entrepreneurial, take calculated risks and think creatively.

Our commitment to collaboration generates new perspectives and promotes innovative problem-solving.

Our skilled and extensive network enables VF to amplify the impact of their new ideas by scaling them across our global family of brands.

Read more
Setting High Standards for How We Make Our Products

Approximately 20,000 VF associates work in our 24 owned and operated manufacturing facilities. No other apparel and footwear company has such extensive internal manufacturing capabilities or expertise.

VF holds our owned facilities to the highest industry standards.

VF's owned manufacturing capability creates several advantages, including greater control over speed, price and quality and the ability to introduce innovations directly into our operations. These enable us to develop competitive efficiencies and directly invest in the communities where we operate.

Read more
Supplier Partnerships

We work collaboratively with many groups to improve our procurement strategy and supply chain performance. By sharing our experience and best practices, we aim to build a strong and sustainable partnership with suppliers. Our efforts are focused on reducing greenhouse gas emissions, improving safety, and promoting fair labor practices.

For instance, our partnership with the Clinton Global Initiative (CGI) and the Business Council for Sustainable Development (BCSD) focuses on environmental sustainability. Through these collaborations, we strive to improve our environmental impact and contribute to a more sustainable future.

We are also committed to working with suppliers who share our values and standards. This includes supporting local economies and ensuring fair labor practices. By fostering strong and transparent relationships with our suppliers, we aim to create a better future for all.

Our partnership efforts cover a wide range of initiatives, including

- **Climate Action Plan**
  - We have set ambitious targets to reduce our greenhouse gas emissions by 2030. Our partnership with the Science Based Targets initiative (SBTi) helps us align our emissions reduction goals with the latest climate science.

- **Water Stewardship**
  - We are committed to reducing water usage and improving water quality in our supply chain. Our partnership with the Water Footprint Network (WFN) and the Global Water Partnership (GWP) enables us to track our water usage and implement best practices for water conservation.

- **Sustainable Materials**
  - We work closely with suppliers to promote the use of sustainable materials. Our partnership with the Sustainable Apparel Coalition (SAC) and the Better Cotton Initiative (BCI) helps us achieve our goal of using sustainable and ethical materials in our products.

- **Supply Chain Transparency**
  - We are transparent about our supply chain practices and partners. Our partnership with the Electronic Industry Citizenship Coalition (EICC) and the Responsible Business Alliance (RBA) helps us maintain high standards for ethical and environmental practices.

We are committed to continuous improvement and are actively working to expand our partnerships with suppliers. Our goal is to build a sustainable and resilient supply chain that benefits all stakeholders.
Reducing Harmful Chemicals in Our Supply Chain

Some consumers want products that are wrinkle-free, stain-resistant, and non-shrink. Others need products that repel water, trap warmth, and even resist fire. All this requires careful and responsible chemistry.

At VF, we have developed programs to ensure the chemicals in our products are used safely.

Our business is built on offering the best quality products to our consumers to support their activities and lifestyles. We produce apparel and footwear for extreme athletes, fire fighters and chefs as well as outdoor and fashion enthusiasts. The products we make are expected to achieve high levels of performance and functionality including water repellency, fire protection and warmth. Our products use dyes for color and come with consumer-preferred attributes that make them wrinkle-free, stain-resistant and non-shrink. We rely on sophisticated chemistry to help us produce high quality products that meet the many functional needs of our consumers.

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Read more
Our Waste Reduction Goals

Having completed a comprehensive waste audit, we have set specific targets for waste reduction. By 2025, VF will reduce its waste to landfill by 60%. We will continue to evolve our efforts to realize our ambition to become a zero-waste business.

VF is aiming to implement recycling programs in each of its owned facilities.

Having completed a comprehensive waste audit, we have set specific targets for waste reduction. We are now implementing programs to reduce and repurpose waste – or, ideally, to avoid creating it in the first place. This includes a commitment to, when possible, purchase materials that can be recycled and are sourced responsibly – meaning they come from certified sustainable sources or include recycled materials.

We are working to apply sustainability purchasing standards across VF and our brands.

Read more
FOSTERING A CULTURE OF ACHIEVEMENT

An Environment Where People and Passion Can Thrive

We are proud of our unique, collaborative and disciplined culture — one that encourages people to bring their best to VF every day. We strive to create a workplace environment that promotes creativity, collaboration and congeniality.

We are investing in a strong leadership pipeline at all levels of the company.

Our brands are among the most popular in the world. Their consistent success can be attributed to the talent, creativity and strong values of the associates who guide them. We know that effective leadership and a healthy employee base result in significant benefits on a number of key business measures including product quality, customer satisfaction, profitability and total shareholder return. To achieve these benefits across VF, we invest in a variety of programs that promote the training and development of our associates. We also encourage associates to achieve active and healthy lifestyles — both inside and outside the workplace. Associates provide regular feedback so that we can continuously evolve our policies to meet the diverse needs of our global workforce.

Read more
VF'S AUDITING POLICY

Maintaining Our High Standards
VF's policy is to inspect every facility involved in the creation of VF-branded and licensed products.

VF is committed to ensuring all workers are treated with dignity and respect.

VF audits all cutting facilities, sewing plants, screenprinters, embroiderers, laundries, and packaging locations. In addition, we also monitor our material suppliers, for knitted or woven fabrics. Factories producing for the U.S. offshore market are also subject to unannounced audits by the Fair Labor Association.

No production of VF branded or licensed products may take place in a facility until a factory inspection is completed and VF Terms of Engagement have been signed. Violation of this policy can result in the termination of any existing contracts or licensing agreements.

New suppliers must be identified at least six weeks prior to the anticipated start of production, and an initial factory inspection requires three to four weeks to schedule. After the initial audit, our policy is to inspect every factory a minimum of once per year for the duration of the relationship.

Read more
SUPPLIER TRAINING

Building Sound Relationships with Suppliers

We offer our suppliers training programs that help them better understand our compliance standards and assist them in developing procedures to meet these standards.

Before we begin working with a supplier, we introduce VF’s Global Compliance Program and Vendor Audit Procedures to the facility’s management team. Suppliers that experience difficulty meeting our compliance requirements are offered training and support from our sourcing teams or independent consultants, provided they demonstrate a commitment to meeting the goals set forth by the Program. If suppliers accept the offer, we work with them to further assess working conditions and remediate problems.

Additionally, we provide regular training sessions for associates involved in sourcing and compliance, and we regularly set up training sessions for our suppliers in critical areas. Our training topics include water treatment, payroll calculations, health and safety.

Global Compliance Program

VF’s Auditing Policy

Supplier Partnerships

Human Rights in our Supply Chain
Supporting Associates Supporting Our Communities

VF encourages and empowers associates to get involved in service opportunities that are important to them in the communities where we live, work and play.

Across VF, associates give their time and experience to benefit their local community. Each region and brand creates their own programs based upon community need and associate desires. For some brands, the office shuts down for an entire day to spend time in the community. For others, it is a dedicated individual, a weekend charity bike-ride or a team-building afternoon.

In 2015, 6,000+ associates from 360 facilities around the globe (roughly 17% of our total) participated in 1,000+ volunteer events, including more than 47,000 hours served at our manufacturing sites. Volunteer events resulted in planting 257,000+ trees, 673 bags of trash removed and cleaned 135 miles of trails and beaches.

Read more
Taking Inventory of Our Greenhouse Gas (GHG) Emissions

With 72,000+ associates in more than 1,400 locations around the planet, simply measuring our impact is a considerable undertaking. With this enormous task step completed, we have identified where our energy use and carbon impacts are greatest, and we are implementing strategies to reduce them.

Since 2009, we have measured GHG emissions in all VF-owned and leased facilities each year. Using the "operational control approach," VF sets organizational boundaries to gather GHG information from locations and vehicles (leased and owned) where we have direct control. This approach is most reflective of our overall business operations, where we can influence decisions that impact GHG emissions. VF's GHG inventory was compiled in accordance with the GHG Protocol, the most widely used international accounting tool for government and business leaders to understand, quantify and manage GHG emissions, developed with the combined work of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). Supporting technical guidance for the US EPA Climate Leaders Program Design Principles (2006) and the Climate Registry General Reporting Protocol. 2.0 added specific support for stationary and mobile combustion sources to the overall emissions inventory process.

In 2012, our GHG emissions for direct and indirect emissions totaled 1,449,561 Metric Tons of CO2, and we reduced 3,449 Metric Tons of CO2 due to emissions and energy reduction initiatives during that same year. We aggregate and analyze many types of facility metrics to identify the best opportunities to make the biggest reduction in energy use, while also identifying areas where renewable energy is a viable alternative.
ENERGY EFFICIENCY

Taking Action to Minimize Our Energy Use

Establishing clear baselines, conducting annual energy efficiency audits, Continuously upgrading equipment and processes, implementing proven reduction programs, tracking and measuring improvement. VF’s energy efficiency program is becoming an important competitive advantage.

VF’s energy efficiency efforts focus first on our owned and leased facilities, including manufacturing plants, retail operations and distribution centers. Below are examples of VF’s initiatives at our owned operations and beyond.

Read more
Powering Our Company with Renewable Energy

VF aspires to be entirely powered by renewable energy across our company — from offices to distribution centers to owned manufacturing plants and retail stores.

Utilizing renewable energy remains a priority for VF and its brands.

Read more
Becoming Responsible Stewards of the World’s Water

Water stewardship efforts are underway across VF’s manufacturing and product development, but we recognize that they are just a start. Additionally, we are developing a company-wide water strategy – from farm to factory to consumer use.

VF is working toward developing a comprehensive water strategy by 2016.

Our cotton product Life Cycle Assessments (LCAs) clearly pinpoint the vast amounts of water often required during agricultural processes. Here’s a look at the water used to produce several of our products:

Read more
More Responsible Water Use in Manufacturing

As we increase our water efficiency, we must also ensure the wastewater we produce is properly managed. We maintain that any amount of improper discharge is unacceptable.

The apparel industry requires large volumes of water to be used in the dyeing, treating and finishing stages of production.

VF is committed to making every possible attempt to reduce our water use. But no matter how much we reduce, producing footwear and apparel still requires various wet processes, and the water used in these processes must be cleaned and treated before returning to the watershed. Through proper chemical management efforts and responsible wastewater practices, we will make certain that all wastewater is treated and discharged properly, not only in our own manufacturing facilities, but also across our contract suppliers.

OWNED MANUFACTURING

Our owned manufacturing facilities are reducing water usage by improving plumbing fixtures and sensors, optimizing water pressure, using native plants and responsible irrigation techniques in landscaping and minimizing water for internal laundries’ wash. These strategies are essential when one considers, for example, that operations at our Yucatan, Mexico, manufacturing facility require one million gallons of water per day.

Our owned facilities are dedicated to ensuring that all water used not only meets local standards, but also often exceeds them. In some cases, the water we discharge is cleaner than the water we bring into the production process. We have invested in highly advanced wastewater treatment systems, and we conduct daily water testing at our owned manufacturing facilities. Twice each year, independent parties conduct audits to ensure we meet quality standards for water discharged from our operations.

In Apancho, Mexico, we have implemented new water processes to ensure that our facility is nearly 100 percent non-consumptive, meaning nearly all of the water we use is returned to the watershed. This achievement was recognized with the Governor’s Award for Water Stewardship in 2011, which is awarded by Mexico’s National Environment Agency.

Read more

OUR APPROACH AND GOALS

WATER AVAILABILITY AND HEALTH
WATER AVAILABILITY AND HEALTH

Ensuring Access to Clean Water

Our commitment to water conservation extends well beyond our frontlines. VF is also working in the communities where we live and work to provide access to clean water and preserve the natural beauty of the ocean.

Vast brands are working to promote water conservation in their communities. VF is actively seeking ways to share lessons learned from these programs across the enterprise.

To provide access to clean water, the Timberland® brand partnered with the Planet Water Foundation to install drinking water towers around its supplier facilities in Kohima, India, and the Dominican Republic. The towers will generate 2,465 gallons of clean drinking water per day, thus improving the overall living conditions of these communities. Planet Water is a U.S.-based nonprofit organization that strives to bring clean water to the world’s most disadvantaged communities through the installation of water filtration systems and education on maintaining the systems over time.

Since 2009, the Nautica® brand has partnered with Oceana, the largest international organization dedicated solely to ocean preservation, and participates in World Water Day and World Oceans Day.

As part of the Reef® Redemption program, the Reef® brand works with organizations such as ALGAlgae Marine Research Institute, Waste to Waves and the North Shore Community Land Trust to protect environmental and cultural elements that are integral to the sport of surfing.
Reducing Waste in Our Products

Sustainable Design and Development

From the very first day, we have looked at the impact our products have on the environments and communities where they’re made. We are working to create products that will live and incorporate more recycled materials.

We strive to create products that are made of responsibly sourced materials and designed with the environment in mind, which often means pursuing a closed-loop cycle. When we incorporate sustainability into our innovation processes, we have the opportunity to create groundbreaking products that can transform the apparel and footwear industry. Our products and product lines with recycled material include:

- **Leather Recycled**: Our Leather brand team in India developed our Leather Recycled, a new collection of products that features recycled materials. The new product line is sustainably designed with sustainability at its core, addressing environmental impacts of the entire supply chain. Each pair of Leather brand x REPREVE Reed sneakers, for example, is made from an average of 15 PET bottles.

- **Rawo Redefined**: Rawo Redefined products incorporate recycled materials, such as recycled PET plastic and rubber. One of our bestselling Rawo brand sandals, "Miss J"-reo, consists of 91 percent post-industrial recycled triple density EVA molded with a 20 percent recycled rubber outsole.

- **Timberland brand’s Earthkeepers collection**: Footwear and apparel in the Earthkeepers collection utilize materials such as recycled rubber and water-based adhesives. The line has been so successful that the Timberland brand plans to use many of its materials across the entire brand.

- **The North Face brand’s featuring a 100 percent recycled content in all polyester fabrics by 2014. Close to 60 percent of The North Face's fabric is polyester or this is a huge goal. In addition to the brand's Iconic Denali jacket, Reese Fletcher that contains 100 percent recycled content, the brand also reimagined its Venture collection, whose raw materials is created using 150 percent recycled nylon in all non-blackwater colors.

For more information on how waste is eliminated from VF Products, please visit our Products.
Since cotton plays such a large role in our business, working with BCI has been a crucial element of our sustainability efforts.

Cotton has been called one of the thirstiest crops in the world. It takes an enormous amount of water to grow enough cotton for the clothes we wear – and more water yet to maintain that clothing through laundering once purchased. More than 710 gallons of water are required to produce and care for one simple white t-shirt during its typical life cycle. That is the equivalent to the recommended amount of water an average person consumes over the course of almost four years.

BCI exists to make global cotton production better for the people who produce it, better for the environment in which it grows and better for our industry’s future. In 2012, VF partnered with BCI to support farmers and improve the environmental footprint of cotton production, by reducing the amount of fertilizers, pesticides and water in the cotton growing process.
Both The North Face® and Eagle Creek® brands have expanded their partnerships with bluesign®, an independent agency based in Switzerland that specializes in certifying environmental, health and safety standards along the supply chain.

The partnership between The North Face® brand and bluesign® began six years ago to address chemical use in the brand's performance-based products. bluesign® conducts audits primarily at The North Face® brand’s fabric mills to determine whether the chemicals used adhere to the organization’s stringent environmental safety requirements. Those that meet the safety targets are approved as bluesign® certified, guaranteeing that the material has been manufactured in an environmentally safe fashion.

Today, about 40 percent of The North Face® brand’s production material by volume is bluesign® certified. Thanks to its partnership with bluesign®, the brand is on track to meet its goal of 65 percent certification by 2015 and 100 percent by 2020.

A significant benefit of the partnership between The North Face® brand and bluesign® is that it enables the brand to accelerate supply chain sustainability throughout the apparel industry. Through the partnership, The North Face® brand has begun recommending that textile suppliers participate in onsite monitoring and implement advisable changes in input, process and equipment. The North Face® brand is now moving beyond fabric mills to engage trim and accessory suppliers – yet another example of how our scale can support environmental gains across the whole industry.
POLICY ON COTTON FIBER SOURCING FROM UZBEKISTAN

There have been ongoing concerns regarding the use of government-backed forced child labor during the cotton picking season in Uzbekistan. Uzbekistan is the third largest exporter of cotton in the world and responsible for approximately 10 percent of world cotton trade. As a result, VF has been participating in a coalition with other leading brands and retailers, industry associations, socially responsible investors and non-governmental organizations to raise awareness of this very serious issue and to convince the Uzbekistan government to eliminate this practice. Until this matter is resolved, we are asking all VF vendors and licensees to cease sourcing cotton from Uzbekistan.

We understand that the cotton supply chain is complex and that tracing the origin of cotton in finished products is very difficult. However, we are asking our vendors and licensees to make their best efforts to trace their cotton sources and ensure that Uzbek cotton is not used in any VF product.

VF Corporation and individual brands may take a more concerted effort to request cotton sourcing information from suppliers and/or proof of due diligence of raw material country of origin in order to further pursue this matter.

We greatly value your partnership in this endeavor and look forward to communicating with you on this issue and others in the future. Thank you for your cooperation with our efforts.
Spearheading Change in the Apparel Industry

With more than 1,800 facilities across more than 60 countries producing roughly 76 percent of our products, our work with contract suppliers represents the most significant challenges and opportunities for improvement.

The apparel industry, and any industry that manufacturers products, faces systemic challenges related to contract suppliers. Although there are lessons that cannot be ignored by VF alone, we recognize that we can make positive changes in our supply chain and the industry.

We have developed strict compliance guidelines and programs to meet health and safety standards throughout our vast network of contract suppliers. With more than 110 years of manufacturing experience, we understand how a factory should be run and how the workers within those factories should be treated. Our first approach is to ensure the people making our products are treated fairly and with respect.

Beyond engaging with a contract supplier, every facility must be willing to ensure it meets our high safety and health standards encompassed in our Global Compliance Program, a set of guidelines and programs that help ensure that all individuals who contribute to our success are treated with respect and guaranteed their basic rights to fair compensation; to associate freely and bargain collectively; to work free from discrimination and harassment; and to work in a safe, clean workplace.

Our Global Compliance Program was built upon our owned manufacturing (OM) industry best practices and is informed by VF Guiding Principles on Business & Human Rights. This program assures that VF-owned and operated facilities, as well as our suppliers and tier suppliers understand and comply with our standards. We have made a commitment—to ourselves, to our customers and to our suppliers—that every item of apparel and footwear we make, or that we license others to make, will be made in factories that conform to our program. As part of this program, VF also works diligently to verify and ensure the absence of child and forced labor across its supply chain. Read more about our social responsibility programs in our supply chain.

The Global Compliance Program includes the following components:

- **The Ideal Plant Model (IPM)** sets the tone at the core of our owned manufacturing compliance program and helps direct our external tiering programs.
- **IPMs** describe the relationship with material factories. Every contracted supplier must sign our Terms of Engagement in order to produce VF products.
- **Our Global Compliance Principles** are the basic requirements that suppliers must meet in order to produce VF apparel and footwear.
- **Partnerships and Stakeholders** are an integral component to VF’s global work to help us continually improve our standards and processes.

For more information on contract suppliers, please see our People section.

We understand that in working with external suppliers, we have less control over the operating environment (with our products are manufactured). By applying our comprehensive compliance framework to all of our contract suppliers, we have an opportunity to improve the health and safety standards and promote best practices from our owned manufacturing facilities, which we share with our peers across the industry.

OWNED MANUFACTURING

THE THIRD WAY
Shared Benefits and Growth with Our Suppliers

VF’s unique approach to partnering with select suppliers, known as The Third Way, shares our best practices with suppliers who have a desire to make their facilities among the highest quality, socially progressive and cost effective in the industry.

The Third Way is a concept that helps us create and grow mutually beneficial, long-term relationships with strategic suppliers. Building on what we have learned in operating our owned manufacturing facilities, the Third Way is a long-term strategic partnership that yields significant shared benefits for the workers and their communities, as well as our customers, employees, and shareholders.

Once VF and a factory agree to implement the Third Way program, VF engineers and trainers work closely with factory owners to implement manufacturing best practices. Steps are taken to improve safety and productivity and ensure that water, electricity and other resources are used wisely. The Third Way program also incorporates VF’s approach to employee-focused workplace tools that recognize and celebrate individual and team achievements, leading to improved morale, decreased turnover and decreased absenteeism.

The Third Way creates value for everyone involved. Our multi-year memoranda of understanding with Third Way suppliers incorporate significant capacity targets, guaranteeing production for factory owners. We benefit from knowing our products are produced in a responsible manner with the level of quality we expect.

OWNED MANUFACTURING

CONTRACT SUPPLIERS
Upgrades to our VF vehicles help to increase fuel economy.

VF's size and scale means that small changes can add up to make a big difference. VF Jeanswear has increased miles-per-gallon (MPG) efficiency from 6.43 MPG in 2006 to 7.15 MPG in 2013 by:

- Reducing the fleet speed limit, which cuts fuel consumption by more than 224,000 gallons and saves more than $789,000 annually.
- Improving truck aerodynamics with Smartway-verified trailer skirts. (Smartway is a U.S. EPA program that reduces transportation-related emissions through incentives to improve supply chain fuel efficiency)
- Improving tire specification, an initiative that saves almost 186,000 gallons of fuel per year.
- Saving materials and costs through tire retreading, which uses less than half the raw materials of a new tire and costs less than half as much.
- Increasing fuel efficiency about 1 percent by using wide-base single tires, which also reduce the number of scrapped tires.
CODE OF BUSINESS CONDUCT

At VF, we do business the right way. That means we treat our associates, our customers and everyone we encounter with the highest levels of honesty, integrity and respect. VF’s Board of Directors and management expect our associates to carry out their daily responsibilities with the highest standards of conduct.

Effective April 15, 2014, our Board of Directors adopted an updated Code of Business Conduct applicable to all VF’s directors, officers and associates. The updated Code clarifies or adds guidance on our policies relating to conflicts of interest, anti-corruption, global trade compliance, anti-bribery regulations, data privacy, internal reporting and other topics. The Code also emphasizes individual responsibility and accountability for adherence to the Code and encourages dialogue and reporting about ethics concerns by including information on VF’s Ethics Helpline and other resources.

Our Code outlines the principles that have guided our company throughout the years, and that continue to guide us today. All VF associates worldwide are required to read and acknowledge our Code and to become familiar with its contents. We are each expected to follow the principles in our Code as we carry out our daily responsibilities.

CODE OF BUSINESS CONDUCT

The Code of Business Conduct sets forth business policies and principles for all directors, officers and associates of VF.

VF CORPORATION CORPORATE GOVERNANCE PRINCIPLES

Our Board of Directors has adopted Corporate Governance Principles to assist the Board in the exercise of its responsibilities.

POLICY DOCUMENTS

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<tr>
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<td>April 15, 2014</td>
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<tr>
<td>VF Corporation Corporate Governance Principles</td>
<td>October 26, 2016</td>
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GLOBAL COMPLIANCE PRINCIPLES

Principle 1 – Legal and Ethical Business Practices. IVF Authorised Facilities must fully comply with all applicable laws in the countries in which they are located, including laws regarding wages, hours, employment, health and safety, labor and human rights, immigration, and the acquisition and disposal of hazardous materials. Employees must be ethically in all their business practices.

Principle 2 – Child/Youth/Adult Labor. No person shall be employed at an age younger than 15 to 18 years in accordance with International Labor Organization guidelines, or younger than the age for completing compulsory education in the country of manufacture where such age is higher (by 18 to 18, if applicable). IVF Authorised Facilities shall observe all legal requirements for work of employees under 18 years of age, particularly with regard to hours of work and working conditions.

Principle 3 – Forced Labor. IVF Authorised Facilities will not use involuntary or forced labor – individual, bonded, or otherwise.

Principle 4 – Wages and Benefits. IVF Authorised Facilities compare the compensation package very country by country to the wages paid to comparable employees to ensure that the respective compensation package comprised equals and benefits that, at the very least, comply with legally mandated minimums or the prevailing industry wages, whichever is higher, and provide legally mandated benefits. Employees shall be fully compensated for overtime according to local law and each employee will be provided with a notice, written accounting for each paid.

Principle 5 – Hours and Overtime. IVF Authorised Facilities ensure that employees receive hours worked, including regular and overtime hours in their jurisdiction in which they manufacture or all hours paid, including overtime-based participation in extracurricular business activities. Employees must be informed at the time of hiring if mandatory overtime is a condition of employment. All employees will be entitled to at least one day off every seven-day period.

Principle 6 – Prevention of Association and Collective Bargaining. IVF Authorised Facilities shall not seek and comply with current information on local and national laws and regulations regarding freedom of Association and Collective Bargaining. No employee shall be subject to harassment, intimidation or retaliation in their efforts to freely associate or join collective organizations.

Principle 7 - Health and Safety. IVF Authorised Facilities will provide their employees with a safe and healthy working environment, designed to prevent accidents and illnesses. Employees will be entitled to sick leave or counseling service during the course of work. All IVF Authorised Facilities are required to maintain safe and healthy, legally mandated standards for workplaces health and safety in the countries and communities in which they operate.

Principle 8 - Non-discrimination. IVF Authorised Facilities shall ensure that employment is not made on the basis of personal characteristics such as race, color, gender, age, national origin, religion, sex, sexual orientation, gender identity or expression, marital status, citizenship, disability, political belief or religion, HIV/AIDS status or any other legally protected factor.

Principle 9 - Environmental Management. IVF Authorised Facilities shall manage all waste and pollution. IVF Authorised Facilities may not subject employees to corporate punishment, physical, sexual, psychological or marital harassment or abuse. In addition, IVF Authorised Facilities may not use money or time as a disciplinary measure.

Principle 10 - Women’s Rights. IVF Authorised Facilities must ensure that women workers will receive equal treatment, including benefits, employment and retirement benefits, regardless of their work or legal eligibility to be fully employed in open markets. Pregnancy testing will not be a condition of employment. For example, women workers who later retire because of a decision determined to be local and decided by individuals involved in the decision and not咚咚 discrimination or threats. Less is necessary for discrimination, which is available to prevent their formal or informal employment under the same or a benefit.

Principle 11 - Subcontracting. IVF Authorised Facilities will not utilize subcontractors in the manufacture of products or components IVF, written approval and approval subsequently, should agree to comply with the terms of Engagement, including these Global Compliance Principles.

Principle 12 - Monitoring and Compliance. IVF Authorised Facilities will monitor and detect any non-compliance with these Global Compliance Principles. IVF and its subsidiaries will undertake affirmative measures, such as unannounced and unscheduled visits to site inspections of production facilities, to monitor compliance with these Global Compliance Principles. IVF Authorised Facilities may allow the representatives to assess production facilities, employee records and employment for compliance verification in connection with monitoring visits. In addition, IVF Authorised Facilities must report promptly to IVF representatives for the removal of the global material in the audits.

Principle 13 - Conflict of Interest. IVF Authorised Facilities should inform employees about the workplace standards and the reporting of a potential breach of workplace standards in the workplace standards and the reporting of a potential breach of workplace standards.

Principle 14 - Worker Resilience (Demands). Demands of IVF Authorised Facilities must provide a clear, safe and healthy working environment. The people management is required in the provision and distribution of resources. The client may not require employees to perform tasks that do not comply with applicable, legally mandated standards or public authorities in the countries or communities in which they are located.

Principle 15 - Facility Security. IVF Authorised Facilities will provide building security and facility security programs to prevent and respond to the introduction of non-reinsured cargo outside of the equipment. Such terms may require, in addition, the destruction, sanitization, recycling, reuse, recovery, material recycling, or other centralized.

Principle 16 - Environment. IVF Authorised Facilities must comply with all laws and regulations relating to environmental protection in the country in which they operate. Facilities should have policies and procedures to minimize environmental impacts and respect international laws and regulations, eliminate waste, reduce contamination, and maintain material and energy usage of environmental risks. Facilities are expected to meet sustainable improvements in environmental performance and the use of their supply and subcontracting. IVF Authorised Facilities shall comply with these Global Compliance Principles and the laws and regulations of the country in which they operate. Facilities may also be required to comply with the rules of the country in which they operate. Facilities may also be required to comply with the rules of the country in which they operate. Facilities may also be required to comply with the rules of the country in which they operate.

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GLOBAL COMPLIANCE PROGRAM

Supporting Our Suppliers’ Progress

Conducting business with high standards is non-negotiable. Since 1976, our initiatives and compliance programs with VF’s Global Compliance Program has helped improve working conditions around the world.

VF regularly audits the supplier factories that make our products.

VF has more than 110 years of manufacturing experience. This has given us a deep understanding of how a factory should be run and how the workers within those factories should be treated. As part of our Global Compliance Program, VF’s Global Compliance Principles are the basic requirements that all factories and suppliers that produce VF apparel and footwear must meet.

We adopted an initial set of 12 principles in 1996—a number we have since increased to 16 in order to keep pace with evolving standards and expectations. The principles are consistent with the core labor standards established by Worldwide Responsible Accredited Production, the Fair Labor Association, and the International Labor Organization’s Declaration on Fundamental Rights and Principles of Work.

Read more

SUPPLIER TRAINING

VF’S AUDITING POLICY

SUPPLIER PARTNERSHIPS

HUMAN RIGHTS IN OUR SUPPLY CHAIN
Our policies on ethical standards and intellectual property rights ensure that VF suppliers adhere to a single set of policies, despite any cultural or legal differences.

VF’s Terms of Engagement govern our relationships with our suppliers. The Terms include our policies on issues such as ethical standards and intellectual property rights. They ensure that VF suppliers adhere to a single set of policies, despite any cultural or legal differences. We require all suppliers to submit a signed Terms of Engagement document before they begin work on behalf of our company. If a contractor, supplier or agent fails to comply with the Terms, VF will reevaluate, and possibly terminate, its relationship with the organization. Our first choice, however, will be to work with the organization to improve their policies and standards, with the goal of achieving full compliance.

Adherence to the Terms of Engagement, including the Global Compliance Principles that follow, ensure all VF products are consistently manufactured according to VF’s best-in-class standards.

**Ethical Standards** VF will only do business with contractors, suppliers and agents that operate within a set of ethical standards compatible with VF’s Code of Business Conduct.

**Legal Requirements** VF will only do business with contractors, suppliers and agents that comply with the applicable laws and regulations of the jurisdictions in which they operate.

**Intellectual Property Rights** VF will not do business with contractors, suppliers and agents that do not respect the intellectual property rights of the company’s brands.

**Product Labeling** All VF contractors, suppliers and agents must accurately label the company’s products with the country of origin, in compliance with the laws of the United States and those of the country of manufacture. For products shipped to countries others than the United States, the laws of the importing country will prevail.

**Indemnification** Every VF contractor will indemnify and hold VF harmless from and against all losses arising out of or resulting from such contractor’s failure to adhere to these Terms of Engagement.

**VF Corporation Global Compliance Principles** All VF manufacturers will manufacture products in accordance with the VF Global Compliance Principles.
TIMBERLANDS SERVICE DAY

Each year, September 11 offers another service opportunity for Timberland® brand associates to volunteer in the New York City area. The annual event started on September 11, 2001, when members of Timberland’s® sales team and several key wholesale customers kicked off a service event for the Clara Barton School in the Bronx. By the time the team arrived at the service site, they heard news of the World Trade Center events. The team was faced with a choice to stay and volunteer or find their way out of the city. The group made the decision to stay and serve.

Every year since, Timberland® brand associates come together with these same customers to stand as a team and volunteer in memory of that fateful day.

“Our 9/11 service event is now an incredible opportunity to connect with our wholesale accounts,” said Timberland® associate, Rob Rizzotti. “Sharing a rich and personal experience with our business partners brings us closer as individuals. And our partners now really know who we are as a brand. We also forge stronger personal relationships with customers by participating together in powerful service projects like this, which ultimately benefits our business.”
TRACKING OUR EMISSIONS

- Scope 1: Direct energy from on-site sources
  - 84,702 Metric Tons CO2, 6 percent reduction since 2009

- Scope 2: Indirect energy purchased from utilities
  - 178,783 Metric Tons CO2, 13 percent reduction since 2009

- Scope 3: Indirect energy from our value chain and business-related travel
  - 23,651 Metric Tons CO2, 32 percent increase over 2009

Our annual energy audit includes Scope 1 and 2 emissions for on-site and transport fuel combustion, as well as refrigerants from over 1,700 locations and operations. Additionally, we track Scope 3 emissions from business air travel. Eighty-eight percent of VF’s total emissions are based on direct measurements.

Since 2009, VF increased our revenue by 39 percent, added the Timberland® and SmartWool® brands – and the majority of their owned manufacturing and retail operations – to our brand portfolio. Despite our tremendous business growth between 2009 and 2013, VF actually reduced our carbon footprint by 6 percent in the same period.
VF’s energy efficiency program helped supplier facilities identify reductions in their total power consumption by an average of 20 percent through engineering, management and financing tools.

Together with our suppliers, VF structured the program to provide technical assistance through classroom style learning sessions – covering topics such as Environmental Management Systems – and in-depth guidance on improving a factory’s energy efficiency.

VF works diligently with suppliers to achieve greater energy efficiency.

In addition, each participating facility received an energy audit from a technical expert. These audits allowed both the supplier and VF to identify improvement opportunities and build the business case for implementing energy efficiency measures.

VF is currently working with these suppliers to move forward with the recommended technical improvements.
NAUTICA DIVES IN

Nautica® launched their corporate partnership with Oceana in 2009.

In March 2011, the Nautica® brand joined the United Nations CEO Water Mandate, a public-private initiative designed to assist companies in the development, implementation and disclosure of water sustainability practices. It has since incorporated the mandate’s goals into many of its efforts, including:

- Conducting a water footprint assessment to understand the water impacts of the Nautica® brand Deck Shirt.
- Participating in VF’s BCI partnership.
- Installing low-flow water fixtures in bathrooms and kitchens at its headquarters and distribution center.
- Creating educational initiatives to inform employees about ways to reduce individual water use at work and at home.
- Launching a partnership in 2009 with Oceana and becoming increasingly involved in Oceana’s mission to improve the health of marine ecosystems.
- Launching the “Give Change to Make Change” fundraising campaign on World Water Day 2012 in Nautica® Factory Stores and on Nautica.com. To date, the campaign has raised over $1 million – funds that have provided clean water to nearly 20,000 people in India, Nepal, Ethiopia and Malawi.
- Organizing, since 2009, the Hudson River Clean Up on World Oceans Day, with employees collecting between 35 and 40 bags of refuse each year.