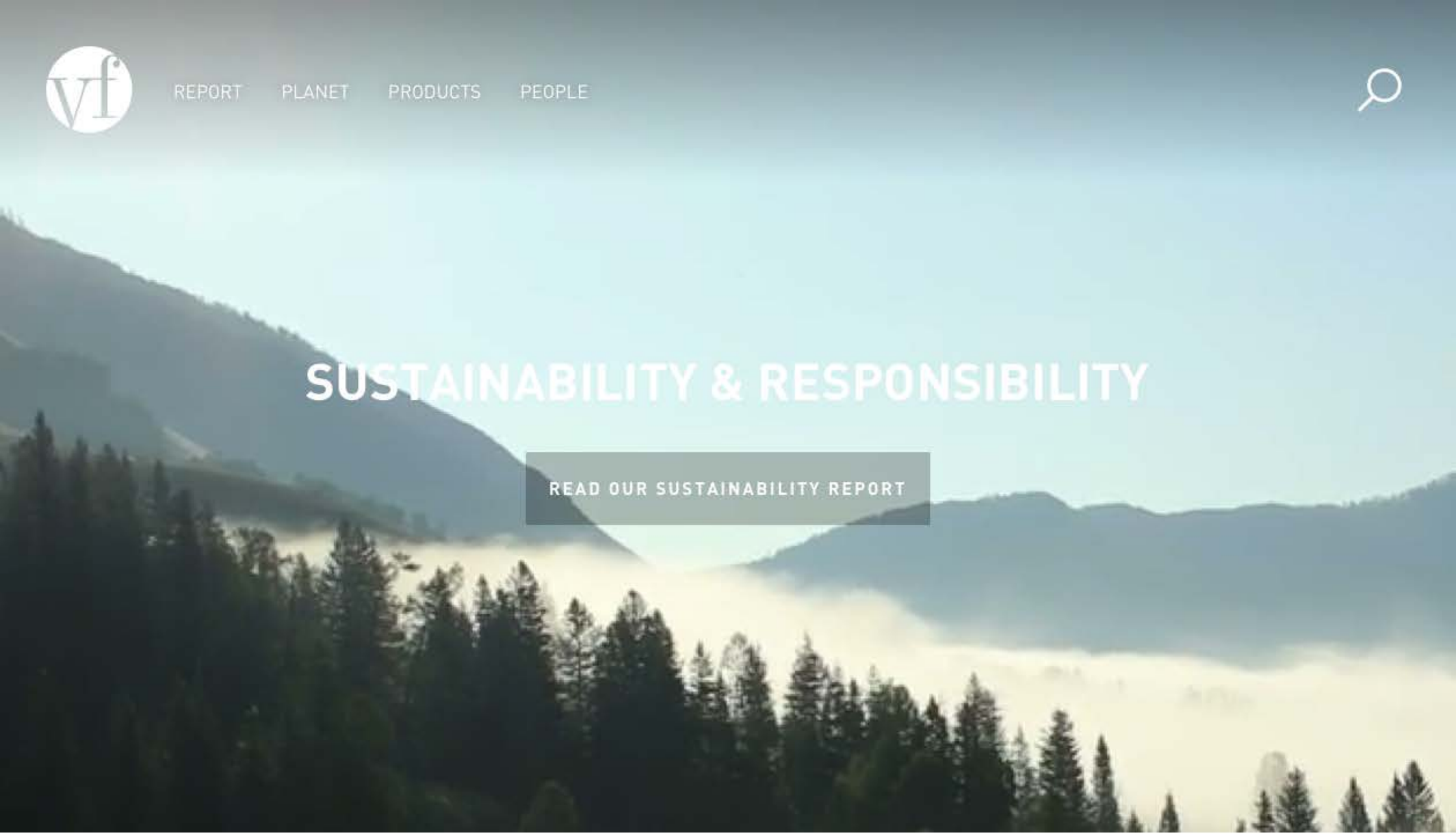
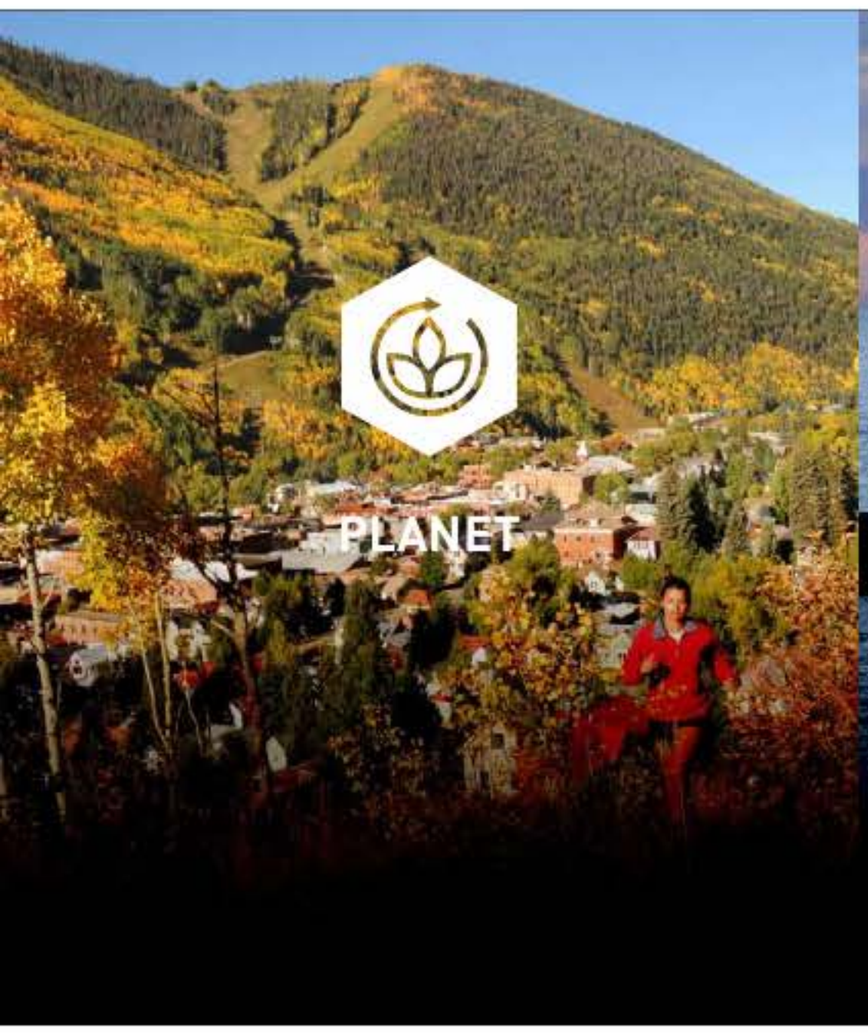
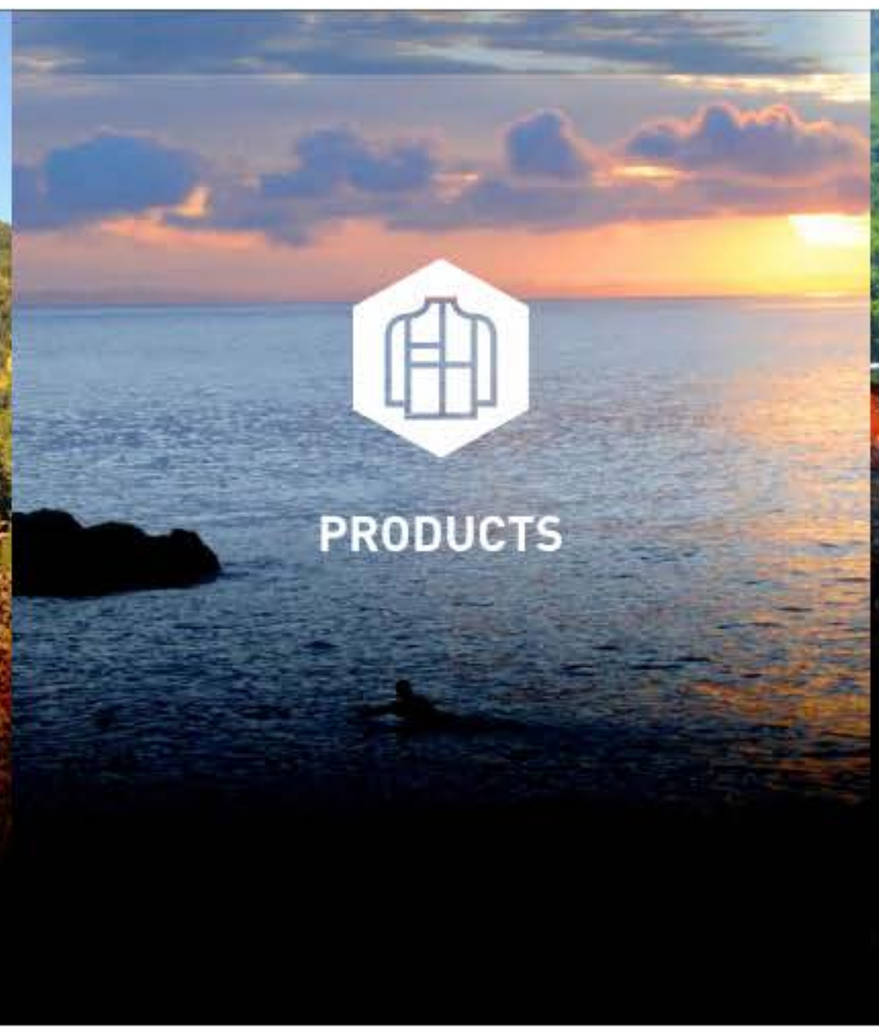


Sustainability & Responsibility

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 hightlights our actions, strategies and goals in three focus areas: Planet, Products and People.







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REPORT

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

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CEO LETTER

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."



Eric C. Wiseman, Chairman, President and Chief Executive Officer

VF is a company of powerful brands and powerful business platforms that join to drive our business success. Our brands are diverse and often viewed 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

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CEO Q&A

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: How do we simultaneously advance 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 independent 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 to 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.

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CFO LETTER

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

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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.

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MATERIALITY ASSESSMENT

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.



Conducting a materiality assessment helped us to mold our sustainability priorities.

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

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STAKEHOLDER ENGAGEMENT

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.

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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; Anita Graham; Robert K. Shearer; Steven E. Rendle; Scott A. Roe; Laura C. Meagher; Michael T. Gannaway; Scott H. Baxter. From left to right, seated: Karl Heinz Salzburger; Eric C. Wiseman; Susan L. McDonald; Franklin L. Terkelsen.

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

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GOALS

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

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GRI

GRI Checklist

Standard Disclosure: Profile Disclosures

Strategy and Analysis

1.1 Statement from the most senior decision-maker of the organization
• 2013 Sustainability & Responsibility Report: About – CEO Letter

1.2 Description of key impacts, risks, and opportunities
• 2013 Sustainability & Responsibility Report: About – Materiality Assessment
• 2013 Sustainability & Responsibility Report: About – Governance
• 2013 Sustainability & Responsibility Report: About – Goals

Organizational Profile

2.1 Name of the organization
• 2013 Sustainability & Responsibility Report: About

2.2 Primary brands, products, and/or services
• VF 10-K pg. 2
• 2013 Sustainability & Responsibility Report: Products – Manufacturing – Human Rights in Our Supply Chain

2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures
• VF 10-Page
• VFC.com – About VFC – Global Presence
• VF Corporate Governing Principles

2.4 Location of organization's headquarters
• 2013 Sustainability & Responsibility Report: Planet – Waste – Reducing Waste in Our Buildings and Across Our Brands

2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report
• 2013 Sustainability & Responsibility Report: About
• VFC.com – About VFC – Global Presence

2.6 Nature of ownership and legal form
• VF 10-K pg. 1

2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)
• 2013 Sustainability & Responsibility Report: About
• VF 10-K pg. 1

2.8 Scale of the reporting organization
• 2013 Sustainability & Responsibility Report: People – Associates
• 2013 Annual Report: Home
• VFC.com – About VF – Global Presence
• VF 10-K pg. 1 pg. F-4
• 2013 Annual Report: CEO Letter
• 2013 Proxy Statement: Security Ownership of Certain Beneficial Owners and Management, pg 34

2.9 Significant changes during the reporting period regarding size, structure, or owners
• VF 10-K

2.10 Awards received in the reporting period
• 2013 Sustainability & Responsibility Report: Planet – Waste - Reducing Waste in How We Do Business

Report Parameters

3.1 Reporting period (e.g., fiscal/calendar year) for information provided
• 2013 Sustainability & Responsibility Report: About

3.2 Date of most recent previous report (if any)
• N/A

3.3 Reporting cycle (annual, biennial, etc.)
• 2013 Sustainability & Responsibility Report: About

3.4 Contact point for questions
• 2013 Sustainability & Responsibility Report: About

3.5 Process for defining report content.
• 2013 Sustainability & Responsibility Report: About – Materiality Assessment
• 2013 Sustainability & Responsibility Report: About – Stakeholder Engagement

3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance
• 2013 Sustainability & Responsibility Report: About

3.7 State any specific limitations on the scope or boundary of the report (see completeness Principle for explanation of scope)
• 2013 Sustainability & Responsibility Report: About

3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations
• 2013 Sustainability & Responsibility Report: About

3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report
• 2013 Sustainability & Responsibility Report: About – Goals

3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods)
• N/A

3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report
• N/A

3.12 Table identifying the location of the Standard Disclosures in the report
• 2013 Sustainability & Responsibility Report: About – GRI Index

3.13 Policy and current practice with regard to seeking external assurance for the report
• 2013 Sustainability & Responsibility Report: About

4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight
• 2013 Sustainability & Responsibility Report: About–Governance
• 2013 Proxy Statement
• 2013 Annual Report: Leadership – Board of Directors

4.2 Indicate whether the Chair of the highest governance body is also an executive officer
• 2013 Sustainability & Responsibility Report: About–Governance
• 2013 Annual Report: Leadership
• VFC.com: Board of Directors

4.3 For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members
• 2013 Annual Report: Leadership – Board of Directors
• VF Corporate Governing Principles, pg. 8

4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body
• 2013 Annual Report: Corporate Information
• 2013 Proxy Statement – Executive Compensation, pg. 20
• 2013 Sustainability & Responsibility Report: People – Associates
• 2013 Sustainability & Responsibility Report: People – Promoting Sustainability with our Associates
• 2013 Sustainability & Responsibility Report: Products – Manufacturing – Owned Manufacturing

4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives
• 2013 Proxy Statement – Executive Compensation, pg. 20

4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided
• 2013 Proxy Statement – Related Party Transactions, pg. 11

4.7 Process for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity
• 2013 Proxy Statement – Election of Directors, pg. 4

4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation
• VFC.com – About VF – Vision & Values
• VFC.com – Investor Relations – Corporate Governance – Code of Business Conduct
• 2013 Sustainability & Responsibility Report: People

4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles
• 2013 Proxy Statement – Corporate Governance at VF – Board Committees and Their Responsibilities, pg. 13
• 2013 Sustainability & Responsibility Report: About – Governance
• VFC.com – Investor Relations – Corporate Governance – Code of Business Conduct, pg. 4

4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance
• VFC.com: Investor Relations – Corporate Governance

4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses
• 2013 Sustainability & Responsibility Report: About – Stakeholder Engagement
• 2013 Sustainability & Responsibility Report: People – Supplier Partnerships

4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations
• 2013 Sustainability & Responsibility Report: About – Stakeholder Engagement
• 2013 Sustainability & Responsibility Report: Products – Design and Development – Responsible Chemistry

4.14 List of stakeholder groups engaged by the organization
• 2013 Sustainability & Responsibility Report: About – Materiality Assessment

4.15 Basis for identification and selection of stakeholders with whom to engage
• 2013 Sustainability & Responsibility Report: About – Stakeholder Engagement

4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.
• 2013 Sustainability & Responsibility Report: About – Stakeholder Engagement

4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting
• 2013 Sustainability & Responsibility Report: About – Materiality Assessment

Standard Disclosures: Performance Indicators

Economic

EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments
• VF 10-K
• 2013 Annual Report: Financials
• 2013 Sustainability & Responsibility Report: People – Communities

EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change
• 2013 Sustainability & Responsibility Report: About – CEO's Letter

EC7 Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation
• 2013 Sustainability & Responsibility Report: People – Communities

Environmental

EN2 Percentage of materials used that are recycled input materials
• 2013 Sustainability & Responsibility Report: Products – Design and Development
• 2013 Sustainability & Responsibility Report: Planet – Waste

EN3 Direct energy consumption by primary energy source
• 2013 Sustainability & Responsibility Report: Planet – Energy & Climate

EN4 Indirect energy consumption by primary source
• 2013 Sustainability & Responsibility Report: Planet – Energy & Climate

EN5 Energy saved due to conservation and efficiency improvements
• 2013 Sustainability & Responsibility Report: Planet – Energy & Climate

EN7 Initiatives to reduce indirect energy consumption and reductions achieved
• N/A

EN8 Total water withdrawal by source
• 2013 Sustainability & Responsibility Report: Planet – Water

EN16 Total direct and indirect greenhouse gas emissions by weight
• 2013 Sustainability & Responsibility Report: Planet – Waste – Our Approach and Goals

EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved
• 2013 Corporate Social Responsibility Report: Planet – Waste – Our Approach and Goals

EN22 Total weight of waste by type and disposal method
• 2013 Corporate Social Responsibility Report: Planet – Waste

Social: Labor Practices and Decent Work

LA1 Total workforce by employment type, employment contract, and region broken down by gender
• 2013 Sustainability & Responsibility Report: People – Associates
• 2013 Sustainability & Responsibility Report: People – Fostering a Culture of Achievement

LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and gender
• 2013 Sustainability & Responsibility Report: People – Factory Audits

LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity
• 2013 Annual Report: Leadership – Board of Directors

Social: Human Rights

HR1 Percentage and total number of significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening
• 2013 Sustainability & Responsibility Report: People – Worker Well-being at Suppliers
• 2013 Sustainability & Responsibility Report: People – Human Rights in the Supply Chain

HR2 Total number of incidents of discrimination and corrective actions taken
• 2013 Sustainability & Responsibility Report: People – Supplier Training

HR5 Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights
• 2013 Sustainability & Responsibility Report: People – Supplier Training

HR6 Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor
• 2013 Sustainability & Responsibility Report: People – Supplier Training
• 2013 Sustainability & Responsibility Report: People – Worker Well-being at Suppliers

HR7 Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor
• 2013 Sustainability & Responsibility Report: People – Supplier Training
• 2013 Sustainability & Responsibility Report: People – Worker Well-being at Suppliers

Social: Society

SO1 Percentage of operations with implemented local community engagement, impact assessments, and development programs
• 2013 Sustainability & Responsibility Report: People – Volunteerism
• 2013 Sustainability & Responsibility Report: Planet

SO3 Percentage of employees trained in organization's anti-corruption policies and procedures
• 2013 Sustainability & Responsibility Report: People – Fostering a Culture of Achievement

Social: Product Responsibility

PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures
• 2013 Sustainability & Responsibility Report: Products – Design & Development
• 2013 Sustainability & Responsibility Report: Products – Manufacturing

PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements
• 2013 Sustainability & Responsibility Report: Products – Design & Development

Apparel and Footwear Supplement

AF19 Practices to source safer alternative substances to those on the restricted substances list, including description of associated management systems
• VFC.com: VF Corporation Restricted Substance List (RSL)
• 2013 Sustainability & Responsibility Report: Products – CHEM-SEM

AF20 List of environmentally preferable materials used in apparel and footwear products
• 2013 Sustainability & Responsibility Report: Products – Design and Development
• 2013 Sustainability & Responsibility Report: Products – Materials

AF26 Policy on working hours, including definition of overtime, and actions to prevent excessive and forced overtime
• 2013 Sustainability & Responsibility Report: People – Worker Well-being at Suppliers

AF33 Priorities in community investment strategy
• 2013 Sustainability & Responsibility Report: People – Communities

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PLANET



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.

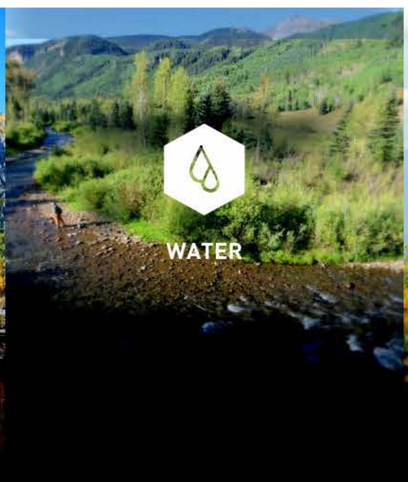
VF is one of the largest apparel and footwear companies in the world, with more than 30 brands, 60,000+ associates and a multifaceted supply chain that manufactures close to 500 million products each year.

With this scale comes responsibility. We recognize that we impact economies, communities and ecosystems on a local, regional and global level. VF's approach is to clearly understand the effects 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 those 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 and water, and they also generate waste. Because of this, we have chosen to focus on energy, water and waste.

Read more







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ENERGY AND CLIMATE

Reducing our Carbon Footprint and Increasing Energy Efficiency

Today, about 98 percent of VF's primary energy comes from fossil fuels. This represents both a challenge and an opportunity. Moving to renewable energy sources, finding methods to optimize energy use, and achieving further operational efficiency are our top priorities.



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 on 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 acquire 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 insulate us from energy price volatility and 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 our own carbon impacts. In 2013, VF has saved 22,528 GJ from our efforts to reduce energy use.

Read more

OUR APPROACH AND GOALS

ENERGY EFFICIENCY

RENEWABLE ENERGY

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WATER

Reducing Our Water Consumption

Just one traditional pair of jeans uses approximately 2,500 gallons of water during its lifetime. One simple white T-shirt uses more than 710 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 2016, we have submitted our first response to CDP: 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

OUR APPROACH AND GOALS

WATER REDUCTION, RECYCLING AND REUSE

WATER AVAILABILITY AND HEALTH

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WASTE

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 0.93 percent, from 12.84 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

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PRODUCTS



Performance, Fit, Style, Price and Eco-Friendliness

VF manufactures nearly 500 million units of product every year. In addition to having the right performance, fit, style and price, our customers now expect them to be developed and produced in a responsible manner. We consider how, by whom and where our products are made, as well as the associated environmental and social impacts.

Every day, VF manufactures approximately 1.3 million products. Our diverse product portfolio includes jeans, technical jackets and dress wear, chef apparel, tents, skateboarding shoes and luggage. We produce more than 760,000 different styles of items – many in a multitude of color combinations and sizes.

Producing all of these products makes VF one of the largest purchasers of raw materials in the apparel and footwear sector. For example, we purchase roughly 1 percent of the world's cotton yield annually, and we are one of the largest purchasers of zippers in our industry. Additionally, we are among the largest customers within many of the facilities from which we source.

We are working to tap the potential of our size and diversity to create more sustainable and responsible products that delight our consumers. Collaborative efforts among our brands, supply chain, product teams and innovation programs are creating the intersection for identifying our most promising opportunities and for solving these important challenges. We believe VF can truly become an agent of positive change.

Measurable change starts with understanding what we can directly influence. This requires taking a close look at our products to determine what improvements can be made. The following section provides information regarding how we incorporate sustainable practices across the entire lifecycle of our products.

DESIGN AND DEVELOPMENT | RAW MATERIALS | MANUFACTURING | DISTRIBUTION | RETAIL | CONSUMER USE & END OF LIFE



TIMBERLAND® EARTHKEEPERS®

Launched in 2007, the Timberland's® Earthkeepers® collection uses recycled materials like PET plastic bottles instead of virgin raw materials. The Earthkeepers® collection quickly became Timberland's® largest and fastest growing product line. Sustainable designs and materials are now being integrated into all of Timberland's® product categories.



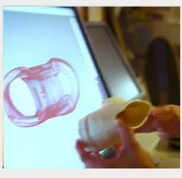
LEE® RETHINK

Lee® ReThink is a new product line that utilizes environmentally responsible processes for several phases of jeans production, from cotton farming, yarn spinning and fabric weaving to cutting, sewing and distributing its finished products. Lee® ReThink promotes greater water and energy efficiencies, with 49, 36 and 39 percent savings in water, energy and carbon emissions, respectively.



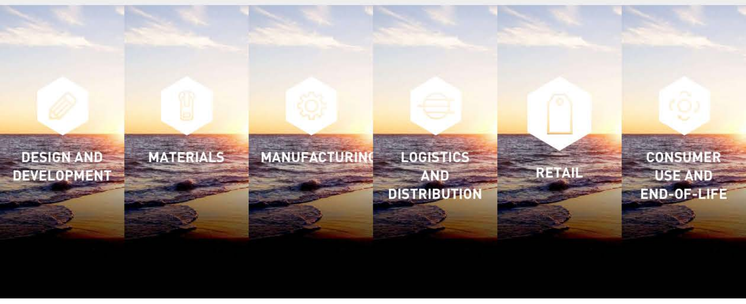
REEF® REDEMPTION

Reef® designers are continuously seeking new ways to source and make products in a more environmentally responsible way. Every product in the Reef® line uses 100 percent water-based glues and is 100 percent PVC free. Select Redemptive styles go above and beyond Reef's® core environmental product values ranging from recycled rubber and organic textiles to sustainable sourcing projects with artisans in developing countries around the world.



VANS® VIRTUALIZATION INITIATIVE

Vans® launched its virtualization initiative in early 2013 to significantly reduce its reliance on physical shoe samples. By replacing physical samples with photorealistic computer generated 3D models, Vans® aims to reduce both the cost and the environmental impact of producing and shipping samples during the design and development, as well as at the catalog photography phase. This shift also allows designers to make better design decisions earlier in the design process, thus allowing for faster time-to-market. Vans'® goal is to replace 50 percent of all footwear samples by 2017, with a final goal of 70 percent replacement rate.



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DESIGN AND DEVELOPMENT

Sustainability by Design

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 ensures 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.

Read more

RESPONSIBLE CHEMISTRY

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MATERIALS

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.



It's important for us to take a look at the key materials used in our products to better determine our supply chain footprin.

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

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MANUFACTURING

Ensuring Operational Efficiencies and High Social Standards in Our Supply Chain

Our three manufacturing approaches (Owned 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 owned 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 30 manufacturing facilities that VF owns. These facilities are governed by our Ideal Plant Model, 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.

OWNED MANUFACTURING

CONTRACT SUPPLIERS

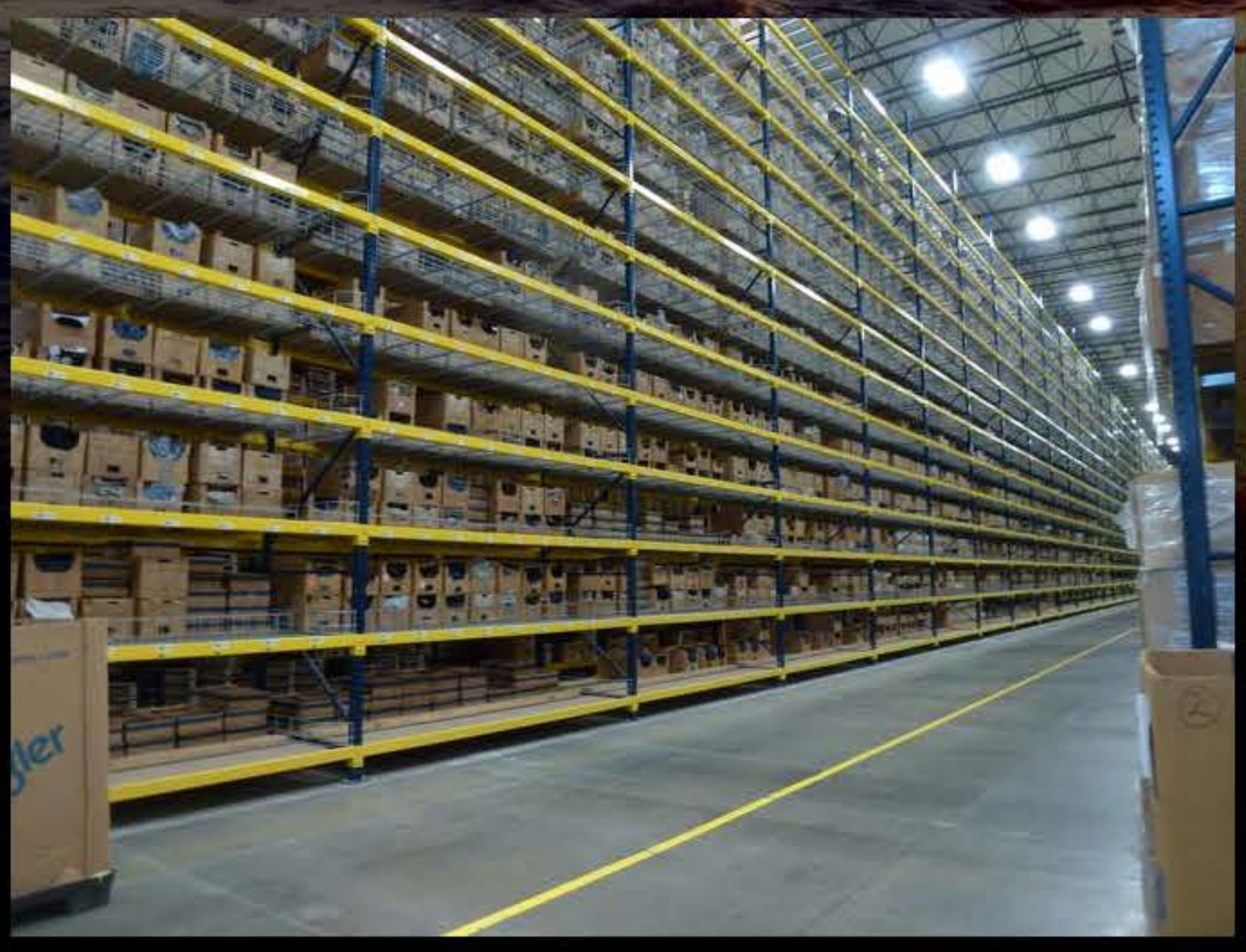
THE THIRD WAY

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LOGISTICS AND DISTRIBUTION

Sustainable Logistics to Reduce Costs and Our Environmental Impacts

VF transports more than 1.3 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.

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RETAIL

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

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CONSUMER USE AND END-OF-LIFE

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.

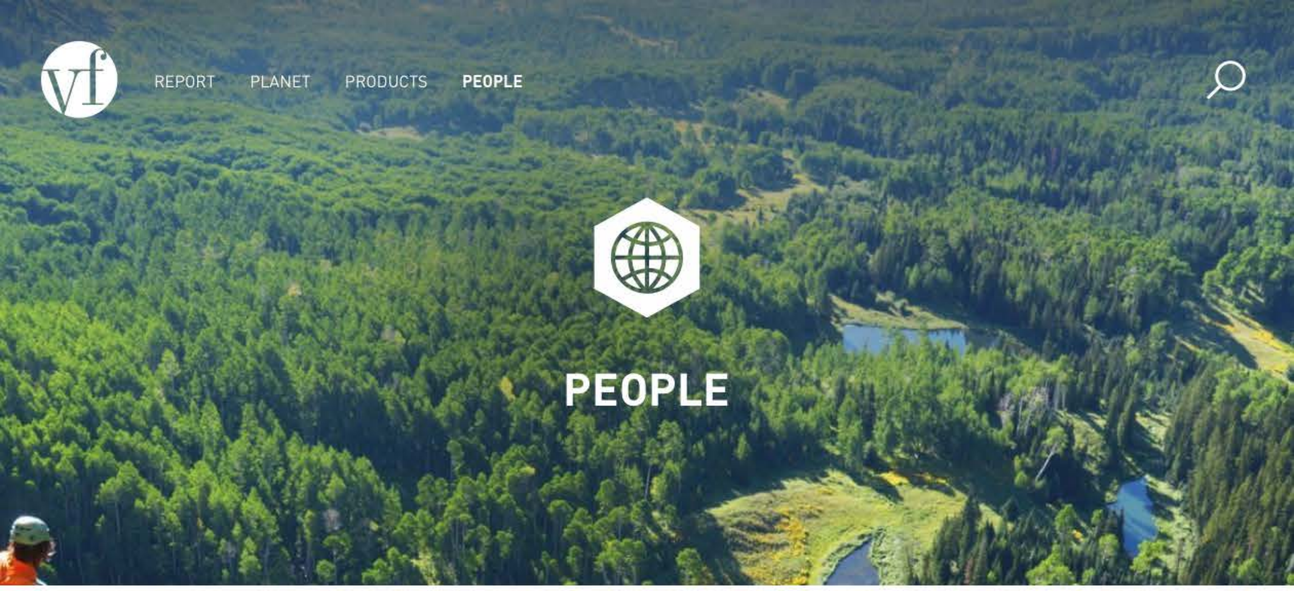


Our design teams take great care in developing long-lasting, eco-friendly products.

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

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PEOPLE

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.

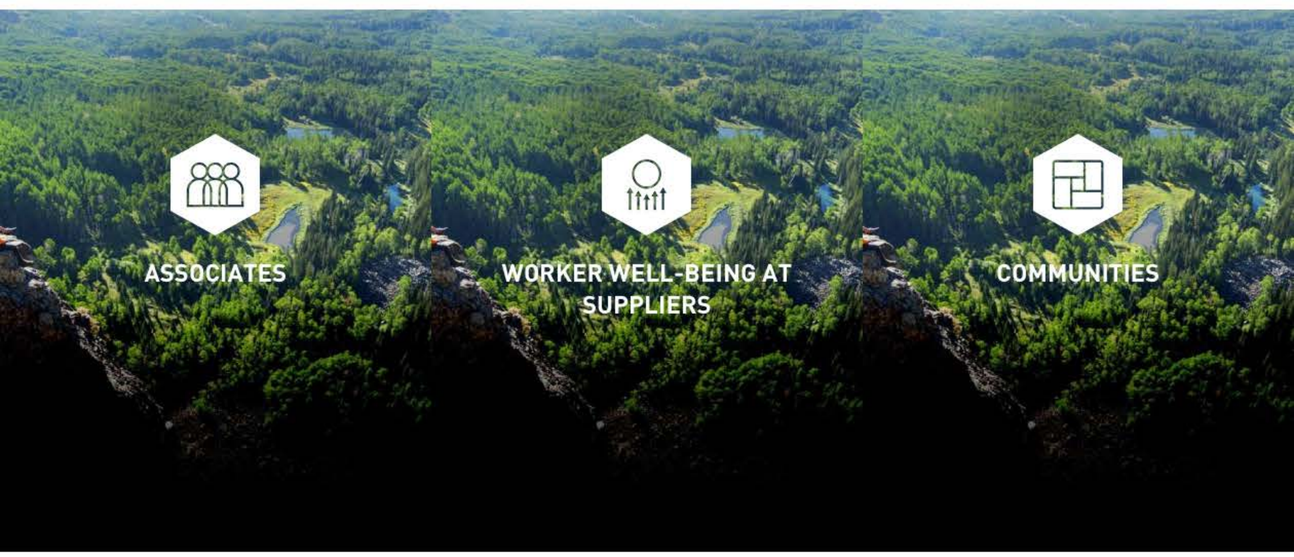


While all VF brands are unique, all share our core values of honesty, integrity and respect for others.

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.



ASSOCIATES

WORKER WELL-BEING AT SUPPLIERS

COMMUNITIES

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ASSOCIATES

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 59,000 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, HIV/AIDS status, or any other legally protected factor.

Read more





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WORKER WELL-BEING AT SUPPLIERS

A Positive Influence on Our Industry

We are committed to ensuring all individuals engaged in VF's work are treated with integrity, honesty, respect and dignity. And we expect no less of our suppliers.



VF strives to be a catalyst for positive change in supply chain management across the apparel and footwear industry.

Our Global Compliance Program states that every associate has certain essential rights: the right to fair compensation; the right to associate freely and bargain collectively; the right to work free from discrimination and harassment; and the right to a safe, clean workplace. We regard these rights as non-negotiable imperatives. And we expect our suppliers to behave 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 Principles.

We or our licensees source product from approximately 1,800 facilities in more than 60 countries, and each facility making products for us or our licensees must be audited by a VF auditor or an approved third-party audit company prior to the submission of any purchase order. Our contract factories must meet our standards – so our inspection process goes far beyond a simple check-the-box exercise. As part of our rigorous assessment process, we interview workers, review supplier records and conduct on-site inspections of factory floors, kitchens and associate lodging (where it exists) to ensure workers are being treated fairly.

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GLOBAL COMPLIANCE PROGRAM

SUPPLIER TRAINING

VF'S AUDITING POLICY

SUPPLIER PARTNERSHIPS

HUMAN RIGHTS IN OUR SUPPLY CHAIN

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COMMUNITIES

Committed to Bettering Our Communities

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



Read more

VOLUNTEERISM

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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.

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GLOBAL COMPLIANCE PROGRAM

SUPPLIER TRAINING

VF'S AUDITING POLICY

SUPPLIER PARTNERSHIPS

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REDUCING WASTE IN HOW WE DO BUSINESS

Reducing Waste in How We Do Business

VF operates in a wide variety of contexts – from plants to offices to retail stores. Each produces its own challenges and opportunities for waste reduction. We are developing strategies and setting goals that will help us reduce our waste at all levels of our operations.



The materials we use today that are not directly incorporated into our products – such as corrugate, shopping bags, hangers and paper – provide an opportunity to build sustainable sourcing into our global purchasing practices. VF's Global Procurement Team is now working to establish sustainability standards for these materials.



Sustainable sourcing remains a key element in our purchasing processes.



Additionally, we use our organizational scale to buy more sustainable materials at bulk rates. Previously decentralized, VF brands had purchased materials independently. The smaller size of orders often resulted in higher unit prices, and this sometimes forced brands to use less desirable materials. Today, VF's Global Procurement Team aggregates orders to achieve price parity and, in some cases, outright savings. This enables us to both help our brands meet their goals and to send strong signals to suppliers and vendors that VF prefers sustainably sourced materials. Major sustainability benefits include increased recycled content in printed materials, bags and corrugate, requirements of certified paper usage and more efficient shipments of small packages.

Read more

OUR APPROACH AND GOALS

REDUCING WASTE IN OUR PRODUCTS

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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

FOSTERING A CULTURE OF ACHIEVEMENT

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OWNED MANUFACTURING

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. They enable us to develop competitive efficiencies and directly invest in the communities where we operate.

Read more

CONTRACT SUPPLIERS

THE THIRD WAY

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SUPPLIER PARTNERSHIPS

Supplier Partnerships

We work collaboratively with many groups to improve our compliance program and apply industry best practices across VF's supply chain.

We partner with Worldwide Responsible Accredited Production (WRAP) to certify our owned manufacturing and supplement our sourced manufacturing facilities. In order to further ensure responsibility within our supply chain, we work with groups like the Fair Labor Association (FLA), Social Accountability International (SAI), Better Work Nicaragua, Alliance for Bangladesh Worker Safety, American Apparel and Footwear Association (AAFA), Sustainable Apparel Coalition (SAC) and Apparel and Footwear International RSL Management (AFIRM). We also collaborate extensively with the Fair Factories Clearing House (FFC) database.

We cannot thoroughly investigate and engage each point along our supply chain by ourselves. Even if it were possible, our commitment to transparency and collaboration precludes us from doing so. We are dedicated to engaging and working with our industry peers, working groups and non-governmental organizations (NGOs) to foster and promote a healthier and safer work environment. By working together as an industry, we can expedite improved working conditions throughout the entire supply chain. The following is a snapshot of the groups with whom VF works closely to advance our supply chain programs. Each has had a positive impact on our compliance programs and the apparel industry overall.

- **Fair Factories Clearinghouse** – FFC is a nonprofit organization that provides an audit-sharing platform for global brands. Approximately 20 companies share a factory database that includes more than 30,000 factory names and addresses. Each member company maintains the information and data of its group of contractors, while audit details and factory history remain restricted from other members. However, if another member company wishes to engage a factory that is already in the system, that company can contact another member already active with the factory and ask to share audit reports. VF has found that the other member companies are receptive to this so-called Sharing Platform, which can significantly reduce the number of audits and resulting audit contractor fatigue. Another benefit of the FFC database is the ability to store virtually unlimited data, which can be used to track trends and support the reporting of statistical information. VF has been the lead company testing new software for tablets that simplify the post-audit process for our auditors, giving them more time with the factories and less time spent filling out paperwork.
- **Fair Labor Association** – VF's compliance process is complemented by our engagement with the FLA. Many colleges and universities seeking assurance that products bearing their name are produced under fair labor conditions are affiliated with the FLA. Likewise, these schools require that all of their licensees participate in the FLA program. Two of our brands – JanSport® and Majestic® – produce goods with collegiate logos, and VF is a "Category B" member of FLA with respect to these brands.
- **Social Accountability International** – VF is a member of SAI, an NGO whose mission is to advance the rights of workers around the world. VF is working with SAI to develop additional human rights policies and programs to guide our operations. Our work with SAI includes a research project to help us assess whether the wages we pay within our company-owned manufacturing facilities are aligned with basic needs. This entails field validation, associate interviews and stakeholder engagement, all of which will enable us to consider different basic needs, such as food, clean water, clothes, shelter, transport, education and discretionary income. SAI's approach (SA8000) is based on several existing human rights standards, including the UN Universal Declaration of Human Rights, the UN Convention on the Rights of the Child and the ILO Conventions.
- **Worldwide Responsible Accredited Production** – With the participation of approximately 5,000 factories in more than 70 countries, the WRAP certification initiative has grown to become the world's largest factory-based certification program for the footwear and apparel industry. This independent, nonprofit organization is dedicated to lawful, humane and ethical manufacturing practices around the world. VF and WRAP have enjoyed a strong partnership since the WRAP's founding in 2000. VF-owned and operated facilities are required to comply with WRAP's stringent auditing and certification process. Currently, all of our owned and operated facilities are WRAP-certified.
- **Alliance for Bangladesh Worker Safety** – In July 2013, VF and several other leading retail and apparel companies formed the Alliance for Bangladesh Worker Safety. Together, we are committed to a five-year, legally binding, results-oriented initiative dedicated to improving safety conditions for those who make their living in Bangladesh's ready-made garment sector. VF has also committed significant financial resources, investing $17 million to support initiatives focused on the health and safety of Bangladeshi workers.

Read more









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RESPONSIBLE CHEMISTRY

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.

Read more

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OUR APPROACH AND GOALS

Our Waste Reduction Goals

Having completed a comprehensive waste audit, we have set initial targets for waste reduction. By 2020, VF will reduce its waste to landfill by 40%. 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 initial 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.

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REDUCING WASTE IN HOW WE DO BUSINESS

REDUCING WASTE IN OUR PRODUCTS

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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

PROMOTING SUSTAINABILITY WITH OUR ASSOCIATES

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VF'S AUDITING POLICY

Maintaining Our High Standards

VF's policy is to monitor 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, screen printers, embroiderers, laundries and packaging locations. In addition, we also monitor raw material suppliers for knit and woven fabrics. Factories producing for the U.S. collegiate 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.

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GLOBAL COMPLIANCE PROGRAM

SUPPLIER TRAINING

SUPPLIER PARTNERSHIPS

HUMAN RIGHTS IN OUR SUPPLY CHAIN

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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.



At VF, we are proud of our deep relationship with suppliers.

Before we begin working with a supplier, we introduce VF's Global Compliance Program and Factory 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.

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GLOBAL COMPLIANCE PROGRAM

VF'S AUDITING POLICY

SUPPLIER PARTNERSHIPS

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VOLUNTEERISM

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.



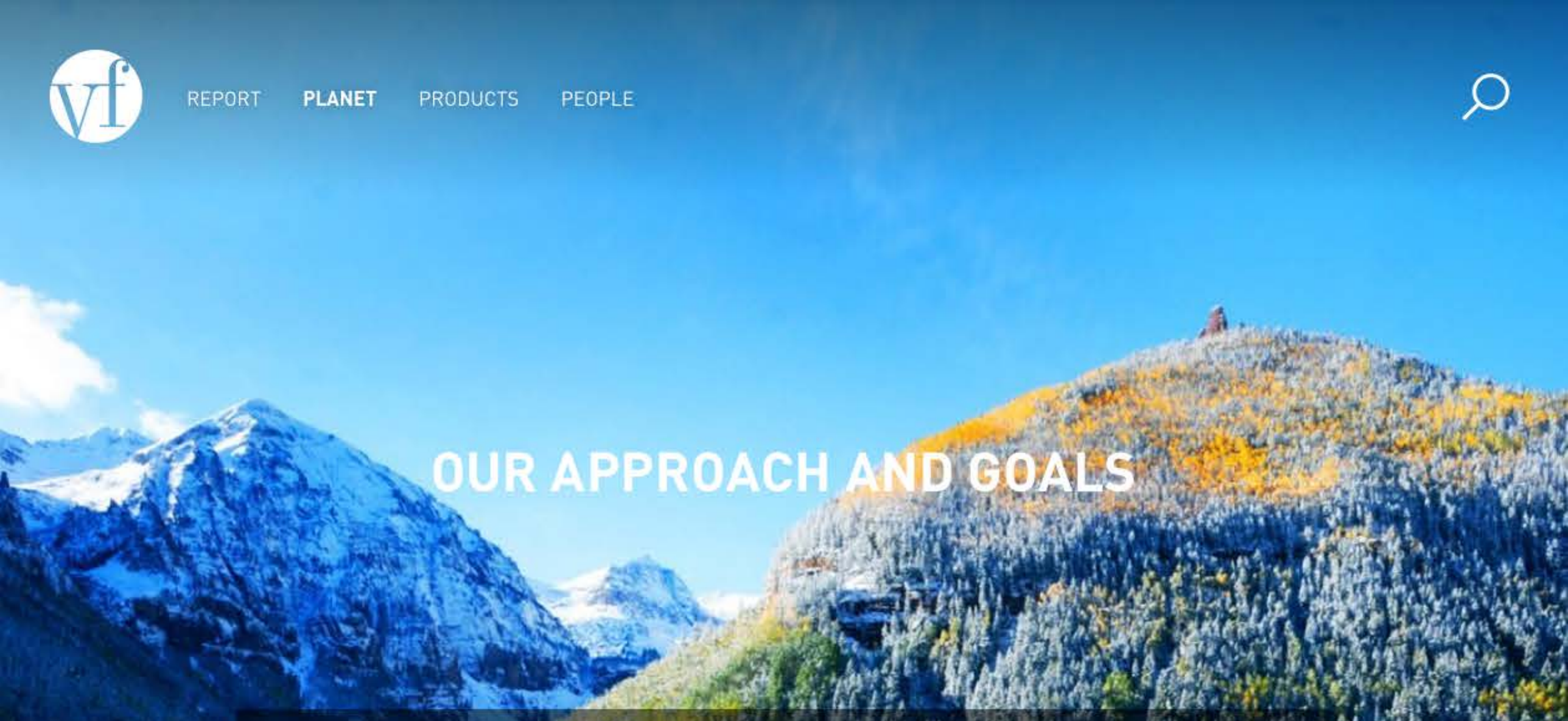
Nautica® brand associates volunteer on Earth Day.

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

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OUR APPROACH AND GOALS

Taking Inventory of Our Greenhouse Gas (GHG) Emissions

With 60,000+ associates in more than 1,600 locations around the planet, simply measuring our impact is a considerable undertaking. With this enormous first 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 (2008) 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 2013, our GHG emissions for direct and indirect emissions totaled 1,449,581 Metric Tons of CO2, and we reduced 3,498 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.

Read more



ENERGY EFFICIENCY



RENEWABLE ENERGY

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ENERGY EFFICIENCY

Taking Action to Minimize Our Energy Use

Establishing clear baselines. Conducting annual energy efficiency audits. Continually 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

OUR APPROACH AND GOALS

RENEWABLE ENERGY

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RENEWABLE ENERGY

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

OUR APPROACH AND GOALS

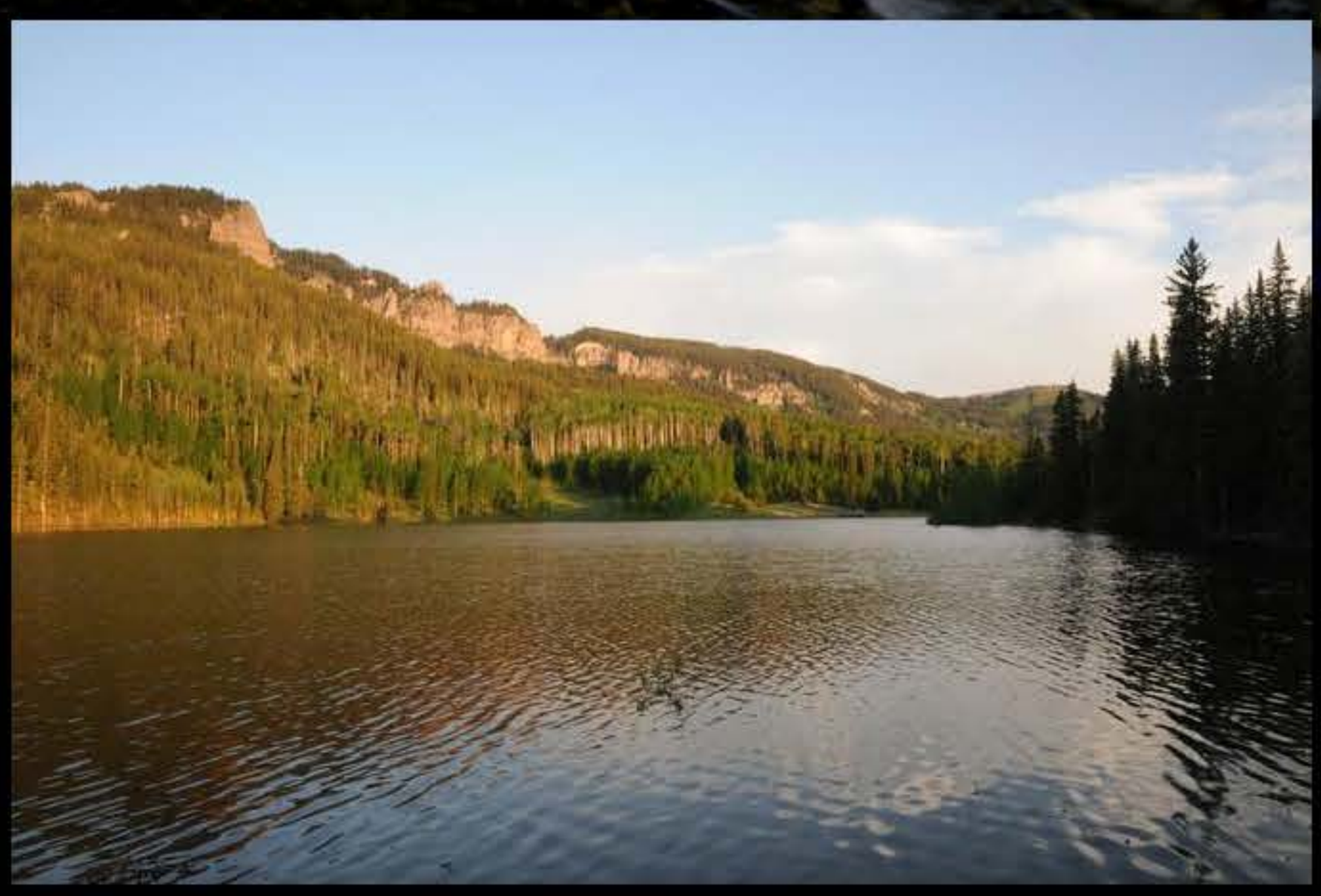
ENERGY EFFICIENCY

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OUR APPROACH AND GOALS

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





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WATER REDUCTION, RECYCLING AND REUSE

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 those 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 owned 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 Acanceh, 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

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WATER AVAILABILITY AND HEALTH

Ensuring Access to Clean Water

Our commitment to water conservation extends well beyond our facilities' doors. 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.



Reef® brand associates and athletes give back as part of their Waste to Waves events on Earth Day.

VF 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 Vietnam, India, and the Dominican Republic. The towers will generate 2,642 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 Algalita 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.

OUR APPROACH AND GOALS

WATER REDUCTION, RECYCLING AND REUSE

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REDUCING WASTE IN OUR PRODUCTS

Sustainable Design and Development

From the well or farm to the mill, we are looking at the impacts our products have on the environment and communities where they are made. We are working to create products that use less and incorporate more recycled materials.



VF is continually looking for ways to use more sustainable materials in our products.

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 platform, 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:



Reef® Redemption products contain recycled PET plastic and rubber.

- **Lee® eCREATE Restyle**: Our Lee® brand team in India developed eCREATE Restyle, a new collection of products that features recycled materials. The new product line is fundamentally designed with sustainability at its center, addressing environmental impacts of the entire supply chain. Each pair of Lee® brand's eCREATE Restyle jeans, for example, is made from an average of 15 PET bottles.
- **Reef® Redemption**: Reef® Redemption products incorporate recycled materials, such as recycled PET plastic and rubber. One of our bestselling Reef® brand sandals, "Miss J-Bay," consists of a 51 percent post-industrial recycled triple density EVA footbed with a 25 percent recycled rubber outsole.
- **Timberland® brand's Earthkeepers collection**: Footwear and apparel in the Earthkeepers® collection must meet specific criteria regarding recycled, organic and renewable materials, and water-based adhesives. The line has been so successful that the Timberland® brand plans to roll out many of its features across the entire brand.
- **The North Face®**: The North Face® brand is aiming to use 100 percent recycled content in all polyester fabrics by 2016. Close to 80 percent of The North Face®'s fabric is polyester so this is a huge goal. In addition to the brand's iconic Denali jacket's fleece textile that contains 100 percent recycled content, the brand also reimagined its Ventra collection, whose new iteration is created using 100 percent recycled nylon in all non-heather colors.

For more information on how waste is eliminated from VF Products, please visit our Products page.

OUR APPROACH AND GOALS

REDUCING WASTE IN HOW WE DO BUSINESS

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BETTER COTTON INITIATIVE



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.

Read more

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BLUESIGN

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.

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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.

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CONTRACT SUPPLIERS

Spearheading Change in the Apparel Industry

With more than 1,800 facilities across more than 60 countries producing roughly 70 percent of our products, our work with contract suppliers represents the most significant challenges and opportunities for improvement.



VF is an advocate for health and safety; training and capacity building; and education and community development at our suppliers.

The apparel industry, and any industry that manufacturers products, faces systemic challenges related to contract suppliers. Although these are issues that cannot be solved 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. Before we begin engaging with a contract supplier, every facility must be audited 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 IPM, industry best-practices and is informed by UN Guiding Principles on Business & Human Rights. This program assures that VF-owned and operated facilities, as well as our suppliers and licensees 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 our 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) sits at the core of our owned manufacturing compliance program and helps direct our external facing programs.
- VF's Terms of Engagement serves as the cornerstone of our relationship with external 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 in which 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 of workers and implement best practices from our owned manufacturing facilities, which we share with our peers across the industry.

OWNED MANUFACTURING

THE THIRD WAY

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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 merges expertise in engineering, social compliance, environmental leadership and knowledge of and experience in the local marketplace.

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 workplaces 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.

Read more

OWNED MANUFACTURING

CONTRACT SUPPLIERS

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VF TRUCK FLEET



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 106,000 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.

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POLICY DOCUMENTS

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-boycotting 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

Name	Last Amended	Languages
Code of Business Conduct The Code of Business Conduct sets forth business policies and principles for all directors, officers and associates of VF	April 15, 2014	LANGUAGE
VF Corporation Corporate Governance Principles Our Board of Directors has adopted Corporate Governance Principles to assist the Board in the exercise of its responsibilities	October 26, 2016	DOWNLOAD

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GLOBAL COMPLIANCE PRINCIPLES

Principle 1 – Legal and Ethical Business Practices VF Authorized Facilities must fully comply with all applicable laws of the countries in which they are located including all laws, regulations and rules relating to wages, hours, employment, labor, health and safety, the environment, immigration and the apparel and footwear industry. Employers must be ethical in their business practices.

Principle 2 – Child/Juvenile Labor No person shall be employed at an age younger than 15 (or 14 where consistent with International Labor Organization guidelines) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15. All VF Authorized Facilities must observe all legal requirements for work of employees under 18 years of age, particularly those pertaining to hours of work and working conditions.

Principle 3 – Forced Labor VF Authorized Facilities will not use involuntary or forced labor – indentured, bonded or otherwise.

Principle 4 – Wages and Benefits VF recognizes that compensation packages vary by country. All VF Authorized Facilities must compensate their employees fairly by providing compensation packages comprised of wages and benefits that, at the very least, comply with legally mandated minimum standards or the prevailing industry wage, whichever is higher, and shall provide legally mandated benefits. Employees must be fully compensated for overtime according to local law and each employee must be provided with a clear, written accounting for each pay period.

Principle 5 – Hours of Work VF Authorized Facilities must ensure employees' hours worked shall not, on a regularly scheduled basis, exceed the lesser of (a) the legal limitations on regular and overtime hours in the jurisdiction in which they manufacture or (b) 60 hours per week including overtime (except in extraordinary business circumstances). 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 in every seven-day period.

Principle 6 – Freedom of Association and Collective Bargaining VF Authorized Facilities shall obtain 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 bargain collectively.

Principle 7 – Health and Safety VF Authorized Facilities must provide their employees with a clean, safe and healthy work environment, designed to prevent accidents and injury to health arising out of or occurring during the course of work. All VF Authorized Facilities are required to comply with all applicable, legally mandated standards for workplace health and safety in the countries and communities in which they operate.

Principle 8 – Nondiscrimination While VF recognizes and respects cultural differences, employment – including hiring, remuneration, benefits, advancement, termination and retirement – should be based on ability and not on belief or any other personal characteristics. VF Authorized Facilities may not discriminate on the basis of race, color, gender, age, national origin, religion, sexual orientation, gender identity or expression, marital status, citizenship, disability, protected veteran status, HIV/AIDS status or any other legally protected factor.

Principle 9 – Harassment VF Authorized Facilities must treat all employees with respect and dignity. VF Authorized Facilities may not subject employees to corporal punishment, physical, sexual, psychological or verbal harassment or abuse. In addition, VF Authorized Facilities may not use monetary fines as a disciplinary practice.

Principle 10 – Women's Rights VF Authorized Facilities must ensure that women workers will receive equal remuneration, including benefits, equal treatment, equal evaluation of the quality of their work and equal opportunity to fill all positions open to male workers. Pregnancy tests will not be a condition of employment, nor will they be demanded of employees. Workers who take maternity leave (of a duration determined by local and national laws) will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former or comparable employment at the same rate of pay and benefits. Workers will not be forced or pressured to use contraception. Workers will not be exposed to hazards, including glues and solvents, which may endanger their safety, including their reproductive health. Facilities shall provide appropriate services and accommodation to women workers in connection with pregnancy.

Principle 11 – Subcontracting VF Authorized Facilities will not utilize subcontractors in the manufacturing of VF products or components without VF's written approval and only after the subcontractor has agreed to comply with the Terms of Engagement, including these Global Compliance Principles.

Principle 12 – Monitoring and Compliance VF Authorized Facilities will maintain on site all documentation necessary to demonstrate compliance with these Global Compliance Principles. VF and its subsidiaries will undertake affirmative measures, such as announced and unannounced on-site inspections of production facilities, to monitor compliance with these Global Compliance Principles. VF Authorized Facilities must allow VF representatives full access to production facilities, employee records and employees for confidential interviews in connection with monitoring visits. In addition, VF Authorized Facilities must respond promptly to reasonable inquiries by VF representatives concerning the subjects addressed in the audit.

Principle 13 – Informed Workplace VF Authorized Facilities should inform employees about the workplace standards orally and through the posting of standards in a prominent place and undertake other efforts to educate employees about the standards on a regular basis.

Principle 14 – Worker Residence (Dormitory) Dormitories of VF Authorized Facilities must provide a clean, safe and healthy residence environment. The dormitory design must provide adequate privacy, security and freedom of movement for all occupants. Dormitory facilities must comply with all applicable, legally mandated standards for public domiciles in the countries and communities in which they are located.

Principle 15 – Facility Security It is VF policy that all suppliers establish facility security procedures to guard against the introduction of non-manifested cargo into outbound shipments. Such items would include drugs, biological agents, explosives, weapons, radioactive materials, undocumented migrants/stowaways and other contraband.

Principle 16 – Environment VF Authorized Facilities must comply with all laws and regulations relating to environmental protection in the countries in which they operate. Facilities should have policies and procedures in place to ensure environmental impacts are minimized with respect to energy, air emissions, water, waste, hazardous materials and other significant environmental risks. Facilities are expected to make sustainable improvements in environmental performance and require the same of their suppliers and subcontractors. Violations of these Global Compliance Principles will be appropriately remedied at the cost of the facility. VF reserves the right to take necessary measures to ensure future compliance with these Global Compliance Principles. Failure to comply with these Global Compliance Principles may ultimately result in termination of the relationship between VF and the Authorized Facility. Wastewater audits were recently added to the compliance list.

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GLOBAL COMPLIANCE PROGRAM

Supporting Our Suppliers' Progress

Conducting business with high standards is non-negotiable. Since 1996, our insistence upon compliance 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 at Work.

Read more

SUPPLIER TRAINING

VF'S AUDITING POLICY

SUPPLIER PARTNERSHIPS

HUMAN RIGHTS IN OUR SUPPLY CHAIN

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VF'S TERMS OF ENGAGEMENT



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.

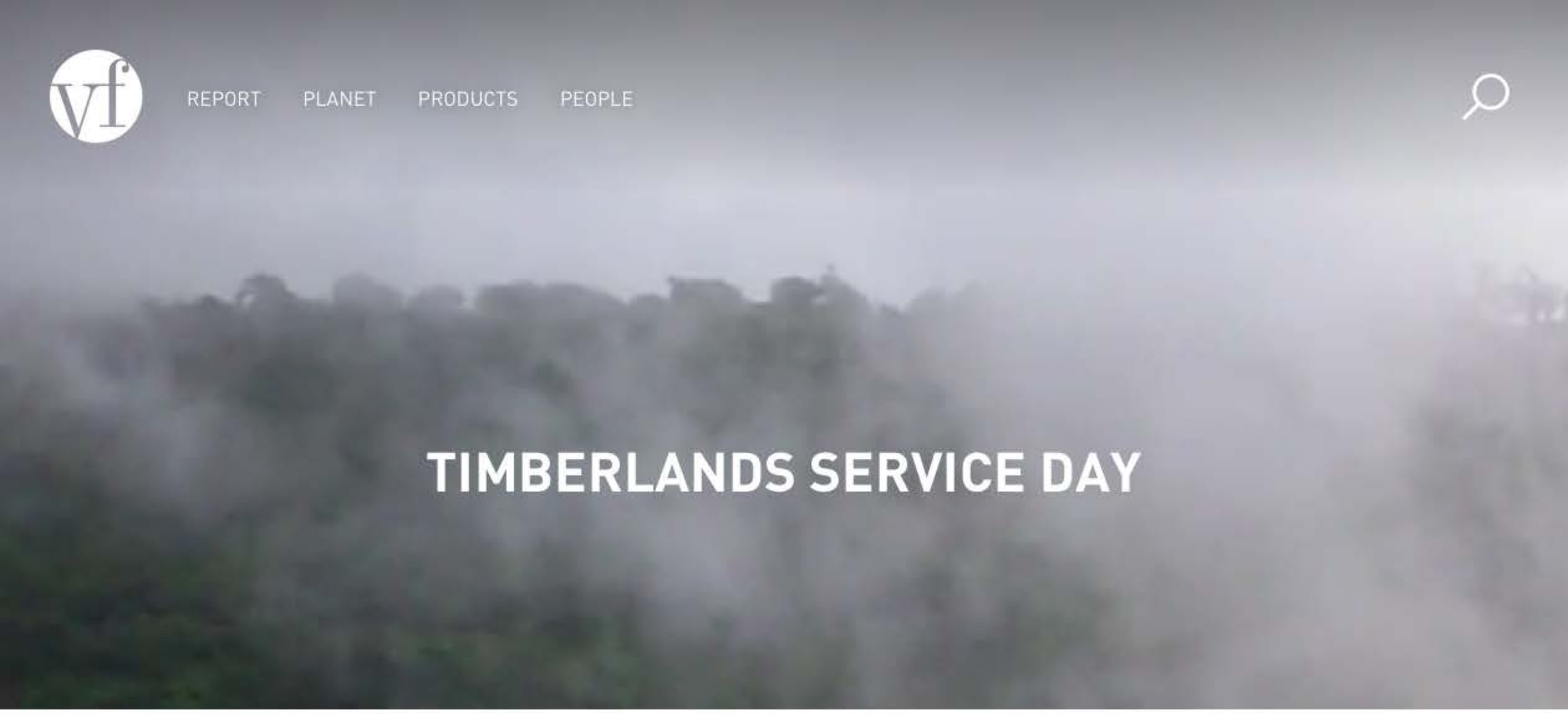
Intellectual Property Rights VF will not do business with contractors, suppliers and agents that do not respect the intellectual property rights of the company's brands.

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.

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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."

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TRACKING OUR EMISSIONS



- Scope 1: Direct energy from on-site sources
    - 84,702 CO2 Metric Tons, 6 percent reduction since 2009
- Scope 2: Indirect energy purchased from utilities
    - 178,783 CO2 Metric Tons, 13 percent reduction since 2009
- Scope 3: Indirect energy from our value chain and business-related travel
    - 23,651 CO2 Metric Tons, 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.

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ENERGY EFFICIENCY IN CHINA

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.

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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.

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