GREEN BOND
IMPACT REPORT

JULY 2024



OUR COMMITMENT TO SUSTAINABILITY

VF Corporation is a purpose-led, performance-driven enterprise. We power movements of sustainable and active lifestyles for the betterment of people and our planet. That is our Purpose, and it drives our commitment to doing business responsibly and sustainably, and creating value — whether financial value for our shareholders or environmental and social value for our stakeholders. We believe these are not mutually exclusive.

As one of the world's largest apparel, footwear and accessories companies, we strive to seamlessly unite sustainability and business value. From how we source our materials to where our products are manufactured and how we distribute them, we're committed to being a powerful force for good.

In 2020, we released our **inaugural green bond**, the first of its kind in the apparel and footwear industry, which enabled us to allocate approximately €493 million in net proceeds to 13 eligible sustainability projects worldwide. In 2023, we announced the closing of **our second green bond**, a €500 million offering that garnered demand from a diverse group of investors around the world. This second green bond issuance is another important step in building stronger connections between our environmental stewardship initiatives and sustainable financing opportunities. An amount equivalent to the net proceeds (€495,850,000) from the offering has been dedicated to advancing programs that align with our commitment to environmental and social responsibility — contributing to driving progress toward the achievement of our science-based targets (SBTs).

This report covers the full allocation of the net proceeds from our second green bond and the 9 projects the bond supports. The following pages outline project examples from the use of our green bond proceeds.

At VF, we embrace accountability. It's in that spirit that we offer this report. We hope it inspires others in our industry and beyond to pursue initiatives that deliver value for shareholders and other key stakeholders alike.



Sustainable Products & Materials

Sustainable Operations & Supply Chain

Natural Carbon Sinks

VF CORPORATION'S GREEN BOND

Green bonds are used to support projects that advance sustainability initiatives and reduce environmental impacts. VF allocated an amount equivalent to the net proceeds from the bond to help fund key initiatives. The green bond was prepared in accordance with the **ICMA Green Bond Principles (GBP) 2018**. Our **2020 Green Bond Framework** was reviewed by Sustainalytics, a leading global provider of sustainability research and services, which issued a **Second-Party Opinion** declaring that the framework is credible and impactful.

ELIGIBLE GREEN BOND PROJECT CATEGORIES

We performed a two-year look-back and one-month look ahead[1] for project spend to determine our use of proceeds that are allocated to the three eligibility categories outlined in our Green Bond Framework. Eligible spend per our Green Bond Framework is defined as follows.

Sustainable Products & Materials

- Purchases made directly or via our intermediary suppliers and product vendors of fabric containing at least 50% recycled-content nylon and polyester fabric in which the cotton content consists of organic-certified cotton (on a pro-rata basis consistent with recycled/organic percent composition), or materials containing at least 80% recycled-content paper and corrugate for use in our products and packaging;
- Innovation expenditures and other investments that directly contribute to building the systems to create more circular product designs; and
- Investments in packaging reduction or elimination initiatives.



Sustainable Operations & Supply Chain

- Investments in projects to improve energy efficiency and/or reduce the greenhouse gas emissions footprint of our operations and supply chain, achieve zero-waste status for our distribution centers or improve the wastewater quality across our supply chain;
- Investments in or expenditures on the acquisition, development, construction and/or installation of renewable energy production units or energy storage units; and
- Investments in sustainable building design features, and in buildings that receive a third-party verified certification of LEED Platinum, LEED Gold or BREEAM Very Good or higher.



Natural Carbon Sinks

- Investments in reforestation conservation projects;
- Investments in regenerative farming, grazing and ranching practices; and
- Investments in other projects that are designed to create and restore natural sources of carbon capture.



[1] *The Green Bond spend time period includes a two-year look back starting from February 23, 2021 through February 23, 2023. The spend also includes a one-month look-ahead (2/23/23 - 3/31/23).*

GREEN BOND ALLOCATION

9
PROJECTS

€495,850,000
GREEN BOND NET PROCEEDS

SPEND BY CATEGORY

€492,348,380
SUSTAINABLE PRODUCTS AND MATERIALS

€592,887
SUSTAINABLE OPERATIONS AND SUPPLY CHAIN

€2,908,733
NATURAL CARBON SINKS

ENVIRONMENTAL BENEFITS & FACTS

31,100 MT
Total weight of product-related recycled materials

26,000 MT
Total weight of packaging-related recycled materials

1.2M ft²
LEED Gold floor space at VF's Ontario distribution center

79,200 MT
Avoided CO_2e through procurement of product-related recycled materials[2]

13,200 MT
Avoided CO_2e through procurement of packaging-related recycled materials[2]

47,200 MWh
Renewable energy used in VF EMEA facilities

13,100 MT
Avoided CO_2e through VF EMEA facilities[3]

[2] *The term 'avoided' only indicates GHG emissions associated with VF's corporate GHG footprint. The term 'avoided' does not indicate that VF's purchase of recycled materials directly prevents the production of other, more carbon-intensive materials. These estimated avoided emissions are calculated using aggregate Higg Materials Sustainability Index (Higg MSI) factors based on the emissions associated with raw material extraction.*

[3] *The term 'avoided' only indicates GHG emissions associated with VF's corporate GHG footprint. The term 'avoided' does not indicate that VF's purchase of renewable energy directly prevents the generation of other, more carbon-intensive energy. These estimated avoided emissions are calculated by subtracting market-based Scope 2 emissions from location-based Scope 2 emissions associated with VF's EMEA facilities. Calculations are aligned with the GHG Protocol Scope 2 Guidance.*

FEATURED GREEN PROJECTS

SCALING GREEN FACILITIES

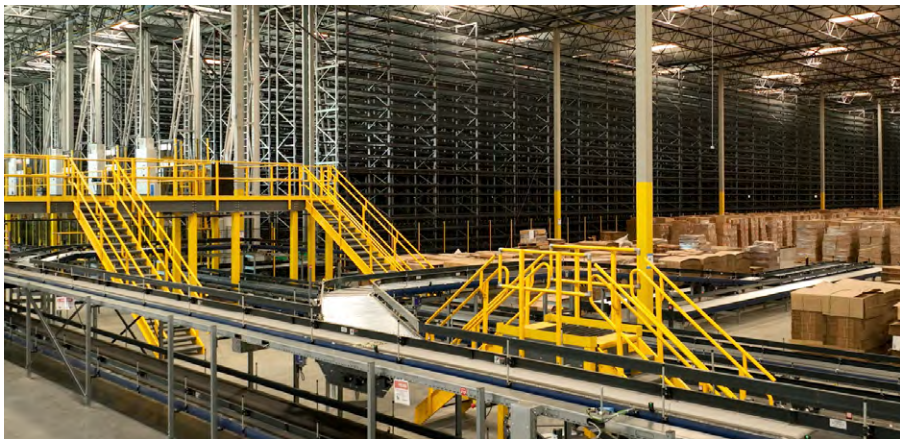
To advance our sustainability efforts and stay true to our Purpose, we closely manage the environmental impacts of our direct operations. Recognizing that our owned-or-leased facilities account for over 90% of our location-based Scope 1 and 2 emissions, VF aims wherever possible to incorporate criteria established by internationally recognized standards, such as the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) and the International WELL Building Institute, as well our own Green Building Standards.

VF commissioned our newest distribution center in Ontario, California, which achieved LEED Gold certification in May 2021 and is on track to receive WELL Gold certification in 2024. The 1.2 million-square-foot facility opened in April 2023. It is now the largest within our global network of distribution centers and is expected to be our most efficient when at peak capacity. The facility's innovative technology allows us to rapidly get products to customers using advanced equipment that results in reduced lead times and increased efficiency in meeting consumer demands.

The distribution center was designed with features and systems that help reduce costs and impacts on the environment. This includes realizing an estimated 56% in annual energy cost savings through energy-efficient lighting, controls and submetering; using a total of 48% recycled content in building materials; diverting 98% of construction waste from landfill; and maximizing daylight in the regularly occupied areas of the building.

The facility was also designed with employee health and well-being in mind, featuring both indoor and outdoor restorative areas, as well as a robust on-site fitness facility.

With a 56-million-unit annual shipping capacity, the distribution center will initially service the *Vans*®, *The North Face*® and *Timberland*® brands with the capability to add more VF brands. Featuring a digital-first design, the center can ship up to 485,000 units per day — twice the processing capacity and efficiency compared to a traditional distribution center — and provide next day e-commerce fulfillment for VF brand customers in Arizona, California, Nevada and southern Utah.





DRIVING INNOVATIONS IN RESPONSIBLE SOURCING

We are continuously looking for ways to expand and scale responsible business practices in the sourcing and development of the materials used in our brands' products. One way we are doing this is by revitalizing the growth of cultivation practices known as regenerative agriculture. Regenerative agriculture encompasses a variety of environmentally and socially conscious practices, which aim to help support biodiversity, enhance water cycles, improve soil health and sequester carbon. This approach not only changes growing practices and improves the lives of farmers, it also helps replenish and strengthen the soil, plants and surrounding natural ecosystems.

To help scale the production of natural rubber grown using regenerative practices, a key raw material for several VF brands, VF sponsored a regenerative agriculture pilot program with Terra Genesis — a design and development firm connecting brands with growers. The three-year pilot program leveraged Terra Genesis' Regenerative Outcome Verified (ROV™) rubber supply system to collaborate with a network of farming communities in Thailand that are implementing regenerative farming practices. Natural rubber sourced from these communities are now used as inputs for a range of products across VF's portfolio, including the *Timberland*®, *The North Face*® and *Vans*® brands.

The regenerative agriculture pilot with Terra Genesis is just one of the ways VF is supporting the advancement of regenerative agriculture practices at farms and ranches across the globe. VF and its brands are also supporting pilot programs to build supply chains for regeneratively-cultivated wool, cotton, leather and other materials.

Additionally, VF has engaged external regenerative agriculture experts and partners to develop an internal Regenerative Guideline Toolkit. This guide aims to help corporate and brand teams — and their regenerative agriculture program partners — apply consistent standards when assessing existing and potential sourcing projects through the lens of regenerative practices and outcome indicators.

By cultivating relationships with ranchers, growers and others who are on the road to implementing regenerative practices and verified outcomes, we are working to build more sustainable supply chains that we hope will ultimately benefit the global apparel and footwear industry and beyond.

RE-IMAGINING THE PRODUCT CYCLE







Aligned with our science-based targets, our vision for sustainable materials is that the top materials used in our brands' products shall originate from regenerative, responsibly sourced renewable or recycled sources. We strive to create products that use resources conscientiously, last for an extended period and are then able to be reintroduced into the supply chain at the end of their intended life. Our brands have been making this vision a reality by driving innovations in how we source and design products.

For example, *The North Face®* brand's Alpine Polartec Collection, which launched in the fall of 2022, features products made with 100% recycled polyester fleece. This new collection is part of the brand's **Circular Design initiative**, where products are thoughtfully designed to be disassembled and recycled by *The North Face®* at the end of their life into raw materials for a second-generation use. By re-imagining their approach to materials, processes and supply chain through a lens of cyclability, *The North Face®* is working to change how they make gear and how customers can dispose of products more responsibly while still providing the feel and performance that consumers have come to expect.

Also in 2022, *The North Face®* leveraged its Re-Grind process in a new co-branded collaboration with Online Ceramics®. The Re-Grind process uses leftover fabric scraps to create garments — a central feature of the new collaboration that included outerwear, field vests, sleeping bags and more. The collection's apparel pieces were produced using 75% or greater recycled or organic fabric, earning *The North Face®* brand's *Explore Without Compromise* badge. Highlighting the Re-Grind process to consumers, one co-branded sweatshirt reads "from factory floors to the great outdoors, this garment gives fabric scraps a second chance and turns waste material into a brand-new product."

Second-Party Opinion

VF Corporation Green Bond Framework

Evaluation Summary

Sustainalytics is of the opinion that the VF Corporation Green Bond Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds — Sustainable Products & Materials, Sustainable Operations & Supply Chain and Natural Carbon Sinks — are aligned with recognized categories of the Green Bond Principles 2018, namely eco-efficient and/or circular economy adapted products, production technologies and processes, renewable energy, energy efficiency, green buildings, sustainable water, pollution prevention and control, and environmentally sustainable management of living natural resourcesand land use. Sustainalytics considers that the eligible categories will lead to positive environmental impacts and advance key UN Sustainable Development Goals, particularly Goals 7, 9, 12, and 15.



PROJECT EVALUATION / SELECTION VF Corporation's Global Responsible Sourcing & Sustainability Team will evaluate and determine project eligibility and is responsible for recommending the allocation of proceeds to the VF Finance department. This is in line with market practice.



MANAGEMENT OF PROCEEDS
The proceeds from the Green Bond issuances will be allocated and managed by VF Corporation's Finance department. The department will track the allocation ofproceeds in accordance with its internal systems. Pending allocation, net proceeds may be temporarily invested and/or held in cash or other short-term and liquid instruments, used to repay other borrowings, or other general corporate purposes until full allocation. This is in line with market practice.



REPORTING VF Corporation has committed to providing allocation reporting, including disbursements towards Eligible Projects, and impact reporting, including relevant key performance indicators where feasible; reporting will be made available on VF Corporation's website on an annual basis until full allocation. The reports will also be accompanied by management assertion regarding the amounts or percentages allocated to each Eligible Category, and a report by an external auditor on the examination of such assertion. This is in line with market practice.

This is an excerpt from the Sustainalytics Second-Party Opinion declaring the *VF Corporation Green Bond Framework* is credible and impactful. *View Sustainalytics' full report*.

SUSTAINALYTICS SECOND-PARTY OPINION

Evaluation date	February 18, 2020
Issuer Location	Denver, CO, United States

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Report of Independent Accountants

To the Management of V.F. Corporation

We have examined the accompanying management assertion of V.F. Corporation that the net proceeds of €495,850,000 from the February 23, 2023 issuance of the 4.250% Senior Notes due March 7, 2029, as indicated on the V.F. Green Bond Use of Proceeds for Eligible Projects as of March 31, 2023, were allocated to qualifying Green Bond Eligible Projects in accordance with the V.F. Green Bond Eligible Project Criteria set forth in management's assertion. V.F. Corporation's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

Only the information included in the management assertion of V.F. Corporation on page 10 is part of our examination engagement. The other information in this 2024 V.F. Corporation Green Bond Impact Report has not been subjected to the procedures applied in our examination engagement, and accordingly, we make no comment as to its completeness and accuracy and do not express an opinion or provide any assurance on such information.

In our opinion, management's assertion is fairly stated, in all material respects.

PricewaterhouseCoopers LLP

Greensboro, North Carolina
June 28, 2024

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Management's Assertion Regarding VF Corporation's Green Bond Use of Proceeds including Sustainable Products and Materials, Sustainable Operations and Supply Chain, and Natural Carbon Sinks

V.F. Corporation (V.F.) is responsible for the accuracy and validity of the following V.F. Green Bond Use of Proceeds for Eligible Projects as of March 31, 2023.

Management asserts that the net proceeds of €495,850,000 from the February 23, 2023 issuance of the 4.250% Senior Notes due March 7, 2029 (the Senior Notes) were allocated to qualifying Green Bond Eligible Projects in accordance with the V.F. Green Bond Eligible Project Criteria described below.

VF Green Bond Eligible Projects and Eligible Project Criteria

Eligible Projects include new, existing and prior investments made by V.F. during the period from February 23, 2021 (two years prior to the date of issuance of the Senior Notes) through March 31, 2023 in the following categories: sustainable products & materials, sustainable operations & supply chain, and natural carbon sinks.

VF Green Bond Eligible Projects Category	VF Green Bond Eligible Project Criteria[1]
Sustainable Products & Materials	Expenditures on identifying and/or developing materials and/or packaging solutions that are designed to be more sustainable. For purposes of this assertion, sustainable materials and/or sustainable packaging are defined as: • Fabric containing at least 50% recycled content nylon or recycled polyester per the supplier invoice and sustainable product certification. • Fabric containing organic certified cotton per the supplier invoice and sustainable product certification. • Qualifying blended materials (containing recycled polyester, recycled nylon and/or organic cotton) per the supplier invoice and sustainable product certification. • Material containing at least 80% recycled paper and corrugate per the supplier invoice and sustainable product certification.
Sustainable Operations & Supply Chain	Investments in projects that are designed to improve the energy efficiency and/or reduce the GHG footprint of our operations and supply chain, and for building design features that are designed to be sustainable and buildings that received a third-party verified certification of Leadership in Energy and Environmental Design (LEED). For purposes of this assertion, projects are defined as: • Ontario Distribution Center LEED Certification of Gold in May 2021 • Greensboro, NC HQ HVAC and LED lighting efficiency upgrades • The North Face (TNF) and Dickies retail store HVAC retrofits
Natural Carbon Sinks	Investments in "natural carbon sinks", which are designed to create and restore natural sources of carbon capture. For purposes of this assertion, investments are defined as: • Investments in Terra Genesis to train farmers in Thailand per the invoice and regenerative agriculture agreement • Tree Planting Donations for Trees for the Future, the Smallholder Farmer Alliance and Just Diggit per the invoices and tree planting agreements

VF Green Bond Use of Proceeds for Eligible Projects as of March 31, 2023

Net proceeds from the issuance of VF's Green Bond	**€495,850,000**
Sustainable Products and Materials	€492,348,380
Sustainable Operations and Supply Chain	€592,887
Natural Carbon Sinks	€2,908,733
Total Use of Net Proceeds for Eligible Projects	**€495,850,000**

FORWARD-LOOKING STATEMENT ON CLIMATE DISCLOSURES

Climate-related science, data and methodologies are rapidly evolving; those underlying our climate-related analysis and strategy remain subject to evolution over time. While we expect to continue making progress toward our environmental goals, our goals are subject to certain risks and challenges that are beyond our control, including political, economic, regulatory and geopolitical conditions; supply chain and labor issues; supplier emissions reductions; the evolution and applicability of carbon offset and renewable energy credit markets; the applicability of limited large-scale investments and innovations in technology and infrastructure; and the evolution of greenhouse gas accounting standards and methodologies. Unless otherwise specified, all information (including forward-looking information) speaks only as of the date on which it is made, and we disclaim any obligation to update or delete any outdated information contained in this document or in our website materials.





VF CORPORATION

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