



PURPOSE. DRIVEN.

ENVIRONMENTAL & SOCIAL RESPONSIBILITY REPORT
FISCAL YEAR 2023



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CEO MESSAGE



Dear Stakeholders:

Since joining VF in July 2023, I've been amazed by the energy and dedication all VF employees share for our Purpose. VF overcame significant headwinds to our business in fiscal year 2023 (FY23) while still advancing our commitment to the betterment of people and our planet. Looking back on my first few months as the CEO of this storied company, I've been proud of the resilience and determination of VF employees to make a positive impact on the world we share.

In our new Environmental & Social Responsibility Report, we have consolidated what was once two separate publications into one comprehensive communication on VF's accomplishments for the planet and people. Mobilizing around our Inclusion, Diversity, Equity & Action (IDEA) platform, which is a strategic business priority globally and an essential element of our success, our employees drove meaningful impact in the workplace and their communities through our 23 Employee Resource Group chapters across the globe. At the same time, we increased the percentage of women and of Black, Indigenous and People of Color in VF leadership in FY23, making notable progress against these aspirational goals and others.

In FY23, we also strengthened our efforts to protect our planet. We initiated one of the industry's largest renewable energy tax equity investment in the footwear and apparel industry to fund the development of four

utility-scale solar projects. In FY22, we achieved 80% of our goal to source 50% recycled polyester by FY26 and completed our largest and most efficient distribution center to date in California with LEED Gold certification for building design and construction.

With a focus on the sustainable materials that go into our products, we announced the launch of new product collections by the Vans®, Timberland® and The North Face® brands that will feature regeneratively-sourced natural rubber. We also continued to emphasize circular design within brand innovations like the Smartwool® brand's first fully circular sock, the Second Cut™ Hike sock, made with repurposed yarn, and The North Face® brand, which launched a new collection of Circular Design products.

We continue to use our scale, influence and insights to benefit the lives of community members and workers throughout our global supply chain. In FY23 alone,

more than 170,000 people across seven countries were reached through VF's Worker & Community Development program, and we continue to uphold our commitments to fundamental worker rights and health and safety standards with product suppliers.

As I reflect on all our teams achieved in the past year, I'm filled with optimism about how much more we can accomplish in the years to come. And I'm extremely grateful and proud to be part of it.

Sincerely,

Bracken Darrell, VF Corporation
CEO and President



About this Report

Data primarily covers FY23: April 3, 2022 through April 1, 2023.¹

Reporting is in line with the following internationally recognized frameworks and standards:^{*}

- Prepared with reference to the Global Reporting Initiative (GRI) Standards 2021.
- Aligned with the 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).

Related Reports and Resources

Visit the [Reporting and Data](#) page on our corporate website to access previous VF environmental and social reports, publications and consolidated year-over-year data, including, but not limited to:

- [VF CDP Climate Change & Water Security Responses](#)
- [VF Equal Employment Opportunity \(EE0-1\) Disclosure](#)
- [Independent Environmental Data Assurance Statement](#)

^{*} See the Appendix section of this report for specific data and reporting tables.



¹ 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.



Forward-Looking Statement on Climate-Related Disclosures

Climate-related science, data and methodologies are rapidly evolving; those underlying our climate-related analysis and strategy remain subject to evolution over time. While we expect to continue making progress toward our environmental goals, our goals are subject to certain risks and challenges that are beyond our control, including political, economic, regulatory and geopolitical conditions; supply chain and labor issues; supplier emissions reductions; the evolution and applicability of carbon offset and renewable energy credit markets; the applicability of limited large-scale investments and innovations in technology and infrastructure; and the evolution of greenhouse gas accounting standards and methodologies. Unless otherwise specified, all information (including forward-looking information) speaks only as of the date on which it is made, and we disclaim any obligation to update or delete any outdated information contained in this document or in our website materials. See the additional note on [Page 85](#).



- OVERVIEW
- HIGHLIGHTS
- GOVERNANCE
- PROGRESS

ABOUT

Improving our world. It's the driving force behind everything we do in bringing the world's leading portfolio of active-lifestyle brands to millions of consumers.



OVERVIEW



Our Company

VF powers movements of sustainable and active lifestyles for the betterment of people and our planet. That's our Purpose, and we're driving forward in the pursuit of progress to improve our collective future. As One VF, our 33,000 employees embrace the opportunity to overcome the challenges of today as they pursue the promise of tomorrow.

Our Brands²

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 employees and support local communities.

Active

Outdoor

Work

² VF recently announced its review of strategic alternatives for the global packs business, consisting of the Eastpak®, Jansport® and Kipling® brands.



OUR PURPOSE

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



External Recognition

DiversityInc
Top 50 Noteworthy Companies
2023

Ethisphere
World's Most Ethical Companies
2023

Forbes
The Best Employers for Diversity
2022

Fortune
The World's Most Admired Companies
2022

3BL Media
100 Best Corporate Citizens
2022

Barron's
100 Most Sustainable Companies
2022

CDP
Climate Change A List
2022

USA Today
America's Climate Leaders
2023

Diversity MBA
50 Out Front Companies Best in Class
2022



HIGHLIGHTS



3K+

EMPLOYEES

completed VF's foundational Inclusion and Diversity 101 learning course since launch.



~9K kg

of single-use plastic diverted from landfills by seven VF brands participating in the Naked Delivery Packaging pilot program.



80%

of VF's FY26 target to source 50% of its polyester from recycled materials has been achieved as of FY22.



47K MWh
OF RENEWABLE ENERGY

expected to be generated from VF's investments in utility-scale solar projects in South Carolina.



5

FOOTWEAR DESIGN WORKSHOPS

launched in New York City by CNSTNT-DVLPMENT and the Timberland® brand to nurture the next generation of creatives.



1K+

SUPPLIER FACTORIES

covered in a new supply chain water risk assessment.



46K+ HOURS

volunteered by VF and brand employees in FY23.



1.5K

SUPPLIER FACTORY MANAGEMENT STAFF

completed VF's Child Rights Awareness and Child Labor Prevention training program.



10M+ PEOPLE

reached through The VF Foundation since 2002.



72%

of VF's global wool supply chain traced in FY23, from farm to finished product.



1M+

SOCKS COLLECTED

by the Smartwool® brand's Second Cut™ program.



\$10.2M+
CONTRIBUTED

in monetary and product donations by VF in FY23.



GOVERNANCE



VF Governance

Our strong governance structure positions us to effectively address the important social and environmental issues facing our business and society. Robust management systems, consistent reporting practices, leadership commitment at all levels and active engagement from our employees and key stakeholders are the hallmarks of our commitment to sound governance.

Company Leadership

Our Executive Leadership Team (ELT) is responsible for VF's environmental and social responsibility strategies and targets. VF's Vice President (VP) of Global Sustainability, Responsibility and Trade, and VP of Global Inclusion, Diversity, Equity & Action (IDEA) oversee day-to-day implementation and provide progress updates to the ELT at least four times per year. Progress on sustainability and responsibility initiatives is reported biannually to the Governance and Corporate Responsibility Committee of the Board of Directors. Progress on IDEA initiatives is reported annually to the full Board. All brand presidents report annually to VF's ELT on their individual brand's environmental and social responsibility progress.

For information about how VF develops its environmental and social responsibility policies, please see the Appendix, [Page 76](#). To access our policies governing these topics internally and externally, see our [Policies and Standards](#) webpage.

Board Oversight and Engagement

Among the Board's key responsibilities is overseeing VF's corporate strategy. The full Board engages with senior VF leaders on the company's strategy, including plans for our brands, the competitive environment, sustainability initiatives and human capital management, which includes matters related to inclusion, diversity and equity. Additionally, the Governance and Corporate Responsibility Committee of the Board oversees key strategies, programs, policies and risks related to the sustainability and social responsibility impacts of VF's businesses, including sustainability policies and initiatives to address climate change risks.

Policies and Standards

Good governance depends on clear policies and standards that provide informed guidance. That's why we often seek input from external stakeholders to help shape the development of our environmental and social responsibility policies and provide applicable training to VF's employees and business partners.



Ethics and Integrity

At VF, living with integrity is foundational to our success. Guided by our [Principles](#), we act with integrity, empathy and perseverance.

The intent of our [Ethics and Compliance](#) program is to enable and support all employees to understand and follow VF's expectations for ethical business conduct embodied in our Guiding Principles and [Code of Business Conduct](#).

Ethics Training and Engagement

VF's Ethics and Compliance team partners with VF leadership to demonstrate ethical leadership at every level while leveraging tools and communications to drive integrity throughout our organization. Our BEYOND Ethics and Compliance training program focuses on increasing employee engagement through learning opportunities that are relevant to their work, relatable to their experiences and include rewarding social elements.

The Ethics and Compliance team partners with other internal teams to develop employee survey

questions focused on Ethics & Compliance indicators and then leverages survey insights, including from VF's annual employee culture survey and more frequent pulse surveys, to identify issues and create solutions in real-time.

Stakeholder Engagement

We've established meaningful relationships with a wide range of stakeholders to help us determine the best approaches to make a positive impact across our business operations. In FY23, VF participated in over 100 stakeholder engagements across a spectrum of key topics, from women's rights to circularity.

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

Advancing Our Speak Up Culture

In FY23, we continued our *Speak Up Culture* campaign, which encourages employees to share ideas or concerns and to speak up without fear of judgment or retaliation.

The campaign included:

- Training 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 employees shared perceived barriers to speaking up and suggested changes that would help them feel more comfortable speaking up in the future.

For further details about our efforts to prioritize integrity, including information on our anti-corruption program and Ethics Helpline, please see the Appendix, [Pages 77 – 78](#).



Engaging on Environment — Through cross-industry and cross-sector engagement, VF teams helped pilot and advance regenerative agriculture practices in multiple countries. In FY23, we advocated with [Ceres](#) for climate-positive agriculture policies in the 2023 U.S. Farm Bill and developed sourcing guidelines for regenerative agriculture, which were leveraged by Textile Exchange in the development of its [Regenerative Agriculture Outcome Framework](#).

Engaging on Society — VF was a signatory to the Human Rights Campaign (HRC) initiative in FY23 to support the [Respect for Marriage Act](#), which aims to prevent discrimination, promote equality and preserve the rights of all Americans. We signed the [HRC's public letter](#), which was sent to the U.S. Senate in fall 2022. VF and several of our brands also shared support for the Act on social media.



Visit our [Stakeholder Engagement](#) webpage for a list and descriptions of the many stakeholders with which we collaborate.

Due Diligence

At VF, we strive to systematically identify, prioritize and mitigate potential negative environmental and social impacts throughout our global value chain. In alignment with the [OECD Due Diligence Guidance for Responsible Business Conduct and related international standards](#), VF teams across the globe continuously improve our internal processes and procedures to align with recognized best practices for corporate due diligence.

Many of our impacts occur in the supply chain. That's why supply chain traceability is a foundational element for an effective due diligence process. It provides us with the visibility needed to identify potential impacts outside of our own operations. For the past five years, VF has continuously expanded its supply chain traceability program, resulting in over 2,000 suppliers being identified from Tier 1 through Tier 5 across 100+ countries. Traceability data is leveraged by teams across VF and overlaid with topic-specific risk databases and heatmaps to conduct impact and risk assessments for various topics, including:

Human Rights — In FY20, VF conducted our first Human Rights Impact Assessment (HRIA), which sought to identify actual or potential human rights impacts that VF may cause, contribute to or be linked to through our direct operations, products,

services or business relationships. Since the initial assessment, we have conducted topic-specific HRIAs focused on raw material commodity sourcing (leather, wool, down, cotton and rubber), child rights and synthetic material sourcing (polyester and nylon). In FY23, VF initiated work on a new value chain-wide HRIA to reassess our top salient human rights risks, which we intend to complete in FY24. Learn more about the outcomes of these HRIAs in the [2020 VF Human Rights Report](#) and the [FY2022 VF Sustainability & Responsibility Report](#), Pages 37 – 38.

Environment — For the past decade, VF has continually expanded our processes for identifying potential and actual environmental impacts across our value chain. In FY23, VF conducted a supply chain-focused water risk assessment and enhanced our existing climate scenario analysis by conducting an assessment of potential climate-related impacts focused on our direct operations. We are also developing a comprehensive raw material risk mapping system by combining internal and external data sources. We're overlaying our internal traceability, commodity sourcing and compliance data with third-party biodiversity, deforestation, water scarcity, air quality and soil erosion datasets to identify local-level environmental impacts across our global value chain.

As we continue to enhance our impact assessment and identification processes, the learnings are leveraged by teams across VF to guide strategy development and program implementation. Learn more on [Page 41](#).






PROGRESS

VF is committed to advancing positive environmental and social change — throughout our company, industry and the world at large. We continue to strive for progress against the key goals and targets embedded in our strategies.

PEOPLE

🔍 SEE ALSO THE INCLUSION, DIVERSITY, EQUITY & ACTION (IDEA) SECTION, PAGE 22.

TOPIC	GOALS AND TARGETS	PROGRESS
 <p>Inclusion, Diversity, Equity & Action</p>	<p>Aspire to achieve gender parity within our director and above population by 2030 globally.</p>	<p>42.3% female leaders at the end of FY23.</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>19.0% BIPOC leaders at the end of FY23.</p>
 <p>Community</p>	<p>VF employees will contribute 1 million hours to local communities by FY26.</p>	<p>213K+ volunteer hours recorded since FY19.</p>
	<p>Improve the lives of 1 million workers and their communities by FY26 and 2 million people by FY31.</p>	<p>823K+ people reached through the VF Worker & Community Development program since 2017.</p>
 <p>Supplier Human Rights</p>	<p>In-scope supplier factories will implement gender-based violence prevention and reporting mechanisms by FY26.³</p>	<p>1,300+ factory workers reached through VF's gender-based violence and harassment training pilot in Bangladesh.</p> <p>🔍 SEE FY23 PROGRAM RESULTS ON PAGE 36.</p>
	<p>No worker in the VF supply chain pays for their job by FY27.⁴</p>	<p>9% increase in migrant factory workers in Taiwan reporting they no longer pay recruitment fees.</p> <p>🔍 SEE FY23 PROGRAM RESULTS ON PAGE 35.</p>




PEOPLE

SEE ALSO THE INCLUSION, DIVERSITY, EQUITY & ACTION (IDEA) SECTION, PAGE 22.



TOPIC	GOALS AND TARGETS	PROGRESS
 <p>Supplier Human Rights</p>	<p>Amplify the voices of in-scope supply chain workers through gender-proportional workplace committees by FY31.⁵</p> <hr/> <p>All in-scope supplier factories elevate and expand industry-leading health and safety programs by FY26.⁶</p>	<p>Female representation has increased to 44% in supplier factory workplace committees in VF sourcing countries participating in the Better Work partnership.</p> <p>SEE FY23 PROGRAM RESULTS ON PAGE 34.</p> <hr/> <p>35 out of 123 in-scope VF supplier factories covered by the Life & Building Safety initiative graduated from the program in FY23, an increase from one graduate in FY22.</p> <p>SEE FY23 PROGRAM RESULTS ON PAGE 39.</p>

PLANET

TOPIC	GOALS AND TARGETS	PROGRESS
 <p>Climate</p>	<p>Reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions 55% by 2030 (FY17 baseline year).</p> <hr/> <p>Reduce absolute Scope 3 GHG emissions from purchased goods and services and upstream transportation 30% by 2030 (FY17 baseline year).</p> <hr/> <p>Utilize 100% renewable energy across our owned-or-leased facilities by FY26.</p>	<p>As of FY22, VF has reduced its absolute Scope 1 and 2 GHG emissions by 42% from the FY17 baseline; achieving 76% of our 2030 science-based target.⁷</p> <p>SEE VF'S DATA DOWNLOAD FOR UPDATES</p> <hr/> <p>As of FY22, VF has made progress in increasing its use of reported sustainable materials. In the aggregate, no progress has been made against our 2030 Scope 3 science-based target.⁸</p> <p>SEE SCOPE 3 EMISSIONS ON PAGE 41.</p> <hr/> <p>In FY22, VF secured renewable energy credits and generated on-site renewable energy equivalent to 29% of our global electric usage, compared to 26% in FY17.</p>



PRODUCT

TOPIC	GOALS AND TARGETS	PROGRESS
 Materials	<p>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.</p> <hr/> <p>50% of polyester will originate from recycled materials by FY26.</p> <hr/> <p>Key packaging materials⁹ shall be reduced and originate from sustainable sources, and processes redesigned enabling packaging reuse or recyclability, by FY31.</p>	<p>88% grown in the U.S., Australia or under a third-party sustainability scheme in FY22, an improvement from 79% in FY21.</p> <hr/> <p>40% recycled polyester sourced in FY22, an improvement from 36% in FY21.</p> <hr/> <p>829K+ products shipped via e-commerce without plastic polybags in FY23.</p> <p>SEE FY23 PROGRAM RESULTS ON PAGE 52.</p>
 Chemistry	<p>Eliminate and/or restrict 100% of unwanted chemistries or chemical substances, using the innovative CHEM-IQSM program from VF's supply chain by FY26.¹⁰</p>	<p>57% of identified unwanted red-rated chemistries phased out in FY23.</p> <p>SEE FY23 PROGRAM RESULTS ON PAGE 56.</p>
 Traceability	<p>Trace five of VF's key materials¹¹ through all supply chain tiers by FY28.</p>	<p>In FY23, we expanded our traceability program to cover all five key materials.</p> <p>SEE RESULTS FOR ALL KEY MATERIALS ON PAGE 60.</p>

³ In-scope supplier factories are defined as Tier 1 VF authorized facilities.

⁴ VF aligns with the International Labor Organization Definition on Recruitment Fees and Related Costs.

⁵ In-scope supplier factories are defined as Tier 1 VF authorized facilities.

⁶ In-scope is defined as supplier factories covering Tier 1, Tier 2 and/or subcontractor VF authorized facilities depending upon sourcing country.

⁷ To provide stakeholders with complete and accurate data, VF is reporting FY22 Scope 1 and 2 GHG emissions that have obtained limited assurance verification from Apex Companies, LLC. Access VF's GHG emissions assurance statements from FY22 and previous reported years [here](#).

⁸ Due to data collection challenges from third-party sources outside of our direct control, VF does not currently obtain independent assurance for the Scope 3 emissions categories (purchased goods and services and upstream transportation) that make up our science-based target.

⁹ Key packaging materials (by volume) include shoe packaging, polybags, hangtags, retail store bags and shipping materials.

¹⁰ Click [here](#) for a complete list of in-scope classes of chemicals or substances for this goal.

¹¹ Key materials include cotton, leather, wool, natural rubber and synthetics (nylon and polyester).



- TALENT
- INCLUSION
- FOUNDATION
- HUMAN RIGHTS

PEOPLE

Our people are a dynamic force for good — in their jobs and in communities throughout the world. We empower our employees to grow without limitations.



Purpose-Driven People Bring Our Commitments to Life

VF employees are at the heart of everything we do. They form a global community of movement makers who constantly strive to do better and have a positive impact on society and our planet.

Our Employee Value Proposition, **Limit Less**, helps employees realize their full potential. With opportunities to work across our various brands, functions and geographies, a job at VF blurs the line between a career and a calling. Our people enjoy an array of possibilities to do what they love without the limitations they may encounter at other organizations.

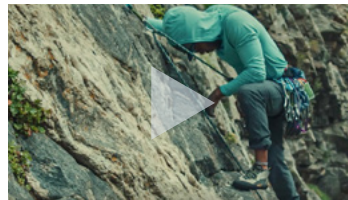
Attracting Driven People

VF seeks to hire the best possible people from a diverse array of backgrounds. We're always looking

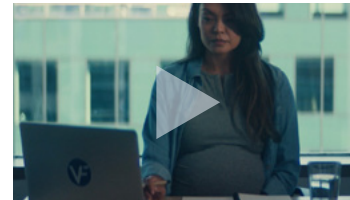
for opportunities to expand our reach and attract new talent.

In FY23, we featured some of our brands' sponsored athletes in a series of compelling *Limit Less* videos to help recruit top talent and underscore our Employee Value Proposition. These videos featured athletes who work with our Altra®, Smartwool®, The North Face®, Timberland® and Vans® brands and focused on how our brands are bringing the pillars of our Proposition to life.

LIMIT LESS VIDEOS



Firm Foothold



Performance Meets Purpose



That Feeling When



Developing Motivated Employees

Employee development is a key component of our Employee Value Proposition. We offer a wide range of opportunities for continued learning, growth and mobility across functions and all levels of seniority. Investing in the professional development of our employees is one of our strongest strategies for cultivating the long-term success of our business.

Online Learning — Our employees have access to more than 1,450 courses on topics ranging from communication skills and unconscious bias to advanced technology tips through our online Workday learning platform. We've also developed tailored Learning Journeys, which strategically combine multiple courses around priority topics or outcomes to help enrich the development experience. In FY23, VF office and retail employees across the global enterprise completed a total of 408K+ courses through Workday.



Internal Apprenticeships — Current VF retail employees can apply for a year-long internal apprenticeship within our corporate organization to develop their professional skills and expand their network through our Powering Potential Retail Apprenticeship program. Retail employees have direct, firsthand experience helping our consumers, and the Powering Potential program enables us to create a more diverse and consumer-focused internal talent pipeline. Since the program launched in FY22, 10 retail employees have advanced to full-time corporate positions. A new cohort is selected annually, with 12 retail employees participating in the FY23 apprenticeship. Hear from past apprentices about their experience [here](#).

Upskilling and Leadership Development — We invest in upskilling and leadership development programs to advance and retain top talent and prepare our workforce for the future demands of our business. In FY23, we launched a pilot program for 300 employees from VF's digital technology function to develop and tailor their skills through Udemy, an online learning platform. In addition, our ongoing *Aspire* and *Inspire* programs help to prepare more than 85 high-potential top performers for the next step as business leaders each year from across VF.



A commitment to continuous learning and improvement is central to VF's IDEA strategy. Learn more about IDEA-focused learning and development initiatives on [Page 26](#).



Investing in Well-Being

A career at VF offers employees competitive compensation, holistic well-being programs and access to supportive resources. Caring for our people is not only the right thing to do; it provides a competitive advantage in attracting and retaining top talent.

Our formal employee well-being program, **Live Limit Less**, is designed to promote VF's available wellness resources, empowering our people to be their best selves. Our expanded employee assistance program, *Live Well with VF*, establishes a consistent approach to well-being worldwide.

We also offer a comprehensive benefits program. In FY23, VF enhanced our U.S. health plans and implemented a Medical Travel Policy to cover travel and lodging benefits for all U.S. employees to obtain health services that aren't available in the areas where some VF employees reside.

Learn more about VF's full benefit program, *Live Limit Less* and *Live Well with VF*, in the [VF FY2022 Sustainability & Responsibility Report](#), Pages 20 – 22.

Supporting Mental Health and Financial Well-being

We seek to create a workplace culture where everyone feels safe and comfortable, with an emphasis on empathy and respect. As part of this commitment, we are working to eliminate the stigma around mental health and empower our employees to feel comfortable discussing the topic in the workplace.



Our program also recognizes regional and cultural nuances regarding mental health and financial well-being and can be tailored to each of our operating areas to provide our people with relevant care and support. We continue to prioritize diversity among our healthcare providers and offer care options that best meet employees' needs. For example, our provider, Lyra Health, offers culturally competent therapists in North America.

Some underrepresented groups, such as LGBTQ+ and BIPOC communities, may experience hurdles to caring for their mental health that are different than what our

collective employee population faces. To support these groups, VF offered webinars and discussions titled *Black Men and The Mental Health Journey* and *Coping with Anti-LGBTQ+ Legislation* in FY23. VF also partnered with Fidelity Investments in FY23 to offer financial webinars to employees including *LGBTQ+ Financial Stability*.

Studying Pay Equity in Our Workforce

We are firmly committed to pay equity and fostering an inclusive and diverse environment that provides attractive and accessible opportunities throughout our organization. We have designed compensation structures



intended to pay our employees competitively in the market and equitably based on their skills, qualifications, role and abilities. VF has a long-standing process in place to monitor and support the objective evaluation and approval of compensation decisions in the many geographies where we operate. Our incentive plans have emphasized objective, performance-based pay and team-based execution of our business goals across the company.

In recent years, we have expanded our efforts to include a pay equity analysis of our U.S. workforce that covers gender and race/ethnicity. As of FY23, in the U.S., accounting for job title, geography and full-or part-time status, we found, on average, no meaningful difference in base pay between employees based on gender or race/ethnicity at VF. In addition, we have performed the same analysis for our Europe, Middle East and Africa (EMEA) region that covers gender, and we achieved the same baseline result, which we will continue to monitor.¹²

Prioritizing Occupational Health and Safety

We're committed to the health and safety of our employees and the people who work in the factories that make our products. Our global Health & Safety team oversees company policies and procedures to protect our employees from harm and comply with local regulations in the countries and communities where we operate.

¹² The Supreme® brand was excluded from the reported analysis.

Fostering a Culture of Safety through Transparency — Every VF employee has a role to play in keeping our workplace safe. Our global safety culture empowers employees to identify issues, report safety risks and create safety solutions. VF employees are empowered to speak up whenever they have a concern, enabling us to monitor our health and safety performance in real-time and address potential risks quickly and efficiently.

Employees in more than 170 countries can report their health and safety concerns through the ProcessMap app, which generates real-time data and risk trends to inform future health and safety strategy, set training priorities and develop new tools. Leaders across the company also use ProcessMap data to help set strategic, data-informed risk mitigation targets.

To maintain the quality of our reporting, VF provides extensive and continuous education to help our people better understand, identify and avoid health and safety risks. This education starts with our global supply chain leaders, who are responsible for setting expectations down the line, creating space for these conversations and emphasizing how important it is that each person does their part.

Part of being transparent at VF means we do not tolerate retaliation against employees who raise a concern.

See [Page 67](#) in the Appendix of this report for detailed health and safety data.





Building Communities Inside and Out

VF brings people together. Through a mix of workplace initiatives and community outreach, we encourage our people to connect with one another, forge strong relationships and make a positive impact in their communities.

Return to Office — In FY23, many of our employees across the globe returned to offices for the first time since the start of the pandemic. To mark the occasion, our engagement teams created a series of unique events focused on building community internally, re-engaging our people and celebrating our time together.

- **APAC** — VF’s Singapore office brought together more than 350 employees decked out in wildly creative costumes for an evening of celebration.
- **EMEA** — At our Stabio, Switzerland office, VF welcomed teams back in FY23 with Hello Summer, a day to connect in a more casual environment through slackline workshops and tote bag decorating stations.
- **North America** — In California, the Vans® brand brought together more than 500 district managers and field leaders for the Vans Leadership Summit. Focusing on celebration, connection and strategic planning, the summit was a key moment for the brand to create excitement for new product lines, as well as recognize top performers.

DICKIES DAY ONE

In FY23, the Dickies® brand employees came together in Texas for “Dickies® Day One,” a brand activation to unveil a refreshed brand foundation and highlight the power of community as the driving force behind #DickiesNation. At an inaugural Makers Marketplace and consumer panel, participants highlighted how skateboarding plays an integral role in their communities.





Volunteering in the Community — VF has a long-standing history of employee volunteerism. We donate our time and talent to improve the communities where we live and work across a variety of programs and initiatives. Many of our brands' volunteer programs have been active for decades.

Through our global Volunteer Time Off (VTO) policy, employees receive a set amount of paid time off each year to give back to their local communities. Employees can participate in company-sponsored events, or volunteer with an organization or cause they are personally passionate about. Allyship and inclusion are a current focus of the program, and employees are encouraged to volunteer with programs that foster these values.



EXPLORING VOLUNTEERISM WITH PATTIE GONIA

*Influencer and activist Pattie Gonia hosted a live and virtually streamed program through a partnership with the VF IDEA team that focused on how Pattie Gonia developed their passion for civic engagement and connection. Pattie Gonia shared their own personal stories and hosted a question-and-answer session with community organizations **Youth Seen**, **Trust for Public Land** and **The Nature Conservancy** to talk about how volunteerism benefits nonprofit programming and support. The event reached 220 employees across 21 countries. Following the panel discussion, employees in the VF Denver office engaged in a service activity in the community.*



VF VOLUNTEERISM



46K+
HOURS

volunteered by VF and brand employees in FY23.



213K+
HOURS

volunteered by VF and brand employees globally since we began tracking VF-wide volunteer time in FY19.



INCLUSION



Bringing VF's IDEA to Life: Embodying Inclusion, Diversity, Equity & Action

At VF, we envision an organization where everyone can be themselves, feel like they belong and be part of our movement. To create an equitable future and catalyze social change, we must work from the inside out to relentlessly pursue our commitment to **inclusion**, **diversity** and **equity** through **action**. We've named this work IDEA to underscore that progress depends on what we do, not just on what we think, say or believe.

Through our IDEA strategy, we engage our employees through our culture, our **consumers** through brand activations and our **communities** by powering social movements where we live and work. We bring this strategy to life across our organization through our four Key Actions.

FOUR KEY ACTIONS: OUR IDEA STRATEGY AT WORK

These measures — put into practice through our programs and initiatives — push us toward progress.

1. Design and promote programs that encourage a culture of belonging, allyship and advocacy within VF.
2. Actively recruit, retain and advance the next generation of underrepresented leadership.
3. Leverage VF's global equity platform to inform our social advocacy efforts.
4. Build subject matter expertise and drive measurable organizational accountability.





Authentically Local, Dynamically Global

IDEA drives both business performance and just outcomes throughout our enterprise. With our footprint spanning more than 100 countries, we know our actions need to be as locally authentic as we are globally dynamic. That’s why, in FY22, we established the Global Inclusion, Diversity & Equity Council (GIDEC). This team of VF and brand executives works with our regional IDEA teams to form positive partnerships with stakeholders on the ground to support change in the making.

Our Council to Advance Racial Equity (CARE) supports our efforts to make an impact on systemic inequity by evolving how we do things based on a set of predominantly U.S.-focused goals. CARE guides our approach to racial equity and anti-racism and informs our global equity initiatives while driving progress against our IDEA-aligned CARE commitments.

CARE COMMITMENTS

BIPOC REPRESENTATION

VF aspires to achieve 25% BIPOC representation within its director and above population in the U.S. by 2030.

DIVERSE CANDIDATE SLATES

When seeking to hire or promote employees, our Talent Acquisition teams source slates containing diverse candidates (defined as women, BIPOC, veterans and individuals with disabilities).

PAY EQUITY

Through a pay equity analysis, VF will assess and resolve any identified pay gaps for BIPOC and women-identifying employees.

LEADERSHIP ACCOUNTABILITY

All people managers will set at least one yearly IDEA-related goal as part of their annual goal setting.

SUPPLIER DIVERSITY

VF will establish a supplier diversity program to double its spend with certified minority- and women-owned businesses by 2025.

MENTORSHIP AND SPONSORSHIP

All VF vice presidents and above will commit three hours per quarter to mentoring employees, including BIPOC employees, within VF and/or individuals outside the company through community engagement.

EDUCATION, LISTENING AND LEARNING

All VF employees will participate in a foundational inclusion and diversity learning journey to create a shared vocabulary and commitment to establishing a culture of belonging, allyship and advocacy.

COMMITTED GRANTMAKING

The VF Foundation has indicated that it is helping to initiate equitable change by centering IDEA principles in its philanthropic work.

PROGRESS

19.0% of U.S. BIPOC leaders at the end of FY23.

We have instituted processes and reporting capabilities to support consistent utilization of diverse candidate slates.

See [Page 18](#) for details on VF’s approach to pay equity and the analysis results for our U.S. and EMEA operations.

IDEA goals to promote a culture of belonging were rolled out to all people leaders.

In FY23, the percent of VF’s addressable spend with certified minority- and women-owned businesses was 1.4%, up from 0.7% in our FY22 baseline.

New global mentorship program launched in FY23 to all office-based VF employees to encourage engagement across levels.

3,000+ employees completed VF’s Inclusion and Diversity 101 course as of FY23. Learn more on [Page 27](#).

67% of The VF Foundation’s grant funding in FY23 was allocated to work advancing racial equity, far surpassing its goal of 10%.

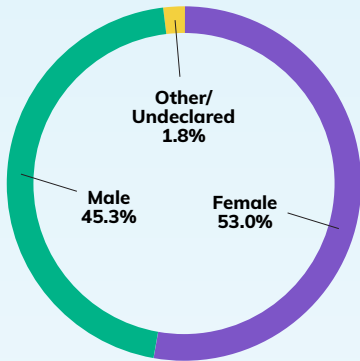


OUR WORKFORCE AT A GLANCE*

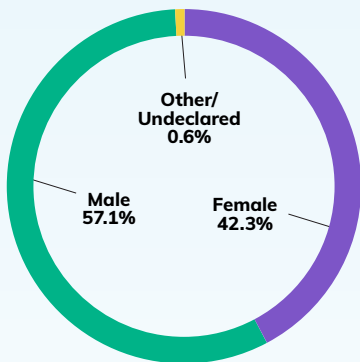
For in-depth demographic information on our workforce and Board of Directors, please see the report Appendix, Pages XX and XX, respectively. For our U.S. Equal Employment Opportunity Commission EEO-1 data, please visit our [website](#).

GENDER PARITY (GLOBAL)

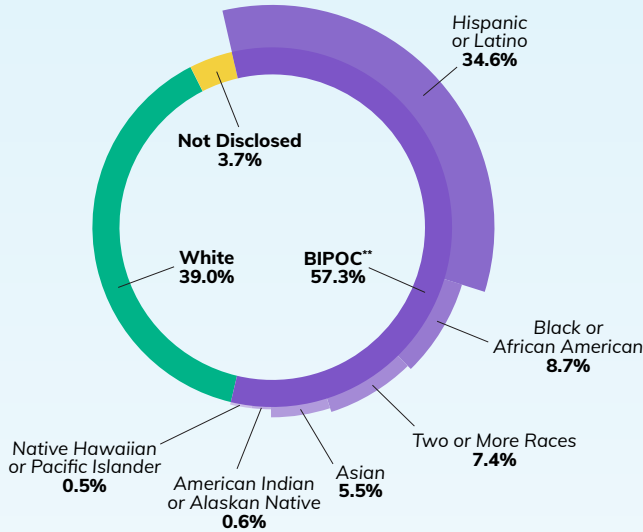
BY GENDER



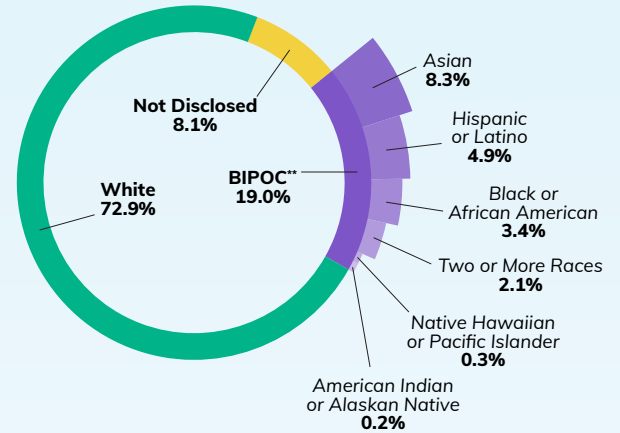
BY GENDER, DIRECTOR LEVEL AND ABOVE



VF EMPLOYEES BY RACE/ETHNICITY (U.S. ONLY)



VF EMPLOYEES BY RACE/ETHNICITY, DIRECTOR LEVEL AND ABOVE (U.S. ONLY)



42.3%

WOMEN LEADERS

Director level and above in FY23 (GLOBAL)

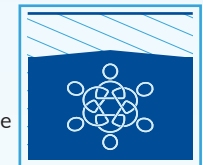


50%
BY 2030

19.0%

BIPOC LEADERS**

Director level and above in FY23 (U.S. ONLY)



25%
BY 2030

* All instances where the figures provided do not add up to 100% are due to rounding.

** Black, Indigenous and People of Color.



Employees and Culture

We continually foster an organizational culture that celebrates the diversity of our employees and advances belonging based on respect, connection and authenticity. We're fully committed to our key IDEA action of designing and promoting programs that encourage belonging, allyship and advocacy within VF.

Our culture thrives because employees are passionate about building community through Employee Resource Groups (ERGs), engaging and learning with each other and creating new pathways for recruitment and development within our business.

Putting People at the Center: Employee Resource Groups

We believe that all VF employees can make a difference in our business and in the lives of their colleagues. By building people-focused programs, we're instilling a culture that puts employees at the center of everything we do. VF's four ERGs — WOVEN, ACE Diversity, VF Pride and Veteran Forces — have expanded to 23 chapters globally.



WOVEN

WOMEN OF VF EMPOWERMENT NETWORK

By promoting women's leadership and attracting and retaining the most talented women in our industry, **WOVEN** provides valuable mentorship opportunities and an environment for open dialogue across our 13 chapters in three regions.

FY23 HIGHLIGHT

To celebrate International Women's Day, the EMEA **WOVEN** chapter invited a mental health specialist to lead a discussion on menopause and how to be an ally in the workplace. **WOVEN's** APAC chapter hosted a fireside chat with men from different seniority levels at VF to discuss what being an ally to women in the workplace means; 300+ employees attended the chat.

ACE DIVERSITY

attract. connect. engage.

Through its focus on creating an inclusive culture across five chapters in North America, the **ACE Diversity** ERG aims to build leadership capabilities and foster a sense of community and belonging for BIPOC employees and their allies across five chapters in North America and EMEA.

FY23 HIGHLIGHT

For the second year, the Denver **ACE Diversity** chapter hosted the Outdoor Liberation Series featuring panelists from a variety of professional backgrounds sharing how their personal identities and cultures have shaped their relationships with the outdoors. With sessions moderated by José González, founder of **Latino Outdoors**, this series encompassed themes of healing, liberation, reconnection, intersectionality and joy.

VF pride

Fostering an inclusive environment for LGBTQ+ employees and allies to support and enhance authenticity and individuality, the **Pride** ERG spans five chapters in three regions and aims to connect, engage and empower employees across the company.

FY23 HIGHLIGHT

In collaboration with the **Altra**® brand, the EMEA regional chapter hosted a Pride race for VF employees in Switzerland. VF's APAC region launched its first VF **Pride & Allies** ERG chapter, with a focus on promoting psychological safety and well-being in the community.

VETERAN FORCES

Aims to create a welcoming environment at VF with professional development opportunities for U.S. veterans and their families, while transitioning into the civilian workforce.

FY23 HIGHLIGHT

The **Veteran Forces** ERG jumped into action by collecting care packages at VF facilities for active military and the families of fallen soldiers. During Black History Month, the ERG partnered with the Denver-based **ACE Diversity** ERG chapter to educate employees on the contributions of the Buffalo Soldiers to the U.S. military from the Revolutionary War to present day.



Working Together to Recognize Each Other

In FY23, we continued to activate on our strategic approach for commemorating observances that recognize the diverse people, perspectives and backgrounds comprising our global workforce. Our VF ERG chapters, the VF IDEA team and external partners now collaborate to create events around the world that generate meaning and impact for our employees. During the Women’s and Black History Months in FY23, the IDEA team hosted Our Career Stories events for employees from different backgrounds, identities and career paths to share with others how they’ve found success at VF.

Recruiting and Advancing Diverse Employees

We have multiple programs in place to deliver on our IDEA key action of actively recruiting, retaining and advancing underrepresented populations, including within our next generation of leaders.

PEOPLE LEADERSHIP EXPECTATIONS — Launched in FY22, this set of guidelines bolsters the role people leaders play in our organization through transparency, accountability and consistency, and reinforces our commitment to the continued growth and successes of our employees. Read the full text of VF’s People Leadership Expectations in the [FY2022 IDEA Annual Profile](#), Page 26.

PENSOLE LEWIS DIVERCITY X DESIGN — To advance diverse talent in the footwear and apparel industry, VF created a year-long design apprenticeship program in partnership with the Pensle Lewis College of Business & Design. DiverCity x Design apprentices gained valuable industry experience and the opportunity to see their designs come to life through VF brand products as they rotated through work with four VF brands. In FY23, four of the talented apprentices accepted full-time design roles at VF brands, and work is underway on finding the FY24 cohort. Hear from the apprentices about their experience in the program on [vfc.com](#).

FOX/VF DIVERSITY FELLOWSHIP — Fellows in the [Fox/VF Diversity Law Fellowship Program](#) accelerate their understanding of client partnership and in-house legal practices through an immersive summer employee experience. The program, developed in partnership with law firm Fox Rothschild LLP, continued into its second year with two new law student fellows in 2023.

TRANSITIONAL WORK GROUP (TWG) — Launched in 2020 at VF’s Jonestown distribution center, the TWG is a disability employment program that partners with local organizations to identify candidates with disabilities for a specialized training and mentorship career program. As of FY23, the program has expanded to include 20 participants with an 85% retention rate.

POWERING POTENTIAL — This unique internal apprentice program facilitates career growth opportunities in corporate positions for all employees, including retail BIPOC talent (see [Page 17](#)).



Embracing Belonging, Acceptance and Inclusion

Active listening, a commitment to understanding and shared vocabulary are critical to building, maintaining and advancing a culture based on our IDEA principles.

In FY23, we debuted our online education platform, **IDEA Learning Journey**. Through this dynamic tool, we implemented an internal communications campaign that extolled the importance of creating a culture of belonging, acceptance and inclusion. Consisting of five learning modules, this journey focuses on foundational diversity and inclusion elements, unconscious bias, growth mindset, empathy and allyship.

We also offered several opportunities in FY23 for employees to reflect on and process current events. For example, in the U.S., we held a series of listening sessions for employees following the Supreme Court decision to limit a woman's right to make healthcare decisions. In EMEA, we organized intimate mentoring circles for employees to discuss topics such as generational differences in workplace culture and authentic allyship.



Celebrating with Pride

In celebration of Pride Month and throughout the rest of the year, our brands teamed up with organizations focused on fostering inclusivity and creating meaningful change for the LGBTQ+ community:

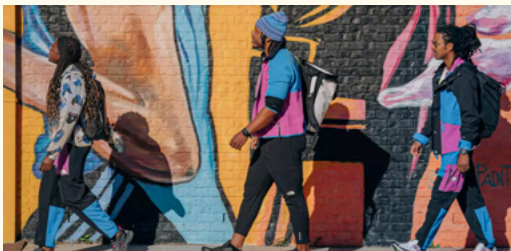
- Through **The North Face® Explore Fund**, organizations — including *OutdoorLads, Arcigay, Gay Outdoor Club, Le Gloss, Queer Nature, Brave Trails and YouthSeen* — received grants to support their work in creating access and driving equity for the LGBTQ+ community in the outdoors.
- The **Vans®** brand unveiled its *Off The Wall Pride Gallery Collection* and donated \$200,000 from the *Checkerboard Fund* at *Tides Foundation* to three organizations advocating for and providing the space, access and community needed to uplift the voices of the LGBTQ+ community.
- The **Smartwool®** brand has supported the LGBTQ+ community in Denver for several years, and in FY23, **Smartwool®** was the presenting sponsor of the *Denver PRIDE 5K*.



Consumers and Brands

All around the world, VF brands are making a profound impact on the lives of consumers by teaming up with organizations and collaborators to promote inclusivity and authenticity through product design and brand activations.

Finding Black Joy Outside — The North Face® brand launched its FY23 **Black History Month Collection**, featuring prominent athletes Marie-Louise Lusamba Nkashama, Manoah Ainnu and Fred Campbell, who are making way for the next generation of Black explorers to find their Black joy outside. The North Face® team drew inspiration from the color palette of nonprofit rock-climbing gym and community center, Memphis Rox, which facilitates programs that foster relationships across cultural, racial, ethnic and socioeconomic backgrounds.



Championing Inclusive Sizing — When setting out to create their first plus-size base layers apparel line, the Smartwool® brand worked closely with **Fat Girls Hiking**, an inclusive hiking group that invites people from marginalized groups to enjoy the outdoors on their own terms. Through this engagement, the Smartwool® team designed the new product line with an inclusive approach that was informed by insights from the community.



Inspiring the Next Generation of Skateboarders — In FY23, the Vans® brand announced their latest collection with influential skater Lizzie Armanto, a trailblazer who is breaking down the barriers of what's possible in skateboarding. Vans®' first signature skateboarding shoe designed by a woman in 20 years, The Lizzie, is designed with sustainability and inclusivity in mind.





Society and Movements

Through our IDEA strategy and global equity platform, we are driving positive social impact by promoting inclusivity and equity across gender identities, abilities, ethnicity, lifestyles and socioeconomic situations in the communities where we live and serve.

Supporting Black Professionals — With the aim of providing mentoring and professional support, the VF EMEA team partnered with the **BYP Network**, a platform that empowers and connects young Black professionals to each other and corporations. Fifteen mentees were matched with VF employees for six months to gain industry insights, receive career advice and foster new relationships.

Accelerating Emerging Athletes' Path Toward Sponsorship — The North Face® brand expanded its world-renowned athlete team with the launch of its new Athlete Development Program. This initiative aims to eliminate barriers that can prevent underrepresented outdoor athletes from achieving the next level in sports. The inaugural class of the Athlete Development Program consists of 17 trailblazing athletes representing multiple sports, including rock climbing, skiing, trail running, snowboarding and more. As part of the program, each of the athletes received a two-year contract, financial support and the tools and education needed

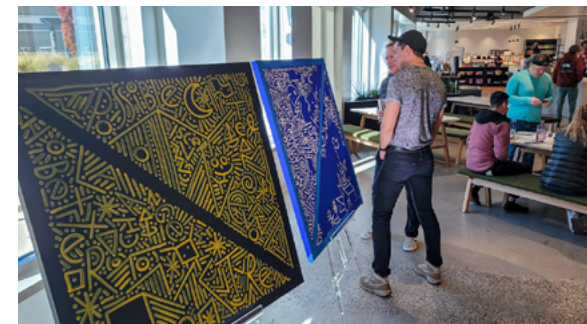
to accelerate their progress. Meet the Athlete Development Program athletes [here](#).

Honored for IDEA Leadership in the Community — The Smartwool® brand has worked with **The Center on Colfax**, the largest LGBTQ+ community center in the Rocky Mountain region, to support the LGBTQ+ community in Denver for several years. In FY23, The Center honored Smartwool® with the IDEA Leadership in Business Award for its ongoing engagement and support of the LGBTQ+ community.

Changing the Conversation Around a Runner's Body — For International Women's Day in 2022, the Altra® brand launched its **#ThisIsARunnersBody** campaign with renowned athlete, **Kara Goucher**, encouraging women runners to embrace and love their bodies and abilities. In 2023, the campaign featured **empowering stories** from the running community, including celebrating Altra® Run Crew ambassador, **Tanisha Crichlow**, on her quest to finish the six World Marathons Majors as an underrepresented and previously overweight female runner.

Cultivating a New Generation of Designers — The Timberland® brand is nurturing the next generation of creatives through a series of youth design workshops in partnership with **CNSTNT:DVLPMNT**. Founded by Timberland® senior footwear designer, Chris Dixon,

CNSTNT:DVLPMNT cultivates untapped talent and expands the creative community, particularly by engaging young creatives of color. Launched in FY23 in New York, the series of five design workshops provided 25 students the opportunity to explore design as a potential career and learn the fundamentals of footwear design, sketching and exploring creative concepts and color from design professionals at Timberland®.



Charlo x VF Art Collaboration — VF teamed up with Denver-based artist Charlo Garcia Walterbach to bring to life what employees love most about our culture, working at VF and the outdoors.



"The CNSTNT:DVLPMNT and Timberland® program made me feel creative and inspired and encouraged me to keep designing shoes." See student designs come to life and inspire [here](#).

For more information about how VF brands are taking action on priority IDEA commitments and initiatives, see [Page 21](#) (volunteerism), [35](#) (S.A.F.E. Together program), [38](#) (GEAR Program), and [30](#) (VF Foundation).



VF Foundation

The VF Foundation, a private foundation funded solely by VF, serves communities through impact investment, advocacy, volunteering, philanthropic grants and key partnerships. As of FY22, The VF Foundation has granted nearly \$70 million in the communities where VF operates since its inception in 2002, reaching over 10 million people across 93 countries.

Support focuses on four key areas:

- Protecting our planet and making the outdoors accessible and welcoming to everyone.
- Supporting workforce development in the outdoor, fashion and apparel, and skilled trades industries.
- Encouraging creativity and self-expression.
- Disaster relief and recovery.

VF FOUNDATION FAST FACTS



\$8.2M+
granted to 77 community partners in FY22.



~\$70M
invested in communities where VF operates globally since inception.



10M+
people reached in 93 countries since 2002.



67%
of U.S. grant funding in FY22 to advance racial equity.



The VF Foundation works alongside community partners to create opportunities for innovation, mentorship and growth to support emerging talent and build a more equitable talent pipeline. One of its aims is to welcome diverse perspectives across the fashion, apparel, outdoor and skilled trades industries. Recent partnerships include:

Creatives Want Change — Creatives Want Change (CWC) is an organization dedicated to the cultivation of Black creative talent, beginning at the high school level and continuing into early professional development. The VF Foundation worked with CWC to sponsor a cohort of 25 high school students attending pre-college summer programs in the fashion and retail industries.

Fashion Scholarship Fund — To advance equity and inclusion for entry-level talent in the industry, The VF Foundation partnered with the Fashion Scholarship Fund to connect 128 recent college graduates from diverse backgrounds with professional mentors to build their networks and foster long-term career success in apparel, fashion and retail.

RAISEfashion — With support from The VF Foundation, RAISEfashion's Designer Fund disburses grants to Black-owned emerging fashion brands. These brands benefit from volunteer mentors, and the funds help offset production costs, scale business growth and expand access to capital to offer Black designers the greatest chance for industry success.

More information on The VF Foundation's community partners and specific initiatives can be found in the [FY22 VF Foundation Impact Report](#).





HUMAN RIGHTS



Honoring and Upholding Human Rights

The scale of our business operations and supply chain places VF in an advantageous position for helping people lead better lives. Nearly 1 million people in more than 40 countries contributed to the manufacturing of our products in FY23. Consequently, we proactively work with our third-party suppliers to monitor working conditions and implement programs that elevate the fundamental human rights of workers in our supply chain.

VF's **Human Rights Commitment** guides our progress on the strategic pillars of our Responsible Sourcing strategy: **worker rights, worker and community development, and supplier health and safety**. Our vision is to foster inclusive and sustained economic growth and development that offers decent work opportunities to workers throughout our supply chain. For more information on how we govern human rights, please see the Appendix, [Page 76](#).

Salient Issues

We identify and address the most salient human rights issues related to our business through our robust Human Rights Impact Assessments (HRIAs). With guidance from external human rights experts and feedback from rights holders, our HRIAs evaluate potential impacts based on their scale, scope and remediability

opportunities to make meaningful improvements. In turn, we prioritize risks related to forced labor, freedom of association, women's rights, child rights, health and safety, and fair wages.

In FY23, VF began a new enterprise-wide HRIA with plans to finalize and share the results in FY24. Learn more about our human rights due diligence approach on [Page 11](#) and our human rights commitments [here](#).

Auditing Suppliers, Building Capacity

The VF Factory Compliance program manages labor conditions in our global supply chain and builds relationships with our key sourcing partners. Our Factory Compliance and Sustainable Operations teams work closely with Tier 1¹³ and nominated Tier 2¹⁴ supplier factories to verify that their practices

¹³ Tier 1 is defined as: Final product manufacturing and assembly facilities, as well as value-added operations subcontracted by Tier 1 vendors.

¹⁴ Tier 2 is defined as: Facilities that supply our Tier 1 factories with textiles, leather, down, wool, polymers, trims, packaging and hardware materials.



stakeholders to enhance and maintain effective systems for managing human rights risks.

Factory Compliance team members are trained on VF's identified salient human rights issues including gender-based violence, harassment and freedom of association. Through the International Labour Organization's (ILO) Better Work Academy, members of the Factory Compliance team gain proficiency regarding industrial relations topics including the role of bipartite committees, conflict resolution and grievance mechanisms in the workplace. This worker rights education empowers VF employees to help factory workers and managers collaborate and implement improvements together.

VF implements a comprehensive audit program to evaluate factory working conditions, which plays a critical role in mitigating risks and addressing potential and actual human rights concerns. To help suppliers avoid audit fatigue and improve supply chain management across the industry, VF engages in cross-sector initiatives such as the ILO Better Work Academy. In select sourcing countries, VF accepts independent assessments from programs including the ILO and the Social & Labor Convergence Program, while maintaining our own strong policies and procedures.

More information on VF's approach to factory compliance oversight can be found on [Page 39](#) and supply chain audit results can be found in the Appendix, [Page 68](#).



align with our [Global Compliance Principles](#). These teams also build supplier capacity through targeted trainings and one-on-one assistance. For further details on VF's supply chain audit process, see the [VF Factory Compliance Audit Procedure](#).



As the first line of contact with supplier factory management, the Factory Compliance team plays an integral role in executing VF's human rights programs and strategies across the supply chain. The team actively collaborates with suppliers and internal business



Respecting Worker Rights

All workers across our supply chain are entitled to dignified treatment and equal opportunities for dialogue and advancement. VF's Worker Rights team helps facilitate these dialogues and develops programs to advance worker rights across our global network of third-party suppliers.

Our **Worker Rights Social Impact Model** establishes a unique approach to achieving positive impact for each worker rights-related salient issue. These standards go beyond foundational human rights compliance and require each program to incorporate stakeholder engagement, remote impact assessments and tailored training using digital tools and innovative solutions. All programs outlined below adhere to and are assessed by this model. This assessment approach allows us to evaluate both quantitative data points, such as the number of workers trained, as well as qualitative factors. These include, but are not limited to, whether workers understand their fundamental rights, if they have the ability to act on their rights and whether VF's programs have had a positive, long-term impact on their lives.

Freedom of Association — We support the right for workers to freely choose representation in the workplace and exercise that right without employer retaliation. If local laws and customs do not fully support these rights, VF engages with key stakeholders to remediate any practices standing in the way of upholding the rights of workers. Education on workplace dialogue is embedded in all VF worker rights programming. Since FY21, we've raised awareness among more than 25,000



FY23 UPDATE



Supplier Human Rights

GOAL

Amplify the voices of in-scope supply chain workers through gender-proportional workplace committees by FY31.

PROGRESS

- 44% female representatives on supplier factory workplace committees achieved in seven VF sourcing countries with the ILO's Better Work program.
- 5,700+ supplier factory workers and managers in Bangladesh trained on the fundamental elements of workplace dialogue, including workplace policies and worker representation.



supplier factory workers and management staff through workplace dialogue education, and in FY23, we launched a social dialogue-focused training program for Bangladesh factory workers.

Responsible Recruitment — VF stands against all forms of modern slavery. We actively collaborate with other businesses and organizations to eradicate forced labor from global supply chains, and our contracts with supplier factories explicitly prohibit them from using any form of forced labor or human trafficking.

In FY23, VF expanded the **Your Voice Matters** (YVM) program, which aims to improve employment practices and workplace dialogue for migrant workers in Tier 1 and Tier 2 supplier factories. In FY23, the program was expanded to 20 factories in Jordan, Taiwan and Thailand; reaching over 10,000 factory workers and members of factory management.

Gender-Based Violence and Harassment (GBVH) — In line with our **Commitment to Eradicate Gender-Based Violence and Harassment**, we empower workers to enjoy safe work environments that are free from GBVH.

In FY23, VF launched the Stop Abuse and Harassment, Foster Equality (S.A.F.E.) Together program in partnership with Change Associates and Quizrr in Bangladesh. The program reached more than 1,300 factory workers and management staff by the end of FY23, providing training on preventing GBVH in the workplace.

FY23 UPDATE



Supplier Human Rights

GOAL

No worker in the VF supply chain pays for their job by FY27.

PROGRESS, TAIWAN FACTORIES¹⁵

- 11% increase in migrant workers reporting they no longer take loans to pay for recruitment.
- 9% increase in migrant workers reporting they no longer pay recruitment fees.
- 10% increase in migrant workers reporting satisfaction with their recruitment process.

¹⁵ Comparable baseline and endline data is only available from participating Taiwan facilities at this time due to changes in the YVM program methodology.



FY23 UPDATE



Supplier Human Rights

GOAL

In-scope supplier factories will implement gender-based violence prevention and reporting mechanisms by FY26.

PROGRESS, BANGLADESH FACTORIES

- 5% improvement in participants' comprehension of GBVH-related workplace protections and policies over baseline results.
- 89% of factory participants acknowledge that women and men should be treated equally.

The program includes in-person training sessions to build the capabilities of workers who, as ambassadors, will support their co-workers in better understanding their rights to help combat sexual harassment. The program has continued into FY24, and results from the initial training sessions in FY23 are shown above.

Child Rights — We strive to foster healthy childhoods and reject all forms of child exploitation and labor in global supply chains. In FY22, we published our **Child Rights Commitment** and signed the ILO Child Rights Pledge to drive positive change for children around the world.

In FY23, we worked with the **Centre for Child Rights and Business** to develop and launch a Child Rights Awareness and Child Labor Prevention training program, now mandatory for all Tier 1 and select Tier 2 VF supplier factories in support of our **Child Rights Action Pledge**.

The program builds upon VF's existing robust child labor remediation program to focus on prevention. More than 1,500 supplier factory managers completed the Child Labor Prevention training in FY23, with more scheduled

for completion in FY24. Learn more about how VF promotes child rights across the value chain on [Page 37](#).

Fair Wages — All workers in our global supply chain deserve fair compensation for their work. Our **Global Compliance Principles** require supplier factories to comply with legally mandated minimum wage standards or the prevailing industry wage, whichever is higher.

In FY23, we continued our engagement with the **Fair Wage Network (FWN)**, which developed one of the most rigorous standards and methodologies available for assessing fair wage mechanisms. In FY23, 11 VF supplier factories underwent fair wage assessments using the FWN's 12-dimension methodology to understand the complexity of fair wage principles, including payment systems, social dialogue, wage costs, skills levels and more. Factory management and VF receive a detailed report following each FWN assessment, which outlines the factory's performance on each dimension and provides detailed recommendations



for improvement. VF plans to expand FWN assessments to additional supplier factories in FY24.

VF continues to engage with the **Better Buying Institute** to assess purchasing practices and enhance dialogue with strategic suppliers and VF sourcing teams.



Worker & Community Development

We use our scale, influence and insight to improve the lives of workers within our supply chain and positively transform surrounding communities. Through our Worker & Community Development (WCD) program, we partner with expert organizations to create shared value for workers and communities in our supply chain.

Comprehensive needs assessments conducted through the WCD program inform our focus areas, strategy and programming to achieve our goals. Directly engaging with workers and community stakeholders through these assessments helps us identify and deliver meaningful improvement projects. Results of the most recent assessment, conducted in FY22, reaffirmed the 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.

WATER IS A HUMAN RIGHT

Everyone deserves easy access to safe drinking water. Learn more about our WCD team's work in Bangladesh to improve water and sanitation systems on [Page 48](#).

¹⁶ 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

823K+ people reached

26 projects implemented

11 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 PILLAR¹⁶ 2017 – FY23



291K+



290K+



241K+



Improving Health Outcomes: Invest for Wellness —

In FY21, the WCD program partnered with Catalyst Management Services (CMS) to take Swasti, The Health Catalyst's flagship Invest for Wellness (i4We) program, to three supplier factories in India. As of FY23, the i4We program has screened over 3,000 workers for anemia, hypertension and diabetes and trained more than 100 workers on important health topics, including primary healthcare, reproductive health and emotional well-being. The program also includes support to create safe workspaces for women, training to create positive workplace relationships within factories and training on financial literacy and establishing social-protection help desks to reduce economic vulnerabilities among workers. Swasti's i4We program aims to increase productivity and improve worker well-being through preventative health education, health screenings and treatments for common health conditions and capacity strengthening.



Advancing Workplace Equality: Gender Equality and Returns —

In FY23, VF continued our partnership with the International Finance Corporation (IFC) and the International Labour Organization (ILO) to implement the Gender Equality and Returns (GEAR) program across VF supplier factories in Bangladesh. Delivered by the IFC and ILO under the Better Work partnership, the program addresses gender imbalances in leadership roles through training and helps advance women's earning potential, while enhancing operational productivity. In FY24, the GEAR program will expand to include advanced career progression training that equips trainees for management-level positions.

- 6 VF supplier factories reached.
- 50+ female workers trained.
- 60% of graduates were promoted as of February 2023.

Boosting Safe Commuting: Prevention and Participation —

In FY23, VF was awarded the prestigious Prince Michael International Road Safety Award for the Prevention and Participation (P&P) program. Launched in partnership with the AIP Foundation in FY21, the P&P program promotes safe commuting for workers at 13 of VF's supplier factories in Cambodia. Benefits of the program include road safety management and accountability measures, increased availability of safer vehicles and modes of transportation, improved infrastructure, education for safe driving and improved post-accident care. FY23 results from 13 supplier factories indicated an 87% decline in recorded serious injuries and a 50% decline in recorded worker deaths when compared to FY22 recorded factory health and safety rates.





Worker Health and Safety Across Our Supply Chain

We hold ourselves to high standards for worker health and safety throughout our value chain. We work across the industry and with government agencies, NGOs and other key stakeholders to help shape industry standards for worker health and safety.

Shaping Standards in the Industry and Beyond — The LABS initiative supports suppliers in identifying and remediating the most pressing risks related to fire, electrical and structural building safety and evacuation in factories. After VF's first supplier factory graduated from LABS in FY22, an additional 35 factories graduated in FY23, and many more are close to completion. Graduation from LABS represents a significant milestone for supplier health and safety. It 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, 5) host site visits with LABS' factory coordinators to verify remediation of all identified factory issues and 6) demonstrate capacities to maintain structural, fire and electrical safety, such as through a safety management system.

As a co-founder of the LABS initiative, VF continues to support its growth across the globe. In FY23, LABS expanded its footprint into Cambodia and initiated a FY24 launch in Indonesia in addition to its existing presence in Vietnam and India.

Nirapon and BRAC — In Bangladesh, we continued our collaboration with **Nirapon** and their partner organization, **BRAC**, to support better health and safety conditions. In FY23, the number of factories enrolled in BRAC trainings increased from 36 to 44 (out of 45 eligible VF supplier factories in Bangladesh), covering nearly 139,000 workers. In addition, 82% of VF supplier factories in Bangladesh remediated 100% of identified health and safety findings from their initial CAP. Through the Nirapon program, these factories are developing and implementing Safety Management Systems (SMS). An SMS allows factories to collect data on their safety efforts, manage helpline calls appropriately, keep workers educated on safety in the workplace and generate reports on key aspects of their safety policies. Nirapon reviews these reports and provides feedback to the factories every 90 days. On-site safety support visits conducted every 18 months also provide quality assurance.

FY23 UPDATE

GOAL

All in-scope supplier factories elevate and expand industry-leading health and safety programs by FY26.



Supplier
Human Rights

FY23 PROGRESS

- **88% and 89%** of Tier 1 and licensee supplier factories, respectively, completed VF's Critical Life Safety (CLS) assessments.
- **92%** of CLS-assessed supplier factories remediated all moderate and high-rated findings.
- **42 additional** VF supplier factories were onboarded to the Life and Building Safety (LABS) initiative (see above), bringing the total to 123 since 2019.
- **36** VF supplier factories have graduated from the LABS initiative as of the end of FY23. This represents a 29% graduation rate of VF supplier factories onboarded since its launch.

Going forward, we will continue to support supplier factories in adopting leading health and safety best practices, evolving our programs to continuously reduce risk and support safe work environments.



- CLIMATE
- ENERGY
- WASTE
- WATER
- MATERIALS

PLANET

Mitigating climate risks and inspiring others to do the same.
We're driving action to help safeguard our planet and its people.



CLIMATE



Engaging on Climate Change

VF is driving collaborative action to help combat climate change, one of the most significant issues facing humanity. To avoid the most severe impacts of climate change to our planet, we recognize that the global community must act swiftly to limit global warming to 1.5 degrees Celsius.

Our enterprise-wide environmental sustainability strategy prioritizes our **sustainable materials vision**, advancing **circularity** and **sustainable packaging** with the aim to drive scalable change in reducing our carbon footprint. Through VF's advocacy and call for industry collaborations, we are committed to driving long-term progress at a critical point in our planet's history.

Science-Based Targets

In FY20, VF set greenhouse gas (GHG) reduction targets, approved by the Science-Based Targets initiative, **to reduce our absolute Scope 1 and 2 GHG emissions 55% and absolute Scope 3 GHG emissions from purchased goods and services (PG&S) and upstream transportation 30% by 2030** (from a FY17 baseline).

In FY22, VF's Scope 1 and 2 GHG emissions were 45,901 MT CO₂e,¹⁷ resulting in an achievement of 76% of our CY30 Scope 1 and 2 science-based targets (SBTs). During the same period, VF's Scope 3 GHG emissions

from PG&S and upstream transportation increased by 19% over our FY17 baseline, reducing progress on our Scope 3 SBT to zero. Primarily driven by growth in the number of units produced in FY22 compared to FY21, this increase in Scope 3 emissions is also partially attributed to VF's increased reliance upon aircraft- and truck-based transportation in FY22 due to pandemic-related supply chain disruptions. Despite this rise in Scope 3 emissions, VF increased its use of reported sustainable materials (e.g., recycled polyester and organic cotton), which resulted in emissions from raw materials increasing at a lower rate from FY21 to FY22, compared to the growth in units produced.

VF remains committed to our Purpose and the achievement of our SBTs. We also recognize that the achievement of these targets is not only dependent upon our own actions, but also those of our industry peers, regulators and stakeholders as further technological innovations, collaboration on methodologies and policy reforms are key to not

¹⁷ VF's FY22 Scope 1 and 2 GHG emissions have received independent limited assurance verification from Apex Companies, LLC. Access VF's GHG emissions assurance statements for FY22 and previous reported years [here](#).



LEADING THE WAY IN CLIMATE DISCLOSURES

VF was one of just 299 companies worldwide recognized on the **2022 CDP Climate Change A List** for our leadership in managing climate-related risks and opportunities.

only our own success, but addressing the climate crisis at large. We are taking accountability for our own actions while working across our industry to develop collaborative solutions for the climate crisis.

Managing Climate Risk

VF works diligently to gain greater visibility into how climate change might impact our business, from our owned-or-leased facilities and throughout our supply chain. In FY22, we completed a climate risk assessment and scenario analysis and, as a result, Climate Change & Sustainability was embedded in our Enterprise Risk Management (ERM) framework as a stand-alone enterprise risk. In FY23, we completed a Climate Change Physical Quantification Analysis of



our owned-or-leased facilities to better understand and work to mitigate the potential financial risks associated with climate change.

Read more about VF's climate governance and risk mitigation efforts in the Appendix (TCFD Table, **Page 71**) and our most recent **CDP Climate Change Response**.

Collaborating with Peers and Suppliers

VF is working closely with industry associations and peers, supply chain partners and other stakeholders to reduce the climate impact of the global apparel and footwear industry. We work toward developing more sustainable solutions for the industry through our participation as a founding member of the **Sustainable Apparel Coalition**. VF also collaborates with various organizations as part of our commitment to the **United Nations Framework Convention on Climate Change** (UNFCCC).

The Higg Index Facility Environmental Module (FEM) — a standardized, industry-wide sustainability measurement tool for apparel, footwear and textile manufacturing factories — empowers us to share best practices, create annual energy reduction plans and track progress toward our Scope 3 SBTs. In 2022, more than 450 VF supplier factories (198 Tier 1 and 288 Tier 2 factories) engaged in the Higg Index FEM assessment process.



Advocating for Climate Policy

VF advocates for policies that accelerate climate action and engages with industry associations, civil society and other industry leaders to help drive the agenda. Recent examples of our efforts include:

- Advocating for federal climate action as a participant in **LEAD on Climate 2022**.
- Supporting climate-friendly agriculture solutions in the 2023 U.S. Farm Bill as a member of **Ceres' Climate-Smart Agriculture and Healthy Soil Working Group**.
- Driving industry advocacy initiatives on product design, chemicals and labeling legislation in the European Union as a member of the board of the **Federation of the European Sporting goods Industry** (FESI).
- Engaging on waste and extended producer responsibility, supply chain transparency and other policies that accelerate more circular practices through the **Policy Hub**, FESI and the **European Branded Clothing Alliance**.



ENERGY



Re-imagining Energy Resources

VF explores and embraces new approaches to use renewable energy in our operations and across our supply chain to help reduce GHG emissions and achieve our SBTs.

Committing to Renewable Energy in Our Direct Operations

We are committed to using 100% renewable energy across our owned-or-leased facilities by FY26 through on-site renewable energy projects and off-site renewable energy investments, including renewable energy credits (RECs).¹⁸ As of FY22, VF secured RECs and generated on-site renewable energy equivalent to 29% of our global electric usage, compared to 26% in FY17.

In FY23 (July 2022), VF initiated what was then the largest renewable energy **tax equity investment** in the footwear and apparel industry to fund the development of four utility-scale solar projects in South Carolina. This investment is anticipated to generate 47,000 MWh of renewable energy per year, roughly 33% of VF's FY22 global electricity load.

We are determined to advance the use of renewable energy, driven in part by our membership in **RE100**, whose mission is to accelerate the move toward zero carbon grids at scale. We also support and collaborate with our suppliers on how they can transition to the use of renewable energy.

Advancing Renewable Energy and Resource Efficiency Across Our Supply Chain

VF has collaborated with **GIZ, International Finance Corporation, UNIDO, USAID** and solar developers to help 59 factories install rooftop solar panels since 2018. These partnerships enabled 48.8 MWp (megawatt peak) solar panels to be installed in Bangladesh, Cambodia, Jordan and Vietnam. These solar PV systems generate 14% of the total electricity consumption of these factories and help avoid more than 74,000 MT of CO₂e per year. Since 2018, across all of our supply chain sustainability programs, VF suppliers have achieved energy savings of over 593 million MJ (megajoule) per year, reducing 76,490 MT of CO₂e emissions annually.



¹⁸ Per CDP's RE100 Reporting Guidance 2023.



SUPPORTING SUPPLIER SUSTAINABILITY

VF continues to collaborate with a variety of global partners to advance supply chain sustainability programs. Examples include:

- Partnering with the IFC to develop a program for coal substitution at Tier 1 and Tier 2 factories and launching energy efficiency and productivity improvement programs for 13 suppliers in Bangladesh, Cambodia and Vietnam.
- Working with factories in countries, including Bangladesh, Cambodia, China and Vietnam, on various sustainability topics, including environmental management system (EMS) programs, climate action trainings and GHG reduction plans.
- Collaborating 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.

Greening Buildings

Adhering to Green Building Standards helps us save on energy costs and reduce facility-related GHG emissions, which is critical to meeting our SBTs. Our owned-or-leased facilities accounted for over 90% of our location-based Scope 1 and 2 emissions in FY22. As of FY23, 17 VF buildings are LEED certified by the U.S. Green Building Council or meet the BREEAM¹⁹ requirements for Good or Very Good rated buildings.

Exploring Lower-Impact Logistics Strategies

We are addressing our logistics-related emissions, in part through our membership in the **Smart Freight Centre's Clean Cargo** collaborative initiative, which works toward ocean container freight decarbonization. VF also leveraged **Maersk's Eco Delivery** program for the first time in FY23, utilizing over 4,250 tons of biofuel for ocean shipping. Our participation in the program is helping set an example and advance industry-wide efforts to reduce emissions from cargo shipping.

¹⁹ 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.





Working to Reduce Waste

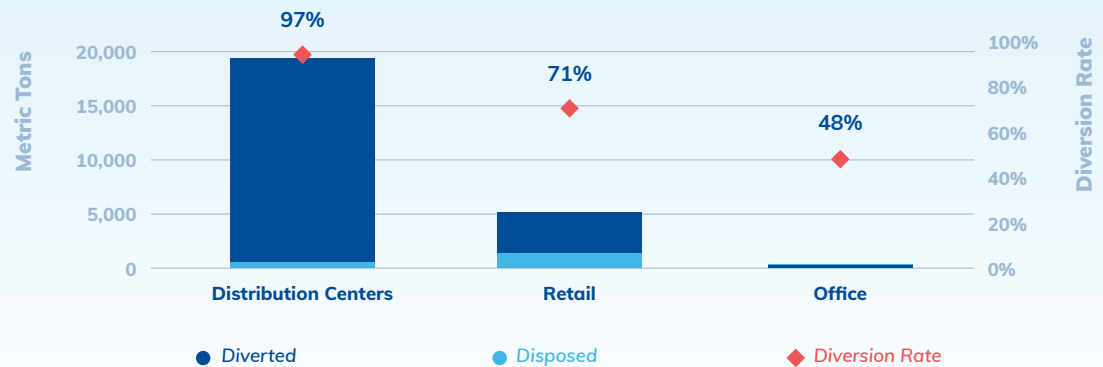
VF strives to eliminate waste across our operations and supply chain. We focus on maintaining waste diversion across our distribution centers as they contribute 81% of our global waste footprint within our operations.

Calculating Our Waste Footprint

VF has diverted more than 141,000 MT of materials from the landfill through recycling and reuse across our distribution center network since FY17. In FY23, our overall diversion rate²⁰ across the global enterprise was 97%, reflecting our ongoing commitment to reducing waste at our distribution centers.

Also, in FY23 we completed another enterprise-wide waste assessment to help further hone our waste reduction strategies. As a result of this assessment, we were able to confirm the validity of our ongoing distribution center waste diversion efforts and developed strategies to improve recycling rates at retail stores and offices.

FY23 VF ENTERPRISE WASTE FOOTPRINT BY SITE TYPE AND WASTE STREAM
(VF owned-and-leased facilities)



²⁰ The diversion rate is calculated as the percentage of total waste generation that is either recycled or reused.



Reducing Single-Use Plastics Waste

An important step toward advancing a more circular economy is reducing and diverting single-use plastics in our owned-or-leased operations. As we continue to refine and advance our approach to waste and circularity, we have decided to merge our goal to eliminate all nonessential, single-use plastics from in-scope VF direct operations and sponsored events globally by FY24 into our broader waste diversion vision. Our dedication to reducing our single-use plastics footprint remains unchanged, and we will continue to strive toward:

- Implementing best practices from VF's Waste Diversion Guidelines across our direct operations to educate employees on properly managing the unavoidable consumption of materials.
- 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 at owned-or-leased properties.

For details on our strategy to reduce product-related packaging waste and ongoing efforts related to single-use plastics in product packaging, such as polybags, see [Page 52](#).





WATER



Safeguarding Water Resources

Producing apparel and footwear is a water-intensive process. Cotton cultivation, leather production and dye houses are responsible for the most water use across our supply chain. Our Tier 1 and Tier 2 suppliers used approximately 156 million m³ of water in 2021.

OUR WATER STEWARDSHIP APPROACH PRIORITIZES THREE PRINCIPLES:



Water Efficiency

We leverage facility-level Higg Index FEM tools and support industry best practices through the Aii Clean by Design program, the IFC and other collaborators to improve water efficiency. Programs at 22 participating VF suppliers in Bangladesh, Taiwan and Vietnam project a reduction of 8.3 million m³ of water per year, on average.²¹ Capturing rainwater is also an important contributor to using water more efficiently. In total, 35 suppliers that established rainwater harvesting programs reported collecting over 1.2 million m³ of water in 2021 through the Higg Index FEM.



Water Quality

Supplier factories utilizing process water that is discharged to the environment must regularly conduct wastewater testing. Wastewater is independently tested 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 in-scope Tier 2 suppliers that use more than 50 m³ of water per day in their operations.



Water as a Human Right

We believe access to clean water and sanitation is a basic human right that can be a challenge to access for communities near many of our supplier factories. Through our WCD program (see [Page 37](#)), we're helping to bring safe drinking water to these communities.

²¹ Water savings reductions based on the calculations of third-party experts.



Understanding Water Risks and Opportunities

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

Water Risk — In FY23, VF completed a new water risk assessment of our global supply chain, covering 300+ Tier 1 and 700+ Tier 2 supplier factories. The assessment leveraged supplier data, the World Resource Institute’s Aqueduct Water Risk Atlas and the World Wildlife Fund Water Risk Filter to assess water-related potential financial and reputational risk indicators across the supply chain including:

- Water Stress
- Groundwater Depletion
- Water and Sanitation Access
- Coastal Flooding
- Riverine Flooding
- Water Pollution

The assessment resulted in country- and facility-level heatmaps for each of the above risk indicators across the supply chain. VF sourcing countries, including China, India, Mexico and Vietnam, were identified as the highest risk for baseline water stress. Moving forward, results from the risk assessment will be leveraged alongside our enterprise-wide climate risk assessment, which also evaluates water-related indicators such as severe weather events.

IMPROVING WATER AND SANITATION OUTCOMES FOR BANGLADESHI WORKER COMMUNITIES

Results from VF’s WCD needs assessment show that three in five workers in Chattogram, Bangladesh, have unreliable access to clean water, and roughly half of workers reported they had experienced absenteeism due to waterborne illness. In response, VF partnered with **Water and Sanitation for the Urban Poor** to increase access to safe drinking water and sanitation systems while also promoting good hygiene for over 28,000 workers and community members through FY23. The program works with local utilities and public health officials to construct and upgrade water, sanitation and hygiene facilities, as well as develop proper hygiene training. Learn more about the program [here](#).



Key findings from the water risk assessment will also be incorporated into existing policies, procedures and strategies related to water reduction, replenishment, quality and access.

Impacts of Materials — VF leverages environmental assessment tools to help us make informed business decisions and to evaluate the impacts of material extraction and production on water resources across our supply chain.

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



MATERIALS

Sourcing Materials Responsibly

Innovation is at the forefront of our sourcing and materials development practices because material extraction, processing and production activities comprise a substantial part of our environmental footprint, including approximately 70% of our global carbon emissions.

We have developed the VF Sustainable Materials Vision (SMV), which sets forth our aspiration to have **our top materials originate from regenerative, responsibly sourced renewable and/or recycled sources**. In pursuit of the SMV, we utilize industry measurement tools, such as the Sustainable Apparel Coalition’s Higg Index MSI and Life Cycle Assessment (LCA) methodologies, to help inform our materials choices. VF also utilizes third-party certifications whenever possible to trace and certify materials throughout our supply chain, and to support compliance with key VF policies, including our **Animal Derived Materials and Cotton Fiber Sourcing Policies**.

Helping Enable Regenerative Agriculture

Regenerative agriculture encompasses a variety of environmentally and socially conscious practices, which aim to help support biodiversity, enhance water cycles, improve soil health and sequester carbon. In FY23, VF engaged external regenerative agriculture experts and partners to develop an internal Regenerative Guideline Toolkit. This guide helps corporate and brand teams — and their regenerative agriculture program partners — apply consistent standards when assessing existing and potential sourcing projects through the lens of regenerative practices and outcome indicators.

IMPLEMENTING MATERIALS GUIDELINES TO REDUCE IMPACT

The **Vans®** brand is reinforcing its commitment to reducing impact on the planet for future generations with the UltraRange VR3. This product line follows strict materials guidelines, with one or a combination of regenerative, responsibly sourced renewable and recycled materials that make up at least 30% of the product. Introduced in FY23, the UltraRange VR3 has an EcoCush™ midsole made of at least 50% biobased EVA foam partially derived from plant-based sources.²² The one-piece knit upper is made from a blend of 50% organic cotton, 36% recycled PET and 14% recycled nylon.

²² Tested method s/b ASTM D6866.



SHEPHERDING REGENERATIVE PRACTICES FOR WOOL

In FY23, nearly half (48%) of the **icebreaker**® brand's wool was sourced from growers implementing regenerative practices via the ZQ^{RX} (Regenerative Index) platform. In FY21, VF's **Smartwool**® and **icebreaker**® brands collaborated with footwear brand Allbirds to work with The New Zealand Merino Company to create the collaborative action platform. Learn more about ZQ^{RX} framework [here](#).



To help move the industry forward on responsible measurement of outcomes from regenerative practices, we also engaged with peers at Textile Exchange to share our toolkit and contribute to the new **Regenerative Agriculture Outcome Framework**.

We are supporting implementation of regenerative agricultural practices and principles across our supply chain. In FY23, VF's **Smartwool**®, **The North Face**®, **Timberland**® and **Vans**® brands joined **Regenerate America**, a U.S.-based coalition of farmers, businesses, nonprofits and individuals to lobby for increased support for regenerative agriculture practices in the 2023 Farm Bill.

Collaborating on the Apparel Industry's First Verified Regenerative Rubber Supply System

Following a three-year pilot program sponsored by VF, Terra Genesis — a regenerative design and development firm connecting brands with growers — collaborated with a network of farming communities in Thailand to scale up the production of regeneratively sourced natural rubber for use within VF's supply chain.

In FY23, the **Timberland**® brand launched its first product featuring regeneratively grown natural rubber — the **Greenstride™ Motion 6 Hiker**. Designed for six ways of motion, this boot features Greenstride™ comfort soles – balancing performance and function with four-way traction, comfort and breathability, and outsoles made with 55% regeneratively grown rubber. Additionally, the **Vans**® brand utilized regeneratively grown natural rubber in its **Circle Vee™** silhouette, the cornerstone of the brand's new Surf VR3 Collection, which launched in FY23. All of the rubber used to make the Circle Vee's VR3Waffle™ outsole (60% of the compound) is regeneratively grown natural rubber.

In fall 2023, **The North Face**® brand launched its first footwear products containing rubber from these diversified rubber farms. The rubber will be incorporated into most of the brand's SURFACE CTRL™ outsoles, making up 10% of the outsole in all but three shoe models that use them, including popular styles such as the Back-To-Berkeley boot, Hedgehog hiking boot and new **Summit VECTIV Pro**.



Taking an Integrative Approach to Lower-Impact Materials

Sourcing materials responsibly requires a comprehensive strategy that upholds wide-ranging VF policies aimed at mitigating negative environmental and social impacts. Our wide-ranging efforts include certifying and tracing materials to help us understand material origins and production methods.

Leather — As of FY20, we only source VF footwear leather from **Leather Working Group** (LWG) audited finishing tanneries. We partner with LWG because their thorough approach focuses on strengthened environmental management across the leather tanning industry. Beyond LWG, the **Timberland®** brand continues to invest in the advancement of regenerative leather supply chains with 16 product styles, including 32 colorways, on the market in 2022 containing leather from ranches implementing regenerative agriculture principles. Learn more about how regenerative principles are embedded in **Timberland®** products [here](#).

Natural Rubber — Our natural rubber sourcing practices aim to help prevent deforestation and harm to local communities that may otherwise occur from irresponsibly managed rubber forests. In FY23, VF joined the **Global Platform for Sustainable Natural Rubber** (GPSNR), a multistakeholder organization that seeks to promote the uptake of sustainable natural rubber in the global marketplace. As members, we are committed to upholding the 12 principles of

CATCHING THE VIBE WITH REGENERATIVELY GROWN RUBBER

The **Vans®** brand announced the Surf VR3 Collection in FY23, designed to bring together the relaxed vibes of surfing and **Vans®** continued commitment to more sustainability-focused clothing and footwear. The new Surf VR3 Collection features thoughtfully designed apparel and footwear, including the hero style of the collection, the Circle Vee in Ocean Blue. The collection leverages **Vans®** VR3Waffle™ outsole, which contains 60% regeneratively grown natural rubber.





FY23 UPDATE



Materials

GOAL

Key packaging materials²³ shall be reduced and originate from sustainable sources, and processes redesigned enabling packaging reuse or recyclability, by FY31.

In support of our goal, we are engaging in the following activities:

- Eliminate single-use plastic retail store bags and plastic shoe wrap by the end of FY24.
- All paper-based packaging shall be recycled content, third-party certified responsibly sourced virgin content, or a combination of the two by the end of FY24.
- Single-use plastics in key packaging materials shall be made with the maximum recycled content available, without sacrificing quality. Virgin plastic use shall be utilized in less than 15% of overall unit volume by the end of FY24.
- Aim to source key single-use plastics in key packaging materials from 100% recycled content by FY31.
- Recycle single-use polybags at all owned-or-leased retail stores by FY31.
- Ship to consumers primary-polybag-free²⁴ 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.

Sustainable Natural Rubber, outlined in the [GPSNR Policy Framework](#), and we aim to align our policies with the framework. Additionally, in FY23 we engaged with [Conservation International](#) to support ongoing revisions to our [Forest Derived Materials Policy](#).

Wool — More than 85% of our wool sourced in FY22 originated from either recycled or certified sources (including [ZQ](#) or [Responsible Wool Standard](#)). To achieve these external certifications, 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.

Packaging — Shifting to more sustainable product packaging is a core pillar of our environmental

sustainability strategy. In FY23, VF made progress against its packaging goal through the expansion of the Naked Delivery pilot program. In collaboration with the [European Outdoor Group's Single Use Plastic Project](#), The North Face® brand launched the Naked Delivery Packaging pilot program in FY22, with the aim of reducing packaging waste by removing and recycling polybags before shipping to end consumers, while also increasing operational efficiency in distribution channels and improving brand positioning with customers.

Through the Naked Delivery pilot program, all EMEA warehouses are taking action to reduce single-use plastic packaging from their waste footprints. Results from the initial Naked Delivery e-commerce

pilot for select products have highlighted the program's successes, with over 880,000 products shipped without plastic polybags by the end of FY23, collecting ~9,000 kg of single-use plastic and ensuring it gets recycled and diverted from landfills. Additionally, more than 92% of the participating VF brand customers were satisfied or very satisfied with the Naked Delivery pilot program experience. 90% would like to continue receiving orders without polybags in the future, as shown in survey results from more than 5,000 customers who received polybag-free products in FY23.

²³ Key packaging materials (by volume) include shoe packaging, polybags, hangtags, retail store bags and shipping materials.

²⁴ A primary product polybag can be described as a simple bag made from polyethylene, often translucent, that an individual product touches or is contained within, and is typically added at the factory- or vendor-phase of distribution.



STEWARDSHIP

CHEMISTRY

CIRCULARITY

TRACEABILITY

PRODUCT

We plan with purpose throughout our product life cycle, from the way we source our materials and design our products with circularity in mind.



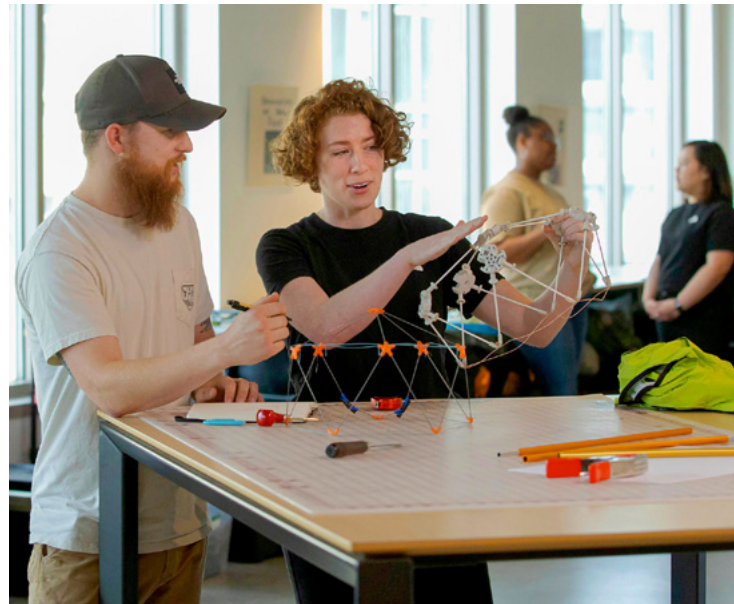
STEWARDSHIP



Promoting Product Stewardship

We plan with purpose throughout our product life cycle, from the way we source our materials to how we design our products with circularity design principles in mind.

Our products must be functional, attractive and, above all else, safe for all who use them. Within the complexity of our supply chain, this means protecting employees, factory workers and consumers, as well as the environment. Our Product Stewardship program and team oversee the intricacies of our supply chain and uphold product compliance with applicable regulatory and industry standards. The team also oversees the product safety training of our Design, Development and Sourcing teammates and our Tier 1 and nominated Tier 2 factories. They work to verify compliance with all VF standards and gauge effectiveness through factory evaluations and material and product testing.





CHEMISTRY



Taking Care with Chemistry

VF insists on the use of smart, safe and preferred chemistry in the high-performing products that consumers expect from us.

Our proprietary CHEM-IQSM program helps us prevent use of unwanted chemical substances across our value chain before such substances could be used in the manufacturing of VF brand products. VF's CHEM-IQSM program often restricts chemical substances prior to applicable regulatory restriction. When an unwanted chemistry is identified, we replace it with safer alternatives throughout our supply chain.

*To protect consumers and the workers making our products, we maintain strict protocols to manage chemistries throughout the supply chain, including our **Restricted Substances List (RSL)** and the **CHEM-IQSM Substances to Avoid (STA)** list.*

Partnering for Progress

We believe in working across the apparel and footwear industry to help peer organizations rid their supply chains of unwanted chemistries. Accordingly, we made our CHEM-IQSM Program Manual publicly available for anyone to use. VF also collaborates closely with many industry partners, including:

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





FY23 UPDATE



Chemistry

GOAL

Eliminate and/or restrict 100% of unwanted chemistries or chemical substances, using the innovative CHEM-IQSM program from VF's supply chain by FY26.²⁵

PROGRESS²⁶

92% of in-scope supplier facilities screened against the VF Substances to Avoid list.

12K+ of identified chemistries screened at authorized third-party laboratories.

57% of identified unwanted chemistries successfully phased out, and we continue to collaborate with partners to identify better alternatives.

We are expanding the use of the CHEM-IQSM program every year. In FY23, we screened 48% more supplier factories than the previous year and achieved the following screening completion rates for in-scope supplier factories, by tier:

- Tier 1: 94%
- Nominated Tier 2: 92%
- Business Critical²⁷: 100%
- Tier 3²⁸: 100%

We know that our team members and people throughout our supply chain need tools to make sure our chemical management system remains robust and provides adequate guardrails. So, we provide Product Development and Sourcing teams, supplier factory owners and managers, vendors and subcontractors with required comprehensive training. We also provide one digital, centralized repository of the chemical inventory of our supply chain, which improves traceability and allows us to monitor chemical use in real-time. We leverage this consolidated data when managing our wastewater (see [Page 47](#)).

CHEM-IQSM UPTAKE



37k+
chemical auxiliaries²⁹ screened through the CHEM-IQSM program since 2016.



410+
supply chain factories participated in the CHEM-IQSM program in FY23.



1,075+ MT
of nonpreferred chemical substances removed from the supply chain through the CHEM-IQSM program since 2016.

²⁵ Click [here](#) for a complete list of in-scope classes of chemicals or substances for this goal.

²⁶ The Supreme® brand is excluded.

²⁷ With reference to the CHEM-IQSM program, 'critical' is defined by VF as nominated Tier 2 suppliers that conduct significant business with VF on an annual basis or sell unique inputs that are not easily accessible on the market via other vendors.

²⁸ The CHEM-IQSM program exclusively tests process chemicals from nominated cement suppliers.

²⁹ Chemical auxiliaries include softeners, dyestuffs, glues, detergents, among other compounds, and may contain multiple individual substances.



CIRCULARITY



Closing the Loop Through Circularity

For VF, embedding circularity in our product design and consumer engagement efforts is becoming increasingly important to how we approach our business. We strive to create products that use resources conscientiously and can be used for an extended period and then reintroduced in some form to the supply chain at the end of their originally intended life.

By placing an emphasis on circular design, we encourage those working in our value chain to consider how their involvement fits into our wider business model and process. From textile designers and producers to product developers and manufacturers, we are constantly searching for ways to evolve our thinking and challenge the status quo.

We work with suppliers and other external stakeholders to reduce waste during production and increase efficiency, helping to keep resources out of landfills and inside supply chains. And we're supporting soil health and natural systems by sourcing materials from suppliers that implement regenerative agriculture practices. We know we must rely on the partnership and collaboration of our own brands and the industry at large to advance a more circular ecosystem.

Circularity is a complex puzzle that includes many subcircles within it. While our overarching product

creation system looks to take materials, make products, extend the lives of those products and reuse their components, we also look to identify other areas of efficiency. Our holistic view of circularity touches every part of the business. VF and our portfolio of brands are constantly innovating to make progress within those subcircles: using scrap pieces of fabric in other applications; minimizing virgin, nonrenewable, fossil fuel-based material inputs where we can without sacrificing quality; supporting regenerative processes; (re-)using materials and products for as long as possible; advancing supplier energy efficiency and renewable energy programs; and increasing the procurement of renewable energy sources for VF's owned-or-leased operations.

Focusing on the Elements of Circularity

Our approach to circularity is based on four key tenets: 1) Design for Purpose, 2) Reduce Waste, 3) Lower Impact and Regenerate, and 4) Take Responsibility.



Circularity is a lens through which we look at our business. It is an infinite game that challenges us to constantly refine and transform our business model.

David Quass, VF EMEA
Senior Director of Sustainability



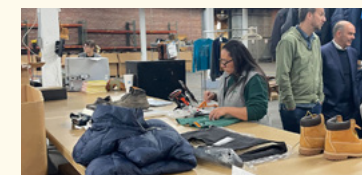
Design for Purpose — We incorporate the guiding principles of circularity from the very beginning of our design processes across all our brands. Our designers examine the raw materials they are using, the construction of the product and the possibilities for deconstruction and reuse at the end of life as they design our brands' products.

Ideally, designs allow us to break down used products and turn them into new products. In April 2023, the **Smartwool**® brand announced the release of its first circular-designed sock — the **Second Cut™** Hike sock made with repurposed yarn from old socks blended with responsibly sourced Merino wool. This sock delivers the same iconic comfort and performance of the brand's Original Classic Hike sock but is made with repurposed yarn from **Smartwool's**® **Second Cut™** sock takeback program that launched in April 2021. The **Second Cut™** Hike sock highlights **Smartwool's**® shift toward a more circular business model, which gives new life to unwanted garments through deconstruction and reuse in new products. Since the **Second Cut™** program launch, **Smartwool**® has collected more than 1 million socks and diverted more than 86,500 pounds of socks from landfills.



Reduce Waste — At the other end of the product life cycle, we work to responsibly handle items that individual consumers no longer want by offering after-sales services, re-commerce, repair services and product takeback programs. By keeping a product in use as-is, we achieve efficiencies within all stages of production. Eventually, when a product has truly reached the end of its life, our brand teams are working to find creative ways to disassemble it into its component parts for reuse in new applications. We also advocate for improved and more consistent recycling and upcycling solutions, as we know that infrastructure is essential for consumers to participate in the circular economy.

The North Face® brand's first **Circular Design** products launched in FY23. Re-imagining their approach to materials, processes and supply chain through a lens of cyclability, **The North Face**® is working to turn old gear into new adventures by changing how they make gear and how customers can dispose of products more responsibly. Each of the brand's **Circular Design** products are thoughtfully designed to be disassembled and recycled by **The North Face**® at the end of its life into raw materials for a second generation of product use.



In FY23, the **Timberland**® brand's **Timberloop™** takeback program expanded into 13 countries in the EMEA region. **Timberloop™** collects used products that can be refurbished or recycled, extending product life and reducing waste. At the 2022 Sustainable Fashion Awards, **Timberland**® was awarded the Ellen MacArthur Foundation Award for Circular Economy for the **Timberloop™** **Trekker City Hiker**. The brand received the Overall Best Design — Sustainability award at the Global Footwear Design Awards for the **Timberland**® **Timberloop™** **Trekker**. The **Timberloop™** program also won the Reuters' Responsible Business Award 2022 in the Circular Transition category.



Lower Impact and Regenerate — Our circularity work includes the efforts we take to reduce resources use and improve efficiency in our operations, such as reducing our emissions (see [Page 41](#)), transitioning to 100% renewable energy in owned-or-leased facilities (see [Page 43](#)), eliminating waste from our operations (see [Page 45](#)), reducing our water use (see [Page 47](#)), sourcing lower-impact materials (see [Page 49](#)) and investing in regenerative agriculture practices across our supply chain.



In FY23, the **Timberland®** brand launched the highly anticipated **Timberland® x Edison Chen Future73** collection, which was designed with principles of circularity both in terms of material choices and construction methods. The **Timberland® x Edison Chen Future73 Timberloop™ 6-Inch Boot** was engineered to be recycled at the end of its life, with soles stitched to the uppers in such a way that they can be disassembled at a Timberloop™ facility. At least 50% of the boot is made from regeneratively farmed materials, with 70% of the leather upper and 55% of the rubber outsole sourced from farms committed to regenerative agriculture practices. The collection's apparel pieces follow a similar circular design philosophy, including the use of 100% monofiber regenerative organic cotton, removing hardware and carefully using trims that prioritize disassembly.

Take Responsibility — As with all innovative processes, it is crucial that we stay aware of any unintended consequences of our circular economy aspirations, such as the impact on the workers throughout our supply chain. To mitigate these impacts, we engage across sectors to support shaping new regulations, standards and technological solutions. In FY23, VF continued its engagement with the EU Commission regarding upcoming regulations under the EU Green Deal. VF brands launched new initiatives to engage and educate consumers on circularity. In FY22, VF contributed to BSR's **Keeping Workers in the Loop (KWIL)** initiative, which culminated in a report exploring the social and economic impacts of the circular fashion transition on workers.

The **Napapijri®** brand hosted a pop-up at **Are You Mad**, a high-street plastic recycling studio in London that collects plastic waste from residents and businesses and transforms them into products and furniture. **Napapijri®** held a workshop on circularity at the pop-up and showcased their 100% recyclable collection, the **Circular Series**, made with nylon mono-material composition and is Cradle to Cradle Certified® Gold. To support this fully recyclable product offering, **Napapijri®** also developed a takeback system that encourages customers to participate in the circular economy.



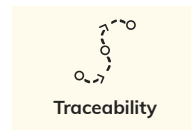


TRACEABILITY

Advancing Supply Chain Traceability

To achieve our environmental sustainability goals and our vision of responsible production, we must know where our materials originate and how they are treated at every step of our complex supply chain. VF understands that as a large purchaser of materials, we have the power and responsibility to influence our upstream supply chain to help reduce our environmental impact and strengthen the communities where they operate.

FY23 UPDATE



GOAL

Trace five of VF's key materials through all supply chain tiers by FY28.

PROGRESS³⁰

In FY23, VF traced its leather (65%), cotton (46%), wool (72%), synthetics (42%) and natural rubber (50%) supply chains. See progress below.

Tracing Our Materials

Given the complexity of our supply chain, we rely on our traceability system to maintain compliance with our Responsible Materials and Sourcing Policies, trade regulations and other applicable laws. This system also helps us monitor for critical risks, such as human rights abuses, water scarcity, deforestation concerns and pollution throughout our end-to-end supply chain. Our monitoring utilizes commodity volume data, country-level risk maps, supplier traceability diligence and environmental and social risk data to identify any areas of concern that can spur specific action items.

³⁰ The Supreme® brand is excluded.

Key Materials

VF has identified five key materials within our supply chain that particularly demand diligence and offer opportunity for responsible oversight: leather, cotton, wool, synthetics (recycled and virgin polyester and nylon) and natural rubber. In our **FY2020 Sustainability & Responsibility Report**, we committed to fully trace these materials by FY28 for Tier 1 through Tier 5 suppliers, including those entities that work to move materials between tiers. We maintain collaborative relationships with our Tier 1 and nominated Tier 2 factories (**VF Factory List**), but are more removed from the rest of our supply chain and do not have



direct relationships with Tier 3 and beyond. As such, we rely on our partnerships with our Tier 1 and Tier 2 suppliers to identify those upstream suppliers, as well as non-nominated Tier 2 suppliers.

After focusing on tracing leather and cotton, we continue to make strong progress against our key materials traceability goal following the FY22 launch of traceability diligence for the remaining three key materials: wool, synthetics and natural rubber. The diligence for all five key materials is designed to collect information on traceability practices and sourcing-policy compliance and to understand potential environmental and social risks upstream.

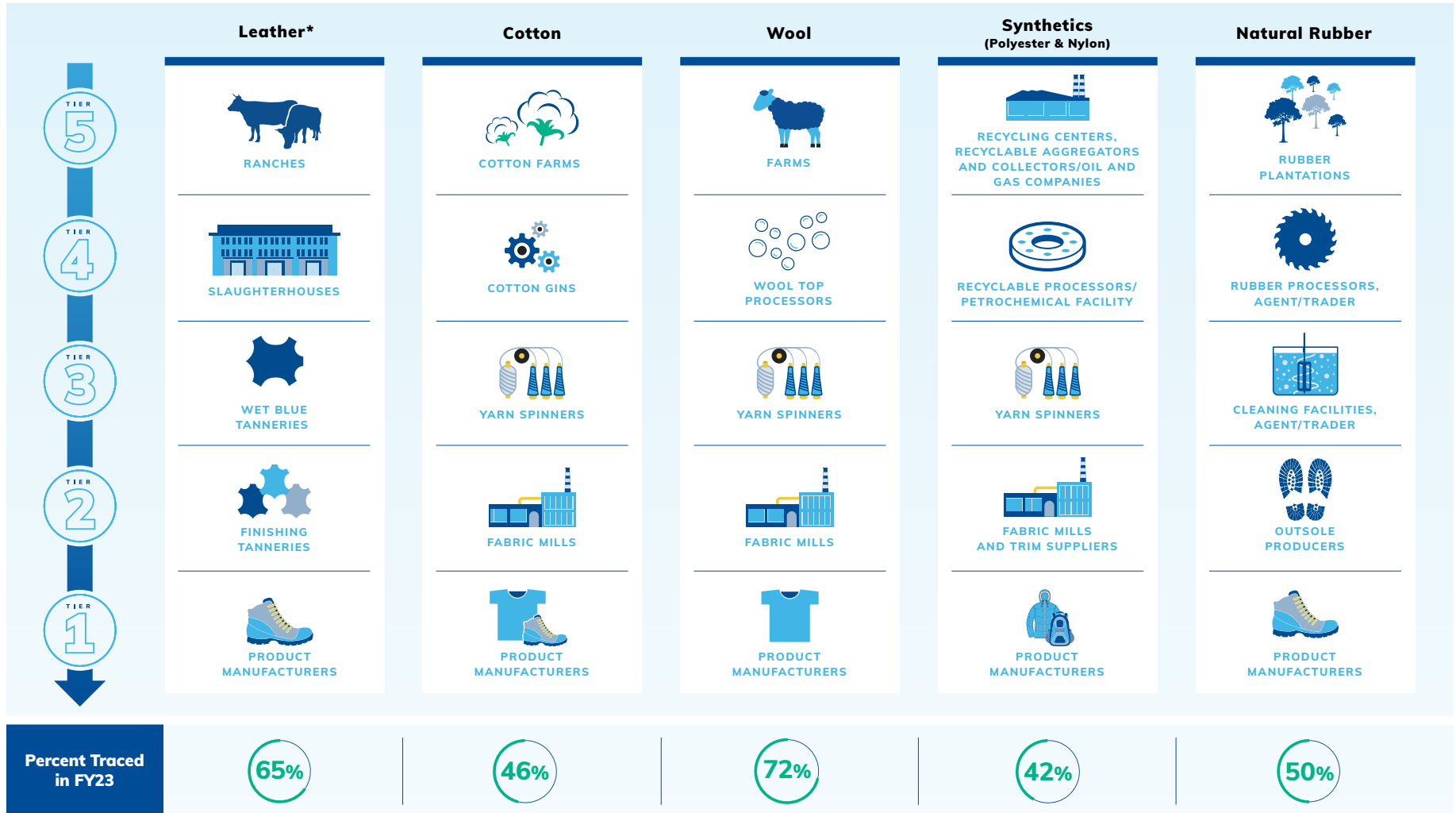
NUMBER OF SUPPLIERS INCLUDED IN OUR PRODUCT TRACEABILITY EFFORTS IN FY23





KEY MATERIALS TRACEABILITY PROGRESS

Stages of VF's global supply chain traced via our Key Material Surveys.



* Tier-1 Product Manufacturers are not included in scope of leather survey as all leather is sourced from nominated tanneries and are not vendor-sourced.



Leather — Leather was one of the first key materials we began tracing for potential environmental risks. Our leather survey allows us to confirm compliance with our **Animal Derived Materials Policy**, which prohibits leather sourcing from Brazil or from cattle that has grazed on lands that have contributed to new deforestation or forest degradation.³¹ Our biggest obstacle to full traceability for leather is identifying all the farms that provide animals for hides. We aim to be as comprehensive in our actions as possible to fully understand potential risks, even while we continue working to identify all upstream suppliers.



Cotton — VF's **Cotton Fiber Sourcing Policy** governs our cotton sourcing, which is at particular risk of forced labor in some parts of the world. None of our cotton fiber originates from certain regions of the world where governments have imposed economic sanctions and import bans.³²



Wool — Our wool traceability diligence maps the source of all virgin and recycled wool procured for VF brand products. This effort confirms compliance with VF's **Animal Derived Materials Policy**, which requires such materials to originate from animals treated per the Five Freedoms outlined in our policy. The majority of the wool in VF's supply chain is sourced through third party-certified sources. However, a small amount of wool in VF's supply chain is procured through auction, creating some complexity in wool supply chain mapping.

Synthetics (Polyester and Nylon) — Our synthetics survey tracks back to the origin of recycled and virgin polyester and nylon used in VF products. The objective of this survey is to map all facility locations and assess our global synthetics supply chain for potential risks. In our second year since launching the survey, we expanded the scope to include synthetics from virgin sources and successfully identified oil and gas companies

upstream. For the continuation of mapping recycled material origins, we increased the number of identified recycling centers and aggregators in FY23 by 63%.

Natural Rubber — Our natural rubber traceability diligence maps the sources of all-natural rubber procured by outsole producers and footwear manufacturers across all VF footwear brands and pays particular attention to the risks related to land conversion and deforestation. In the two years since launching the natural rubber survey, one of our biggest challenges for achieving full transparency is the complex and decentralized rubber supply chain, as often many agents and traders operate between rubber processors and plantations.



³¹ In FY20, through our Traceability team's due diligence program, we identified potential environmental risks associated with sourcing leather from Brazil linked to deforestation in the Amazon Biome. As a result, we made the enterprise-wide decision to stop sourcing leather for international products from Brazil until we have the confidence and assurance that the materials used in our products do not contribute to environmental harm.

³² 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, as well as comply with our Sourcing Policies.



DATA

TCFD

GRI

SASB

APPENDIX



DATA



VF Employee Workforce

BY POSITION	FY23
Regular	33,203
Temp	214
Total	33,417

BY TIME TYPE	FY23
Full Time	19,961
Part Time	13,456
Total	33,417

BY LOCATION	FY23
Distribution Centers	4,950
Headquarters	4,969
Offices	4,208
Retail	19,289
Other	1
Total	33,417

BY ETHNICITY (U.S. ONLY)	FY23
Asian	1,056
American Indian or Alaskan Native	122
Black or African American	1,663
Hispanic or Latino	6,644
Native Hawaiian or Pacific Islander	90
Two or More Races	1,418
White	7,477
Not Disclosed	713
Total	19,183

BY STATUS	FY23
Contingent	6,985
Employee	33,417
Total	40,402

BY AGE	FY23
15 – 29	16,237
30 – 50	13,411
>50	2,746
Not Disclosed	1,023
Total	33,417

BY GENDER	FY23
Female	17,697
Male	15,133
Not Disclosed	587
Total	33,417

BY JOB LEVEL	FY23
Director and above	1,114
Management	3,301
Professional	5,551
Retail	17,986
Support	5,465
Total	33,417



Global Gender Representation³³

New Hires Represented by Women		FY23
Corporate/Brand HQ		63.1%
Retail		50.1%
Distribution Centers		47.2%
Promotions Earned by Women		FY23
Corporate/Brand HQ		56.6%
Retail		53.2%
Distribution Centers		43.3%
Attrition Represented by Women		FY23
Corporate/Brand HQ		65.4%
Retail		50.6%
Distribution Centers		46.8%

U.S. BIPOC Representation

New Hires Identified Within the BIPOC Community		FY23
Corporate/Brand HQ		43.6%
Retail		63.8%
Distribution Centers		71.0%
Promotions Earned by BIPOC Employees		FY23
Corporate/Brand HQ		26.6%
Retail		57.9%
Distribution Centers		66.7%
Attrition Represented by BIPOC Employees		FY23
Corporate/Brand HQ		42.9%
Retail		63.1%
Distribution Centers		67.2%

VF Employees, by Gender, Job Level & Region

FY23 GLOBAL EMPLOYEE BREAKDOWN	Female	Male	Not Disclosed
Asia Pacific			
Director and above	90	88	3
Management	331	267	21
Professional	982	549	66
Retail	1,175	558	83
Support	105	45	26
Europe, Middle East & Africa			
Director and above	74	155	0
Management	498	554	0
Professional	700	649	4
Retail	1,839	1,348	7
Support	1,066	909	5
Mexico & Latin America			
Director and above	4	9	0
Management	66	81	0
Professional	121	129	4
Retail	106	153	0
Support	108	83	0
USA & Canada			
Director and above	303	384	4
Management	761	715	7
Professional	1,292	1,026	29
Retail	6,273	6,162	282
Support	1,803	1,269	46

³³ All instances where the figures provided do not add up to 100% are due to rounding.



VF Employee Health & Safety

Total Recordable Injury Rate³⁴ – Per 100 Employees		FY23
Distribution Center		3.77
Retail		1.99
Offices		0
Total		1.55
Lost Time Injury Rate³⁵ – Per 100 Employees		FY23
Distribution Center		2.00
Retail		0.85
Offices		0
Total		0.88
Fatalities		FY23
Distribution Centers		0
Retail		0
Offices		0
Total		0

VF Supply Chain Snapshot

Supplier Factories, by Sourcing Region		FY23
Americas		218
Asia Pacific		874
Europe, Middle East & Africa		160
Total Supplier Factories ³⁶		1,252
Supplier Factories, by Supplier Type		FY23
Tier 1 and Subcontractor Factories		706
Nominated Tier 2 Factories		297
Licensee Factories ³⁷		286

³⁴ The Recordable Injury Rate includes injuries greater than minor injuries (first aid) per OSHA reporting requirements.

³⁵ 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.



³⁶ Total supplier factories include Tier 1, Nominated Tier 2, licensees and subcontractors.

³⁷ Total number of licensees includes some VF factories that are shared with direct sourcing.



VF Supply Chain Audit Results

VF Auditing of Supplier Factories	FY23
Total Number of Supplier Audits Conducted	1,522
Number of Audits Completed by Internal VF Auditors	946
Number of Audits Completed by Third-Party Auditors	576
Tier 1 Supplier Factory Audit Results ³⁸	FY23
Accepted	727
Developmental	420
Pending Rejection	82
Tier 1 Audit Rejections, by Sourcing Region ³⁹	FY23
Americas	3
Asia Pacific	23
Europe, Middle East & Africa	2
Supplier Factories Rejected During Initial Audit	FY23
Tier 1 Supplier Factories	184
Nominated Tier 2 Supplier Factories	57
Total	241
Nominated Tier 2 Supplier Factory Audit Results	FY23
Accepted	104
Developmental	126
Pending Rejection	34
Nominated Tier 2 Audit Rejections, by Sourcing Region	FY23
Americas	0
Asia Pacific	1
Europe, Middle East & Africa	0

³⁸ For information on VF supplier audit designations please refer to VF's [Factory Audit Procedures](#) and the [VF Facility Standards](#).

³⁹ Supplier audit rejections are due to factory compliance findings.

⁴⁰ Figures are reported by VF program implementation partners and have not been validated by an independent third-party.

⁴¹ VF supplier factories in Bangladesh.

VF Worker & Community Development in the Supply Chain

Number of people reached annually, by Impact Pillar ⁴⁰	FY23
Childcare & Education	23,159
Health & Nutrition	62,071
Water & Sanitation	85,545
Number of people reached annually, by Location	FY23
Bangladesh	66,059
Cambodia	76,625
China	3,119
India	3,994
Indonesia	11,085
Philippines	30
Vietnam	9,863

Supply Chain Health & Safety Industry Initiatives

BRAC VF Factory Trainings ⁴¹	FY23
Number of factories enrolled in BRAC training	44
Number of people trained through BRAC training program	138,863
Life and Building Safety (LABS) VF Cumulative Results ^{42,43}	FY18 - FY23
Number of VF supplier factories onboarded	123
Number of LABS assessments conducted	121
Number of safety trainings conducted	207
Number of factory workers reached	251,374
Number of factories that have graduated	36
Bangladesh Factory Remediation Results ⁴⁴	FY23
Number of VF supplier factories that closed initial CAP	49
Percentage of VF supplier factories that closed initial CAP	82%

⁴² VF Tier 1 supplier factories in India and Vietnam were included in the LABS initiative.

⁴³ The Supreme® brand is excluded.

⁴⁴ Auditing programs include Nirapon, RSC and Accord, covering VF Tier 1, Tier 2 and Subcontractor supplier factories in Bangladesh.



VF Supply Chain Critical Life Safety Programs

VF Critical Life Safety: Direct Source Inspections	FY23
Number of Tier 1 direct source factories inspected	186
Percentage of Tier 1 direct source factories inspected	88%
VF Critical Life Safety: Licensee Factory Inspections	FY23
Number of licensee factories inspected	149
Percentage of licensee factories inspected	89%
VF Critical Life Safety: Factory Remediations⁴⁵	FY23
Number that remediated all imminent and near-term findings	309
Percentage that remediated all imminent and near-term findings	92%

VF Greenhouse Gas (GHG) Emissions

Scope 1 and 2 GHG Emissions (MT CO₂e)	FY22⁴⁶
Scope 1 GHG Emissions	11,456
Scope 2 Location-Based GHG Emissions	45,432
Scope 2 Market-Based GHG Emissions	34,445
Scope 3 GHG Emissions (MT CO₂e)	FY22
Scope 3 GHG Emissions	5,347,000
Scope 1 GHG Emissions, by Gas (MT CO₂e)	FY22
Carbon Dioxide (CO ₂)	11,427
Methane (CH ₄)	5
Nitrous Oxide (N ₂ O)	25
Total	11,456
Scope 1, by Consumption Type (MWh)	FY22
Mobile Fuels	20,852
Natural Gas	33,292
Other Stationary Fuels	1,016
Refrigerants (MT)	0.03

⁴⁵ VF Critical Life Safety: Factory Remediations cover VF Tier 1 and licensee supplier factories.

⁴⁶ FY22 emissions Scope 1 and 2 emissions data have received limited assurance.

Scope 2, by Consumption Type (MWh)	FY22
Chilled Water	58
Total Electric Power	142,231
Non-Renewable Electric Power	100,428
Renewable Energy Credits	23,321
Renewable Power - Offsite	16,262
Renewable Power - Onsite	2,220
Steam	235
Emissions Intensity	FY22
Annual Revenue (\$)	11,841,840,000
VF Total GHG Emissions (MT CO ₂ e)	5,392,901
MT CO ₂ e / Dollars	0.000455

VF Electricity Consumption

Electric Power Consumption (MWh)	FY22
Electricity from Renewable Sources	41,803
Electricity from Non-Renewable Sources	100,428
Percentage of consumption from Renewable Sources	29%

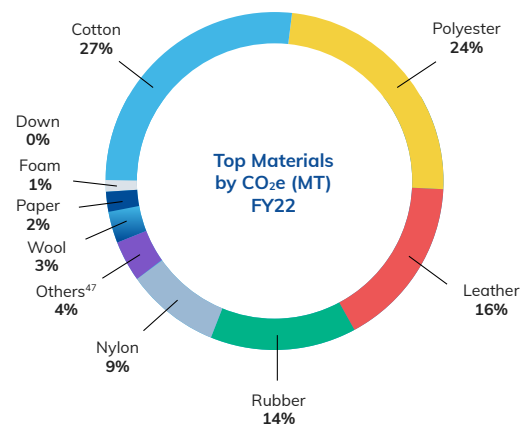
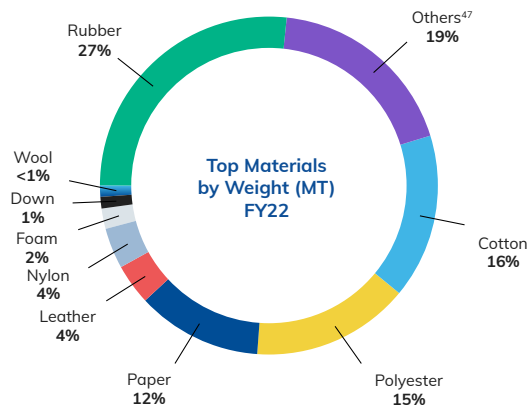




VF Distribution Center Waste Generation

VF Distribution Center Waste, by Disposal (MT)	FY23
Total Waste Disposed	598
Total Waste Recycled	15,451
Total Waste Reused	3,939
Total Waste Generated	19,989

VF Top Materials Sourced



VF Chem-IQSM Program Results^{48,49}

Number of Supplier Factories Screened	FY23
Tier 1	117
Subcontractors	64
Nominated Tier 2	232
Tier 3	5

Percentage of Supplier Factories Screened	FY23
Tier 1	94%
Subcontractors	88%
Nominated Tier 2	92%
Tier 3	100%

Number of Chemistries Screened	FY23
Tier 1	3,054
Subcontractors	1,237
Nominated Tier 2	7,789
Tier 3	246

Number of Red Substances Phased Out ⁵⁰	FY23
Tier 1	101
Subcontractors	26
Nominated Tier 2	162
Tier 3	4

⁴⁷ Others include Elastane, Polyurethane, Lyocell, TPU, etc.

⁴⁸ The Supreme® brand is excluded.

⁴⁹ CHEM-IQSM Tier 1 facilities include Tier 1 and vertical factories.

⁵⁰ 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 that handle them. [View the CHEM-IQSM Program Manual](#) for further information on the elimination of prohibited chemicals from the supply chain.



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 2023 CDP Climate Change Disclosure (C1.1a, C1.1b) VF FY2023 Environmental & Social Responsibility Report (p. 9)
b. Describe management's role in assessing and managing climate-related risks and opportunities.	VF 2023 CDP Climate Change Disclosure (C1.2) VF FY2023 Environmental & Social Responsibility Report (p. 9)
STRATEGY	
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	VF 2023 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 2023 CDP Climate Change Disclosure (C2.3a, C2.4a, C3.1, C3.2a, C3.2b, C3.3, C3.4) VF FY2023 Annual Report (p. 10) VF FY2023 Environmental & Social Responsibility Report (p. 11, 42)
c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	VF 2023 CDP Climate Change Disclosure (C3.2, C3.2a, C3.2b) VF FY2023 Environmental & Social Responsibility Report (p. 42)



RISK MANAGEMENT

<p>a. Describe the organization's processes for identifying and assessing climate-related risks.</p>	<p>VF 2023 CDP Climate Change Disclosure (C2.1, C2.2, C2.2a) VF FY2022 Sustainability & Responsibility Report (p. 47 – 48)</p>
<p>b. Describe the organization's processes for managing climate-related risks.</p>	<p>VF 2023 CDP Climate Change Disclosure (C2.1, C2.2) VF FY2022 Sustainability & Responsibility Report (p. 47 – 48)</p>
<p>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>	<p>VF 2023 CDP Climate Change Disclosure (C2.1, C2.2) VF FY2022 Sustainability & Responsibility Report (p. 47 – 48)</p>

METRICS AND TARGETS

<p>a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>VF 2023 CDP Climate Change Disclosure (C4.2, C4.2a, C4.2b, C9.1) VF FY2023 Environmental & Social Responsibility Report (p. 69)</p>
<p>b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>VF 2023 CDP Climate Change Disclosure (C6.1, C6.3, C6.5, C6.5a) VF FY2023 Environmental & Social Responsibility Report (p. 69)</p>
<p>c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>VF 2023 CDP Climate Change Disclosure (C4.1, C4.1a, C4.1b, C4.2, C4.2a, C4.2b) VF FY2023 Environmental & Social Responsibility Report (p. 41)</p>





GRI INDEX



Global Reporting Initiative (GRI) Content Index

VF Corporation has reported the information cited in this GRI content index for the period April 3, 2022 to April 1, 2023 with reference to the GRI Standards. GRI 1: Foundation 2021 is used to build this content index. We do not report on any Sector Standards as the applicable GRI sector standards for textiles and apparel are not yet available at the time of this publication.




ORGANIZATIONAL PROFILE
**Related UNSDGs⁵¹
and UNGPRF⁵²**

2-1	Organizational details	<p>legal name: V.F. Corporation</p> <p>nature of ownership and legal form: VF FY2023 Annual Report (p. 27)</p> <p>location of headquarters: VF FY2023 Annual Report (p. 3)</p> <p>countries of operation: VF 2023 CDP Climate Change Disclosure (C0.3), VF Factory List</p>	
2-2	Entities included in the organization's sustainability reporting	<p>entities included in sustainability reporting: All entities included in the VF FY2023 Form 10-K are also included in the VF FY2023 Environmental & Social Responsibility Report.</p> <p>approach used for consolidating information: Unless otherwise noted, information disclosed in VF's environmental and social reporting covers the consolidated global business. In certain instances where data is not available for select regions or brands, refer to the relevant footnotes for details on changes to the scope.</p>	
2-3	Reporting period, frequency and contact point	<p>reporting period for, and frequency of, sustainability reporting: FY2023, annually</p> <p>reporting period of financial reporting: Data primarily covers fiscal year 2023 (FY23): April 3, 2022 through April 1, 2023, the same as VF's financial reporting.</p> <p>publication date of the report: November 14, 2023</p> <p>contact point: SustainabilityandResponsibility@vfc.com</p>	
2-4	Restatements of information	The Scope 3 GHG emissions stated on page 79 of the VF FY2022 Sustainability & Responsibility Report represent categories 1 and 4. The correct Scope 3 GHG emissions for all relevant categories in FY2021 is 4,428,000 MT CO ₂ e.	
2-5	External assurance	<p>VF receives independent third-party limited assurance for Scope 1, Scope 2 (location and market based) and select Scope 3 emissions categories annually. View our FY2022 Environmental Data Assurance for further information.</p> <p>VF is assessing potential options for expanded reporting assurance in the near term. Related formal governance mechanisms will be determined.</p>	

ACTIVITIES AND WORKERS

2-6	Activities, value chain and other business relationships	VF FY2023 Annual Report (p. 5 – 9)	
2-7	Employees	VF FY2023 Environmental & Social Responsibility Report (p. 24, 65 – 66)	8 10
2-8	Workers who are not employees	VF FY2023 Environmental & Social Responsibility Report (p. 65)	8

⁵¹ United Nations Sustainable Development Goals

⁵² UN Guiding Principles Report Framework (UNGPRF) Index



GOVERNANCE			Related UNSDGs and UNGPRF
2-9	Governance structure and composition	VF Governance at a Glance Details on the composition of VF's Board of Directors, including gender, tenure and independence is available in VF FY2023 Proxy Statement (p. 7 – 14, 17 – 23)	5 16
2-10	Nomination and selection of the highest governance body	VF FY2023 Proxy Statement (p. 15)	5 16
2-11	Chair of the highest governance body	VF FY2023 Proxy Statement (p. 8, 16, 21 – 22)	16
2-12	Role of the highest governance body in overseeing the management of impacts	VF Board of Directors Governance and Corporate Responsibility Committee Charter VF 2023 CDP Climate Change Disclosure (C1.1a) VF FY2023 Proxy Statement (p. 20)	16
2-13	Delegation of responsibility for managing impacts	VF FY2023 Environmental and Social Responsibility Report (p. 9)	
2-14	Role of the highest governance body in sustainability reporting	VF Environmental & Social Responsibility Report (p. 9 – 11)	
2-15	Conflicts of interest	VF FY2023 Proxy Statement (p. 18)	16
2-16	Communication of critical concerns	VF FY2023 Environmental & Social Responsibility Report (p. 9 – 11) VF Ethics & Compliance	
2-17	Collective knowledge of the highest governance body	VF FY2023 Proxy Statement (p. 14, 22) In FY23, members of VF's Board of Directors participated in a climate change educational workshop.	
2-18	Evaluation of the performance of the highest governance body	VF FY2023 Proxy Statement (p. 15, 17 – 18) VF Corporation Corporate Governance Principles	
2-19	Remuneration policies	VF FY2023 Proxy Statement (p. 24 – 25, 32 – 36, 47 – 49)	
2-20	Process to determine remuneration	VF FY2023 Proxy Statement (p. 20 – 21, 24 – 27, 34)	
2-21	Annual total compensation ratio	VF FY2023 Proxy Statement (p. 20 – 21, 24 – 27, 34)	


STRATEGIES, POLICIES AND PRACTICES
**Related UNSDGs
and UNGPRF**

2-22	Statement on sustainable development strategy	VF FY2023 Environmental & Social Responsibility Report (p. 3)	
2-23	Policy commitments	<p>We believe that clear policies, standards and principles are central to an effective governance approach. Our policies and standards encourage responsible business conduct within our own operations and with the external entities we engage with. Information on the application, scope and governance procedures of a specific policy or standard is detailed in the applicable document. A selection of VF policies and standards are listed below. For a complete list of public VF policies and standards, please visit www.vfc.com.</p> <ul style="list-style-type: none"> • Animal Derived Materials Policy • Child Rights Commitment* • Code of Business Conduct • Commitment to Eradicate Gender-based Violence & Harassment* • Cotton Fiber Sourcing Policy • Human Rights Commitment • Inclusion, Diversity, Equity & Action (IDEA) Commitment • Responsible Recruitment & Anti-Forced Labor Commitment* • Restricted Substance List • Terms of Engagement • VF Guiding Principles <p>Communication: 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.</p> <p>*Indicates VF commitments to address identified salient human rights issues in alignment with the UNGPRF. View VF's Human Right's Commitment for details on the company's public commitment and approach to respecting human rights.</p>	<div style="text-align: center;"> 16 </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid black; border-radius: 10px; padding: 5px; text-align: center;"> UNGPRF A1 </div> <div style="border: 1px solid black; border-radius: 10px; padding: 5px; text-align: center;"> UNGPRF C1 </div> </div>
2-24	Embedding policy commitments	<p>Salient VF 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 ELT Legal Compliance and Risk Council and to the Audit Committee of the VF Board of Directors quarterly.</p> <p>Oversight of human rights at VF sits with our President and Chief Executive Officer and the full Executive Leadership Team. 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 People Officer 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. Refer to the TCFD Index (p. 71 – 72) for details on how climate-related risks are embedded into VF's ERM process. Visit the VF Ethics & Compliance website for further details on policy implementation and training.</p>	<div style="text-align: center; margin-top: 20px;"> UNGPRF A2 </div>





			Related UNSDGs and UNGPRF
2-25	Processes to remediate negative impacts	<p>VF FY2023 Environmental & Social Responsibility Report (p. 11, 32 – 36)</p> <p>VF Factory Audit Procedures</p> <p>VF Code of Business Conduct</p> <p>VF Your Voice Matters Case Study</p>	<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 2px 5px; margin: 2px;">UNGPRF A2</div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 2px 5px; margin: 2px;">UNGPRF B4</div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 2px 5px; margin: 2px;">UNGPRF C5</div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 2px 5px; margin: 2px;">UNGPRF C6</div> </div>
2-26	Policy commitments	<p>VF Global Ethics & Compliance Program</p> <p>Our Ethics and Compliance Program helps ensure our employees 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 Ethics Helpline. The Helpline is available 24 hours a day/seven days a week in every country where VF has employees. Visit VF Ethics & Compliance for further information.</p> <p>In FY23, VF investigated a total of 972 reports globally. This is attributed to an increased awareness of what constitutes misconduct and a willingness of employees, enterprise-wide, to report concerns. Of the 972 reports received through the Ethics Helpline and via the VF Open Door Policy:</p> <ul style="list-style-type: none"> 160 were requests for guidance. 811 involved alleged violations of VF's Code, policies or the law. We substantiated 351 of those cases. 0 substantiated claims of harassment or discrimination relating to pregnancy and maternity rights or gender discrimination in FY23. 168 other allegations of discrimination/harassment, 55 of which were substantiated. 	<div style="border: 1px solid #ccc; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto; background-color: #0070c0; color: white; font-weight: bold; font-size: 16px;">16</div> <div style="border: 1px solid #ccc; border-radius: 5px; padding: 2px 5px; margin: 5px auto; background-color: #f0f0f0;">UNGPRF C6</div>
2-27	Compliance with laws and regulations	<p>VF Terms of Engagement</p> <p>VF Code of Business Conduct</p> <p>VF Factory Audit Procedures</p> <p>VF FY2023 Environmental & Social Responsibility Report (p. 68)</p>	
2-28	Membership associations	VF Stakeholder Engagement	
STAKEHOLDER ENGAGEMENT			
2-29	Approach to stakeholder engagement	<p>VF FY2023 Environmental & Social Responsibility Report (p. 10 – 11)</p> <p>VF Stakeholder Engagement</p>	<div style="border: 1px solid #ccc; border-radius: 5px; padding: 2px 5px; margin: 0 auto; background-color: #f0f0f0;">UNGPRF C2</div>
2-30	Collective bargaining agreements	<p>In FY23, there was a collective bargaining agreement in place at a VF facility in the United States and Mexico and collective labor agreements in Belgium.</p> <p>VF FY2023 Environmental & Social Responsibility Report (p. 34 – 35)</p>	<div style="border: 1px solid #ccc; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto; background-color: #c00000; color: white; font-weight: bold; font-size: 16px;">8</div>



DISCLOSURES OF MATERIAL TOPICS¹
**Related UNSDGs
and UNGPRF**

3-1	Process to determine material topics	VF FY2022 Sustainability & Responsibility Report (p. 13)	 
3-2	List of material topics	VF FY2022 Sustainability & Responsibility Report (p. 13)	

ECONOMIC PERFORMANCE

3-3	Management of material topics	VF FY2023 Annual Report (p. 48)	
201-1	Direct economic value generated	VF FY2023 Annual Report (p. 47)	 

ANTI-CORRUPTION

3-3	Management of material topics	VF FY2023 Sustainability & Responsibility Report (p. 10)	
205-2	Communication and training on anti-corruption policies and procedures	<p>VF Ethics & Compliance</p> <p>To reinforce our ongoing commitment to and understanding of our values-based principles, the VF 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 and fair competition. In FY23, 95% of employees completed the assigned online Code of Conduct training.</p> <p>The VF Code of Business Conduct and all relevant corporate policies apply to everyone who conducts business on behalf of VF, including employees and members of VF's Board of Directors, regardless of seniority or location. View the Anti-Corruption section of the VF Code of Business Conduct for further information.</p>	

MATERIALS

3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 49 – 52)	
301-1	Materials used by weight or volume	VF FY2023 Environmental & Social Responsibility Report (p. 70)	 

ENERGY

3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 43 – 44)	
302-1	Energy consumption within the organization	VF FY2023 Environmental & Social Responsibility Report (p. 69)	  



WATER AND EFFLUENTS			Related UNSDGs and UNGPRF
3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 47)	
303-1	Interactions with water as a shared resource	VF FY2023 Environmental & Social Responsibility Report (p. 47 – 48)	6 12
303-2	Management of wastewater impacts	VF FY2023 Environmental & Social Responsibility Report (p. 47)	6
303-4	Total water discharge across supply chain	109,260 megaliters in 2021	
303-5	Water consumption	VF FY2023 Environmental & Social Responsibility Report (p. 47)	
EMISSIONS			
3-3	Management of material topics	VF 2023 CDP Climate Change Disclosure (p. 3 - 6)	
305-1	Scope 1 GHG emissions	VF FY2023 Environmental & Social Responsibility Report (p. 69)	3 12
305-2	Scope 2 GHG emissions	VF FY2023 Environmental & Social Responsibility Report (p. 69)	13 14 15
305-3	Scope 3 GHG emissions	VF FY2023 Environmental & Social Responsibility Report (p. 69)	
305-4	Emissions intensity	VF FY2023 Environmental & Social Responsibility Report (p. 69)	13 14 15
305-5	Reduction of GHG emissions	VF FY2023 Environmental & Social Responsibility Report (p. 41)	
WASTE			
3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 45 – 46, 57 – 59)	3 6
306-2	Management of waste-related impacts	VF FY2023 Environmental & Social Responsibility Report (p. 45 – 46, 57 – 59)	11 12
306-3	Waste generated	VF FY2023 Environmental & Social Responsibility Report (p. 70)	3 6 11 12 15






SUPPLIER ENVIRONMENTAL COMPLIANCE			Related UNSDGs and UNGPRF
3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 42 – 44)	
308-1	New suppliers screened on environmental criteria	VF Factory Audit Procedures	
308-2	Negative environmental impacts	VF FY2023 Environmental & Social Responsibility Report (p. 42 – 44)	
OCCUPATIONAL HEALTH AND SAFETY			
403-1	Occupational health and safety management system	VF FY2023 Environmental & Social Responsibility Report (p. 19)	
403-2	Hazard identification and risk assessment	VF FY2023 Environmental & Social Responsibility Report (p. 19)	8
403-3	Occupational health services	VF FY2023 Environmental & Social Responsibility Report (p. 19)	
403-4	Worker participation and communication	VF FY2023 Environmental & Social Responsibility Report (p. 19)	8 16
403-5	Worker training on health and safety	VF FY2023 Environmental & Social Responsibility Report (p. 19)	8
403-6	Promotion of worker health	VF FY2023 Environmental & Social Responsibility Report (p. 19, 38, 39)	3
403-7	Prevention and mitigation	VF FY2023 Environmental & Social Responsibility Report (p. 19, 39)	8
403-9	Work-related injuries	VF FY2023 Environmental & Social Responsibility Report (p. 67)	3 8 16
DIVERSITY AND EQUAL OPPORTUNITY			
3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 22 – 29) VF Inclusion, Diversity, Equity & Action Policy Statement	
405-1	Diversity of governance bodies and employees	VF FY2023 Environmental & Social Responsibility Report (p. 65 – 66)	5 8




NON-DISCRIMINATION			Related UNSDGs and UNGPRF
3-3	Management of material topics	VF believes that a respectful workplace is free from unlawful discrimination and harassment, but it is much more than compliance with applicable laws. It is a work environment that is free of inappropriate and unprofessional behavior, and one that is consistent with VF's Purpose and guiding principles — a place where everyone can do their best work and a place where a person is free to report workplace concerns without fear of retaliation or reprisal. Read VF's Respectful Workplace Policy to view our policy against unlawful discrimination.	
406-1	Incidents of discrimination	VF FY2023 Environmental & Social Responsibility Report (p. 77)	5 8
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 32)	
407-1	Freedom of association	VF FY2023 Environmental & Social Responsibility Report (p. 34 – 35)	8
CHILD LABOR			
3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 32) VF Child Rights Commitment	
408-1	Child labor	VF FY2023 Environmental & Social Responsibility Report (p. 36)	5 8 16
FORCED OR COMPULSORY LABOR			
3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 32) VF Responsible Recruitment & Anti-Forced Labor Commitment	
409-1	Forced or compulsory labor	VF FY2023 Environmental & Social Responsibility Report (p. 35)	5 8
LOCAL COMMUNITIES			
3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 37)	
413-1	Operations with local community engagement, impact assessments and development programs	VF FY2023 Environmental & Social Responsibility Report (p. 37 – 38)	



SUPPLIER SOCIAL ASSESSMENT
**Related UNSDGs
and UNGPRF**

3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 32 – 33)	
414-1	New suppliers that were screened using social criteria	VF FY2023 Environmental & Social Responsibility Report (p. 67 – 68) VF Factory Audit Procedures	  

PUBLIC POLICY

3-3	Management of material topics	VF Government Affairs	
415-1	Political contributions	<p>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.</p> <p>Principles governing our approach to political expenditures include the following:</p> <ul style="list-style-type: none"> • VF does not endorse or make campaign contributions to federal, state, or local candidates. • VF does not make contributions in support of or in opposition to ballot initiatives. • VF does not participate in electioneering communication to our employees or anyone outside the company. • VF does not have a Political Action Committee (PAC). • 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 periodically reviews 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. <p>Visit VF Government Affairs for more information.</p>	

CUSTOMER HEALTH AND SAFETY

3-3	Management of material topics	VF FY2023 Environmental & Social Responsibility Report (p. 54)	
416-2	Incidents of non-compliance	VF FY2023 Environmental & Social Responsibility Report (p. 54)	



SASB INDEX



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 FY23, 95% 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 2022, 198 Tier 1 and 288 Tier 2 supplier factories completed the Higg FEM assessment. Of the nearly 500 FEM assessments completed, over 70% 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 FY23, VF conducted a total of 1,522 supplier audits, of which 38% 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) of 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 FY23, 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 FY2023 Environmental & Social Responsibility Report (p. 32)



TOPIC	CODE	ACCOUNTING METRIC	VF RESPONSE
Raw Material Sourcing	CG-AA-440a.1	Description of environmental and social risks associated with sourcing priority raw materials.	VF FY2023 Environmental & Social Responsibility Report (p. 49 – 52)
	CG-AA-440a.2	Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard.	<p>In FY22, VF sourced:</p> <ul style="list-style-type: none"> Organic Cotton: 2% Better Cotton Initiative: 35% Recycled Cotton: 1% Virgin Down: 100% Responsible Down Standard ZQ & Responsible Wool Standard: 84% Recycled Nylon: 25% Recycled Polyester: 40% Leather from LWG-audited Tanneries (FY23): 100%
Management of Chemicals in Products	CG-AA-250a.1	Discussion of processes to maintain compliance with restricted substances regulations.	<p>VF FY2023 Environmental & Social Responsibility Report (p. 55 – 56)</p> <p>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).</p>
	CG-AA-250a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products.	VF FY2023 Environmental & Social Responsibility Report (p. 55 – 56)
Activity Metric	CG-AA-000.A	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1.	In FY23, VF sourced from 706 Tier 1 and subcontractors supplier factories, 297 Tier 2 supplier factories and 286 licensees ⁵³ factories.

⁵³ Figure includes supplier factories that are shared with direct sourcing.

Endnotes:

¹ In this communication and in our other environmental and social responsibility 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 environmental and social responsibility reports and statements should be construed to indicate otherwise.



SAFE HARBOR STATEMENT

This material may contain “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are made based on VF’s expectations and beliefs concerning future events impacting VF and therefore involve several risks and uncertainties. Words such as “will,” “anticipate,” “estimate,” “expect,” “should” and “may” and other words and terms of similar meaning or use of future dates may be used to identify forward-looking statements, 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. Forward-looking statements are not guarantees, and 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: the level of consumer demand for apparel and footwear; 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 finished 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; VF’s ability to maintain the image, health and equity of its brands; 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 find and amplify consumer tailwinds, build brands on multiple growth horizons and leverage platforms for speed to scale and efficiency; 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; VF’s ability to recruit, develop or retain key executive or employee talent or successfully transition executives; continuity of members of VF’s management; changes in

the availability and cost of labor; VF’s ability to protect trademarks and other intellectual property rights; possible goodwill and other asset impairment such as the impairment charges related to the Supreme® brand 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, integrate acquisitions and manage its brand portfolio; business resiliency in response to natural or man-made economic, public health, 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; climate change and increased focus on environmental, social and governance issues; VF’s ability to execute on its sustainability strategy and achieve its sustainability related goals and targets; 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, including any potential effects from climate change; VF’s indebtedness and its ability to obtain financing on favorable terms, if needed, could prevent VF from fulfilling its financial obligations; VF’s ability to pay and declare dividends or repurchase its stock in the future; 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; and tax risks associated with the spinoff of our Jeanswear business completed in 2019.



CORPORATION

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