



# Seizing the Momentum

**MADE for CHANGE**  
Sustainability & Responsibility Report  
Fiscal Year 2022



# Inside this Report

## 3 Welcome

## 4 About

- 5 Overview
- 8 Highlights
- 9 Ethics
- 11 Governance
- 14 Strategy

## 19 People

- 20 Talent
- 24 Diversity
- 30 Community
- 33 Health & Safety
- 35 Human Rights

## 45 Planet

- 46 Climate
- 49 Energy
- 51 Waste
- 54 Supplier Action
- 56 Water
- 58 Materials

## 64 Product

- 65 Stewardship
- 66 Chemistry
- 68 Circularity
- 71 Traceability

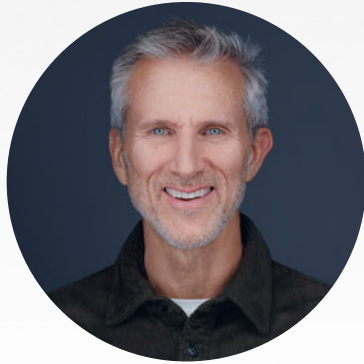
## 75 Appendix

- 76 Data
- 81 TCFD
- 82 GRI
- 90 UNGPRF
- 94 SASB





## CEO Welcome



### Dear Stakeholders:

We have remained sharply focused on our Purpose to power movements of sustainable and active lifestyles for the betterment of people and our planet, despite significant challenges continuing to confront the global business community over the past year.

We made measurable progress toward our science-based targets, implementing programs to address the impacts of climate change and working with our suppliers to do the same. Initiatives such as the Timberland® brand's **Timberloop™ eco-innovation design platform**, which focuses on refurbishing and recycling used gear, will not only help to keep waste out of landfills but also plays a role in advancing our Scope 3 climate targets. These efforts illustrate our commitment to introducing tangible and sustainability-focused business practices that inspire change.

We are devoting significant resources to trace our global supply chain so we can better understand the origins of the key materials used in our products and the way they are assembled and manufactured. From these efforts, we published **100 product traceability maps** at the end of 2021, meeting this important goal to publicly share deep insights about our supply chain.

We continue to advocate for the fundamental human rights of everyone involved in our business operations and supply chain. Across 40 countries, there are nearly 1 million people who contribute to the manufacturing of our products. Through our **Worker & Community Development** program, we proactively collaborate with workers and communities in our global supply chain

to address topics such as child rights and mental health. Since starting the program in 2017, we've reached over 652,000 people in 10 countries, and we will continue uplifting human rights wherever we do business.

As a signatory of the **UN Global Compact**, each year we reaffirm our commitment to its Ten Principles and mission to mobilize a global movement of companies and stakeholders to create a better world.

We believe there is a strong reciprocal relationship between living our Purpose and generating strong financial performance.

We've made significant progress in fulfilling our Purpose, but the journey is never complete. We remain focused on our long-term commitments, and we are **seizing the momentum** to drive positive change.

Sincerely,

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





# About

OVERVIEW

HIGHLIGHTS

ETHICS

GOVERNANCE

STRATEGY

Pursuing positive impact. For people, communities and the planet we share. At VF, it's one of our most important endeavors.





# Our Company



At VF Corporation, we believe there is a strong reciprocal relationship between living our Purpose and generating strong financial performance. By effectively managing this relationship, we aim to be a force for good while also delivering results for our shareholders.

## Purpose and Profit

We pursue these dual ambitions by focusing on opportunities that can create value for all our stakeholders. Every day, we work to foster critical connections for – and with – our associates, investors, consumers, communities, the VF portfolio of brands, industry peers and global supply chain, as well as NGOs and others. These engagements help us amplify the impact of our work to address the challenges and injustices that exist in this increasingly complex world.

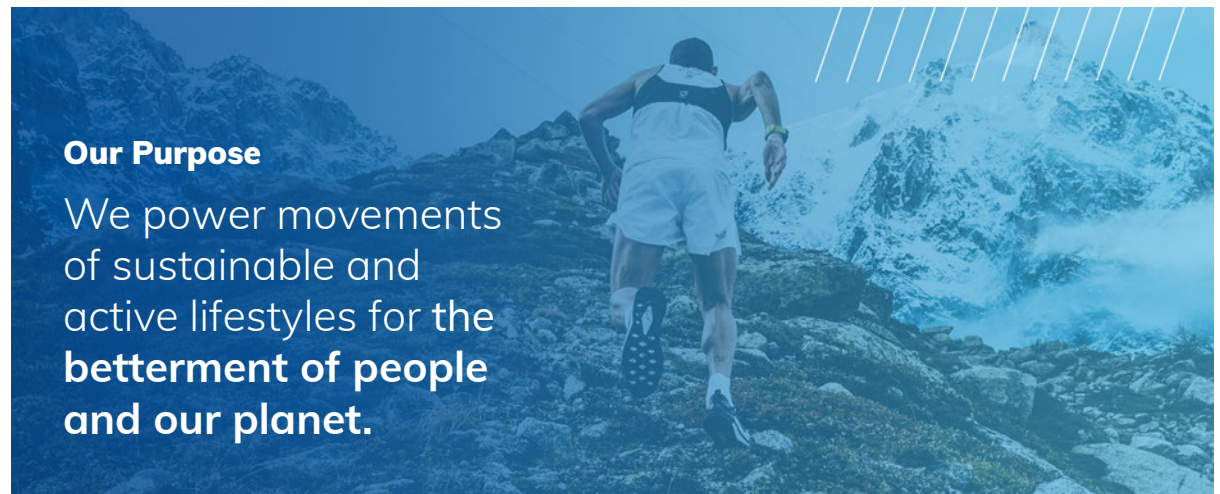
These deep relationships, formed throughout our 123-year history, are critical to our business and

have inspired us to live our Purpose. But doing so always feels most pressing in the moment – this moment. Today, there's an undeniable urgency to make meaningful and shared progress. We – as a company, an industry and a society – must answer the call to action and do our part.

Rising to meet today's challenges requires us to do things differently. At VF, we're embracing this moment and what it means for our collective futures by driving even more momentum behind our Sustainability & Responsibility (S&R) strategy, *Made for Change*.

## Our Purpose

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







## Our Guiding Principles

### Live with Integrity.

Be authentic and do the right thing, always.

### Act Courageously.

Think and act boldly.

### Be Curious.

Explore the world, learn and evolve.

### Act with Empathy.

Seek to understand and respect others.

### Persevere.

Persist and work together as One VF.

## Our Brands<sup>1</sup>

Consumers connect with our brands across a wide range of activities and lifestyles. As a result, our brands deliver value to our shareholders, provide rewarding jobs for our associates and support local communities. Each brand lives out our Purpose, working for the betterment of people and the planet.

### Active



### Outdoor



### Work



## Our Company at a Glance: FY22



**\$11.8B<sup>2</sup>**

in revenue  
(NYSE: VFC)



**~35K**

associates around  
the world



**125+**

countries where our  
products are sold



**~1.3K**

owned retail  
stores



**~410M**

units of apparel, footwear  
and accessories sourced

<sup>1</sup> On Dec. 28, 2020, VF acquired 100% of the outstanding shares of Supreme Holdings, Inc., and the Supreme® brand operations are included in all data reported for FY22 unless otherwise stated.

<sup>2</sup> All financial information provided reflects the results of VF's continuing operations, which exclude the Occupational Workwear business that was sold in June 2021.



## Our Value Chain: Demonstrating Resilience

VF's portfolio of brands share a common global supply chain, which underpins our everyday business operations. In FY22, we sourced more than 400 million units of apparel, footwear and accessories with the help of approximately 10,000 VF supply chain associates working with hundreds of vendors across the globe. We have been working for years to build greater resilience and agility into both our company and supply chain. This strategy has proved invaluable as we faced ongoing pandemic lockdowns and supply chain disruptions.

For example, to address lockdowns, VF activated a ship-from-store program with select brands to ship inventory from retail locations into the hands of consumers across the United States. The program, which spanned approximately 500 retail locations, proved to reduce order-cancellation rates and increase customer satisfaction.

VF is also exploring strategic opportunities to help reduce the impacts of supply chain disruptions by moving more of our sourcing closer to locations where VF brand products are sold. Specifically, we're identifying regional suppliers to enhance direct-to-consumer product supply. While this strategy is still in development, we have already shifted some of the Timberland® brand footwear production to Portugal to be more agile and responsive to customer demand in the growing European market.

See VF's [Value Chain at a Glance](#).



## This Report

Fifth global VF Sustainability & Responsibility Report

Data primarily covers **fiscal year 2022 (FY22): April 4, 2021, through April 2, 2022<sup>3</sup>**

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

Prepared in accordance with Global Reporting Initiative (GRI) Standards 2018, Core option.

Aligned with Sustainability Accounting Standards Board (SASB) Apparel, Accessories & Footwear Standard 2018.

Informed by the Task Force on Climate-related Financial Disclosures (TCFD), United Nations Sustainable Development Goals (UN SDGs) and UN Guiding Principles Reporting Framework (UNGPRF).

Serves as our UN Global Compact Communication on Progress.

## Related Reports and Resources

VF Inclusion, Diversity, Equity & Action (IDEA) Annual Profile

VF Green Bond Impact Report

VF Human Rights Report

See also, [www.vfc.com](http://www.vfc.com)

\*See the **Appendix** section of this report for specific framework indices.

<sup>3</sup> Select VF programs either commenced during a calendar year reporting time frame or continue to be reported on a calendar year due to collaboration with external partners. In these instances, calendar years are stated with no demarcation.





## Sustainability & Responsibility Highlights



**\$8.3M+**  
**IN GRANTMAKING**  
by The VF Foundation in FY21.

**100+**  
**PRODUCT STYLES**

Footwear and apparel styles launched by the Vans® brand under their new VR3 Checkerboard Globe logo in FY22.



**6-TIME**  
**HONOREE**

on the Ethisphere® list of World's Most Ethical Companies.®

**16**

**VF BUILDINGS**

were LEED certified or met the requirements for the BREEAM rating as of FY22.



**100**  
**PRODUCT TRACEABILITY MAPS**

for 960 suppliers published by year-end 2021, meeting our goal.

**1.4M+**  
**HOURS VOLUNTEERED**

by the Timberland® brand employees over 30 years in communities around the world through the Path of Service™ program.



**\$15.6M+**  
**IN MONETARY AND PRODUCT DONATIONS**  
from VF's portfolio of brands in FY21.



**28K+ MT CO<sub>2</sub>e**  
**EMISSIONS REDUCTION**

across Scope 1 and 2 since FY17,<sup>4</sup> achieving 66% of our 2030 target.

**TOP 10**  
**INNOVATORS**

The Smartwool® brand named as one of 10 most innovative companies in corporate social responsibility by Fast Company.



**900+ MT**  
**OF NONPREFERRED CHEMICALS REMOVED**

from VF's supply chain since 2016 through the innovative CHEM-IQ<sup>SM</sup> program.

**97%**

**WASTE DIVERSION**

rate, on average, at active owned-and-operated distribution centers as of FY22.



**652K**  
**FACTORY WORKERS AND COMMUNITY MEMBERS**

across 10 countries reached through VF's Worker & Community Development program since 2017.

<sup>4</sup> FY17 emissions data was re-baselined in FY22 to account for changes due to mergers and acquisitions.



# Ethics

At VF, leading with integrity is foundational to our success. We act with courage, empathy and perseverance and let our Principles guide us.



## Acting with Integrity

We strive to never compromise our **Principles**, even if it means making a tough business decision.

The vision for our **Ethics and Compliance** program is for all associates to embrace VF's Purpose by demonstrating courage, leadership and the ability to influence others by acting with integrity and following our **Code of Business Conduct**. The strategic pillars of our program are:

- **Purpose:** Helping connect associates with their Purpose to drive integrity-based decisions.
- **Autonomy:** Creating engagement through choice and relevance.
- **Mastery:** Motivating the desire to gain actionable skills and continuously improve.



## Increasing Engagement in Ethics Training

Our Ethics and Compliance team works to instill integrity in every aspect of our global business. In FY22, we launched our BEYOND Ethics and Compliance training program, a new approach to increase associate engagement through learning opportunities that are relevant to their work, relatable to their experiences and include social elements that are rewarding. This program teaches key concepts through activities such as hiking, painting and yoga.

The team also partners with VF leadership to share demonstrations of ethical leadership at every level and develops tools and communications to drive integrity throughout our organization.



Ethisphere® has recognized VF on its list of World's Most Ethical Companies® each of the past six years.<sup>5</sup>

<sup>5</sup> World's Most Ethical Companies™ and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC.





### Listening to Associates

The Ethics and Compliance team also regularly leverages survey insights, including from VF's Ethics and Compliance survey and the annual associate culture surveys, to inform strategic choices and uses data insights from more frequent pulse surveys to address associate feedback in real-time. For example, in FY22, pulse survey results indicated that associates were feeling increased pressure in the workplace, potentially indicating they may feel pushed to compromise policies to advance other priorities. Working to minimize this risk, VF created targeted resources to help global leadership teams recognize signs that employees might be feeling such pressure. This included training for leaders on how to talk to their teams about pressure at work and ethical decision-making.

For further details about our efforts to prioritize integrity in all that we do, including information on our anti-corruption program and Ethics Helpline, please see [Pages 82-89](#) of the GRI Content Index.



**“Having the courage to speak up helps create the type of environment where people’s voices are valued and concerns are properly addressed.”**

**Martino Scabbia Guerrini**  
VF Executive Vice President and President,  
EMEA and Emerging Brands

### Speaking Up

In FY22, VF kicked off our Speak Up Culture campaign. The goal of the program is to foster a culture where all associates feel welcome and included, are free to share their ideas and opinions, and speak up without fear of judgment or retaliation if they notice something that doesn't look right.

The campaign, first launched in the EMEA region, includes:

Training sessions to help leaders learn how to support a speak-up culture within their teams.

Communications to increase awareness of speak-up resources.

Listening sessions in which associates can share what they believe to be barriers to speaking up and suggest changes that would help them feel more comfortable to speak up in the future.



# Governance

Our strong governance structure is the foundation that allows us to effectively address pressing social and environmental issues facing our business and society.



## Advancing Good Governance

Our governance structure includes robust management systems, consistent reporting practices, leadership commitment at all levels and active engagement from our associates and key stakeholders.

## Our Policies and Standards

Clear policies and standards are central to good governance. To help inform the development of

VF participated in

**100+**

engagements with stakeholders in FY22 across a spectrum of key topics, from circularity to worker rights.

## Governance Structure

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

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

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

**The Global Inclusion, Diversity & Equity Council** – sponsored by VF's Chairman, President & Chief Executive Officer – is charged with providing strategic focus to IDEA initiatives while driving organizational alignment and prioritization across the global VF enterprise.

**All Brand Presidents** report annually to VF's ELT on their individual brand's S&R progress.

Learn more about our governance approach at [www.vfc.com](http://www.vfc.com).





our S&R policies and provide applicable training to VF's associates and business partners, we often seek guidance from external stakeholders.

VF's Terms of Engagement directs VF suppliers to adhere to the requirements of the policies and standards listed below. We deliver this information to our **Tier 1 and nominated Tier 2 suppliers** through annual communications that stress compliance is mandatory.

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

For a complete list of public VF Policies and Standards, please visit [www.vfc.com](http://www.vfc.com).

## Engaging Diverse Stakeholders

We have established meaningful relationships with a wide range of stakeholders to help us determine the best approaches for how we can make a positive impact across our business operations.

The stakeholders with whom we collaborate have a vested interest in how we operate. They're our associates, investors, customers, suppliers, communities and others who regularly interact with us. They also include organizations, such as nongovernmental organizations (NGOs), who advocate for a healthy planet and better lives for people. We actively engage with all of these groups to better understand how we can meet their expectations and, together, embrace opportunities to make progress.

In FY22, VF participated in more than 100 engagements with NGOs, regulators and other stakeholders across a spectrum of key topics, such as regenerative agriculture, animal welfare, circularity, workers' rights and living wages in the supply chain. Additionally, through its unique needs assessment program, VF's Worker & Community Development program has directly engaged with more than 11,500 factory workers since its launch in 2017.

Visit [www.vfc.com](http://www.vfc.com) to find a list of stakeholders with whom we collaborate.

## Keeping Workers in the Loop

In keeping with our commitment to seek and incorporate stakeholder feedback, VF collaborated this past year with BSR and other stakeholders through an initiative called **Keeping Workers in the Loop** to explore challenges and opportunities associated with transitioning to a circular economy in the fashion industry.

While the environmental benefits of transitioning to a circular economy are well recognized, the social impacts are less understood. The *Keeping Workers in the Loop* report concluded that circularity's transformative potential could present an opportunity to re-imagine a global fashion system that supports all workers. The report anticipated that without intentional action, circularity could perpetuate existing inequalities for marginalized groups. These learnings will help inform our strategy for advancing circularity initiatives, as we work with others to re-imagine the global fashion system to work for everyone.

## Sustainability & Responsibility

### Material Topics

In FY22, we updated our S&R materiality<sup>6</sup> assessment to take a fresh look at the S&R topics across the value chain that are relevant to our key stakeholders.

We gathered feedback from internal and external stakeholders through interviews, online surveys and workshops. Our S&R team also sought input from issue-area experts, investors and nonpro its such as [Conservation International](#), [Closed Loop Partners](#) and [Better Work](#).

The outcomes of our S&R materiality assessment inform components of our strategy and reporting, helping our efforts and programs stay relevant and impactful in a rapidly changing landscape.

The topics presented in our materiality matrix represent risks and opportunities that occur throughout various tiers of our value chain. Please see [Pages 82-89](#) of the GRI Content Index to learn more about how we're managing our material topics and measuring progress.

<sup>6</sup> In this communication and in our other sustainability reports and statements, when we use the terms material, materiality and similar terms, we are using such terms to refer to topics that reflect VF's potentially significant economic, environmental and social impacts or to topics that substantially influence the assessments and decisions of stakeholders in what the GRI Sustainability Reporting Standards define as material topics. We are not using these terms as they have been defined by or construed in accordance with the securities laws or any other laws of the U.S. or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting, and nothing in this communication or other sustainability reports and statements should be construed to indicate otherwise.

## Sustainability & Responsibility Materiality Matrix



### Sustainability & Responsibility Material Topics in Alphabetical Order

- |  |                                     |   |                               |
|--|-------------------------------------|---|-------------------------------|
| 1. Biodiversity & Land Use                     | 7. GHG Emissions & Renewable Energy | 14. Procurement Practices                 | 20. Supplier Diversity        |
| 2. Business Ethics/<br>Fair Business Practices | 8. Human Rights                     | 15. Product Quality & Safety              | 21. Waste Management          |
| 3. Circularity                                 | 9. Inclusive Growth                 | 16. Public Policy & Advocacy              | 22. Water Stewardship         |
| 4. Climate Adaptation & Climate Resilience     | 10. Labor Standards in Supply Chain | 17. Responsible Chemical Management       | 23. Workplace Health & Safety |
| 5. Environmental Health                        | 11. Supplier Living Wage            | 18. Responsible Marketing                 |                               |
| 6. Environmental Standards in Supply Chain     | 12. Non-discrimination              | 19. Responsible Sourcing of Raw Materials |                               |
|  | 13. Packaging                       |   |                               |



# Strategy

Our commitment to taking climate action, sourcing more sustainable materials, following responsible business practices and pursuing meaningful targets combine to form our S&R strategy.

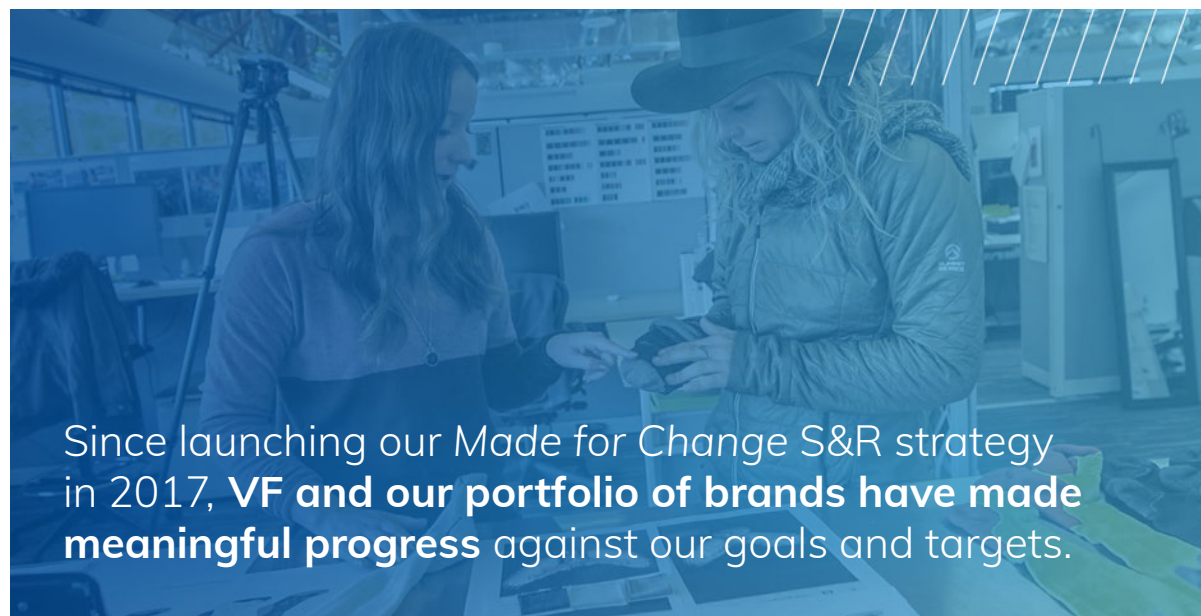
## Acting On Our Strategy

We've developed a comprehensive suite of Made for Change goals and targets to execute on this strategy. Our targets are organized under the focus areas of People, Planet and Product. In the table on [Pages 15-18](#), we provide summaries of these items and describe them in more detail in applicable sections of this report.

Since launching our Made for Change S&R strategy in 2017, VF and our portfolio of brands have made

meaningful progress against our goals and targets. In addition to announcing several new ambitious goals in our last report, we've also achieved:

- Integrated training at all levels on inclusion and unconscious bias.
- Implemented zero-waste\* programs at all active owned-and-operated VF distribution centers.
- Published more than 100 product traceability maps on [www.vfc.com](http://www.vfc.com).





Since launching our Made for Change S&R strategy in 2017, **VF and our portfolio of brands have made meaningful progress** against our goals and targets.

\*95% or greater diversion rate.

## Made for Change Goals and Targets

### PEOPLE

| TOPIC   | TARGET   | PROGRESS   |
|---|--|--|
|  <p><b>Inclusion, Diversity, Equity and Action</b></p> | <p>Aspire to achieve gender parity within our director and above population by 2030 globally.</p>  | <p>41.8% female leaders at the end of FY22.</p>  |
|   | <p>Aspire to achieve 25% representation of Black, Indigenous and People of Color (BIPOC) representation within our director and above population by 2030 in the U.S.</p>   | <p>18.1% BIPOC leaders at the end of FY22.</p>   |
|   | <p>Slate 50% diverse candidates (defined as women, BIPOC, LGBTQ+ individuals, veterans and individuals with disabilities) when hiring or promoting associates.</p>   | <p>Meaningful progress made in FY22 to establish policies to ensure we have diverse candidate slates across our talent practices.</p>  |
|   | <p>Double supplier diversity spend by 2025.</p>  | <p>In FY22, VF established partnerships with the National Minority Supplier Development Council and Women's Business Enterprise National Council. Initial efforts have included establishing a spend baseline, driving internal awareness of objectives and goals, creating an accountability framework for the VF procurement team and implementing a supplier diversity policy with CEO support.</p> |
|  <p><b>Community</b></p>                             | <p>Ensure directors and above will have a portion of their financial bonus tied to successful implementation of IDEA goals, while maintaining equal opportunity for all, as evaluated through a formal performance review process.</p> | <p><b>ACHIEVED</b> – All VF associates, director-level and above, have a portion of their financial bonus tied to the successful implementation of IDEA goals.</p>   |
|   | <p>Going forward, direct 10% of annual U.S. grant funding through The VF Foundation to support community initiatives that advance VF's racial equity strategy in alignment with the Foundation's investment priorities.</p>            | <p><b>ACHIEVED</b> – Directed over 55% of The VF Foundation's FY21 U.S. grant funding toward our racial equity strategy, far surpassing our 10% goal.</p>  |





## PEOPLE

## TOPIC

## TARGET

## PROGRESS



## Community

VF associates will contribute 1 million hours to local communities by FY26.

167,500+ volunteer hours recorded since FY19.<sup>7</sup>

Improve the lives of 1 million workers and their communities by FY26 and 2 million people by FY31.

652,000+ people reached through the VF Worker & Community Development program since 2017.

In-scope supplier factories will implement gender-based violence prevention and reporting mechanisms by FY26.<sup>8</sup>

Launched a new gender-based violence and harassment (GBVH) pilot program in the VF supply chain.



## Supplier Human Rights

No worker in the VF supply chain pays for their job by FY27.<sup>9</sup>

Completed the VF Your Voice Matters pilot program in FY22, reaching over 5,000 migrant workers and supervisors across 14 Tier 1 and Tier 2 VF supplier factories. The pilot reached workers through remote impact assessments and tailored trainings regarding recruitment practices, workplace policies and social dialogue.

Amplify the voices of in-scope supply chain workers through gender-proportional workplace committees by FY31.<sup>10</sup>

Announced VF's partnership with Better Work to run in-depth trainings on key worker rights issues impacting VF suppliers at factories in Bangladesh, Cambodia, Haiti, Indonesia, Jordan, Nicaragua and Vietnam.

All in-scope supplier factories elevate and expand industry-leading health and safety programs by FY26.<sup>11</sup>

As of FY22, 143 VF supplier factories have enrolled in collaborative supplier health and safety initiatives.



## PLANET

### TOPIC

### TARGET

### PROGRESS



#### Climate

Reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions 55% by 2030 (FY17 baseline year).

Reduce absolute Scope 3 GHG emissions from purchased goods and services and upstream transportation 30% by 2030 (FY17 baseline year).

Utilize 100% renewable energy across our owned-and-operated facilities by FY26.

50,667 MT CO<sub>2</sub>e, VF achieved 66% of its 2030 target as of FY22.

3,586,000 MT CO<sub>2</sub>e, VF achieved 8% of its 2030 target as of FY21.

34% renewable energy as of FY22, a 7% improvement from FY21.



#### Waste

Eliminate all nonessential, single-use plastics from in-scope<sup>12</sup> VF direct operations and sponsored events globally by FY24.<sup>13</sup>

Completed enterprise-wide waste assessment in FY22 to identify single-use plastic sources and develop a road map.

## PRODUCT



#### Traceability

Publish traceability maps for 100 of our brands' most iconic products by year-end 2021.

Trace five of VF's key materials through 100% of our supply chain by FY28.

**ACHIEVED** – 100 maps published on the VF website in December 2021.

Launched three new Key Material Supplier Surveys in FY22 to enhance VF traceability efforts for wool, natural rubber and recycled synthetics.





## PRODUCT

## TOPIC

## TARGET

## PROGRESS



## Materials

All cotton purchased by VF is grown in the U.S., Australia or under a third-party cotton growing scheme that promotes environmental and/or social sustainability improvements by FY26.

50% of polyester will originate from recycled materials by FY26.

Key packaging materials<sup>14</sup> shall be reduced and originate from sustainable sources, and systems redesigned enabling packaging reuse or recyclability, by FY31.

79% grown in the U.S., Australia or under a third-party sustainability scheme in FY21.

36% recycled polyester sourced in FY21.

Enterprise-wide packaging footprint completed in FY22; packaging goals revised. See [Page 62](#) for updated road map.



## Chemistry

Eliminate and/or restrict 100% of unwanted chemicals or substances, using the innovative CHEM-IQ<sup>SM</sup> program from VF's supply chain by FY26.<sup>15</sup>

From FY20-FY22, VF removed nearly 300 MT of unwanted chemicals and substances from our extended supply chain using the CHEM-IQ<sup>SM</sup> program.

<sup>7</sup> In FY22, VF updated its methodology for tracking and reporting associate volunteer hours. To align with this updated methodology and figures disclosed in forthcoming reports, VF volunteer hours from FY19 – FY20 have been rebaselined and restated in the cumulative FY22 figure disclosed.

<sup>8</sup> In-scope supplier factories are defined as Tier 1 VF authorized facilities. See [Page 40](#) of this report for further information.

<sup>9</sup> VF aligns with the ILO Definition on Recruitment Fees and Related Costs.

<sup>10</sup> In-scope supplier factories are defined as Tier 1 VF authorized facilities.

<sup>11</sup> In-scope is defined as supplier factories covering Tier 1, Tier 2, and/or subcontractor VF authorized facilities depending upon sourcing country.

<sup>12</sup> In-scope is defined as all active VF distribution centers and offices.

<sup>13</sup> Scope of elimination will focus on single-use plastics for which there is a viable product alternative.

<sup>14</sup> Key packaging materials (by volume) include shoe packaging, polybags, hangtags, retail store bags and shipping materials.

<sup>15</sup> Click [here](#) for a complete list of in-scope classes of chemicals or substances for this goal.



A photograph of three diverse individuals walking together. On the left is a man with long dark curly hair wearing a black t-shirt and dark pants. In the center is a woman with blonde hair tied back, wearing a light grey t-shirt with 'THE NORTH FACE' logo and blue jeans. On the right is a man with short dark hair wearing a blue zip-up hoodie and grey pants. They are walking on a light-colored surface. The background is a stylized, abstract composition of light blue and white brushstrokes, with faint silhouettes of a crowd of people in the upper left.

# People

TALENT  
DIVERSITY  
COMMUNITY  
HEALTH & SAFETY  
HUMAN RIGHTS

VF associates are the collective force behind our momentum. They are innovators. Problem-solvers. Champions of our S&R strategy.



# Propelling Us Forward: Our Talent

VF associates are a global community of movement makers who push us to the next level for the betterment of people and our planet. Our culture of belonging empowers every associate to express bold ideas, chase big dreams and find fulfillment in Purpose-led work.



In FY22, we launched the new VF Employee Value Proposition (EVP), **Limit Less – blur the line between a career and a calling**. Our EVP aims to help associates understand what they can

achieve during a career at VF. Whether it's having the agility to follow their passion wherever it takes them across our brands, functions and even countries, or encouraging associates to do what they love and accelerate their careers here with far less limitations than elsewhere.

## A Limit Less Culture that Attracts the Best

We provide associates with competitive compensation, holistic well-being programs and easy access to resources that support all aspects of their well-being. Alongside our new EVP, we launched our new global associate well-being program in FY22, **Live Limit Less**, to clearly articulate the tools we offer to help associates take on challenges, embrace opportunities and be their very best. We believe that focusing on associate well-being is not only the right thing to do, but it also supports our efforts to attract and retain top talent.





Live Limit Less organizes VF's associate programs and resources<sup>16</sup> under five pillars of well-being:



### Body

Programs for disease prevention and health management, including healthy eating and increased physical activity



### Mind

Programs and policies that support mental health and emotional well-being



### Financial

Education and resources that allow associates to protect their financial security



### Career

Resources, motivation and opportunities to achieve career goals



### Social

Initiatives that foster a sense of belonging and involvement among associates, families and the community

#### EXAMPLES

- Care obtained through medical, dental and vision coverage
- Fitness discounts and classes
- Diabetes management, weight loss, nutrition support and tobacco cessation programs
- Expert medical opinion
- Fertility assistance
- Sick time policies

#### EXAMPLES

- Employee assistance program (EAP)
- Vacation, holiday and bereavement policies
- Resilience and text therapy programs
- Mental health and substance misuse programs
- Local meditation classes and on-site quiet spaces
- Peer mental health support

#### EXAMPLES

- Retirement savings plans like 401(k)
- Paid parental leave and adoption assistance
- Financial planning, education and advice
- Backup child and elder care and on-site childcare
- Debt management and student loan debt assistance

#### EXAMPLES

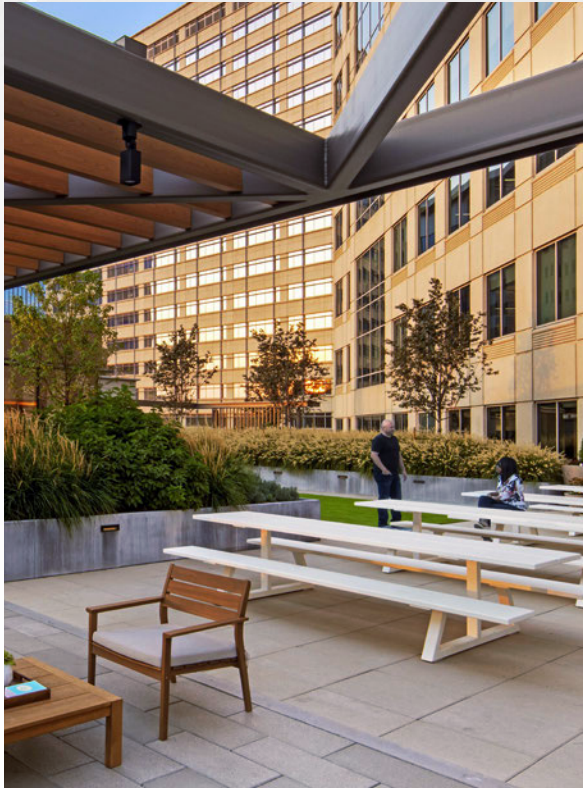
- Tuition assistance and reimbursement
- Leadership development
- Broad-based learning and development classes
- On-the-job development opportunities
- Stretch/gig assignments

#### EXAMPLES

- Employee resource groups that advance Inclusion, Diversity, Equity and Action
- Support to volunteer individually, or via company-organized opportunities
- Local engagement events designed to promote connection

<sup>16</sup> VF associate programs and resources are tailored by region.





We give our people the possibility to do what they love.

### Shining a Spotlight on Mental Health

The stressors brought on by the COVID-19 pandemic accelerated our work already in progress to support the mental and emotional well-being of our associates. At VF, we care about each other, and with empathy and respect, we seek to support everyone in feeling safe and comfortable. We actively focus on eliminating the stigma associated with mental health issues, creating a common language for associates to openly discuss mental health in the workplace and addressing gaps that may hold associates back from better mental health. While developed at the enterprise level, our mental health program is tailored for each geography so that associates receive the most relevant support for their situation.

We provide mental health awareness training to our leaders so they can identify behaviors that might signal a mental health challenge is impacting an associate. Empowered with this training and tools, leaders can empathetically talk with the associate about their concern and help them connect with mental health support resources.

We also host regular global well-being sessions that cover mental health topics, such as anxiety, mindfulness and navigating change. In FY22, more than 2,500 associates participated in one of our well-being sessions.

In FY22, we also launched *Live Well with VF*, our expanded global EAP, which establishes a consistent approach to associate well-being worldwide. The program offers confidential counseling, legal and financial consultation, work-life assistance and crisis intervention services to all associates and their household family members 24/7 at no cost to them. The program provides each individual with up to five free visits with a mental health professional should they need it. We also continue to expand the diversity of our counselors and health providers to offer associates the option to seek assistance on their own terms – whether it's virtual or in-person care. We provide our BIPOC and LGBTQ+ associates with access to providers who offer culturally competent care to meet their individual needs.



## Following Our Associates' Lead: The Future of Work

At the start of the COVID-19 pandemic, we launched an initiative called Workplace Next to reconsider past assumptions and evolve our thinking about what work is, how it gets done and how we could collaborate more effectively. With input from our associates and considering their broad range of work settings, we thoughtfully re-imagined how we could establish flexible work guidelines to better support our associates while continuing our focus on business objectives.

As COVID-19 restrictions eased, and we gradually welcomed associates back to the office, we introduced our flexible Workplace Next guidelines as a permanent part of our culture as opposed to a temporary option. We took a job-driven approach, evaluating the location and business objective of every associate's role to determine how to maximize flexibility and autonomy while still getting the job done. As a result, most of our office-based associates are designated as *office flex*, a hybrid in-office and work-from-home flex schedule.

For new hires, we have adopted a hybrid orientation that allows us to engage both office-based and remote associates. We've also created a global orientation presentation that allows for a consistent flow of information for all our new hires. We are eager to continue to explore ways to elevate our onboarding process.





# Embedding Inclusion, Diversity, Equity and Action at VF



At VF, our forward momentum depends on original thinking and a resolve to see a great idea become reality. This requires a team that embodies inclusion, diversity, equity and action (IDEA). And that's why we've made it a strategic business priority.

In FY22, we launched several new initiatives and program enhancements to advance our strategy and help our associates find authentic belonging no matter their demographics.

**We are committed to building and maintaining a workplace that celebrates the diversity of our associates regardless of gender identity, nationality, ethnic origin, religion, world view, abilities, age, sexual orientation or other aspects of identity, and encourages them as they bring their unique selves to work every day.**

## Accelerating Social Impact Globally

To streamline our IDEA strategy and execution, VF launched the Global Inclusion, Diversity & Equity Council (GIDEC) in FY22, replacing several similar executive councils in favor of one global governing body. The Council, which includes executives from across VF and our portfolio of brands, is charged with providing visibility and focus to strategic IDEA initiatives while driving organizational alignment

and prioritization that results in a culture of belonging, allyship and advocacy. Moving forward, the GIDEC will:

- Develop a shared understanding of the current and future state of IDEA.
- Advocate for policies and practices that promote IDEA.
- Assign priority to and monitor corporate performance against stated aspirational objectives.
- Champion IDEA initiatives to drive measurable performance and positive outcomes for VF.

We have also conducted multiple listening sessions, trainings and inclusive exercises during the reporting period to embed our IDEA commitments into the fabric of VF. Key initiatives included:

- Launching our annual IDEA survey and regular associate listening sessions to measure the collective impact of IDEA programs and actions.
- Redesigning our global IDEA learning curriculum by expanding the focus on bias minimization.
- Linking performance on IDEA's overarching goals to annual incentive for all directors and above.



## Finding More IDEA Information

The VF **IDEA Annual Profile** – offers additional in-depth insights into our commitments and initiatives across the global enterprise, providing public visibility into the progress we've made toward our IDEA goals and commitments.

**VF EEO-1 Data** – VF publicly discloses our Employer Information Report (EEO-1) submitted to the U.S. Equal Employment Opportunity Commission. The report provides a snapshot of our U.S. workforce demographics as of Dec. 31, 2021, based on standardized race/ethnicity, gender and job categories. These prescribed categories are different from how we organize our workforce and our jobs and how we apply our inclusion and diversity initiatives.

**VF IDEA Policy Statement** – outlines our commitment to both continue and expand our actions to support diversity, equity and inclusion in all we do. That includes all aspects of our business, from how we operate to how we engage with our consumers and how we build and utilize our workforce.

## Addressing Racial Equity: CARE

VF's Council to Advance Racial Equity (CARE) informs VF's racial equity strategy and actions in the U.S. In FY21, CARE published **eight commitments** that support our defined priority areas – access to education, development and advancement; economic equity; and environmental and social justice. While CARE is largely U.S. focused, it is quickly informing our approach to global equity initiatives across our company.

Since establishing CARE, we have made meaningful progress by:

- Hosting listening and learning opportunities to promote advocacy, awareness, personal accountability and active allyship.
- Establishing policies to diversify our candidate slates when hiring new talent.
- Boosting representation of BIPOC associates within our director-level and above population, while continuing to provide equal opportunity for all.
- Piloting and scaling talent development programs focused on career empowerment, exposure and advancement opportunities.
- Establishing a supplier diversity program to double our spend with minority- and women-owned businesses by 2025.



## DiverCity x Design: Brands Advancing Opportunities for BIPOC Designers

At the end of FY21, VF announced an integrated partnership with PENSOLE Academy™ called **DiverCity x Design**. The competitive program provides BIPOC students an opportunity to learn, create and gain professional footwear design experience through an immersive curriculum. In FY22, DiverCity x Design kicked off with 27 students selected to attend an online pre-program, and 19 of them earned a spot in the PENSOLE™ Masterclass. The next step in the process was a yearlong, paid rotational apprenticeship program with the VF brands that commenced in FY22.





## VF Employee Resource Groups



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



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



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



**Veteran Forces**  
Creating a welcoming environment for veterans and VF associates with active-duty family members.

## Accelerating Change Through Employee Resource Groups

Our Employee Resource Groups (ERGs) create a safe space for learning and dialogue about underrepresented groups, build a sense of community among associates and provide platforms to collect and share insights to support business imperatives. In FY22, we launched our newest ERG, Veteran Forces, to help transitioning military members and their families find belonging in civilian life. With the addition of Veteran Forces, we now offer four ERGs with 21 chapters across the globe.

## Welcoming Outside Perspectives

In FY22, members of our ACE ERG launched the Outdoor Liberation speaker series. Throughout the year, the ACE team hosted a series of five speaker events to coordinate with special observances, such as Pride Month, Hispanic Heritage Month, Native American Heritage Month, Black History Month and Women's History Month.







## Expanding Access to the Great Outdoors

The North Face® brand's **Explore Fund™**, established in 2010, is one of the outdoor industry's first grantmaking programs focused on increasing access to the outdoors for those who would otherwise not have the opportunity. In 2021, The North Face® launched the Explore Fund Council to help identify how The North Face® allocates the fund's commitment of \$7 million over three years. In FY22, The North Face® announced its athlete development program as a part of the brand's continued commitment to a more inclusive outdoors. The program aims to offer emerging athletes helpful tools and resources to further advance themselves within their sport.







## Racing Toward Gender Parity

VF remains focused on advancing women's rights and leadership representation not just within our own ranks but also outside our organization. In FY22, we provided empowerment opportunities through personal and professional upskilling for women throughout our supply chain. In addition, The VF Foundation, a private foundation solely funded by VF, became a founding member of **The Resilience Fund for Women in Global Value Chains**. This first-of-its-kind collaboration provides unrestricted funds to organizations in the Southern Hemisphere — trusting local and regional women's funds, women-led organizations and feminist leaders to know what their communities need and enabling them to direct resources to yield the strongest outcomes.

## Women's Empowerment

In support of

VF became a Women's Empowerment Principles (WEPs) signatory in FY21.

### WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office

53%

of our global workforce were women in FY22.

42%

of our leaders, director-level and above, were women in FY22.

136K

women supported through VF's Worker & Community Development program in FY22.

50%

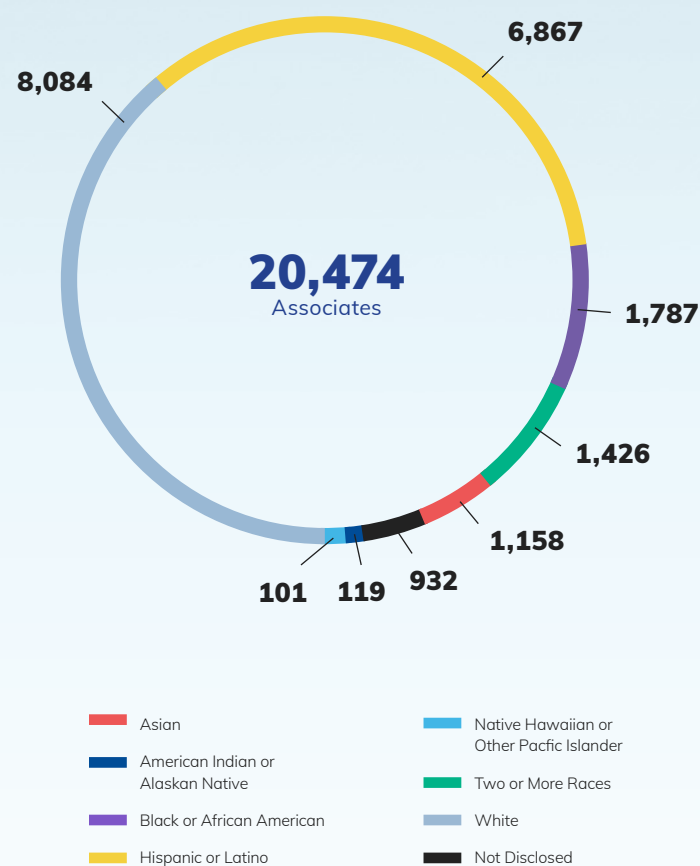
of the individuals impacted by The VF Foundation grantmaking, a private foundation funded solely by VF, in FY21 were women and girls.



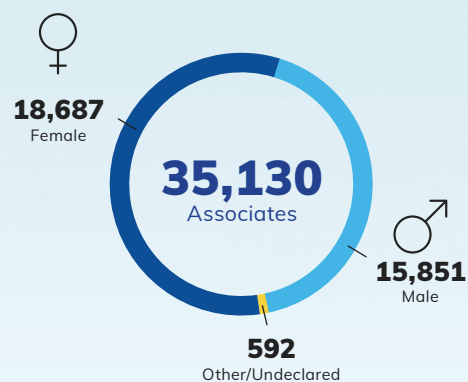


## Our Workforce at a Glance

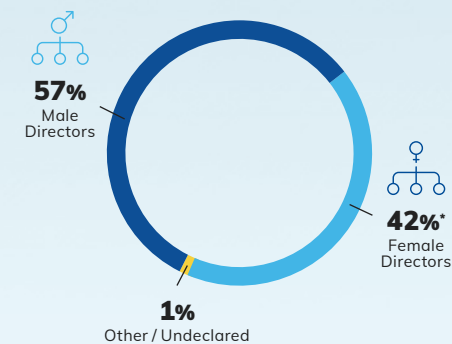
### BY ETHNICITY (U.S. ONLY)



### BY GENDER (GLOBAL)

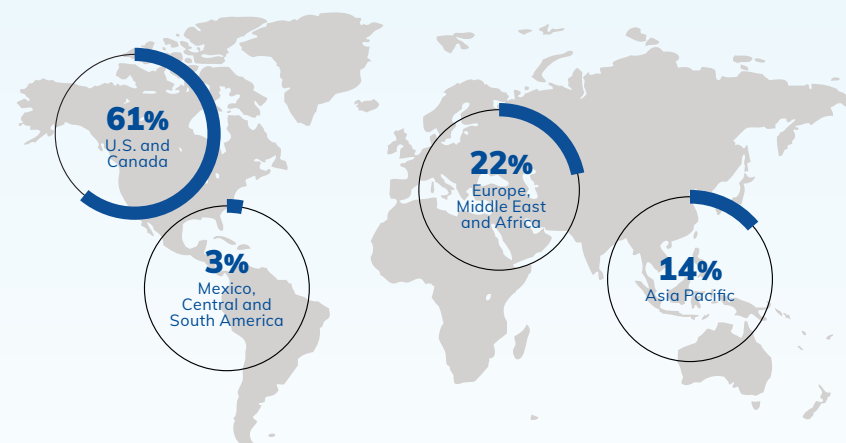


### BY GENDER (GLOBAL) DIRECTOR LEVEL AND ABOVE



\*Highest recorded since we started tracking metrics in 2015.

### WHERE WE ARE



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



# Improving Lives in Our Communities



The positive impact we have in the communities where we live and work is essential to being a Purpose-led business. Our associates are effecting meaningful change through personal passions and with company support and encouragement.

## Volunteering in the Community

VF has a history of investing our time and talents into the communities where we live and work. Our brands have built robust, long-standing volunteer programs that continue to make a meaningful difference each year. Many of these programs have been active for decades.

As a company, we've made public commitments to support and encourage associate volunteer time across the enterprise. In FY22, we evolved our volunteer program into a trackable, global Volunteer Time Off (VTO) policy, offering VTO hours to associates at locations across the world, including those locations that did not previously have access to VTO, such as all VF distribution centers. This formal policy allows each of our brands to maintain their local volunteer programs while providing a consistent approach to volunteer time off policies for all associates around the world. Each year, associates receive paid VTO equivalent to their full work week,<sup>17</sup> enabling the individual to give back to an organization they are passionate about or to participate in company-sponsored volunteer events.

<sup>17</sup> Each of VF's operational regions have separate policies with slight nuances, and associate eligibility differs by employment type.

## Celebrating Earth Month in the U.S.

In observance of Earth Month, many of our U.S. offices organized volunteer opportunities to support causes working toward the betterment of our planet. Some of the beneficiaries included Denver Parks & Recreation, Orange County Coastkeeper, Girl Scouts of the USA and the Greensboro Science Center.

## Supporting Community Members in Singapore

During one of the most challenging periods of the COVID-19 pandemic, our Singapore office associates wished to support some of the most severely impacted communities during the December 2021 holidays. The VF Singapore office supplied 400 Boxes of Love care packs to community members who needed help the most.

## Revitalizing Cities in Europe

In partnership with the King Baudouin Foundation, the Timberland® brand founded My Playgreen, a five-year grant program aimed at creating a greener city for kids in five of the largest European cities. In FY21, My Playgreen allocated €80,000 for 16 grants, of up to €5,000 each, to improve green spaces in Madrid. Since 2003, Timberland® has planted more than 18 million trees worldwide through a wide range of greening initiatives.



## The VF Foundation

The VF Foundation, a private foundation solely funded by VF, provides grants to organizations that align with our core beliefs and creates momentum for positive change. In FY21, The VF Foundation funded more than \$8 million in grants to help millions of people and the planet we share<sup>18</sup>.

The VF Foundation works to serve communities through strategic investments, advocacy, volunteering, philanthropic grants and key partnerships. It prioritizes actions across three key areas of influence: **make the outdoors accessible and welcoming to everyone; support workforce development in the outdoor, fashion and apparel, and skilled trades industries; and encourage creativity and self-expression.**

Read more in **The VF Foundation FY21 Report**.

## VF Foundation Fast Facts

**\$8.3M+** granted to 91 community partners in FY21.

**7M+** people reached in 73 countries since 2020.

**~\$60M** in grants and donations globally since inception.

## Skating Made Easier

In FY22, The VF Foundation, in partnership with the Dickies® brand, kicked off construction of the Dickies Skate Plaza and Fire Station Park expansion project in Fort Worth, Texas, with a \$300,000 donation. Centrally located in the city's Fairmount/Southside Historic District, the Skate Plaza will be easily accessible to local community members who have historically lacked easy access to safe places to skate and socialize within the central city.



<sup>18</sup> The VF Foundation collects grantee impact data one year after grant funds are dispersed, causing a delay in availability for reporting.



## Eastpak® and Future Female Sounds Celebrate International Women's Day

The Eastpak® brand teamed up with Future Female Sounds, a nonprofit organization representing female and minority DJs, to make DJ culture accessible to all. Future Female Sounds provides workshops, classes, events and more to highlight underrepresented talent and open doors for them to the music industry. Since 2018, this nonprofit organization has trained more than 500 female and minority DJs and remains a community of thousands of minority DJs around the world.



## Back'd By JanSport: Bringing Goodness into the World

Through its **Back'd By JanSport** program, the JanSport® brand led a series of philanthropic and volunteer efforts in FY22 to work with like-minded organizations to bring more goodness into the world:

**United Negro College Fund (UNCF)** is the largest and most effective minority education organization in the U.S. **JanSport®** teamed up with UNCF to create scholarships for Black students to grant four students a scholarship of \$20,000 while attending up to four years of college.

**The Trevor Project** is the world's largest suicide prevention and crisis intervention organization for LGBTQ+ youth. **JanSport®** teamed up with The Trevor Project to donate \$1 per pack sold on **jansport.com** throughout Pride Month in 2021.

**Basketball Court: JanSport®** joined forces with a local Denver artist, Detour, to renovate a basketball court in Montbello and provide a **JanSport®** pack to every student in a nearby school.



# Putting Associate Health & Safety First



The health and safety of our associates is paramount. Providing a safe workplace that enables each associate to return home safely at the end of each day is a core tenant of VF's Purpose and responsibility.

Our global Health & Safety team oversees VF policies aimed at protecting our associates and complying with legally mandated standards for workplace health and safety in the countries and communities where we operate. Three focus areas underpin our health and safety strategy: **worker engagement, continuous improvement** and **driving action through data**.

## Owning Safety is Everyone's Job

Every VF associate has a role to play in keeping our workplace safe. Our global safety culture empowers associates to identify issues, report safety risks and create safety solutions. We conduct trainings and regularly communicate with managers and associates to promote a together we own it mentality. Associates are encouraged to identify potential workplace hazards through a multitude of reporting channels without fear of retaliation.

## Continuously Improving Through Training and Education

To reduce the risk of workplace accidents, we provide regular training and education to keep associates' safety habits top of mind, such as:

- Partnering with North Carolina State University and the U.S. Occupational Safety and Health Administration (OSHA) to create a VF 30-hour health-and-safety certification program for VF's safety leaders.

- Evaluating our safety data to deliver the most relevant information for our monthly continuing education series for VF safety leaders.
- Offering more than 100 on-demand safety courses for both associates and suppliers, provided via a digital library.

## Driving Action Through Data

When it comes to identifying safety issues early, associates are our best eyes and ears. That's why we rolled out ProcessMap, an app through which associates can report health and safety concerns. The data and risk trends generated through the tool inform our health and safety strategies, training priorities and tools. We also leverage the data to strengthen our field investigation and root cause determinations to drive corrective actions.

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







## Protecting Against COVID-19

Throughout FY22, we continued to promote appropriate health and safety measures to mitigate the risk of COVID-19 throughout our facilities. We also focused our efforts on providing accurate information about the COVID-19 vaccine to U.S. associates and addressing their concerns and questions, such as hosting town hall events with medical professionals. We also offered several on-site COVID-19 vaccination clinics to provide U.S. associates convenient access to vaccines.





# Uplifting Human Rights



Nearly 1 million people in more than 40 countries contributed to the manufacturing of our products in FY22. Across our supply chain of third-party suppliers, we strive to help people lead better lives because of their connection to VF.

VF is committed to respecting the fundamental human rights of everyone involved in our business operations and supply chain. It's a pledge we've outlined in our **Human Rights Commitment** and helps guide progress on the strategic pillars of our Responsible Sourcing strategy: **worker rights**; **worker and community development**; and **health and safety**. We seek to foster inclusive and sustained economic growth and development that offers decent work opportunities to workers throughout our supply chain.

Our Human Rights Commitment outlines our approach to respecting internationally recognized human rights in our business conduct, in full alignment with the United Nations Guiding Principles (UNGP) on Business and Human Rights.

## Human Rights Governance

Oversight of human rights at VF sits with our Chairman, President and Chief Executive Officer, and the full Executive Leadership Team (ELT). The VF Board of Directors' Governance and Corporate Responsibility Committee receives regular updates on human rights and the work to mitigate potential risks. In addition, our Chief Human Resources Officer and Executive Vice President of Public Affairs, as well as our Executive Vice President, Global Supply Chain, receive annual briefings on human rights risk



assessments and our efforts to prevent and mitigate those risks. They, in turn, approve policies related to human rights.

## Human Rights Due Diligence

VF works to systematically identify, prioritize and mitigate human rights issues. We develop, implement and continuously improve our due diligence approach in alignment with the UNGP on Business and Human Rights and other international standards. Our **Human Rights Commitment** codifies our approach to ongoing due diligence and is communicated to our Tier 1 and nominated Tier 2 suppliers annually.

**In FY22, VF announced its partnership with Better Work to facilitate supplier factory improvement programs in Bangladesh, Cambodia, Haiti, Indonesia, Jordan, Nicaragua and Vietnam.**



## VF Salient Issues

We conduct a robust Human Rights Impact Assessment (HRIA) periodically at the enterprise level, enabling us to identify and address the most salient human rights issues related to our business. Taking into account the scale, scope and remediability of the impacts identified in our HRIAs, we prioritize risks related to Forced Labor, Freedom of Association, Women's Rights, Child Rights, Health and Safety and Fair Wages. Through the HRIA process, we seek both the guidance of human rights experts and feedback from those impacted by our operations to make meaningful improvements.

## Priority Salient Human Rights Topics



### HUMAN RIGHTS

Forced Labor

Child Rights

Health &amp; Safety

Women's Rights

Freedom of Association

Fair Wages



Leadership  
Group for  
Responsible  
Recruitment



## Advancing Responsible Recruitment Across the Globe

In FY22, VF joined the **Leadership Group for Responsible Recruitment (LGRR)**, developed by the Institute for Human Rights and Business, a company-led collective advocacy platform that aims to leverage the collective power of global brands to promote responsible recruitment practices in global supply chains, the recruitment industry and governments. As a member of the LGRR, VF has committed to furthering the Employer Pays Principle and promoting responsible recruitment best practices within our industry and beyond. VF is also signatory to The Mekong Club's business pledge against modern slavery, as well as the American Apparel & Footwear Association and the Fair Labor Association's Apparel & Footwear Industry Commitment to Responsible Recruitment.



## Child Rights

Child rights are the fundamental freedoms and inherent rights of all human beings under 18 years of age. Our commitment to child rights goes beyond preventing child labor. We actively promote the rights and dignity of children to support their development by adhering to the principles set forth in our [Child Rights Commitment](#), and we work to combat the issues that can compromise their rights. Over the last year, we've engaged in critical exercises and made new commitments to continue meaningfully advocating on behalf of children.

### Child Rights Impact Assessment

In FY22, VF partnered with [Article One](#) to conduct a Child Rights Impact Assessment (CRIA). As part of the assessment, Article One reviewed company policies and programs, interviewed VF leaders and spoke with experts from leading human rights organizations to identify the most salient potential risks to child rights across VF's value chain. The CRIA results revealed gaps in our supplier policies related to the children of workers at contract factories and provided recommendations on how to enhance our commitment to responsible marketing and advertising practices for children.

## Child Rights Commitment

Following the results of Article One's Child Rights Impact Assessment, we published a comprehensive **commitment** to child rights that considers each potential way our operation may touch the lives of children. This includes the children and youth who depend on employees and workers across VF's value chain, use VF products and live in the communities where VF operates. Guided by the **Children's Rights and Business Principles**, we commit to:

- Ensuring our products are safe for children.
- Using marketing and advertising that respect and support children's rights.
- Promoting the well-being of children of associates.
- Contributing to the elimination of child labor.
- Protecting the safety of children in all business activities and facilities.
- Providing decent work for all our workers, parents and caregivers.



Our child rights efforts exemplify VF's adoption of the Know, Show, Fix principles for identifying, tracking and remediating potential human rights risks within our supply chain. For example, our CRIA helped us to identify our most salient child rights risks, the VF factory compliance audits track incidents in the supply chain, and we're striving to remediate potential risks by updating relevant supplier policies to further strengthen our supplier policies and programs.

### Human Rights Impact Assessment of Synthetics Materials

Following requests from our brands to better understand potential human rights risks in the synthetics supply chain, VF conducted an HRIA, in partnership with Article One, focused on recycled and virgin polyester and nylon. The assessment focused on the upstream synthetics supply chain, which is a highly complex system of formal and informal workers and intermediaries established across multiple tiers and sourcing regions. Building upon results from previous commodities, impact assessments covering cotton, leather, wool and down, the synthetics HRIA covered the breadth of the global supply chain, including three types of materials sourced at Tier 5: bottle collection, recovered materials (e.g., carpets, fishnets, etc.) and oil extraction and refining.

To identify the most salient issues in the synthetics supply chain, Article One conducted research

### Auditing Suppliers and Building Capacity

VF's Factory Compliance team conducts regular factory audits of Tier 1 and nominated Tier 2 third-party suppliers to verify that their practices align with our **Global Compliance Principles**.

Our audits include a thorough inspection of health and safety, environmental and social practices. At the end of each audit, supplier factory managers are presented with a written assessment that details findings from the audit. Our Sustainable Operations team works with suppliers to build factory capacity through trainings and one-on-one assistance.

Learn more about VF's Factory Compliance program in the **FY20 Sustainability & Responsibility Report**, Page 30, and see the **Appendix** for supply chain audit results.

engaging with internal stakeholders and conducting external interviews with respected nonprofits and social enterprises including **Accelerating Circularity** (and **Treadle Tree**), **Plastics for Change**, **Textile Exchange** and others. The assessment concluded that poor working conditions, health and safety risks, and inadequate standards of living have the potential to be some of the most salient human rights risks in the outermost tiers of the synthetics supply chain. We are now assessing and determining which new measures may help protect workers in this complex human rights environment.

### Fair Wages

In FY22, VF published a **Living Wage Statement** summarizing VF's belief that every worker has a right to compensation for a regular work week that meets the worker and their family's basic needs and provides some discretionary income. The statement outlines our efforts to support the right of workers to earn a fair wage in both our direct operations and through contracted organizations across our supply chain. See the Fair Wages section on **Page 40** for more information about our approach to wages in the supply chain.

# Respecting Worker Rights



VF's Worker Rights team operationalizes our human rights commitments within our global network of third-party suppliers. VF believes all workers across our supply chain deserve to be treated with dignity and afforded equal opportunities for dialogue and advancement.

VF's Worker Rights team proactively assesses the impacts of VF programs on supply chain workers. This allows us to evaluate not only quantitative data points, such as the number of workers trained, but also assess qualitative factors. These factors include, but are not limited to, whether workers understand their fundamental rights, are able to act on their rights and if VF's programs have had a positive, long-term, impact on their lives.

In FY22, VF joined the **Better Work Academy**, a two-year program providing tailored trainings regarding worker rights best practices, including industrial relations, conflict resolution and sexual harassment prevention. This education and enhanced skills enable VF associates to better support factory workers and managers and implement collaborative solutions.

## Freedom of Association

We support workers' rights to freely choose representation in the workplace and exercise that right without employer retaliation. Throughout our supply chain, we uphold workers' rights to freely associate and collectively bargain. Should these rights not be fully supported locally, VF intervenes to remediate practices standing in the way of upholding the rights of workers to freely associate.

In FY22, more than 12,000 workers, factory managers and union representatives across three VF supplier factories in Cambodia participated in the Arbitration Council Foundation's Labour Dispute Prevention & Social Dialogue program. The objective of the program is to help factories resolve workplace issues before they rise to the level of a dispute. Key stakeholders completed the following training modules: 1) Building Employee Relations, 2) Workplace Cooperation Mechanisms and 3) Communication for Negotiation.

## Responsible Recruitment

VF rejects all forms of modern slavery, and we actively collaborate with other businesses and organizations to work to eradicate forced labor from global supply chains. Our contracts with supplier factories explicitly forbid them from using indentured labor, bonded labor or any other form of forced labor or human trafficking.

Migrant workers are known to be particularly susceptible to the impacts of abusive recruitment practices in supply chains across the globe. As a part of our commitment to the Employer Pays Principle, VF launched the Your Voice Matters (YVM) pilot program at 14 Tier 1 and Tier 2 suppliers located in Jordan, Taiwan and Thailand. Over a nine-month





period, the VF YVM pilot reached approximately 4,000 migrant workers and 1,000 facility supervisors through remote impact assessments and tailored trainings regarding recruitment practices, workplace policies and social dialogue.

Assessment results from Jordan and Thailand factories showed that the majority of workers and supervisors surveyed were satisfied or very satisfied with both their recruitment process and current workplace experience. Since the culmination of the YVM pilot program in FY22, several participating factories have opted to renew their training licenses and will continue offering responsible recruitment trainings to their workforces. The YVM program has been rolled out to an additional 20 VF suppliers since the pilot program.

For more information on the YVM pilot outcomes, please see the [Your Voice Matters Case Study](#).

### Gender-Based Violence and Harassment

We believe all workplaces should enable workers to be safe and free from gender-based violence as outlined in our [Commitment to Eradicate Gender-Based Violence and Harassment](#) (GBVH).

In FY22, we partnered with [Quizrr](#) and [Change Associates](#) in Bangladesh to launch a GBVH pilot program in alignment with our Worker Rights Social Impact Model. The GBVH pilot training will cover the impacts of GBVH in the workplace and the responsibilities of both workers and management in addressing and preventing

GBVH. Additionally, in FY22, VF nominated a supplier factory in Cambodia to participate in a GBVH program facilitated by [Better Factories Cambodia](#) and [CARE International](#) that aims to help factories implement effective workplace mechanisms to respond to sexual harassment.

### Child Rights

VF promotes the rights and dignity of children. In FY22, we published our Child Rights Commitment and were a signatory of the ILO Child Rights Pledge. In support of our [Child Rights Action Pledge](#) on supply chain, we developed an e-learning program for Tier 1 and select Tier 2 suppliers.

### Fair Wages

Fair pay is a core tenet of worker well-being and responsible business. Our [Global Compliance Principles](#) require supplier factories to comply with legally mandated minimum standards or the prevailing industry wage, whichever is higher. In addition, our suppliers must offer all legally required benefits for their region. When compensation does not meet workers' basic needs and provide some discretionary income, VF Authorized Facilities are instructed to work with VF so that the facility can take other appropriate actions that seek to progressively realize a level of compensation that does.

While payment of fair wages remains a challenge for the apparel and textile industry as a whole, we are working to better understand if there are gaps between actual compensation and living wage benchmarks for our global supply chain workers.

In FY22, we engaged with the [Fair Wage Network](#) (FWN), the founding organization of the Fair Wage Method, an economically rigorous standard and methodology designed to assess, develop and optimize wage policies. In collaboration with the FWN, VF will conduct fair wage assessments at selected VF supplier factories in key sourcing regions. VF continues to engage with the [Better Buying Institute](#) to assess purchasing practices and enhance dialogue with strategic suppliers.



PHOTO CREDIT: © UNICEFUN0354660Kiron

## Worker & Community Development

With VF's scale, influence and insight, we are uniquely positioned to improve workers' lives. Through our Worker & Community Development (WCD) program, we proactively collaborate with workers and communities that support our global supply chain to create shared value. Since its launch in 2017, VF's WCD program has implemented 24 projects across 10 countries, reaching 652,000 people. Our goal is to reach 2 million people by FY31. In FY22, the WCD team facilitated 14 active projects to support workers and local communities.

Comprehensive needs assessments, which examine issues ranging from child rights to mental health, drive our WCD project development. This type of ongoing direct engagement supports our alignment with the evolving needs of key stakeholders. In FY22, we completed our third assessment, engaging more than 7,500 workers globally to enhance our understanding of how workers and their communities have been impacted by the COVID-19 pandemic. The results reaffirmed the WCD program's focus on three pillars: access to water and sanitation; adequate health and nutrition; and affordable childcare and education, with a gender lens applied to each pillar.

<sup>19</sup> Some people participated in multiple programs resulting in the total numbers by pillar being higher than the total number of people reached.

\* Monitoring, Evaluation and Learning (MEL) Activities help to inform WCD strategic choices and support the implementation of the WCD framework and include WCD needs assessments, baseline evaluations and endline assessments. Learn more about the WCD program's theory of change and needs assessments in our 2018 [Made for Change Report](#) (p. 58).

## VF's Worker & Community Development Program

SINCE 2017

**652K** people reached

**24** projects implemented

**10** countries impacted

GOAL

**2M** people reached by FY31



- Childcare and Education
- Water and Sanitation
- Health and Nutrition
- Monitoring, Evaluation and Learning Activities\*

### PEOPLE REACHED BY EACH WCD PILLAR<sup>19</sup> 2017 – FY22

**268K+**

**205K+**

**179K+**





## Recent WCD Projects

**Advancing Workplace Equality** In FY22, VF partnered with the International Finance Corporation (IFC) to launch the Better Work Gender Equality and Returns (GEAR) program, in collaboration with the UN's ILO, across VF supplier factories in Bangladesh. Through the program, female workers receive 10 days of training on important skills such as management upskilling, communications and worker relations and technical skills. Participants also engage in five mentoring sessions and undergo trials as trainee supervisors. The program's objective is to address leadership gender imbalances in factories and advance women's economic potential. The business case for promoting women is strong, with expected lowered rehiring costs, reduced turnover and increased worker efficiency. Going forward, we plan to expand participation in the GEAR program through FY24.

**Strengthening Worker Nutrition** Our 2018 Needs Assessment discovered that 39% of workers in Bangladesh report feeling hungry after consuming a meal. VF joined forces with the Global Alliance for Improved Nutrition (GAIN) to launch a holistic Workforce Nutrition program, Strengthening Workers' Access to Pertinent Nutrition Opportunities, at VF supplier factories in Bangladesh in FY20. The program aims to improve access to affordable food options through canteens and fair price shops within the factories while training workers to make nutritious food choices. Moreover, cooking staff, caterers and canteen managers at factories receive education on enhanced nutrition and food practices on-site. Since its launch, the Workforce Nutrition program has reached over 30,000 workers at five VF supplier factories, and reports have indicated that nutrition knowledge, productivity and worker satisfaction have increased. The program has been active throughout FY22 and will extend through FY23.

**Promoting Maternal and Newborn Health** Compared to other countries in the region, Indonesia experiences relatively high maternal mortality rates. To address this devastating issue, we partnered with DAI to launch a comprehensive Maternal and Newborn Health program at VF factories in Java. Through the program, we:

- Completed health promotion training of 27 factory clinic staff and health, safety and environment officers.
- Identified and trained nearly 100 peer educators to promote better health in our factories and point women in need to the right resources.
- Trained more than 9,500 workers on maternal and newborn health topics, using peer educators.
- Strengthened standard operating procedures to guide factory clinic services.
- Introduced a quality assurance monitoring tool to help maintain clinic health standards in each factory.
- Clarified referral pathways in VF factories by supporting referral and emergency transport standard operating procedures.

# Worker Health and Safety Across Our Supply Chain

We undertake numerous efforts across our supply chain to protect the safety of workers both within and outside the manufacturing facility.



Through our comprehensive audit process, our Factory Compliance team conducts regular audits of suppliers' factories aligned with our [Global Compliance Principles](#). Our Sustainable Operations team also collaborates with suppliers to build factory capacity through trainings and one-on-one assistance. We are currently partnering with management and employees at key factories to build their knowledge and employ tools needed to implement health and safety management systems (HSMS) for their facilities. With an HSMS in place, factories create a work environment where safety becomes automatic, supported through regularly updated and communicated healthy and safety policies and procedures, factory self-assessments and the introduction of best practices throughout the facility.

We've set an ambitious goal that all in-scope supplier factories<sup>20</sup> will actively elevate and expand industry-leading health and safety programs by FY26. To measure our progress, we're tracking the percentage of in-scope supplier factories that have:

- Completed VF's Critical Life Safety (CLS) assessment.
- Enrolled in an industry-leading health and safety initiative, where applicable.
- Completed an accurate and comprehensive health and safety risk assessment.
- Implemented a functioning HSMS.

## Shaping the Industry and Beyond

At VF, we work across the industry and with government agencies, NGOs and other key stakeholders to help shape industry standards for worker health and safety. Specifically, we're co-founders and members of both the LABS (Life And Building Safety) and Nirapon worker safety initiatives.

## LABS

LABS identifies and remediates the most pressing risks related to fire, electrical and structural building safety and evacuation in supplier factories. In November 2021, the first VF factory graduated from LABS, representing a significant step forward on our supplier health and safety journey. Graduation from the LABS initiative requires factories to 1) participate in LABS training modules, 2) complete the LABS risk assessment, 3) create and implement a corrective action plan (CAP) where needed, 4) establish a safety helpline for workers and 5) host site visits with LABS' factory coordinators to verify that all factory issues identified have been remediated. In FY23, LABS expanded its footprint into Cambodia, and in-scope VF factories throughout Cambodia will be required to participate in the LABS program.

<sup>20</sup> In-scope supplier factories are defined as supplier factories covering Tier 1, Tier 2, and/or subcontractor VF authorized facilities depending upon sourcing country.





**“We are very happy to be the first factory to graduate from VF’s LABS program. Our team received comprehensive instruction on structural, fire and electrical safety directly from professional engineers of LABS. The training will enhance the maintenance, inspection and review of our facility’s safety equipment, and we plan to upskill our new safety knowledge among our entire workforce.”**

Le Phuoc

Compliance Manager, Appareltech Vinh Loc Garment Export Company Limited, Vietnam

**“The LABS program is foundational to our enterprise safety strategy. Our collective effort has been very important in upgrading the safety of in-scope supplier facilities to industry-leading practices and helping to keep workers safe while in factories. The LABS program has proven to be successful in both India and Vietnam over the past few years, which confirms our view that LABS will continue to add value as it expands into Cambodia and beyond.”**

Kyle Bogler

Senior Director – Safe and Sustainable Operations –  
Global Responsible Sourcing, VF Corporation

## Nirapon and BRAC

In Bangladesh, we continue to collaborate with industry partners and peers to support better health and safety standards through our work with **Nirapon** and **BRAC**. In FY22, 81% of VF supplier factories in Bangladesh remediated 100% of identified health and safety findings from their initial CAP. VF’s work to date has included enrolling 35 Bangladeshi VF supplier factories, covering more than 35,000 workers, in BRAC health and safety training programs.







# Planet

CLIMATE

ENERGY

WASTE

SUPPLIER ACTION

WATER

MATERIALS

VF supports the bold, global, systemic change needed to address the climate crisis and sustain a world where people and the planet thrive.



# Taking Action on Climate Change



The global climate crisis is among the most significant issues facing humanity, and one that often disproportionately affects the world's most vulnerable populations.

The next few years are critical. The world must gain momentum in the pursuit of limiting global warming to 1.5°C to avoid the most severe impacts of climate change. Referring to climate change as a “code red for humanity,” a [recent IPCC report](#) calls for immediate and ambitious action from people, businesses and governments to address this existential threat.

VF is taking bold and urgent action to combat climate change. Guided by our approved science-based targets, we're working to reduce greenhouse gas (GHG)

emissions within our own operations and across our supply chain while advocating for immediate policy action, aligned with the Paris Agreement, to combat climate change. We're investing in renewable energy and factoring emissions considerations across our value chain, from the materials we purchase to the waste we generate. And we're supporting industry collaborations that aim to enable long-term progress.

Now is the moment for decisive action.

## Making Progress Toward Our Science-Based Targets (SBTs)

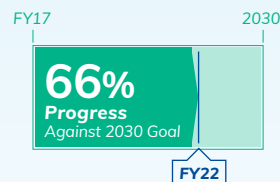
In 2019, VF set ambitious GHG emissions reduction targets, approved by the Science Based Targets initiative (SBTi):

### SCOPE 1 + 2 EMISSIONS

**2030 Goal**  
Reduce Scope 1 + 2\*  
GHG Emissions by

**↓55%**

(FY17 Baseline Year)

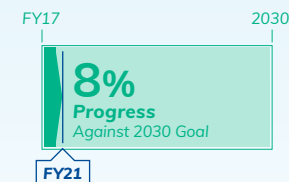


### SCOPE 3 EMISSIONS

**2030 Goal**  
Reduce Scope 3\*\*  
GHG Emissions by

**↓30%**

(FY17 Baseline Year)



\* VF's Scope 1 + 2 SBT covers Scope 1 and market-based Scope 2 emissions, such as vehicle emissions, purchased electricity and others in our direct operations.

\*\* VF's Scope 3 SBT covers emissions from purchased goods and services and upstream transportation.

## Embedding Climate Governance at VF

Oversight of climate change issues sits at the highest level of our company, with the VF Board of Directors. VF's Executive Vice President, Global Supply Chain and Vice President of Global Sustainability, Responsibility and Trade report to the Board **Governance and Corporate Responsibility Committee** biannually on both enterprise- and brand-specific progress made toward VF's environmental sustainability strategy. The CEO and Executive Vice President, Global Supply Chain receive quarterly progress reports on climate-related Key Performance Indicators (KPIs) and targets that are embedded in VF's environmental sustainability strategy from across the enterprise. This reporting structure contributes to the Board's oversight of climate issues by providing regular progress updates toward goals and targets, how brands are progressing on embedding sustainability practices into their business activities and potential opportunities for climate-related innovations.



## Recognizing Climate Risk Across Our Business

VF recognizes that businesses must play a central role in mitigating global climate change – not only for the betterment of our planet, but also for the sustained viability of the enterprise. To better understand potential risks to our company, VF conducted a new climate risk assessment in FY22 that included multiple emissions scenarios, in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework. The assessment analyzed both physical and transition risks, ultimately identifying 11 climate risks and opportunities across four key areas: 1) climate and sustainability regulations, 2) climate-change-driven volatility in the supply chain, 3) shifts in consumer preferences and 4) reputational risks.

As an outcome of this assessment, *Climate Change & Sustainability* was established as a stand-alone enterprise risk and embedded in our Enterprise Risk Management (ERM) framework. Quarterly enterprise risk updates and progress toward associated targets are provided to the **Audit Committee** of the VF Board of Directors.

To support the effective management of the *Climate Change & Sustainability* enterprise risk, we developed an internal climate risk dashboard to map our four primary climate-related risk drivers while also identifying current and future mitigation efforts and choices. Each enterprise risk is assigned to a member of the Executive Leadership Team (ELT) who is responsible for managing the risk

## Collaborating Across Our Industry

As a signatory to the **UN Framework Convention on Climate Change (UNFCCC) Fashion Industry Charter**, VF has set commitments in alignment with the Charter that support collective work with our global industry peers to advance environmental sustainability, including:

Reducing aggregate GHG emissions by 30% by 2030, in alignment with our SBTs.

Aiming to phase out coal from Tier 1 and Tier 2 supplier factories by 2030, including creating engagement and incentive mechanisms to support relevant suppliers in the phase-out.

Establishing dialogue with governments to enable renewable energy, energy efficiency and the infrastructure needed to advance systemic change beyond the fashion industry.





and tracking progress toward mitigation efforts, which enables VF to make appropriate investment and resource choices.

For more information regarding climate oversight at VF, see our [CDP Climate Response](#).

### Engaging in Climate Policy

Influential advocates around the world are needed to address climate change. That's why we're calling for bold policy action globally, including support for ambitious GHG reduction targets, regulation for environmental protection and enforcement, significant investments in renewable energy and innovation in regenerative agriculture practices. We engage directly with policymakers and through industry associations to influence climate policy. Recent examples of VF's climate advocacy efforts include:

- Joining the call for bold policy actions to mitigate climate change at the [federal](#) and [global](#) levels.
- Encouraging the adoption of a federal clean energy standard that would transform the U.S. electric power grid to 100% clean energy by 2035 as a signatory of a [Ceres letter to Congress](#).
- Providing input on the U.S. agriculture industry's role in mitigating climate change as a member of Ceres' Climate-Smart Agriculture and Healthy Soil Working Group.
- Calling for incentivizing the use of environmentally preferred materials, such as organic cotton and recycled fibers, as a member of the Textile Exchange.
- Promoting smart climate change policy as a member of Ceres' Business for Innovative Climate and Energy Policy (BICEP) by joining their LEAD on Climate 2021 advocacy day.
- Striving for net-zero emissions by 2050 as a signatory of the United Nations Fashion Industry Charter for Climate Action.
- Engaging on product transparency, environmentally focused-design, product environmental footprint, extended producer responsibility and policies that accelerate circular practices through the [Policy Hub](#).

### The North Face® Brand at COP26

For more than 50 years, The North Face® has worked to protect the wild places that people love to explore.

In November 2021, The North Face® sent a clear message to world leaders at the UN Climate Change Conference of the Parties (COP26) with an activation that included speakers, brand athletes and explorers calling for immediate action.

# Rethinking Energy Resources



To drive down GHG emissions and achieve our science-based targets, we must explore new approaches to how we use energy, both in our own operations and across our supply chain.

## Renewable Energy Commitments

Across our owned-and-operated facilities, we are committed to using 100% renewable energy by FY26 through on-site renewable energy projects and off-site renewable energy investments, including renewable energy credits (RECs). As of FY22, VF secured RECs to support the generation of renewable energy equivalent to 34% of our global electric usage, compared to 26% in FY17.

In early FY23, we initiated a [tax equity investment](#) to fund the development of four utility-scale solar projects. Through these projects, we are supporting the production of renewable energy equivalent to approximately 23% of our FY21 global electricity use. Going forward, key elements of our renewable energy strategy will continue to explore:

- Virtual Power Purchase Agreements and/or Tax Equity Investments
- The expansion of on-site renewables projects
- The purchase of unbundled Energy Attribute Certificates

We are driven to accelerate the use of renewable energy, in part by our membership in [RE100](#), a global corporate renewable energy initiative. We also encourage and support our suppliers to transition to renewable energy. Learn more in the Supplier Action section, [Page 54](#).

## Green Buildings

Energy cost savings and reduced GHG emissions are a couple of the reasons VF has prioritized the implementation of green building standards. Efficient lighting and air conditioning, enhanced heating control and access to green spaces also help make our workplaces more comfortable for associates.

Our [Green Building Standards](#) outline the minimum certification requirements for global locations we directly operate. In FY22, we committed to revising these standards to encourage the integration of recognized environmental management best practices in our owned-and-operated facilities. Using a newly developed project management tool, our real estate and environmental design teams are piloting these tools to efficiently measure and take action to reduce the energy intensity of each location. We will continue to make energy use reduction a central component of our renewable energy strategy.

As of FY22, 16 VF buildings are LEED certified by the U.S. Green Building Council or meet the BREEAM<sup>21</sup> requirements for Good or Very Good rated buildings. Given that our owned-and-operated facilities account for over 90% of our location-based Scope 1 and 2 emissions, the implementation of green building standards supports our science-based targets road map.

<sup>21</sup> The Building Research Establishment Environmental Assessment Methodology (BREEAM) is administered by the Building Research Establishment (BRE) and is one of the oldest methods of assessing building environmental sustainability. It is commonly used in the European Union and the United Kingdom.





## Exploring Lower-Impact Logistics Strategies

As a contributor to our Scope 3 emissions, logistics are a priority within our science-based targets. We joined the [Smart Freight Centre's Clean Cargo](#) collaborative initiative in support of ocean container freight decarbonization.

An example of action taken by VF in FY22 to implement more environmentally focused logistics strategies includes engaging third-party logistics providers and utilizing existing internal distribution center capacity in high-growth regions to place products closer to consumers.

## Going Greener in EMEA

Our business in the EMEA region continues to expand, and the number of associates has more than tripled since our EMEA headquarters originally opened in Stabio, Switzerland, in 2013. Today, the VF Campus consists of four distinct buildings within walking distance of each other – VF1, VF2, VF3 and VF4. Each building features wood, ceramic tile and slate that were locally sourced within a 500-mile radius. Some key campus features include:

VF1 operates on 100% renewable energy produced from on-site photovoltaic roof panels that generate 135,000 kilowatt hours annually, as well as purchased energy from hydroelectric and wind farms.

Grounds are landscaped with local plant species to maintain biodiversity.

An environmentally conscious culture is encouraged with composting, recycling and reusing.

# Reducing Waste



VF strives to eliminate waste across our operations and supply chain. Within our operations, distribution centers represent nearly 82% of our global waste footprint and the biggest opportunity for progress.

Since 2015, we have diverted more than 86,000 metric tons of materials from the landfill through recycling and reuse across our distribution center network. As of FY22, we achieved an average diversion rate of 97% in all our active owned-and-operated distribution centers.

As we look ahead to FY23, we envision an even deeper focus on waste management across our direct operations. Specifically, we'll work to maintain momentum in our distribution centers, including the implementation of monitoring and action plans, and expand our research on minimizing product-related waste. We have already begun rolling out single-use plastic guidelines to reduce waste and plan to identify and implement additional plastic recycling solutions, continuing our journey to divert our plastic waste from landfill.

## Measuring Our Enterprise Waste Footprint

Our operations have changed significantly since our last enterprise-wide waste footprint assessment in 2016, therefore it was essential to complete a new waste assessment in FY22 and update our waste reduction strategies. Across our global operations, we assessed garbage, recycling, composting and reuse from owned-and-operated

**In FY22, all VF owned-and-operated distribution centers active for 24+ months achieved zero waste\* status.**

\*95% diversion rate or greater.

facilities, including distribution centers, retail stores, and offices, as well as waste from packaging and products. Our findings help inform future recycling, materials management and circularity approaches.

VF's overall diversion rate<sup>22</sup> across the global enterprise was 90% in FY22, which can largely be attributed to our ongoing commitment to reducing waste at our distribution centers. Going forward, we're leveraging this new waste baseline to inform our next-generation waste and circularity strategy, identify new opportunities to improve office and retail store diversion rates, and utilize best practices and data tracking mechanisms to drive continuous improvement.

## Diverting Single-Use Plastics Waste

Reducing and diverting single-use plastics is an important step toward implementing circular economy principles in our own operations. We have a goal to eliminate all nonessential, single-

<sup>22</sup> The diversion rate is calculated as the percentage of total waste generation that is either recycled or reused.



use plastics from in-scope<sup>23</sup> VF direct operations and sponsored events globally by FY24. This new initiative, which began rolling out in major VF offices and distribution centers, includes:

- Eliminating single-use plastics by switching to reusables whenever possible.
- Supporting a plastic-free kitchen sourced with local and/or organic produce and bulk purchases.
- Providing filtered water, glasses and pitchers in lieu of plastic water bottles.
- Shifting to low waste coffee and tea options in addition to aluminum cans or glass.

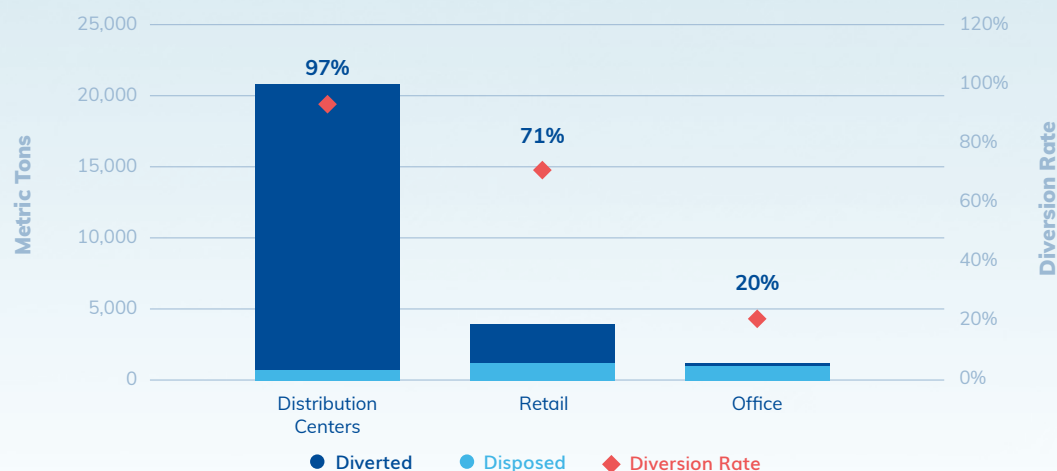
### Working with Suppliers on Waste Reduction

Our goals to measure, manage and reduce waste extends to our supply chain. VF's global Supply Chain Sustainability team collaborates with Tier 1 and Tier 2 suppliers to complete the annual Higg Facility Environmental Module (FEM), which, among other impacts, assesses supplier waste streams. VF suppliers reported generating more than 590,955 MT of waste<sup>24</sup> in 2020. Utilizing the Higg FEM allows us to advance partnerships with industry peers as we continue to implement waste-reduction best practices and educate suppliers regarding waste-management best practices. We also require key suppliers to verify all data submitted to VF through an independent, third-party verification of their Higg FEM submission.

<sup>23</sup> In-scope is defined as all active VF distribution centers and offices.

<sup>24</sup> Output is based on total waste generated by supplier facility operations. The majority of supplier factories that produce goods for VF also serve multiple companies. Through our work with the Higg FEM, VF is engaging with industry peers to tackle industry-wide impacts, not just those directly linked to VF's operations.

### FY22 VF Enterprise Waste Footprint by Site Type and Waste Stream (VF owned-and-operated facilities)



### Re-built to Resist

The Eastpak® brand is building innovative products to resist waste, such as:

The iconic Padded Pak'r™, which has stood the test of time since 1976 and is constructed from one piece of material to help avoid production waste.

The Eastpak® Re-Built To Resist collection returns pre-loved yet unrepairable bags back into circulation, combining the fabric from two pre-used packs to create a new and unique pack.

The Resist Waste collection uses surplus materials to create brand new designs and helps to avoid wasting excess materials.

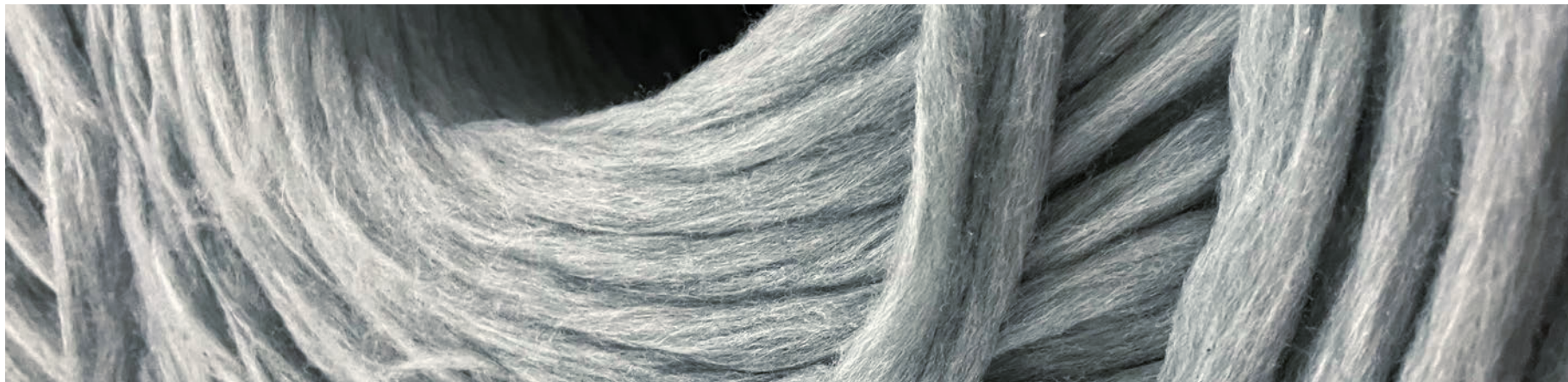


Developing and fostering business practices that support a circular economy vision takes collaboration across VF and our portfolio of brands. This is why we put circularity initiatives into practice to help reduce textile waste across our supply chain. Read more about our circularity strategy and initiatives on [Page 68](#).

### Advancing Textile Recycling Technology

Managing textile waste, especially from blended fabrics, presents a challenge as population growth and rapid changes in fashion trends result in increased landfill rates. VF worked with an international consortium on a feasibility study of the Green Machine, one of the world's first recycling technologies that has proven to effectively separate cotton from polyester in blended fabrics. Success of the Green Machine advances our circularity efforts by separating cotton-polyester blended fabrics, one of the most widely produced fabrics in the world.

The Green Machine technology selectively separates cotton and polyester, maintaining the quality of the polyester fibers throughout the process and allowing for a closed-loop recycling system for fiber reuse. The Green Machine brings us closer to a circular fashion economy, decreasing demand for virgin materials while also decreasing the creation of textile waste. This type of technology, if implemented at scale, could contribute to our goal to source half our polyester from recycled materials by FY26.





## Encouraging Supplier Action



Our supply chain accounts for roughly 65% of the GHG emissions associated with our business. That's why we engage with industry associations, supply chain partners and stakeholders to calculate impacts, establish best practices and implement programs.

### Collaborating Within Our Industry

Collaboration is critical to the success of the global apparel and footwear industry as we navigate a complex supply chain with many shared suppliers. VF is a founding member of the [Sustainable Apparel Coalition](#), which helps track industry impacts in pursuit of a more sustainable value chain. We utilize tools such as the Higg Facility Environmental Module (FEM) – a standardized sustainability measurement tool for apparel, footwear and textile manufacturing factories. We also contribute to the reduction of

GHG emissions across our industry's value chain through our commitment to the [UNFCCC Fashion Industry Charter for Climate Action](#).

### Measuring Supplier Impact

In 2021, more than 500 VF supplier factories (241 Tier 1 and 264 Tier 2 factories) engaged in the Higg FEM assessment process. Using the standardized Higg FEM assessment results allows us to create annual energy reduction plans for our suppliers and track their progress as a part of our Scope 3 science-based targets.

### Partnering to Advance Renewable Energy and Resource Efficiency

We collaborate with [GIZ](#) to provide technical support to 25 factories to date in Bangladesh, Jordan and Vietnam on the installation of rooftop solar panels. Through this partnership, 8.5 MWp (megawatt peak) solar panels were successfully installed in FY22 at one of our supplier factories in Vietnam. The solar array generates 20% of the total electricity consumption of the factory and reduces over 7,500 metric tons of CO<sub>2</sub>e per year.

Going forward, we aim to expand sustainability programs throughout our supply chain. These programs build on supplier factory training efforts that include education for achieving GHG emissions targets and chemical management.

Supply chain partner engagement through our Higg FEM training program is an opportunity for VF to share environmental management best practices. Since 2018, our Supply Chain Sustainability team has trained over 1,000 supplier factory representatives in implementing leading energy efficiency and resource management strategies.

### Sharing Best Practices Throughout the Industry

Expanding our collaborative partnerships and sharing what we learn as we implement supply chain efficiencies can result in positive outcomes across the entire apparel and footwear industry. These outcomes include VF's strategic partnerships that lead to scaled impacts as our suppliers pursue best practices in energy, water and chemical management.

### Advancing Supplier Sustainability Programs

VF continues to work across the supply chain through our strategic partnerships in multiple countries. We collaborate with a range of global partners to advance these supply chain sustainability programs:

- Working with the [International Finance Corporation](#) (IFC) to develop a sustainability program for coal substitution at Tier 1 and Tier 2 factories, and launching energy efficiency, waste management and circularity programs for three suppliers in Vietnam.
- Expanding resource efficiency programs with IFC in Bangladesh, Cambodia, El Salvador, India, Jordan, Mexico and Vietnam.
- Implementing a training and resource efficiency program and developing resource-saving action plans for suppliers in Cambodia through collaboration with the [UN Industrial Development Organization](#).
- Teaming up with the [Apparel Impact Institute](#) (Aii) Clean by Design program to support textile suppliers in China, Korea and Taiwan in a resource efficiency action plan.





# Protecting and Preserving Precious Water Resources



Producing apparel and footwear products requires a substantial amount of water. Our Tier 1 and Tier 2 suppliers used approximately 126 million m<sup>3</sup> of water in 2020. Across our supply chain, our water use volume is greatest in cotton cultivation, leather production and dye houses.



**A secure and clean freshwater supply is the lifeblood of healthy societies, economies and ecosystems. We're proud to have earned a spot on CDP's 2021 Water A List in FY22.**

Our water stewardship approach prioritizes three principles:

**Water Efficiency** We focus on data and partnerships for water use efficiency. Information is collected to support our efforts through the Higg FEM for facility-level water usage. Partnerships supporting suppliers in adopting water consumption and discharge best practices include industry engagement with the Aii Clean by Design program, the IFC and other collaborators. In total, rainwater harvesting programs established by 39 suppliers collected nearly 1,496,103 m<sup>3</sup> of water in 2020.

**Wastewater Treatment** Many of our supplier factories regularly conduct wastewater testing. Wastewater is independently validated by expert third parties to determine whether discharge water from our supplier factories meets our high standards for water quality. VF's strict **Global Wastewater Discharge Standards** are applied to all Tier 1 and nominated Tier 2 suppliers that use more than 50 m<sup>3</sup> of water per day in their operations. We continuously innovate our approach to wastewater treatment through supplier partnerships, such as Zero Liquid Discharge, a strategic wastewater management system that ensures that there will be no discharge of industrial wastewater into the environment.<sup>25</sup>

**Water as a Human Right** For many communities near our supplier factories, access to clean water and sanitation can be challenging. Because we believe that access to water is a basic human right, we're bringing clean water to these communities through our WCD program (see **Page 41**). Based on a needs assessment we conducted to identify the most needed localized, community-specific resources, it was clear that access to water, sanitation and hygiene (WASH) services needed to be one of the key pillars of our WCD program.

<sup>25</sup> K. Amutha, Sustainable chemical management and zero discharges, in The Textile Institute Book Series, Sustainable Fibres and Textiles, Woodhead Publishing, 2017, Pages 347-366.

Since the global outbreak of COVID-19 in FY20, VF's WCD program has partnered with nonprofit organizations to support the implementation of localized COVID-19 response and prevention efforts in our supply chain. In FY21, more than 350,000 people were reached via COVID-19 response efforts through WCD's partnership with WaterAid Cambodia. In FY22, the WCD program continued to support COVID-19 response efforts and reached over 235,000 people across several sourcing countries. Response efforts funded included vaccination clinics, awareness campaigns and virus prevention trainings.

### Understanding and Reducing Impacts in Suppliers' Water Use

We are taking a rigorous approach to measure and understand water use in our supply chain.

**Water Risk** We map our water consumption against water scarcity on an annual basis using the **World Resources Institute Aqueduct Water Risk Atlas**. Through mapping we assess location-based factors such as water stress, water depletion, flood risk and drought risk and use the results to understand the water risk level of a geographic region. In 2021, VF assessed water stress for key suppliers and determined that over 200 are located in extremely high-to-high at-risk locations. Countries with the most suppliers in extremely high-to-high at-risk locations include Vietnam (13%), China (8%), Bangladesh (5%) and India (5%).

In FY22, we kicked off a water risk assessment across our operations and supply chain, including Tier 1 and Tier 2 suppliers where key materials with a high-water footprint are sourced. The assessment will evaluate water use across VF's key materials and identify high-risk suppliers and priority watersheds across our operations.



### Undyed Collection

The *JanSport®* brand was created to help adventurers experience and celebrate the outdoors. In the years since, that mission has expanded to protecting and preserving the outdoors for future generations to enjoy. In FY22, *JanSport®* introduced the Undyed Recycled Collection featuring white, undyed **CORDURA®** fabric to help reduce the average water consumption in the creation of these styles.

**Impacts of Materials** From crop irrigation to wastewater discharge, we recognize that water is an integral natural resource for, and necessary component of, many of the key materials used by the global apparel and footwear industry. To evaluate the impacts that material extraction and production can have on water resources across our supply chain, VF leverages environmental assessment tools to help inform internal business decisions.

One such tool is the Higg Materials Sustainability Index (MSI), which measures environmental impact categories such as nutrient pollution in water and water scarcity. This enables us to take into consideration potential water impacts during our material selection and product design processes, which helps us make informed decisions and prioritize material inputs with reduced water impact where possible.

Through our supply chain sustainability program, VF continues to support supplier factories in the adoption of water management best practices. In partnership with Aii's Clean by Design program, VF suppliers are implementing recognized best practices in resource efficiency to reduce consumption of natural resources, including water. Fulltide Enterprise Co., a dyeing and finishing mill in VF's extended supply chain, reported water savings of more than 75,000 m<sup>3</sup> per year after participating in this program from 2019 to 2021.



## Sourcing Lower-Impact Materials



Material extraction, processing and production activities comprise the largest portion (approximately 70%) of our carbon emissions globally. That's why we're driving innovation in sourcing and materials development across our brands.

VF's Sustainable Materials Vision will help us achieve our science-based target of reducing Scope 3 emissions by 30% by 2030. To achieve this, we are working across the value chain in pursuit of our Sustainable Materials Vision that **our top nine materials originate from regenerative, responsibly sourced renewable and/or recycled sources by 2030**. We are collaborating with industry experts and supply chain partners to increase the volume and scale of more sustainable raw materials.

### Measuring Material Sustainability

The Sustainable Materials Vision starts with utilizing measurement tools such as the Sustainable Apparel Coalition's Higg MSI and Life Cycle Assessment (LCA) methodologies. These tools help us prioritize areas to reduce environmental impact from our materials. We are reviewing industry-leading recycling and reuse opportunities for synthetic and natural materials and exploring other alternatives to fossil fuel-based raw materials. VF taps into third-party certifications



In FY22, the Vans® brand launched its **Sustainability Hub** and unveiled their new VR3 product line and labeling. As consumers shop the brand in-store or online, Vans® footwear, apparel and accessories featuring the VR3 Checkerboard Globe logo signifies that one or a combination of regenerative, responsibly sourced renewable and/or recycled materials make up at least 30% of that product. This launch represents a major step forward in the brand's pursuit of creating sustainability-minded products and increased transparency for consumers on how, where and what Vans® products are made from.

## Sourcing Regenerative Cotton

In FY22, the **Timberland®** brand expanded its regenerative cotton program in India by funding the transition of an additional 350 farmers to regenerative agriculture techniques. The cotton sourced from this project is slated to be used in more than 34,000 products.

**Timberland®** also invested in the development of a comprehensive regenerative cotton strategy in Haiti with the Smallholder Farmers Alliance and Terra Genesis International during FY22.

whenever we can to trace and certify materials throughout our supply chain, while supporting compliance with key VF policies, including our **Animal Derived Materials and Cotton Fiber Sourcing Policies**.

Read more about our traceability efforts on **Page 71**.

### Regenerative Agriculture

Principles for farming and ranching that aim to support biodiversity, water cycles, soil health and carbon sequestration are considered a regenerative approach to agriculture in line with our Sustainable Materials Vision. We look to the **PUR Projet** definition of these practices, which focuses on the goal of creating benefits for ecosystem services while contributing to positive economic and social outcomes for farmers and surrounding communities.

VF and our brands are supporting implementation of regenerative agricultural principles in our supply chain for our key materials. We acknowledge that there is more to learn about the positive outcomes of regenerative agriculture, including new ways to measure these outcomes. Because every material we use is unique, and agricultural practices vary greatly across crop, animal and region, we are working to better understand the science and data behind regenerative practices to support sourcing such materials at scale.

VF supports the Science Based Targets (SBT) Network's development of the **SBTs for Nature**. This commitment builds from the SBTs for climate by developing targets to help protect biodiversity and reverse the loss of natural habitats.

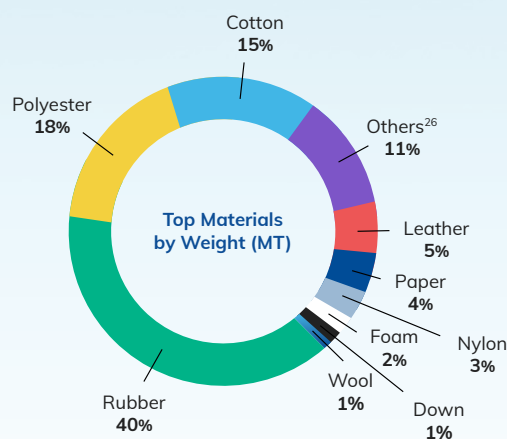




## Taking a Holistic Approach to Lower-Impact Materials

Sourcing materials responsibly requires a comprehensive approach that upholds wide-ranging VF policies aimed at reducing negative environmental and social consequences. This wide-ranging effort includes certifying and tracing materials to help us understand material origins and production methods.

### FY21 Top Materials



**Leather** In FY20 we achieved our goal to source VF footwear leather from only **Leather Working Group** (LWG) audited finishing tanneries. We partner with LWG because their thorough approach focuses on strengthened environmental management across

<sup>26</sup> Others includes brass, polypropylene, etc.

the leather tanning industry. In alignment with the VF Sustainable Materials Vision, the *Timberland*® brand collaborates with leading regenerative initiatives across the U.S. that aim to support its transition to using only regenerative or responsibly sourced leather. Read more about *Timberland*® and their collaboration with **Other Half Processing** to build a responsible leather supply chain through **regenerative ranches**.

**Cotton** Our goal is that by FY26, all cotton purchased by VF is grown in Australia, the U.S. or under a third-party cotton growing scheme that promotes environmental and/or social sustainability improvements. Seeking third-party verification supports material origin traceability and aligns with emerging industry best practices. VF remains dedicated to sourcing responsibly grown cotton, which we support by participating in the development of enhanced cotton agriculture practices through engagement with associations, farmers and agricultural experts. See our policy on **Cotton Fiber Sourcing**.

**Natural Rubber** Our aim to source natural rubber is part of our ambition to avoid contributing to deforestation and harm to local communities from irresponsibly managed rubber forests. In FY20, VF and the *Timberland*®, *The North Face*® and *Vans*® brands signed onto the Forest Stewardship Council (FSC) **Sourcing Responsible Natural Rubber Commitment**. As a signatory, we communicated

## Launching the First Regenerative Wool Platform

The VF Smartwool® and icebreaker® brands collaborated with footwear brand Allbirds to work with **The New Zealand Merino Company** (NZM) on a collective effort with 167 sheep growers to create the world's first regenerative wool platform that represents over 2 million acres in New Zealand. Climate change and GHG emissions are addressed in the ZQ<sup>®</sup> framework, with a focus on helping farmers to adopt regenerative farming practices that aim to both emit less carbon and sequester (store) it. Learn more about the ZQ<sup>®</sup> framework and how the VF brands are engaging with the regenerative movement in the **icebreaker**® **Transparency Report**.



## Responsibly Sourcing Materials to Help Reduce Environmental Impact

The Vans® brand's new Circle Vee™ footwear silhouette spotlights environmental goals by utilizing a one-piece knitted natural upper designed to reduce waste in production compared to Vans® traditional cut and sew uppers. The upper is stitched directly onto the outsole and made of 48% organically grown cotton, 47% hemp and 5% nylon, while the laces are made from 100% jute fibers.

The silhouette also ushers in the Vans® VR3Waffle™ outsole. All of the rubber used to make this outsole (60% of the compound) is responsibly sourced natural rubber obtained from sources that follow proven sustainable practices with the intention of reducing impacts on the planet.

our sourcing preference for FSC-certified natural rubber whenever available. In FY22, VF and several of our brands continued engaging in a pilot with **Terra Genesis International** to further develop the footwear industry's first regenerative natural rubber supply chain. A key goal of this collaboration is to share lessons learned across the industry, spreading knowledge regarding sourcing responsibly grown rubber.

**Synthetics** VF is committed to sourcing 50% of the polyester used for our products from recycled materials by FY26. As a member of the **Textile Exchange's Recycled Polyester Challenge**, we are working toward this goal by exploring new sourcing options for recycled materials and making an investment in recycling technologies that support a closed-loop future for materials and products. We aim for our synthetics sourcing strategy to help decrease VF's climate, energy and water impacts, and we are actively exploring new methods for textile-to-textile recycling to promote industry-wide closed-loop systems.

**Wool** More than 80% of our wool sourced in FY21 originated from either recycled or certified (including ZQ or RWS) sources. To meet standards, sheep are required to be treated in alignment with audit standards during the shearing process, and farmland is required to be managed with environmental preservation in mind. VF's **Animal Derived Materials Policy**, among other requirements, prohibits mulesing of sheep providing wool for any VF product. Responsible and regenerative wool sourcing is a main priority for the Smartwool® and icebreaker® brands, which account for the majority of the wool use across VF.

**Down** In FY22, The North Face® brand continued to source 100% virgin down certified to the **Responsible Down Standard** (RDS) and recycled down certified to a third-party standard (e.g., the **Global Recycled Standard**). These standards preclude down that originates from animals subjected to unnecessary harm, while providing supply chain traceability, and tracking and validating down from farm to finished product. The RDS was originally launched by The North Face® in 2014 in a collaboration with **Control Union Certifications** and **Textile Exchange** due to their combined certification expertise. Ownership of the RDS was gifted by The North Face® to Textile Exchange in order to create an accessible



standard benefiting the entire industry. Today, the RDS is the globally adopted animal welfare and traceability standard within the apparel industry for responsible down and feather sourcing.

**Packaging** VF remains committed to shifting to more sustainable packaging as a core pillar of our environmental sustainability strategy. Our commitment helps address the harm plastic packaging has on aquatic and terrestrial life. We updated our packaging goals after completing an FY22 enterprise-wide packaging footprint assessment that identified over 2 billion pieces of packaging used to protect, transport and label our brands' products.

The assessment spanned the main phases of product packaging use, from cut-and-sew factories to distribution centers and retail stores. Of the packaging pieces identified, approximately 70% are paper-based (e.g., hangtags, shoeboxes, etc.) and nearly 30% are plastic-based (e.g., polybags, hangers, etc.). The refined packaging goals resulting from our assessment include reducing key packaging materials, sourcing materials more responsibly and redesigning packaging. Expected milestones include:

#### Eliminate and Reduce

- Eliminate single-use plastic retail store bags and plastic shoe wrap by FY24.

#### Source Responsibly

- Use recycled content, third-party certified responsibly sourced virgin content, or a combination of the two for all paper-based packaging by FY24.

## Supporting Responsible Rubber with GreenStride™ Comfort Soles

The Timberland® brand's new GreenStride™ TBL Originals Ultra Waterproof Boots are inspired by heritage and built for performance. The boots feature GreenStride™ soles and the brand's exclusive TimberDry™ technology to help keep feet comfortable and dry in any weather. GreenStride™ soles are made using an EVA blend, including 75% bio-based materials, 55% derived from sugar cane (a renewable, perennial plant) and 20% derived from responsibly grown rubber, to deliver comfort, rebound and cushioning with every step. And our TimberDry™ linings are made of 50% recycled plastic.



## Putting a Spotlight on Sustainable Design

In FY22, the first Redress 'Made for Change' challenge winner, Beatrice Bocconi, launched her concept collection with the Kipling® brand, transforming VF deadstock and end-of-roll synthetic fabric into a collection of four key bags inspired by punk culture and Vivienne Westwood. The Redress challenge supports the industry's next generation of sustainable fashion designers and aligns with the Kipling® brand's commitment to rethink materials, re-imagine bag designs and reconnect to people and the planet.

- Maximize recycled content in single-use plastics without sacrificing quality. Virgin plastic use shall be utilized in less than 15% of overall unit volume by FY24.

### Redesign Systems

- Aim to source key single-use plastics in product packaging from 100% recycled content by FY31.
- Recycle single-use polybags at all owned-and-operated retail stores by FY31.
- Ship to consumers primary-polybag-free<sup>27</sup> on all brand-direct e-commerce orders from our distribution centers by FY31.
- Collaborate with wholesale partners to create holistic systems aiming to eliminate as many polybags as possible, without sacrificing quality, by FY31.

VF and our portfolio of brands continue to pilot packaging solutions and work across sectors to achieve our goals. In FY22 we made progress toward the elimination of plastic shopping bags, plastic shoe wrap and sample polybags. In fact, all brands made progress toward identifying more sustainable polybag materials, such as 100% recycled LDPE. Finding packaging solutions that help to reduce environmental impact while also effectively protecting products from damage remains an industry-wide challenge. That's why VF has joined the [Sustainable Packaging Coalition](#) (SPC) and in FY22 became a member of the SPC's [How2Recycle](#) program, with the goal of providing transparent guidance regarding packaging recyclability options.



<sup>27</sup> The individual polybag that comes around one product typically originating at the factory.





# Product

Reducing impact, safeguarding health.  
VF brands innovate to create products  
that deliver on both.

STEWARDSHIP

CHEMISTRY

CIRCULARITY

TRACEABILITY



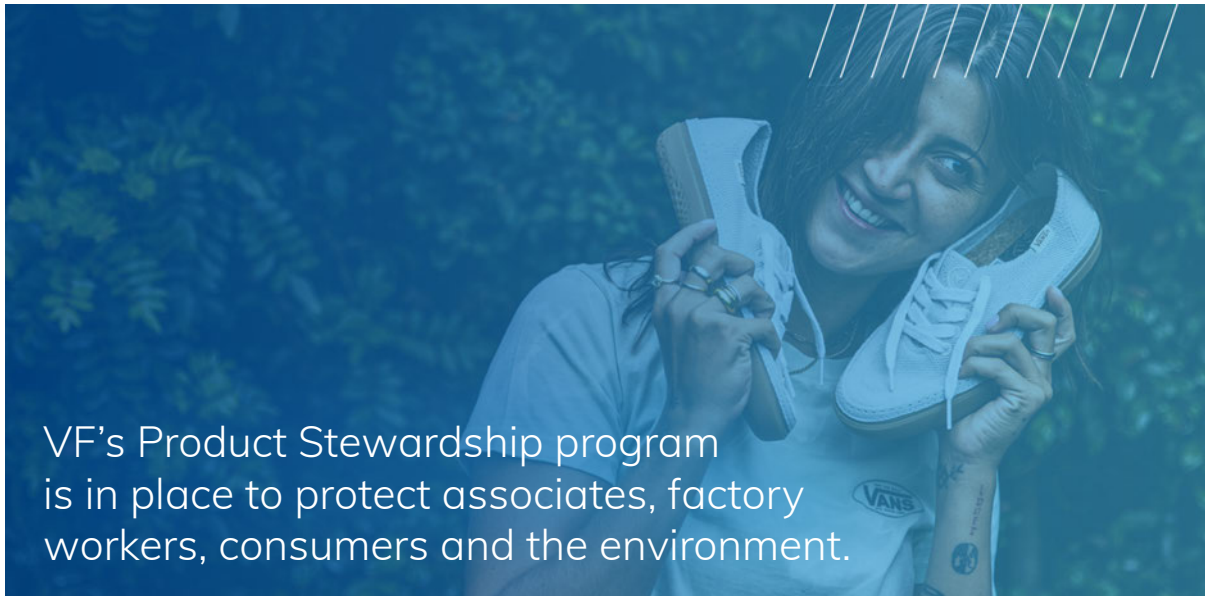
## Embedding Product Stewardship

From product designers and manufacturers to consumers who purchase and use our products, many millions of people interact with the VF portfolio of brands and their products each year.

Product safety is always top of mind at VF. Our Product Stewardship program covers all stages of our complex supply chain to protect associates, factory workers, consumers and the environment. A central component of this work is our innovative CHEM-IQ<sup>SM</sup> program, which enables us to phase out and replace entire classes of hazardous chemicals based on their hazard profiles (see [Page 66](#) for more information on CHEM-IQ<sup>SM</sup>). Our Design, Development and Sourcing teams and our Tier 1 and nominated Tier 2 suppliers undergo rigorous

product safety training. Our three-part product safety approach is led by our Product Stewardship team to:

- Set, meet and/or exceed global regulatory and industry standards.
- Use training programs, design reviews and dedicated programs to apply standards.
- Verify compliance with VF standards and program effectiveness through factory evaluations and material and product testing.



VF's Product Stewardship program is in place to protect associates, factory workers, consumers and the environment.



## Conscientious Use of Chemistry



VF's ability to deliver responsibly made, high-performance products that consumers trust relies heavily on a foundation of smart, safe and preferred chemistry.

We work continuously to eliminate unwanted chemistries across our value chain. Driven to exceed industry standards, we strive to eliminate and/or restrict 100% of unwanted chemicals or substances<sup>28</sup> from VF's supply chain by FY26 by leveraging VF's innovative CHEM-IQ<sup>SM</sup> program. From FY20–FY22, through the implementation of our CHEM-IQ<sup>SM</sup> program, we removed nearly 300 MT of unwanted chemicals and substances from our extended supply chain, and 68% of in-scope supplier factories were screened against the VF Substances to Avoid (STA) list.<sup>29</sup>

**The CHEM-IQ<sup>SM</sup> program**, VF's proprietary methodology for eliminating unwanted chemical substances from our supply chain, proactively identifies potentially harmful chemicals at the point of origin before they are used in the manufacturing of VF products and often prior to their regulatory restriction. Once flagged, we replace these chemicals with safer alternatives across our supply chain.

We have committed to screen 100% of in-scope Tier 1 and nominated Tier 2 suppliers annually using the CHEM-IQ<sup>SM</sup> program and are continuously expanding the program to meet this aspiration. In FY22, the number of supplier facilities screened increased by 13% compared to FY20. By tier, in-scope supplier factories completing a CHEM-IQ<sup>SM</sup> screening in FY22 include: 65% of Tier 1, 69% of nominated Tier 2

and 100% of Tier 3. As part of this process, we mapped the use of nearly 12,000 chemistries across our supply chain and screened close to 4,000 of these chemistries at authorized third-party laboratories.

To uphold compliance with our chemical management system, we provide training to our Product Development and Sourcing teams, supplier factory owners and managers, vendors and subcontractors.

We have digitized the chemical inventory of much of our supply chain, consolidating this information on a universal platform to improve traceability and actively monitor chemical use. Our chemical management system also influences the way we manage wastewater (see [Page 56](#)).

**Our chemical management system is designed to adhere to VF's strict guidelines, including our Restricted Substances List (RSL) and the CHEM-IQ<sup>SM</sup> Substances to Avoid (STA) list.<sup>30</sup>**

<sup>28</sup> Classes and definitions of unwanted chemicals or substances are detailed on the Chemistry section of [www.vfc.com](http://www.vfc.com) with VF's Restricted Substance List policy and VF's CHEM-IQ<sup>SM</sup> program.

<sup>29</sup> In-scope supplier factories are defined as supplier factories covering Tier 1, Tier 2 and/or subcontractor VF authorized facilities using process chemicals.

<sup>30</sup> STA list is also referred to as the Manufacturing Restricted Substances List (MRSL) in the industry.

## Partnering for Progress

To support the apparel and footwear industry's effort to eliminate the use of potentially hazardous chemistries and underscore our belief that partnerships are essential to creating industry-wide, scalable impact, our CHEM-IQ<sup>SM</sup> Program Manual is publicly available. VF also collaborates in numerous industry efforts to improve chemical management with the following partners:

- Apparel and Footwear International RSL Management Group (AFIRM)
- American Apparel & Footwear Association (AAFA)
- Leather Working Group (LWG)
- Outdoor Industry Association (OIA)



## CHEM-IQ<sup>SM</sup> Uptake



**25K+**

chemical auxiliaries<sup>31</sup> screened through the CHEM-IQ<sup>SM</sup> program since 2016.



**280+**

supply chain factories participated in the CHEM-IQ<sup>SM</sup> program in FY22.



**900+ MT**

of non-preferred chemicals removed from the supply chain through the CHEM-IQ<sup>SM</sup> program since 2016.

<sup>31</sup> Chemical auxiliaries include softeners, dyestuffs, glues, detergents, among other compounds, and may contain multiple individual substances.



## Looping in Circularity



Circularity is a business model that seeks to reduce the use of finite resources and prevent waste from being generated by creating long-lasting products that can be deconstructed and returned to the production cycle.

At VF, circularity is a key pillar of our environmental sustainability strategy. In practice, circularity involves an enterprise-wide approach that transforms the way textiles are designed, consumed and managed at the end of their life cycle. This concept is embedded in the following excerpt from the United Nations Environment Programme's report, **Sustainability and Circularity in the Textile Value Chain**: **"A sustainable textile industry is one that is resource-efficient and renewable resources-based, producing non-toxic, high quality and affordable clothing, and providing safe and secure livelihoods."** This approach goes beyond incremental improvements, such as decreasing production waste. It requires governments, businesses, civil society and consumers to look beyond the current model and focus on positive society-wide benefits.

VF and our portfolio of brands are advancing initiatives that align with the guiding principles of circularity: minimizing virgin, non-renewable, fossil-based inputs; supporting regenerative processes; (re-)using materials and products for as long as possible; and reducing the waste to landfill stream. We are embracing circularity by working across the end-to-end value chain and product life cycles with a focus on the well-being of the environment and people.

VF engages with thought leaders in the circular economy movement to fuel our brands' initiatives in the following key areas:

**Design and Produce for Circular Loops** We aspire to minimize resource consumption and eliminate waste through the adoption of circular design philosophies and aim to apply loop thinking at every stage of product creation. This aspiration is evident in actions and targets across our portfolio of brands.

The Napapijri® brand is leading the future of fashion by rethinking the design process. The brand released its **Circular Series** of fully recyclable jackets in FY20, featuring a 100% nylon mono-material composition that makes for an easier recycling process. In FY22, Napapijri® continued to expand the series to include a range of fully recyclable, Cradle to Cradle Certified® Gold garments. To support this fully circular and recyclable product offering, Napapijri® has developed a takeback system that encourages customers to participate in the circular economy.

In FY22, we continued to engage with civil society and industry thought leaders on the evolution of designing and producing for circular loops as a member of the **Ellen MacArthur Foundation's Make Fashion Circular initiative**.



**Maximize the Product Life Cycle** According to a 2017 study, the average number of times a garment is worn has decreased by 36% over the past two decades. With approximately 70% of clothing being incinerated or landfilled, this global trend of product underutilization is contributing to natural resource waste at an astounding rate.<sup>32</sup>

To help address this systemic challenge, VF and our portfolio of brands are working to extend product life cycles and provide value to consumers through after-sales services, re-commerce, repair services and product takeback programs. One example of this focus is The North Face® brand's **TNF Renewed** platform.

The Smartwool® brand recently launched an innovative product takeback initiative. Knowing that socks are one of the most thrown-away pieces of

apparel, Smartwool® aims to reach 100% circularity by CY30. On Earth Day 2021, Smartwool® partnered with **Material Return** on the Second Cut Project sock takeback event to give products a “second cut” at life and help create a more circular supply chain. The project represents a pillar of the brand’s ambitious 10-year social impact road map.

Smartwool® consumers participated in the Second Cut Project by dropping off unwanted socks at participating retailer locations. When making any purchase at [www.smartwool.com](http://www.smartwool.com), customers can now opt to receive a prepaid postage bag to send in socks they wish to recycle.

**Managing for Product End of Life** Our brands are working across the value chain to develop innovative strategies for product disassembly and advocating for enhanced recycling and upcycling infrastructure. A number of VF brands also extend material and product end-of-life by leveraging takeback schemes and re-commerce offers to recover materials and give them a second chance.

For example, the Timberland® brand collects items for resale as part of the **Timberloop™ program**, helping to keep products out of landfills. First launched in the U.S. in January 2022, products returned through the Timberloop™ takeback program are either refurbished for sale on a dedicated website, or items that are beyond repair are disassembled so that useable components can be recycled into new materials.

In celebration of Earth Day in 2022, Timberland® announced new initiatives to further its vision:

- The Timberloop™ Trekker City Hiker, the brand's first footwear designed for circularity, was launched.
- The Timberloop™ product takeback program was expanded to include markets in Europe.
- The Timberloop™ resale website went live in the U.S., enabling consumers to purchase Timberland® products that were repaired or refurbished through the Timberloop™ program.



<sup>32</sup> 2017. Ellen MacArthur Foundation. A New Textiles Economy: Redesigning Fashion's Future.





**Establishing Reverse Supply Chains** Taking both a forward- and backward-looking view of the product life cycle is key to achieving circularity. Our brands have been collaborating with key stakeholders, such as **ReCircled**, on piloting aspects of reverse supply chains – sorting, cleaning, disassembling and recycling returned products – at the local level to derive learnings for potential scalable business models.

**Conservation of the Environment** One of the principal objectives of our circular economy effort is to help protect our shared planet. To do so, we seek to identify effective key performance indicators for both VF and the industry that enable progressive measurement and comparison.

In FY22, VF, in partnership with the **Policy Hub**, continued engagement with the EU Commission regarding upcoming EU regulation. VF also joined the Product Environmental Footprint (PEF) technical secretariat to help develop PEF methods. Through this engagement, we are collaborating with peers and stakeholders to help develop methodologies to define a common approach for determining the environmental impacts of products and increase the comparability of product traceability claims. This work coincides with the key principles of circularity, and the outcomes are intended to ultimately help propel us forward in achieving VF's science-based targets.

**Support the Well-being of All** By collaboratively mapping and understanding potential job impacts from the transition to a textile circular economy, we strive to fully understand unintended consequences of our circularity aspirations. By taking a people-centered approach and including social considerations of circularity, we, in partnership with suppliers, are supporting job upskilling programs to mitigate potential elimination of the need for certain job profiles and skill sets. VF contributed to BSR's **Keeping Workers in the Loop** (KWIL) initiative, which endeavors to understand the potential scale of job opportunity impacts and develop resilient business and policy recommendations.

Circularity is a team sport. Collaboration across VF, our portfolio of brands and the global industry is needed for the transformation to a circular economy to be successful. At VF, multiple functions are called upon to engage and support this vision of circularity. Learn more about activities across the enterprise that are driving us forward on our circularity journey in **Climate**, **Waste** and **Materials**.



# Pursuing Traceability



As materials move through our complex global supply chain, gaining an accurate and dynamic understanding of their journey is an arduous but essential undertaking.

Traceability is a core enabling activity that supports every aspect of our sustainability and responsibility strategy and commitments.

## Tracing Our Materials

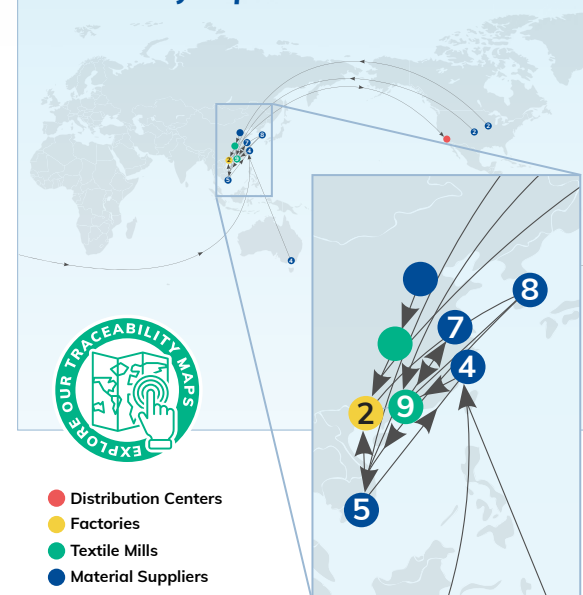
VF continues to build a robust and dynamic traceability system. Using end-to-end supply chain data, we overlay numerous data sets, including human rights indices and environmental risk data, to enable us to focus on and mitigate various areas of supply chain risk such as potential human rights abuses, deforestation, water scarcity, pollution and more. We've made significant strides in achieving full traceability since our initial efforts in 2018 and have set an ambitious goal to fully trace the supply chain of five key materials, from Tier 1 to Tier 5, by FY28.

Our comprehensive traceability program leverages commodity volume data, country-level risk maps, supplier surveys and environmental and social risk data to create valuable and actionable business information. Results from VF's traceability efforts enable compliance with our Responsible Materials & Sourcing policies, trade regulations and other applicable laws. VF's in-depth traceability approach also provides our stakeholders with confidence in VF's knowledge of and ability to monitor each tier of our global supply chain.

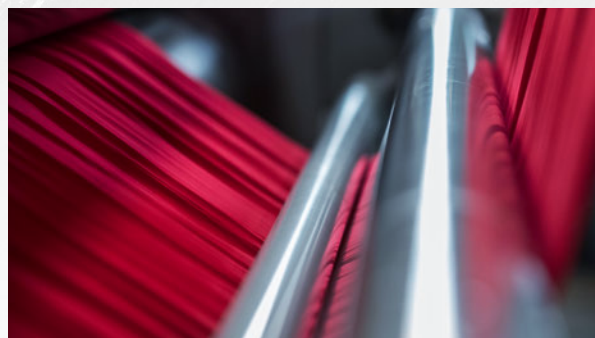
In December 2021, we achieved our goal to publish **100 product traceability maps**, covering approximately two-thirds of our Tier 1 and Tier 2 volume. This achievement illustrates the value created through full supply chain traceability.

### Vans® Skate Old Skool Traceability Map

Data as of December 2021.







**“After completing our initial pilot to map 10 iconic products across different VF brands in 2018, we set out to scale this work across our global supply chain by fully tracing 100 VF brand products and publishing traceability maps for each on [www.vfc.com](http://www.vfc.com). We know the greatest impacts occur at raw material cultivation, extraction and processing stages in the supply chain. Therefore, the more data we have on suppliers operating at these levels, the more opportunity we have to improve the lives of workers and impacts on the environment.”**

Shanel Orton

Director - Responsible Materials & Traceability,  
VF Corporation

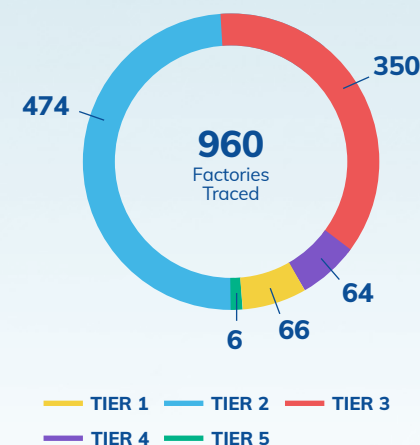
## Key Materials

In our [FY20 Sustainability & Responsibility Report](#), we announced our ambitious commitment to fully trace five of VF's key materials by FY28. These include cotton, leather, natural rubber, wool and synthetics (recycled and virgin polyester and nylon), from Tier 1 through Tier 5 suppliers. At VF, we collaborate closely with our Tier 1 and nominated Tier 2 factories, all of which are disclosed on a quarterly basis on the [VF Factory List](#). Since we do not maintain direct commercial relationships with Tier 3 suppliers, our traceability efforts leverage Tier 1 and Tier 2 relationships to identify upstream suppliers at Tier 3 and beyond, as well as non-nominated Tier 2 suppliers.

We made significant progress against our key materials traceability goal during FY22 by expanding existing traceability efforts for cotton and leather into other commodities. We remain on track to achieving our goal.

**Leather** We began tracing the origins of our leather in 2018 to identify areas of social and environmental risk and assure compliance against our animal welfare standards, as detailed in our [Animal Derived Materials Policy](#). We aim to trace the origins of all leather sourced in the VF supply chain. This includes Tier 1 product manufacturing, Tier 2 finishing tanneries, Tier 3 wet blue tanneries, Tier 4 slaughterhouses and Tier 5 farms, as well as any trader or agent involved in the transfer of materials between tiers. As of FY22, we have traced 68% of our total global leather supply chain.<sup>33</sup>

## Number of Suppliers Included in Our Product Traceability Efforts



<sup>33</sup> The Supreme® brand, acquired in December 2020, is not included in FY22 traceability data reported. The brand will be included in traceability progress data in future VF reports.



Tracing back to the farm is particularly challenging for leather. While progressing toward our goal of 100% visibility, we undertake additional steps to map areas of potential risk in our leather supply chain even before we know the exact location of all upstream suppliers.

**Cotton** Tracing the origins of our cotton fiber is critical to aligning with VF's **Cotton Fiber Sourcing Policy** and achieving compliance with customs laws intended to prevent the import of goods produced with forced labor. Our cotton traceability survey is distributed to all Tier 1 factories producing cotton-based product and nominated Tier 2 fabric mills producing cotton or cotton-blended fabric.

We aim to trace the origins of all cotton sourced in the VF supply chain. Starting at Tier 1 product manufacturing, we trace the material through each tier of the supply chain, identifying Tier 2 fabric mills, Tier 3 yarn spinners, Tier 4 cotton gins and Tier 5 cotton farms, as well as any trader or agent involved in the transfer of materials between tiers. As of FY22, we have traced 60% of our global cotton

supply chain, and 100% of our cotton fiber origins for certain regions of the world where governments have imposed economic sanctions and import bans.<sup>34</sup>

In FY22, VF launched three new key material surveys for **wool**, **natural rubber** and **recycled synthetics**. Fully tracing the supply chain of each material entails its own unique traceability challenges that are addressed through VF's bespoke Key Material Supplier Surveys. For example, while most of VF's wool is sourced through a third-party certification scheme, a small amount is procured through auctions, which poses a challenge for supply chain tracing to Tier 5 sheep farms. For natural rubber, tracing back to the plantation can be a daunting task given the numerous actors at the Tier 3 level, as illustrated in the VF Natural Rubber Supply Chain Guide on [Page 74](#).

<sup>34</sup> VF maintains a heightened focus on due diligence and supplier screening for cotton originating from countries and regions with an increased risk of forced labor, as identified by NGOs and government agencies. Increased supply chain visibility enables us to better connect with and communicate requirements on traceability, so our suppliers are able to provide the required documentation to verify chain of custody of raw materials used for VF products.





## Natural Rubber Supply Chain Guide

UPSTREAM

DOWNSTREAM

TIER 5

### Raw Material Cultivation & Extraction



#### RUBBER PLANTATION & LATEX HARVESTING

Diagonal incisions are made to extract latex from trees that have matured (5-7 years) for harvesting.

TIER 4

### Raw Material Conversion

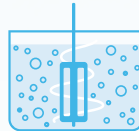


#### RUBBER PROCESSOR

Latex coagulates naturally in a collecting cup. It is granulated by a rotary knife into small pieces.

TIER 3

### Raw Material Processing



#### CLEANING FACILITY

Rubber pieces are reduced to crumbs through **washing** and **mixing** in blending pools. Rubber crumbs are then **dried** and vulcanized at high temperatures.



Dried rubber bales are taken to manufacturers or traders.

TIER 2

### Material Production



#### OUTSOLE PRODUCER

Vulcanization agents are added to the rubber. Heat and pressure are used to mold and press the outsole and midsole components.

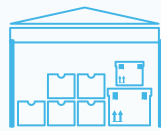
TIER 1

### Finished Product Assembly



#### MANUFACTURER

Rubber outsoles are sewn and glued into the final product. Final product is packaged for shipment to distribution centers.



#### DISTRIBUTION CENTER

Finished goods are shipped to distribution centers and prepared for delivery.

Traders represent plantations in sale of latex to processors.

Traders represent processors for the sale of bales to outsole producers.

The background of the page features a photograph of a man in a blue beanie and orange shirt, smiling and pulling a large black bag. Behind him, a group of people is visible, though slightly out of focus. The image is overlaid with various graphic elements, including a large white 'Appendix' text, a series of parallel blue lines, and a list of framework names in green text.

# Appendix

DATA

TCFD

GRI

UNGPRF

SASB



# Data

## VF Associate Workforce



| BY POSITION | FY22   |
|-------------|--------|
| Regular     | 34,964 |
| Temp        | 166    |
| Total       | 35,130 |

| BY TIME TYPE | FY22   |
|--------------|--------|
| Full Time    | 20,457 |
| Part Time    | 14,673 |
| Total        | 35,130 |

| BY LOCATION          | FY22   |
|----------------------|--------|
| Distribution Centers | 4,825  |
| Headquarters         | 5,299  |
| Offices              | 4,240  |
| Retail               | 20,752 |
| Other                | 14     |
| Total                | 35,130 |

| BY ETHNICITY (U.S. ONLY)            | FY22   |
|-------------------------------------|--------|
| Asian                               | 1,158  |
| American Indian or Alaskan Native   | 119    |
| Black or African American           | 1,787  |
| Hispanic or Latino                  | 6,867  |
| Native Hawaiian or Pacific Islander | 101    |
| Two or More Races                   | 1,426  |
| White                               | 8,084  |
| Not Disclosed                       | 932    |
| Total                               | 20,474 |

| BY STATUS  | FY22   |
|------------|--------|
| Contingent | 6,141  |
| Associate  | 35,130 |
| Total      | 41,271 |

| BY AGE        | FY22   |
|---------------|--------|
| 15 – 29       | 17,904 |
| 30 – 50       | 13,637 |
| >50           | 2,668  |
| Not Disclosed | 921    |
| Total         | 35,130 |

| BY GENDER     | FY22   |
|---------------|--------|
| Female        | 18,687 |
| Male          | 15,851 |
| Not Disclosed | 592    |
| Total         | 35,130 |

| BY JOB LEVEL | FY22   |
|--------------|--------|
| VP/Director  | 1,194  |
| Management   | 3,396  |
| Professional | 5,507  |
| Retail       | 19,484 |
| Support      | 5,549  |
| Total        | 35,130 |

## VF Associate, by Gender, Job Level & Region

| <b>FY22 GLOBAL ASSOCIATE BREAKDOWN</b>  | Female | Male  | Not Disclosed |
|---|--------|-------|---------------|
| <b>ASIA-PACIFIC</b>                     |        |       |               |
| VP/Director                             | 92     | 97    | 6             |
| Management                              | 384    | 293   | 10            |
| Professional                            | 1,017  | 575   | 42            |
| Retail                                  | 1,373  | 623   | 49            |
| Support                                 | 142    | 60    | 8             |
| <b>EUROPE, MIDDLE EAST &amp; AFRICA</b> |        |       |               |
| VP/Director                             | 70     | 153   | 0             |
| Management                              | 483    | 554   | 9             |
| Professional                            | 709    | 646   | 21            |
| Retail                                  | 1,777  | 1,240 | 90            |
| Support                                 | 1,125  | 971   | 11            |
| <b>MEXICO &amp; LATIN AMERICA</b>       |        |       |               |
| VP/Director                             | 4      | 10    | 0             |
| Management                              | 59     | 85    | 0             |
| Professional                            | 103    | 108   | 5             |
| Retail                                  | 124    | 181   | 0             |
| Support                                 | 117    | 92    | 3             |
| <b>USA &amp; CANADA</b>                 |        |       |               |
| VP/Director                             | 333    | 425   | 4             |
| Management                              | 767    | 747   | 5             |
| Professional                            | 1,256  | 1,010 | 15            |
| Retail                                  | 6,983  | 6,804 | 240           |
| Support                                 | 1,769  | 1,177 | 74            |

<sup>35</sup> The Recordable Injury Rate includes injuries greater than minor injuries (first aid) per OSHA reporting requirements.

## VF Associate Health & Safety

| <b>TOTAL RECORDABLE INJURY RATE<sup>35</sup> - PER 100 ASSOCIATES</b> | <b>FY22</b> |
|---|-------------|
| Distribution Centers  | 5.46        |
| Retail  | 2.1         |
| Offices   | 0           |
| Total   | 2.52        |
| <b>LOST TIME INJURY RATE<sup>36</sup> - PER 100 ASSOCIATES</b>        |             |
| Distribution Centers  | 3.01        |
| Retail  | 1.02        |
| Offices   | 0           |
| Total   | 1.33        |
| <b>FATALITIES</b>   |             |
| Distribution Centers  | 0           |
| Retail  | 0           |
| Offices   | 0           |
| Total   | 0           |

## VF Supply Chain Snapshot

| <b>SUPPLIER FACTORIES, BY SOURCING REGION</b> | <b>FY22</b> |
|---|-------------|
| Americas                                      | 213         |
| Asia Pacific                                  | 879         |
| Europe, Middle East & Africa                  | 137         |
| Total Supplier Factories <sup>37</sup>        | 1,229       |
| <b>SUPPLIER FACTORIES, BY SUPPLIER TYPE</b>   |             |
| Tier 1 and Subcontractor Factories            | 692         |
| Nominated Tier 2 Factories                    | 273         |
| Licensee Factories <sup>38</sup>              | 314         |

<sup>36</sup> Lost Time Days are the total number of days spent away from work due to a work-related injury/illness, not counting the date of injury.



## VF Supply Chain Audit Results

| VF AUDITING OF SUPPLIER FACTORIES                    |  | FY22  |
|--|--|-------|
| Total Number of Supplier Audits Conducted            |  | 1,327 |
| Number of Audits Completed by Internal VF Auditors   |  | 579   |
| Number of Audits Completed by Third-Party Auditors   |  | 748   |
| TIER 1 SUPPLIER FACTORY AUDIT RESULTS <sup>39</sup>  |  | FY22  |
| Accepted   |  | 644   |
| Developmental  |  | 396   |
| Pending Rejection                                    |  | 80    |
| TIER 1 AUDIT REJECTIONS, BY REGION <sup>40</sup>     |  | FY22  |
| Americas   |  | 4     |
| Asia Pacific   |  | 10    |
| Europe, Middle East & Africa                         |  | 8     |
| NOMINATED TIER 2 SUPPLIER FACTORY AUDIT RESULTS      |  | FY22  |
| Accepted   |  | 37    |
| Developmental  |  | 115   |
| Pending Rejection                                    |  | 31    |
| NOMINATED TIER 2 AUDIT REJECTIONS, BY REGION         |  | FY22  |
| Americas   |  | 0     |
| Asia Pacific   |  | 2     |
| Europe, Middle East & Africa                         |  | 0     |
| SUPPLIER FACTORIES NOT ACCEPTED DURING INITIAL AUDIT |  | FY22  |
| Tier 1 Supplier Factories                            |  | 235   |
| Tier 2 Supplier Factories                            |  | 73    |
| Total  |  | 308   |

<sup>37</sup> Total supplier factories include Tier 1, Nominated Tier 2, licensees and subcontractors.

<sup>38</sup> Total number of licensees includes some VF factories that are shared with direct sourcing.

## VF Worker & Community Development in the Supply Chain

| NUMBER OF PEOPLE REACHED ANNUALLY, BY IMPACT PILLAR <sup>41</sup> |  | FY22    |
|---|--|---------|
| Childcare & Education   |  | 87,733  |
| Water & Sanitation  |  | 137,611 |
| Health & Nutrition  |  | 23,369  |
| NUMBER OF PEOPLE REACHED ANNUALLY, BY LOCATION                    |  | FY22    |
| Bangladesh  |  | 40,587  |
| Cambodia  |  | 194,503 |
| China   |  | 2,836   |
| India   |  | 1,193   |
| Indonesia   |  | 9,594   |

<sup>39</sup> For information on VF supplier audit designations, please refer to VF's [Factory Audit Procedures](#) and the [VF Facility Standards](#).

<sup>40</sup> Supplier audit rejections are due to factory compliance findings.

<sup>41</sup> Figures are reported by VF program implementation partners and have not been validated by an independent third party.



## VF Supply Chain Health & Safety Programs

| <b>VF CRITICAL LIFE SAFETY: DIRECT SOURCE INSPECTIONS</b>         | <b>FY22</b> |
|---|-------------|
| Number of Tier 1 direct source factories inspected                | 248         |
| Percentage of Tier 1 direct source factories inspected            | 83%         |
| <b>VF CRITICAL LIFE SAFETY: LICENSEE FACTORY INSPECTIONS</b>      | <b>FY22</b> |
| Number of licensee factories inspected                            | 125         |
| Percentage of licensee factories inspected                        | 74%         |
| <b>VF CRITICAL LIFE SAFETY: FACTORY REMEDIATIONS<sup>42</sup></b> | <b>FY22</b> |
| Number that remediated all imminent and near-term findings        | 128         |
| Percentage that remediated all imminent and near-term findings    | 85%         |

## VF Supply Chain Health & Safety Partner Initiatives

| <b>BRAC VF FACTORY TRAININGS<sup>43</sup></b>                             | <b>FY22</b>        |
|---|--------------------|
| Number of factories enrolled in BRAC training                             | 36                 |
| Number of people trained through BRAC training program                    | 37,125             |
| <b>LIFE AND BUILDING SAFETY (LABS) VF CUMULATIVE RESULTS<sup>44</sup></b> | <b>FY18 – FY22</b> |
| Number of VF supplier factories onboarded                                 | 81                 |
| Number of LABS assessments conducted                                      | 74                 |
| Number of safety trainings conducted                                      | 99                 |
| Number of factory workers reached   | 190,554            |
| <b>BANGLADESH FACTORY REMEDIATION RESULTS<sup>45</sup></b>                | <b>FY22</b>        |
| Number of VF supplier factories that closed initial CAP                   | 50                 |
| Percentage of VF supplier factories that closed initial CAP               | 81%                |

<sup>42</sup> VF Critical Life Safety: Factory Remediations cover VF Tier 1 and licensee supplier factories.

<sup>43</sup> VF supplier factories in Bangladesh.

<sup>44</sup> VF Tier 1 supplier factories in India and Vietnam were included in the LABS initiative.

<sup>45</sup> Auditing programs include Nirapon, RSC and Accord, covering VF Tier 1, Tier 2 and subcontractor supplier factories in Bangladesh.

<sup>46</sup> Due to a delay in collecting emissions data from third-party vendors, we disclose Scope 3 emissions on a lagged year.

## VF Greenhouse Gas (GHG) Emissions

| <b>SCOPE 1 AND 2 GHG EMISSIONS (MT CO<sub>2</sub>e)</b>   | <b>FY22</b>              |
|---|--------------------------|
| Scope 1 GHG Emissions                                     | 12,564                   |
| Scope 2 Location-Based GHG Emissions                      | 52,843                   |
| Scope 2 Market-Based GHG Emissions                        | 38,103                   |
| <b>SCOPE 3 GHG EMISSIONS (MT CO<sub>2</sub>e)</b>         | <b>FY21<sup>46</sup></b> |
| Scope 3 GHG Emissions                                     | 3,586,000                |
| <b>SCOPE 1 GHG EMISSIONS, BY GAS (MT CO<sub>2</sub>e)</b> | <b>FY22</b>              |
| Carbon Dioxide (CO <sub>2</sub> )                         | 12,531                   |
| Methane (CH <sub>4</sub> )                                | 5                        |
| Nitrous Oxide (N <sub>2</sub> O)                          | 28                       |
| Total   | 12,564                   |
| <b>SCOPE 1, BY CONSUMPTION TYPE (MWh)</b>                 | <b>FY22</b>              |
| Mobile Fuels  | 20,852                   |
| Natural Gas   | 38,643                   |
| Other Stationary Fuels                                    | 1,573                    |
| Refrigerants (MT)   | 0.03                     |
| <b>SCOPE 2, BY CONSUMPTION TYPE (MWh)</b>                 | <b>FY22</b>              |
| Chilled Water   | 58                       |
| Total Electric Power                                      | 165,149                  |
| Non-Renewable Electric Power                              | 109,572                  |
| Renewable Energy Credits                                  | 23,222                   |
| Renewable Power - Offsite                                 | 28,523                   |
| Renewable Power - Onsite                                  | 3,832                    |
| Steam   | 235                      |
| <b>EMISSIONS INTENSITY</b>                                | <b>FY22</b>              |
| Annual Revenue (\$)                                       | 11,841,840,000           |
| VF Total GHG Emissions (MT CO <sub>2</sub> e)             | 50,667                   |
| MT CO <sub>2</sub> e / Dollars                            | 0.00000428               |



## VF Electricity Consumption

| ELECTRIC POWER CONSUMPTION (MWh)                 | FY22    |
|--|---------|
| Electricity from Renewable Sources               | 55,577  |
| Electricity from Non-Renewable Sources           | 109,572 |
| Percentage of consumption from Renewable Sources | 34%     |

## VF Distribution Center Waste Generation

| VF DISTRIBUTION CENTER WASTE, BY DISPOSAL (MT) | FY22   |
|--|--------|
| Total Waste Disposed                           | 677    |
| Total Waste Recycled                           | 14,585 |
| Total Waste Reused                             | 5,169  |
| Total Waste Generated                          | 20,431 |

<sup>47</sup> VF eliminates the use of red-rated chemical formulations in the manufacturing of products. These chemicals are determined to be hazardous to the environment and the people who handle them. View the [CHEM-IQ<sup>SM</sup> Program Manual](#) for further information on the elimination of prohibited chemicals from the supply chain.



## VF CHEM-IQ<sup>SM</sup> Program Results

| NUMBER OF SUPPLIER FACTORIES SCREENED | FY22 |
|---------------------------------------|------|
| Tier 1                                | 75   |
| Subcontractors                        | 39   |
| Tier 2                                | 116  |
| Tier 3                                | 4    |
| Others                                | 4    |

| PERCENTAGE OF SUPPLIER FACTORIES SCREENED | FY22 |
|---|------|
| Tier 1                                    | 65%  |
| Subcontractors                            | 65%  |
| Tier 2                                    | 69%  |
| Tier 3                                    | 100% |

| NUMBER OF CHEMICALS SCREENED | FY22  |
|------------------------------|-------|
| Tier 1                       | 1,210 |
| Subcontractors               | 558   |
| Tier 2                       | 2,131 |
| Tier 3                       | 29    |
| Others                       | 48    |

| NUMBER OF RED SUBSTANCES PHASED OUT <sup>47</sup> | FY22 |
|---|------|
| Tier 1  | 36   |
| Subcontractors                                    | 22   |
| Tier 2  | 22   |
| Tier 3  | 23   |
| Others  | 2    |

# TCFD Index



## Task Force on Climate-related Financial Disclosures (TCFD) Index

### TCFD Metrics

### Company Response

#### GOVERNANCE

a. Describe the board's oversight of climate-related risks and opportunities.

[VF 2022 CDP Climate Change Disclosure](#) (C1.1b)  
VF FY2022 Sustainability & Responsibility Report ([p. 47](#))

b. Describe management's role in assessing and managing climate-related risks and opportunities.

[VF 2022 CDP Climate Change Disclosure](#) (C1.2, C1.2a)  
VF FY2022 Sustainability & Responsibility Report ([p. 47](#))

#### STRATEGY

a. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

[VF 2022 CDP Climate Change Disclosure](#) (C2.1a, C2.3, C2.3a, C2.4, C2.4a)  
VF FY2022 Sustainability & Responsibility Report ([p. 47 – 48](#))

b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

[VF 2022 CDP Climate Change Disclosure](#) (C2.3a, C2.4a, C3.1, C3.2a, C3.2b, C3.3, C3.4)  
[VF FY2022 Annual Report](#) (p. 14)  
VF FY2022 Sustainability & Responsibility Report ([p. 47 – 48](#))

c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

[VF 2022 CDP Climate Change Disclosure](#) (C3.2, C3.2a, C3.2b)  
VF FY2022 Sustainability & Responsibility Report ([p. 47 – 48](#))

#### RISK MANAGEMENT

a. Describe the organization's processes for identifying and assessing climate-related risks.

[VF 2022 CDP Climate Change Disclosure](#) (C2.1, C2.2, C2.2a)  
VF FY2022 Sustainability & Responsibility Report ([p. 47 – 48](#))

b. Describe the organization's processes for managing climate-related risks.

[VF 2022 CDP Climate Change Disclosure](#) (C2.1, C2.2)  
VF FY2022 Sustainability & Responsibility Report ([p. 47 – 48](#))

c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.

[VF 2022 CDP Climate Change Disclosure](#) (C2.1, C2.2)  
VF FY2022 Sustainability & Responsibility Report ([p. 47 – 48](#))

#### METRICS AND TARGETS

a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

[VF 2022 CDP Climate Change Disclosure](#) (C4.2, C4.2a)  
VF FY2022 Sustainability & Responsibility Report ([p. 79 – 80](#))

b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.

[VF 2022 CDP Climate Change Disclosure](#) (C6.1, C6.3, C6.5)  
VF FY2022 Sustainability & Responsibility Report ([p. 79](#))

c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

[VF 2022 CDP Climate Change Disclosure](#) (C4.1, C4.1a, C4.2, C4.2a, C4.2b)  
VF FY2022 Sustainability & Responsibility Report ([p. 46](#))



# GRI Index



## Global Reporting Initiative (GRI) Content Index

| ORGANIZATIONAL PROFILE |  |   | Related SDGs |
|------------------------|--|---|--------------|
| 102-01                 | Name of the organization                           | VF FY2022 Annual Report (p. 7)  |              |
| 102-02                 | Activities, brands and products                    | VF FY2022 Annual Report (p. 9 – 11)   |              |
| 102-03                 | Location of headquarters                           | VF FY2022 Annual Report (p. 7)  |              |
| 102-04                 | Location of operations                             | VF FY2022 Annual Report (p. 9 – 29)   |              |
| 102-05                 | Ownership and legal form                           | VF FY2022 Annual Report (p. 30)   |              |
| 102-06                 | Markets served                                     | VF FY2022 Annual Report (p. 9 – 12)   |              |
| 102-07                 | Scale of the organization                          | VF FY2022 Annual Report (p. 15, 29, 50)   |              |
| 102-08                 | Employees and other workers                        | VF FY2022 Sustainability & Responsibility Report (p. 76 – 77)   | 8.5, 10.3    |
| 102-09                 | Supply chain                                       | VF FY2022 Sustainability & Responsibility Report (p. 7)<br>VF FY2022 Annual Report (p. 12 – 13)             |              |
| 102-10                 | Significant changes to the organization            | VF FY2022 Annual Report (p. 9 – 13)   |              |
| 102-11                 | Precautionary principle or approach                | VF 2022 CDP Climate Change Disclosure (p. 5)  | 16.3         |
| 102-12                 | External charters, principles or other initiatives | VF Governance: Policies and Standards<br>VF Inclusion, Diversity, Equity & Action<br>VF Ethics & Compliance |              |
| 102-13                 | Memberships and associations                       | VF Stakeholder Engagement   |              |



## STRATEGY

## Related SDGs

|        |                                      |   |  |
|--------|--------------------------------------|---|--|
| 102-14 | CEO Letter                           | VF FY2022 Sustainability & Responsibility Report ( <a href="#">p. 3</a> ) |  |
| 102-15 | Key impacts, risks and opportunities | <a href="#">VF 2022 CDP Climate Change Disclosure</a> (p. 5 – 8)          |  |

## ETHICS & INTEGRITY

|        |   |   |      |
|--------|---|---|------|
| 102-16 | Values, purpose & principles                      | VF FY2022 Sustainability & Responsibility Report ( <a href="#">p. 6</a> )   |      |
| 102-17 | Organizational integrity and whistleblower policy | <p><a href="#">VF Global Ethics &amp; Compliance Program</a></p> <p>Our Ethics and Compliance Program helps ensure our associates have the guidance and resources needed to operate with the highest standards of corporate conduct in all our business dealings globally. The Program is led by our Executive Vice President, General Counsel and Corporate Secretary, who also serves as our Chief Ethics and Compliance Officer. VF's Vice President of Ethics and Compliance manages the Program's day-to-day operations.</p> <p>VF is committed to fostering dialogue and communication through multiple channels, including our Open Door Policy and our confidential <a href="#">Ethics Helpline</a>. The Helpline is available 24 hours a day/seven days a week in every country where VF has associates. Visit <a href="#">VF Ethics &amp; Compliance</a> for further information.</p> <p>In FY22, VF investigated a total of 883 reports globally. This is attributed to an increased awareness of what constitutes misconduct and a willingness of associates enterprise-wide to report concerns. Of the 883 reports received through the Ethics Helpline and via the VF Open Door Policy:</p> <ul style="list-style-type: none"> <li>• 165 were requests for guidance, up from 130 in FY20.</li> <li>• 718 involved alleged violations of VF's Code, policies or the law. We substantiated 344 of those cases.</li> <li>• 0 substantiated claims of harassment or discrimination relating to pregnancy and maternity rights or gender discrimination in FY22.</li> <li>• 195 other allegations of discrimination/harassment, 67 of which were substantiated.</li> </ul> | 16.3 |

## GOVERNANCE

|        |  |   |  |
|--------|--|---|--|
| 102-18 | Governance Structure and Board committees responsible for ESG topics | <a href="#">VF FY2022 Proxy Statement</a> (p. 18 – 23)<br><a href="#">VF Board of Directors Governance and Corporate Responsibility Charter</a> |  |
| 102-19 | Delegation of authority for ESG topics                               | <a href="#">VF Responsibility Governance</a>  |  |
| 102-20 | Executive-level responsibility for ESG topics                        | VF FY2022 Sustainability & Responsibility Report ( <a href="#">p. 11</a> )  |  |



|                               |  |   | Related SDGs |
|-------------------------------|--|---|--------------|
| 102-22                        | Composition of the highest governance body             | <a href="#">VF Governance at a Glance</a><br><a href="#">VF FY2022 Proxy Statement</a> (p. 10 – 12, 20)   | 5.5, 16.7    |
|                               |  | Average Director Tenure: 8.3      Number of Female Directors: 3   |              |
|                               |  | Average Director Age: 60      Number of Male Directors: 8   |              |
|                               |  | Average Director Attendance: 75%      Number of Independent Directors: 10   |              |
| 102-38                        | Annual total compensation ratio                        | <a href="#">VF FY2022 Proxy Statement</a> (p. 58)   |              |
| <b>STAKEHOLDER ENGAGEMENT</b> |  |   |              |
| 102-40                        | Stakeholder groups engaged by the organization         | <a href="#">VF Stakeholder Engagement</a>   |              |
| 102-41                        | Collective bargaining agreements                       | In FY22, there were collective bargaining agreements in place at VF facilities in the United States and Mexico.   | 8.8          |
| 102-42                        | Identifying and selecting stakeholders                 | <a href="#">VF Stakeholder Engagement</a>   |              |
| 102-43                        | Approach to stakeholder engagement                     | VF FY2022 Sustainability & Responsibility Report (p. 12 – 13)   |              |
| 102-44                        | Key topics and concerns raised                         | VF FY2022 Sustainability & Responsibility Report (p. 12 – 13)   |              |
| <b>REPORTING PRACTICE</b>     |  |   |              |
| 102-45                        | Entities included in consolidated financial statements | <a href="#">VF FY2022 Form 10-K</a> (p. 131 – 134)  |              |
| 102-46                        | Report content and the topic boundaries                | VF FY2022 Sustainability & Responsibility Report (p. 7)   |              |
| 102-47                        | Material topics identified                             | In FY22, VF conducted a new Sustainability & Responsibility materiality assessment to help ensure that the company's efforts stay relevant in an ever-changing landscape. The assessment was conducted in partnership with an independent third-party expert and included feedback from key stakeholder groups, including associates, investors, suppliers, nonprofits, customers and more.<br><br>VF FY2022 Sustainability & Responsibility Report (p. 13) |              |
| 102-48                        | Restatements of information                            |   |              |

|                             |   |  | Related SDGs            |
|-----------------------------|---|--|-------------------------|
| 102-49                      | Significant changes from previous reporting periods                   | The Occupational Workwear business, sold on June 28, 2021, and the Jeans business, subject to the spinoff completed May 22, 2019, have been excluded. In FY21, the Eagle Creek® brand was discontinued and has been excluded from reported data. On Dec. 28, 2020, VF acquired 100% of the outstanding shares of Supreme Holdings, Inc. and the Supreme® brand operations are included in reported FY22 data unless otherwise stated.  |                         |
| 102-50                      | Reporting period for the information provided                         | VF FY2022 Sustainability & Responsibility Report (p. 7)  |                         |
| 102-51                      | Date of the most recent previous report                               | VF FY2020 Sustainability & Responsibility Report, October 2021   |                         |
| 102-52                      | Reporting cycle   | VF FY2022 Sustainability & Responsibility Report (p. 7)  |                         |
| 102-53                      | Contact point for questions   | Sustainabilityandresponsibility@vfc.com  |                         |
| 102-54                      | GRI standards   | VF FY2022 Sustainability & Responsibility Report (p. 7)  |                         |
| 102-55                      | GRI content index   | VF FY2022 Sustainability & Responsibility Report (p. 82)   |                         |
| 102-56                      | External assurance  | VF received <b>third-party verification</b> for FY21 GHG emissions. Due to the timing of our fiscal year-end, we verify emissions data on a year lag.  |                         |
| <b>ECONOMIC PERFORMANCE</b> |   |  |                         |
| 103                         | Management approach   | VF FY2022 Annual Report (p. 31)  |                         |
| 201-1                       | Direct economic value generated                                       | VF FY2022 Annual Report (p. 50)  | 8.1, 8.2, 9.1, 9.4, 9.5 |
| <b>ANTI-CORRUPTION</b>      |   |  |                         |
| 103                         | Management approach   | VF FY2022 Sustainability & Responsibility Report (p. 9 – 10)   |                         |
| 205-2                       | Communication and training on anti-corruption policies and procedures | <b>VF Ethics &amp; Compliance</b><br>To reinforce our ongoing commitment to and understanding of our values-based principles, the VF Ethics and Compliance Program provides online and facilitator-led training on our Code of Business Conduct and other important topics such as anti-corruption, conflicts of interest, fair competition and intellectual property. In FY22, 97% of associates completed the assigned online Code of Business Conduct training.<br>The VF Code of Business Conduct and all relevant corporate policies apply to everyone who conducts business on behalf of VF, including associates and members of VF's Board of Directors, regardless of seniority or location. View the Anti-Corruption section of the <b>VF Code of Business Conduct</b> for further information. | 16.5                    |
| <b>MATERIALS</b>            |   |  |                         |
| 103                         | Management approach   | VF FY2022 Sustainability & Responsibility Report (p. 58 – 63)  | 2.a                     |
| 301-1                       | Materials used by weight or volume                                    | VF FY2022 Sustainability & Responsibility Report (p. 60)   | 8.4, 12.2               |



## ENERGY

## Related SDGs

|       |  |   |                              |
|-------|--|---|------------------------------|
| 103   | Management approach                        | VF FY2022 Sustainability & Responsibility Report (p. 49 – 50) |                              |
| 302-1 | Energy consumption within the organization | VF FY2022 Sustainability & Responsibility Report (p. 79 – 80) | 7.2, 7.3, 8.4,<br>12.2, 13.1 |

## WATER AND EFFLUENTS

|       |  |   |                             |
|-------|--|---|-----------------------------|
| 303-1 | Interactions with water as a shared resource | VF FY2022 Sustainability & Responsibility Report (p. 56 – 57) | 6.3, 6.4, 6.a,<br>6.b, 12.4 |
| 303-2 | Management of wastewater impacts             | VF FY2022 Sustainability & Responsibility Report (p. 56)      | 6.3                         |
| 303-4 | Total water discharge across supply chain    | 90,883 megaliters in 2020                                     | 6.3                         |
| 303-5 | Water consumption                            | VF FY2022 Sustainability & Responsibility Report (p. 56)      | 6.4                         |

## EMISSIONS

|       |                            |  |                                |
|-------|----------------------------|--|--------------------------------|
| 103   | Management approach        | VF 2022 CDP Climate Change Disclosure (p. 3 – 5)         |                                |
| 305-1 | Scope 1 GHG emissions      | VF FY2022 Sustainability & Responsibility Report (p. 79) |                                |
| 305-2 | Scope 2 GHG emissions      | VF FY2022 Sustainability & Responsibility Report (p. 79) | 3.9, 12.4, 13.1,<br>14.3, 15.2 |
| 305-3 | Scope 3 GHG emissions      | VF FY2022 Sustainability & Responsibility Report (p. 79) |                                |
| 305-4 | Emissions intensity        | VF FY2022 Sustainability & Responsibility Report (p. 79) | 13.1, 14.3,<br>15.2            |
| 305-5 | Reduction of GHG emissions | VF FY2022 Sustainability & Responsibility Report (p. 46) | 13.1, 14.3,<br>15.2            |

## WASTE

|       |  |  |  |
|-------|--|--|--|
| 306-1 | Waste generation and waste-related impacts | VF FY2022 Sustainability & Responsibility Report (p. 51 – 53, 68 – 70) | 3.9, 6.3, 6.6,<br>11.6, 12.4,<br>12.5  |
| 306-2 | Management of waste-related impacts        | VF FY2022 Sustainability & Responsibility Report (p. 51 – 53, 68 – 70) | 3.9, 6.3, 8.5,<br>11.6, 12.4,<br>12.5  |
| 306-3 | Waste generated                            | VF FY2022 Sustainability & Responsibility Report (p. 80)               | 3.9, 6.6, 11.6,<br>12.4, 12.5,<br>15.1 |

## SUPPLIER ENVIRONMENTAL COMPLIANCE

## Related SDGs

|       |  |   |  |
|-------|--|---|--|
| 103   | Management approach                              | VF FY2022 Sustainability & Responsibility Report (p. 54 – 55) |  |
| 308-1 | New suppliers screened on environmental criteria | <a href="#">VF Factory Audit Procedures</a>                   |  |
| 308-2 | Negative environmental impacts                   | VF FY2022 Sustainability & Responsibility Report (p. 54 – 56) |  |

## OCCUPATIONAL HEALTH AND SAFETY

|       |  |  |                     |
|-------|--|--|---------------------|
| 403-1 | Occupational health and safety management system | VF FY2022 Sustainability & Responsibility Report (p. 33 – 34)<br><a href="#">VF 2020 Human Rights Report</a> (p. 11) |                     |
| 403-2 | Hazard identification and risk assessment        | VF FY2022 Sustainability & Responsibility Report (p. 33)   | 8.8                 |
| 403-3 | Occupational health services                     | VF FY2022 Sustainability & Responsibility Report (p. 33 – 34)  |                     |
| 403-4 | Worker participation and communication           | VF FY2022 Sustainability & Responsibility Report (p. 33 – 34)  | 8.8, 16.7           |
| 403-5 | Worker training on health and safety             | VF FY2022 Sustainability & Responsibility Report (p. 33 – 34)  | 8.8                 |
| 403-6 | Promotion of worker health                       | VF FY2022 Sustainability & Responsibility Report (p. 20 – 22, 33 – 34)   | 3.3, 3.5, 3.7, 3.8  |
| 403-7 | Prevention and mitigation                        | VF FY2022 Sustainability & Responsibility Report (p. 33 – 34, 43 – 44)   | 8.8                 |
| 403-9 | Work-related injuries                            | VF FY2022 Sustainability & Responsibility Report (p. 77)   | 3.6, 3.9, 8.8, 16.1 |

## DIVERSITY AND EQUAL OPPORTUNITY

|       |  |  |                     |
|-------|--|--|---------------------|
| 103   | Management approach                          | VF FY2022 Sustainability & Responsibility Report (p. 24 – 28)<br><a href="#">VF Inclusion, Diversity, Equity &amp; Action Policy</a><br><a href="#">VF 2021 Inclusion, Diversity, Equity &amp; Action Annual Profile</a> |                     |
| 405-1 | Diversity of governance bodies and employees | VF FY2022 Sustainability & Responsibility Report (p. 76 – 77)  | 5.1, 5.5, 8.5, 10.3 |



**NON-DISCRIMINATION**
**Related SDGs**

|     |                     |   |  |
|-----|---------------------|---|--|
| 103 | Management approach | VF believes that a respectful workplace is free from unlawful discrimination and harassment, but it is much more than compliance with applicable laws. It is a work environment that is free of inappropriate and unprofessional behavior, and one that is consistent with VF's Purpose and guiding principles – a place where everyone can do their best work and a place where a person is free to report workplace concerns without fear of retaliation or reprisal. Read VF's <a href="#">Respectful Workplace Policy</a> to view our policy against unlawful discrimination. |  |
|-----|---------------------|---|--|

|       |                             |  |          |
|-------|-----------------------------|--|----------|
| 406-1 | Incidents of discrimination | VF FY2022 Sustainability & Responsibility Report (p. 83) | 5.1, 8.8 |
|-------|-----------------------------|--|----------|

**FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

|     |                     |   |  |
|-----|---------------------|---|--|
| 103 | Management approach | VF FY2022 Sustainability & Responsibility Report (p. 35 – 36, 39) |  |
|-----|---------------------|---|--|

|       |                        |   |     |
|-------|------------------------|---|-----|
| 407-1 | Freedom of association | <a href="#">VF 2020 Human Rights Report</a> (p. 8 – 10, 15) | 8.8 |
|-------|------------------------|---|-----|

**CHILD LABOR**

|     |                     |   |  |
|-----|---------------------|---|--|
| 103 | Management approach | VF FY2022 Sustainability & Responsibility Report (p. 35 – 38, 40)<br><a href="#">VF Child Rights Commitment</a> |  |
|-----|---------------------|---|--|

|       |             |  |                |
|-------|-------------|--|----------------|
| 408-1 | Child labor | <a href="#">VF 2020 Human Rights Report</a> (p. 8 – 10, 21 – 22) | 5.2, 8.7, 16.2 |
|-------|-------------|--|----------------|

**FORCED OR COMPULSORY LABOR**

|     |                     |   |  |
|-----|---------------------|---|--|
| 103 | Management approach | VF FY2022 Sustainability & Responsibility Report (p. 35 – 36, 39 – 40)<br><a href="#">VF Responsible Recruitment &amp; Anti-Forced Labor Commitment</a> |  |
|-----|---------------------|---|--|

|       |                            |  |          |
|-------|----------------------------|--|----------|
| 409-1 | Forced or compulsory labor | <a href="#">VF 2020 Human Rights Report</a> (p. 8 – 10, 13 – 14) | 5.2, 8.7 |
|-------|----------------------------|--|----------|

**HUMAN RIGHTS ASSESSMENT**

|     |                     |   |  |
|-----|---------------------|---|--|
| 103 | Management approach | VF FY2022 Sustainability & Responsibility Report (p. 35 – 38)<br><a href="#">VF 2020 Human Rights Report</a> (p. 8) |  |
|-----|---------------------|---|--|

|       |                          |  |  |
|-------|--------------------------|--|--|
| 412-1 | Human rights assessments | VF FY2022 Sustainability & Responsibility Report (p. 36 – 38)<br><a href="#">VF 2020 Human Rights Report</a> (p. 8 – 10) |  |
|-------|--------------------------|--|--|

|       |   |   |  |
|-------|---|---|--|
| 412-2 | Training on human rights policies or procedures | <a href="#">VF 2020 Human Rights Report</a> (p. 13) |  |
|-------|---|---|--|

**LOCAL COMMUNITIES**

|     |                     |  |  |
|-----|---------------------|--|--|
| 103 | Management approach | <a href="#">VF Foundation FY2021 Impact Report</a> (p. 3)<br><a href="#">2018 Made for Change Report</a> (p. 58) |  |
|-----|---------------------|--|--|

|                                   |  |  | Related SDGs          |
|-----------------------------------|--|--|-----------------------|
| 413-1                             | Operations with local community engagement, impact assessments, and development programs | VF FY2022 Sustainability & Responsibility Report ( <a href="#">p. 41</a> )   |                       |
| <b>SUPPLIER SOCIAL ASSESSMENT</b> |  |  |                       |
| 103                               | Management approach  | VF FY2022 Sustainability & Responsibility Report ( <a href="#">p. 38</a> )<br><a href="#">VF FY2020 Sustainability &amp; Responsibility Report</a> (p. 30 – 31)  |                       |
| 414-1                             | New suppliers that were screened using social criteria                                   | VF FY2022 Sustainability & Responsibility Report ( <a href="#">p. 78</a> )<br><a href="#">VF Factory Audit Procedures</a>  | <b>5.2, 8.8, 16.1</b> |
| <b>PUBLIC POLICY</b>              |  |  |                       |
| 103                               | Management approach  | <a href="#">VF Government Affairs</a>  |                       |
| 415-1                             | Political contributions  | VF's political engagement activity and lobbying is conducted in accordance with applicable laws, policies and procedures, sound corporate practice and our high standards of ethical conduct.<br><b>Principles governing our approach to political expenditures include the following:</b> <ul style="list-style-type: none"> <li>VF does not endorse or make campaign contributions to federal, state or local candidates.</li> <li>VF does not make contributions in support of or in opposition to ballot initiatives.</li> <li>VF does not participate in electioneering communication to our associates or anyone outside the company.</li> <li>VF does not have a Political Action Committee (PAC).</li> <li>VF does partner and work with various third parties — such as trade associations, coalitions, civil society initiatives and international organizations — to communicate and advance our positions on key issues. VF conducts regular reviews of the work performed by our trade associations and industry groups, either on VF's behalf or more broadly, to ensure continued alignment with our interests, business strategies and Purpose-led commitments.</li> </ul> Visit <a href="#">VF Government Affairs</a> for more information. | <b>16.5</b>           |
| <b>CUSTOMER HEALTH AND SAFETY</b> |  |  |                       |
| 103                               | Management approach  | VF FY2022 Sustainability & Responsibility Report ( <a href="#">p. 65</a> )   |                       |
| 416-2                             | Incidents of non-compliance  | VF FY2022 Sustainability & Responsibility Report ( <a href="#">p. 65</a> )   | <b>16.3</b>           |



# UNGPRF Index



## UN Guiding Principles Report Framework (UNGPRF) Index

### POLICY COMMITMENT

|             |  |   |
|-------------|--|---|
| <b>A1</b>   | What does the company say publicly about its commitment to respect human rights? | VF FY2022 Sustainability & Responsibility Report (p. 35 – 38)<br><a href="#">VF Human Rights Commitment</a><br><a href="#">VF 2020 Human Rights Report</a> (p. 7) |
| <b>A1.1</b> | How was the public commitment developed?   | <a href="#">VF Human Rights Commitment</a>  |
| <b>A1.2</b> | Whose human rights does the public commitment address?                           | VF FY2022 Sustainability & Responsibility Report (p. 35 – 38)<br><a href="#">VF Human Rights Commitment</a><br><a href="#">VF 2020 Human Rights Report</a> (p. 7) |
| <b>A1.3</b> | How is the public commitment disseminated?                                       | <a href="#">VF Human Rights Commitment</a><br><a href="#">VF 2020 Human Rights Report</a> (p. 7)  |

### EMBEDDING RESPECT

|           |   |  |
|-----------|---|--|
| <b>A2</b> | How does the company demonstrate the importance it attaches to the implementation of its human rights commitment? | VF FY2022 Sustainability & Responsibility Report (p. 35)<br><a href="#">VF 2020 Human Rights Report</a> (p. 7)<br><a href="#">VF Human Rights Commitment</a><br><a href="#">VF Human Rights Strategy</a><br><br>Salient human rights issues are embedded in the enterprise risk management (ERM) through the Factory & Facility Worker Safety & Well-Being enterprise risk. VF's Executive Vice President, Global Supply Chain, a direct report of the CEO, is responsible for the oversight of this risk. The ERM is a dynamic and holistic process used to identify and evaluate risks that have the greatest potential to significantly impact the performance of our enterprise. The ERM process helps VF to prioritize actions and sets forth accountability mechanisms to guide the ongoing management of risks. Updates to the ERM process and progress toward associated goals are presented regularly to the VF Risk Committee and ELT, and to the VF Board of Directors Audit Committee quarterly. |
|-----------|---|--|

|                                      |  |  |
|--------------------------------------|--|--|
| A2.1                                 | How is day-to-day responsibility for human rights performance organized within the company, and why?   | <a href="#">VF FY2022 Sustainability &amp; Responsibility Report (p. 35)</a><br><a href="#">VF 2020 Human Rights Report (p. 6)</a>   |
| A2.2                                 | What kinds of human rights issues are discussed by senior management and by the Board, and why?  | <a href="#">VF FY2022 Sustainability &amp; Responsibility Report (p. 35)</a><br><a href="#">VF 2020 Human Rights Report (p. 6)</a><br><a href="#">VF Governance and Corporate Responsibility Charter</a><br>The VF Board of Directors' Governance and Corporate Responsibility Committee receives regular updates on human rights issues and approaches to mitigating the related risks, such as child rights. |
| A2.3                                 | How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions?   | <a href="#">VF 2020 Human Rights Report (p. 6 – 7)</a><br><a href="#">VF Human Rights Commitment</a>   |
| A2.4                                 | How does the company make clear in its business relationships the importance it places on respect for human rights?  | <a href="#">VF FY2022 Sustainability &amp; Responsibility Report (p. 39 – 42)</a><br><a href="#">VF 2020 Human Rights Report (p. 7)</a><br><a href="#">VF Terms of Engagement</a><br><a href="#">VF Facility Standards</a>   |
| A2.5                                 | What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result?   | <a href="#">VF FY2022 Sustainability &amp; Responsibility Report (p. 37 – 42)</a><br><a href="#">VF Your Voice Matters Case Study</a>  |
| <b>STATEMENT OF SALIENT ISSUES</b>   |  |  |
| B1                                   | Statement of salient issues: State the salient human rights issues associated with the company's activities and business relationships during the reporting period.  | <a href="#">VF FY2022 Sustainability &amp; Responsibility Report (p. 36)</a><br><a href="#">VF 2020 Human Rights Report (p. 8)</a>   |
| <b>EXPLANATION OF SALIENT ISSUES</b> |  |  |
| B2                                   | Determination of salient issues: Describe how the salient human rights issues were determined, including any input from stakeholders.  | <a href="#">VF FY2022 Sustainability &amp; Responsibility Report (p. 36)</a><br><a href="#">VF Human Rights Strategy</a>   |
| <b>GEOGRAPHICAL FOCUS</b>            |  |  |
| B3                                   | Choice of focal geographies: If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.  | <a href="#">VF 2020 Human Rights Report (p. 9)</a>   |
| <b>ADDITIONAL SEVERE IMPACTS</b>     |  |  |
| B4                                   | Additional severe impacts: Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed. | <a href="#">VF FY2022 Sustainability &amp; Responsibility Report (p. 11 – 12, 40)</a><br><a href="#">VF Living Wage Statement</a>  |



## SPECIFIC POLICIES

|             |  |   |
|-------------|--|---|
| <b>C1</b>   | Does the company have any specific policies that address its salient human rights issues and, if so, what are they?  | VF FY2022 Sustainability & Responsibility Report (p. 37)<br><a href="#">VF Commitment to Eradicate Gender-based Violence and Harassment</a><br><a href="#">VF Responsible Recruitment and Anti-Forced Labor Commitment</a><br><a href="#">VF Policies &amp; Standards</a> |
| <b>C1.1</b> | How does the company make clear the relevance and significance of such policies to those who need to implement them? |   |

## STAKEHOLDER ENGAGEMENT

|             |  |  |
|-------------|--|--|
| <b>C2</b>   | What is the company's approach to engagement with stakeholders in relation to each salient human rights issue?   | VF FY2022 Sustainability & Responsibility Report (p. 12)<br><a href="#">VF 2020 Human Rights Report</a> (p. 6)<br><a href="#">VF Stakeholder Engagement Approach</a> |
| <b>C2.1</b> | How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?                                      |  |
| <b>C2.2</b> | During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?  | VF FY2022 Sustainability & Responsibility Report (p. 12, 36 – 44)<br><a href="#">VF Stakeholder Engagement Approach</a>  |
| <b>C2.3</b> | During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it? | VF FY2022 Sustainability & Responsibility Report (p. 37 – 48, 40, 43)  |

## ASSESSING IMPACTS

|             |  |  |
|-------------|--|--|
| <b>C3</b>   | How does the company identify any changes in the nature of each salient human rights issue over time?                                    | <a href="#">VF 2020 Human Rights Report</a> (p. 8)<br><a href="#">VF Human Rights Commitment</a> |
| <b>C3.1</b> | During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they? | VF FY2022 Sustainability & Responsibility Report (p. 38 – 40)                                    |
| <b>C3.2</b> | During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?               |  |

## INTEGRATING FINDINGS AND TAKING ACTION

|             |   |   |
|-------------|---|---|
| <b>C4</b>   | How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?                               | VF FY2022 Sustainability & Responsibility Report (p. 35 – 38)<br><a href="#">VF 2020 Human Rights Report</a> (p. 8, 27)   |
| <b>C4.1</b> | How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?     | VF FY2022 Sustainability & Responsibility Report (p. 11, 35)<br><a href="#">VF 2020 Human Rights Report</a> (p. 6, 11)  |
| <b>C4.2</b> | When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed? | VF FY2022 Sustainability & Responsibility Report (p. 12, 38, 40)<br><a href="#">VF FY2020 Sustainability &amp; Responsibility Report</a> (p. 31)<br><a href="#">VF 2020 Human Rights Report</a> (p. 3, 6 – 7) |
| <b>C4.3</b> | During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?                          | VF FY2022 Sustainability & Responsibility Report (p. 36 – 40, 43 – 44)<br><a href="#">VF Modern Slavery Statement</a>   |

## TRACKING PERFORMANCE

|      |  |  |
|------|--|--|
| C5   | How does the company know if its efforts to address each salient human rights issue are effective in practice?       | <a href="#">VF FY2022 Sustainability &amp; Responsibility Report (p. 15 – 16, 39 – 40)</a><br><a href="#">VF 2020 Human Rights Report (p. 8, 18, 25)</a><br><a href="#">VF Your Voice Matters Case Study</a><br><a href="#">VF FY2022 GRI Content Index (102-17)</a> |
| C5.1 | What specific examples from the reporting period illustrate whether each salient issue is being managed effectively? | <a href="#">VF FY2022 Sustainability &amp; Responsibility Report (p. 37 – 40, 43 – 44)</a><br><a href="#">VF FY2022 SASB Index (CG-AA-430b.2)</a>  |

## REMEDIATION

|      |   |   |
|------|---|---|
| C6   | How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient human rights issue?  | <a href="#">VF 2020 Human Rights Report (p. 25)</a><br><a href="#">VF FY2022 GRI Content Index (102-17)</a>     |
| C6.1 | Through what means can the company receive complaints or concerns related to each salient issue?  | <a href="#">VF 2020 Human Rights Report (p. 15, 17)</a><br><a href="#">VF FY2022 GRI Content Index (102-17)</a> |
| C6.2 | How does the company know if people feel able and empowered to raise complaints or concerns?  |   |
| C6.3 | How does the company process complaints and assess the effectiveness of outcomes?   |   |
| C6.4 | During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned? | <a href="#">VF 2020 Human Rights Report (p. 14, 17)</a><br><a href="#">VF FY2022 GRI Content Index (102-17)</a> |
| C6.5 | During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?       |   |



# SASB Index



<sup>48</sup> During the FY22 reporting period, eight of 50 VF suppliers included in VF's wastewater program were found to be non-compliant. This was due primarily to suspension and delays in the wastewater testing and reporting process.

## Sustainability Accounting Standards Board (SASB) Index

| TOPIC                                     | CODE         | ACCOUNTING METRIC  | VF RESPONSE   |
|---|--------------|--|---|
| Environmental Impacts in the Supply Chain | CG-AA-430a.1 | Percentage of Tier 1 supplier facilities and supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreements.                                    | In FY22, 84% <sup>48</sup> of in-scope Tier 1 and nominated Tier 2 supplier factories were determined to be in compliance with the VF Global Wastewater Discharge Standards.  |
|   | CG-AA-430a.2 | Percentage of Tier 1 supplier facilities and supplier facilities beyond Tier 1 that have completed the Higg FEM assessment or an equivalent assessment.  | In 2021, 241 Tier 1 and 264 Tier 2 supplier factories completed the Higg FEM assessment. Of the more than 500 FEM assessments completed, over 65.5% were verified by an independent third party.  |
| Labor Conditions in the Supply Chain      | CG-AA-430b.1 | Percentage of Tier 1 supplier facilities and supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, percentage of total audits conducted by a third-party auditor. | In FY22, VF conducted a total of 1,327 supplier audits, of which 56% were conducted by third-party auditors. In accordance with the VF Factory Audit Procedures, 100% of VF's Tier 1 and approximately 70% (by procurement) Tier 2 supplier factories are audited at least once per year.   |
|   | CG-AA-430b.2 | Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits.   | In FY22, 8% of VF's audited supplier factories were rated 'pending rejection' due to non-conformance with one of our requirements as detailed in the VF Terms of Engagement. Failure to remediate issues can result in a factory designation downgrade and potential contract termination.  |
|   | CG-AA-430b.3 | Description of the greatest labor and environmental, health and safety risks in the supply chain.  | VF FY2022 Sustainability & Responsibility Report (p. 35 – 38)   |
| Raw Material Sourcing                     | CG-AA-440a.1 | Description of environmental and social risks associated with sourcing priority raw materials.   | VF FY2022 Sustainability & Responsibility Report (p. 58 – 63)   |
|   | CG-AA-440a.2 | Percentage of raw materials third party certified to an environmental and/or social sustainability standard, by standard.  | In FY21, VF sourced: <ul style="list-style-type: none"> <li>Organic Cotton: 6%</li> <li>Better Cotton Initiative: 45%</li> <li>Recycled Cotton: &lt;1%</li> <li>Responsible Down Standard: 100%</li> <li>ZQ &amp; Responsible Wool Standard: 74%</li> <li>Recycled Nylon: 22%</li> <li>Recycled Polyester: 36%</li> <li>Footwear Leather from LWG-audited Tanneries: 92%</li> </ul> |

| TOPIC                               | CODE         | ACCOUNTING METRIC   | VF RESPONSE   |
|-------------------------------------|--------------|---|---|
| Management of Chemicals in Products | CG-AA-250a.1 | Discussion of processes to maintain compliance with restricted substances regulations                   | VF FY2022 Sustainability & Responsibility Report (p. 66 – 67)<br>VF's Product Stewardship Team closely monitors the chemical makeup of product components. We manage chemical usage in our supply chain by maintaining a robust Restricted Substances List (RSL). |
|                                     | CG-AA-250a.2 | Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | VF FY2022 Sustainability & Responsibility Report (p. 66 – 67)   |
| Activity Metric                     | CG-AA-000.A  | Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1  | In FY22, VF sourced from 692 Tier 1 and subcontractor supplier factories, 273 Tier 2 supplier factories and 314 licensees <sup>49</sup> factories.  |

<sup>49</sup> Figure includes supplier factories that are shared with direct sourcing.



## Safe Harbor Statement



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

other communicable disease, or any other public health crisis, including the coronavirus (COVID-19) global pandemic; the level of consumer demand for apparel, footwear and accessories; disruption to VF’s distribution system; changes in global economic conditions and the financial strength of VF’s customers, including as a result of current inflationary pressures; fluctuations in the price, availability and quality of raw materials and contracted products; disruption and volatility in the global capital and credit markets; VF’s response to changing fashion trends, evolving consumer preferences and changing patterns of consumer behavior; intense competition from online retailers and other direct-to-consumer business risks; third-party manufacturing and product innovation; increasing pressure on margins; VF’s ability to implement its business strategy; VF’s ability to grow its international, direct-to-consumer and digital businesses; VF’s ability to transform its model to be more consumer-minded, retail-centric and hyper-digital; retail industry changes and challenges; VF’s ability to create and maintain an agile and efficient operating model and organizational structure; VF’s and its vendors’ ability to maintain the strength and security of information technology systems; the risk that VF’s facilities and systems and those of our third-party service providers may be vulnerable to and unable to anticipate or detect data or information security breaches and data or financial loss; VF’s

ability to properly collect, use, manage and secure business, consumer and employee data and comply with privacy and security regulations; foreign currency fluctuations; stability of VF's vendors' manufacturing facilities and VF's ability to establish and maintain effective supply chain capabilities; continued use by VF's suppliers of ethical business practices; VF's ability to accurately forecast demand for products; continuity of members of VF's management; VF's ability to recruit, develop or retain qualified employees; VF's ability to protect trademarks and other intellectual property rights; possible goodwill and other asset impairment, such as the recent impairment charges related to the Supreme® reporting unit goodwill and indefinite-lived trademark intangible asset; maintenance by VF's licensees and distributors of the value of VF's brands; VF's ability to execute acquisitions and dispositions and integrate acquisitions; business resiliency in response to natural or man-made economic, political or environmental disruptions; changes in tax laws and additional tax liabilities, including for the timing of income inclusion associated with our acquisition of the Timberland® brand in 2011; legal, regulatory, political, economic, and geopolitical risks, including those related to the current conflict in Ukraine; changes to laws and regulations; adverse or unexpected weather conditions; VF's indebtedness and its ability to obtain financing on favorable terms, if needed, could prevent VF from fulfilling its financial obligations; climate change and increased focus on environmental, social and governance issues; and tax risks associated with the spin-off of our Jeanswear business completed in 2019.

The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information.

More information on VF and potential factors that could affect VF's financial results is included from time to time in VF's public reports filed with the SEC, including VF's Annual Report on Form 10-K, and Quarterly Reports on Form 10-Q, and Forms 8-K filed or furnished with the SEC.





1551 Wewatta Street  
Denver, CO 80202

[www.vfc.com](http://www.vfc.com)  
[SustainabilityAndResponsibility@VFC.com](mailto:SustainabilityAndResponsibility@VFC.com)



CORPORATION

COMMUNICATION  
ON PROGRESS



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

We welcome feedback on its contents.