

# VF Corporation - Forests 2018

## F0. Introduction

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### F0.1

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**(F0.1) Give a general description of and introduction to your organization.**

V.F. Corporation, organized in 1899, is a worldwide leader in branded lifestyle apparel and related products. Our brands include The North Face®, Wrangler®, Vans®, Lee®, Reef®, Kipling®, Napapijri®, Eagle Creek®, JanSport®, Smartwool®, Timberland®, and many others.

VF is a highly diversified apparel company — across brands, product categories, channels of distribution and geographies. A growing portion of our revenue is derived from sales to consumers through VF operated stores and internet sites. VF additionally derives its revenues from outside the United States, primarily in Europe, Asia, Canada and Latin America. We balance efficient and flexible internally owned manufacturing with sourcing finished goods from independent contractors.

VF's businesses are organized primarily into consumer lifestyle categories, and by brands within those categories, for both management and internal financial reporting purposes. These groupings of businesses are called "coalitions" and consist of the following: Outdoor, Action Sports, Jeanswear, and Workwear. These coalitions are our reportable segments for financial reporting purposes. Coalition management has responsibility to build their brands, with certain financial, administrative and systems support and disciplines provided by central functions within VF.

### F0.2

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**(F0.2) State the start and end date of the year for which you are reporting data.**

	Start Date	End Date
Reporting year	January 1 2017	December 31 2017

### F0.3

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**(F0.3) Select the currency used for all financial information disclosed throughout your response.**

USD

### F0.4

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**(F0.4) Select the stage(s) of the value chain which best represents your organization's area of operation pertaining to forest risk commodities.**

Retailing

## F0.5

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**(F0.5) Do you produce, use, or sell materials or products that contain any of the forest risk commodities?**

	Produce/use/sell	Disclosing	Explanation if produce/use/sell but not disclosing
Timber	Yes	Yes	<Not Applicable>
Palm Oil	Don't know	<Not Applicable>	<Not Applicable>
Cattle Products	Yes	Yes	<Not Applicable>
Soy	Don't know	<Not Applicable>	<Not Applicable>
Other - Rubber	Yes	Yes	<Not Applicable>
Other	No	<Not Applicable>	<Not Applicable>

## F0.6

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**(F0.6) Are there any parts of your direct operations not included in your disclosure?**

No

## F0.7

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**(F0.7) Are there any parts of your supply chain not included in your disclosure?**

Yes

### F0.7a

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**(F0.7a) Identify the parts of your supply chain not included in your disclosure.**

**Exclusion**

Other, please specify (Licences )

**Description of exclusion**

Palm oil and soy are considered de minimis and have not yet been evaluated. Licensees are also excluded from this disclosure as we are still in the process of developing the methodology to evaluate their risk.

**Potential for forests-related risk**

Potential for forests-related risk but not evaluated

**Please explain**

Although palm oil and soy can be associated with deforestation, because these commodities are such a small fraction of the business to date, we have yet to evaluate their risk to our business.

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## F1. Current state

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### F1.1

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**(F1.1) How does your organization produce, use, or sell your disclosed commodity(ies)?**

**Forest risk commodity**

Timber

**Activity**

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Using as input into product manufacturing

**Form of commodity**

Paper

Boards, plywood, engineered wood

Primary packaging

Secondary packaging

Cellulose-based textile fiber

**Source**

Contracted suppliers (manufacturers)

**Country/Region of origin**

Other, please specify (Originates from different places)

**% of procurement spend**

Not applicable

**Comment**

Some of our blended textiles are derived from cellulose (viscose, modal, cupro, lyocell). In terms of quantity, the volume of paper cardboard and hardwood is significantly larger than the use of cellulose based fabrics. Our percent of procurement spend is considered confidential.

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**Forest risk commodity**

Timber

**Activity**

Using for construction

**Form of commodity**

Paper

Boards, plywood, engineered wood

Primary packaging

Secondary packaging

**Source**

Contracted suppliers (manufacturers)

**Country/Region of origin**

Other, please specify (Originates from different places)

**% of procurement spend**

Not applicable

**Comment**

These materials are commonly used within stores especially for store fixtures, flooring, windows or as visual merchandising. The volume of paper cardboard and hardwood are significantly larger than the use of cellulose based fabrics. Our percent of procurement spend is considered confidential.

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**Forest risk commodity**

Timber

**Activity**

Distributing/packaging

**Form of commodity**

Paper

Boards, plywood, engineered wood

Primary packaging

Secondary packaging

Cellulose-based textile fiber

**Source**

Contracted suppliers (manufacturers)

**Country/Region of origin**

Other, please specify (Originates from different places)

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**% of procurement spend**

Not applicable

**Comment**

Paper, cardboard and hardwood are mainly used for packaging purpose, primary packaging (customer facing, i.e. hangers, hangtags, shoe boxes) as well as secondary packaging (transport packaging). Our percent of procurement spend is considered confidential.

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**Forest risk commodity**

Timber

**Activity**

Retailing/onward sale of commodity or product containing commodity

**Form of commodity**

Paper

Boards, plywood, engineered wood

Primary packaging

Secondary packaging

Cellulose-based textile fiber

**Source**

Contracted suppliers (manufacturers)

**Country/Region of origin**

Other, please specify (Originates from different places)

**% of procurement spend**

Not applicable

**Comment**

Some of our blended textiles are derived from cellulose (viscose, modal, cupro, lyocell). Our percent of procurement spend is considered confidential.

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**Forest risk commodity**

Cattle products

**Activity**

Retailing/onward sale of commodity or product containing commodity

**Form of commodity**

Hides/leather

**Source**

Contracted suppliers (manufacturers)

**Country/Region of origin**

Brazil

United States of America

Other, please specify (Originates from different places)

**% of procurement spend**

Not applicable

**Comment**

Some of our products such as apparel, footwear and backpacks use leather from cattle. Our percent of procurement spend is considered confidential.

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**Forest risk commodity**

Other - Rubber

**Activity**

Other, please specify (Retail/ onward sale of commodity or prod)

**Form of commodity**

Other, please specify (Shoe Composition)

**Source**

Contracted suppliers (manufacturers)

**Country/Region of origin**

Cambodia

Thailand

Viet Nam

Other, please specify (Originates from different places)

**% of procurement spend**

Not applicable

**Comment**

Most of our footwear has a blend of natural rubber and EVA in the outer sole.

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F1.1a

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**(F1.1a) Indicate from which State/region(s) and municipality(ies) your disclosed commodity(ies) originate.**

**Forest risk commodity**

Cattle Products

**Activity**

Retailing/onward sale of commodity or product containing commodity

**Country/Region of origin**

Brazil

**State/Region**

Not disclosing

**Municipality**

Please select

**Please explain**

Survey collecting information on upstream leather supply chain. Suppliers disclose data to help us manage environmental impacts, ensure animal welfare, and monitor progress against VF's goals and targets.

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F1.2

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**(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.**

	% of revenue dependent on commodity	Comment
Timber	Please select	This information is considered confidential.
Palm Oil	<Not Applicable>	<Not Applicable>
Cattle products	Please select	This information is considered confidential.
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	Please select	This information is considered confidential.
Other	<Not Applicable>	<Not Applicable>

F1.3

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**(F1.3) Do you own or manage land used for the production of your disclosed commodity(ies)?**

**Forest risk commodity**

Timber

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**Own and/or manage land?**

Don't own or manage land

**Type of control**

<Not Applicable>

**Description of type of control**

<Not Applicable>

**Country/Region**

<Not Applicable>

**Land type**

<Not Applicable>

**Size (Hectares)**

<Not Applicable>

**Do you have a system in place to monitor forests-related risks?**

<Not Applicable>

**Type of monitoring system**

<Not Applicable>

**Description of monitoring system**

<Not Applicable>

**Recent infraction(s)**

<Not Applicable>

**Explanation of infraction**

<Not Applicable>

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**Forest risk commodity**

Cattle Products

**Own and/or manage land?**

Don't own or manage land

**Type of control**

<Not Applicable>

**Description of type of control**

<Not Applicable>

**Country/Region**

<Not Applicable>

**Land type**

<Not Applicable>

**Size (Hectares)**

<Not Applicable>

**Do you have a system in place to monitor forests-related risks?**

<Not Applicable>

**Type of monitoring system**

<Not Applicable>

**Description of monitoring system**

<Not Applicable>

**Recent infraction(s)**

<Not Applicable>

**Explanation of infraction**

<Not Applicable>

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**Forest risk commodity**

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Other - Rubber

**Own and/or manage land?**

Don't own or manage land

**Type of control**

<Not Applicable>

**Description of type of control**

<Not Applicable>

**Country/Region**

<Not Applicable>

**Land type**

<Not Applicable>

**Size (Hectares)**

<Not Applicable>

**Do you have a system in place to monitor forests-related risks?**

<Not Applicable>

**Type of monitoring system**

<Not Applicable>

**Description of monitoring system**

<Not Applicable>

**Recent infraction(s)**

<Not Applicable>

**Explanation of infraction**

<Not Applicable>

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## F1.4

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**(F1.4) For your disclosed commodity(ies), indicate if you collect data regarding your own compliance and/or the compliance of your suppliers with the Brazilian Forest Code.**

**Timber**

**Do you collect data regarding compliance with the Brazilian Forest Code?**

No, we do not collect data

**Please explain**

This information is not currently be collected

**Cattle products**

**Do you collect data regarding compliance with the Brazilian Forest Code?**

No, we do not collect data

**Please explain**

This information is not currently be collected

**Other - Rubber**

**Do you collect data regarding compliance with the Brazilian Forest Code?**

No, we do not collect data

**Please explain**

This information is not currently be collected

## F1.5

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**(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?**

	Data availability/Disclosure
Timber	Data available, but not disclosing
Palm Oil	<Not Applicable>
Cattle products	Data available, but not disclosing
Soy	<Not Applicable>
Other - Rubber	Data available, but not disclosing
Other	<Not Applicable>

**F1.5b**

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**(F1.5b) Why is your organization not disclosing production and/or consumption data for your disclosed commodity(ies)?**

**Forest risk commodity**

Timber

**Primary reason**

Data considered confidential

**Please explain**

This information is deemed confidential and at this time will remain internal company information.

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**Forest risk commodity**

Cattle products

**Primary reason**

Data considered confidential

**Please explain**

This information is deemed confidential and at this time will remain internal company information.

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**Forest risk commodity**

Other - Rubber

**Primary reason**

Data considered confidential

**Please explain**

This information is deemed confidential and at this time will remain internal company information.

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**F1.6**

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**(F1.6) Have you identified sufficient sources of sustainable materials to meet your current operational needs? If yes, what are you doing to ensure the security/continuity of this supply?**

**Timber**

**Sustainable source identified**

Yes

**Primary action to ensure supply**

Engaging in capacity building activities in the value chain

**Please explain**

VF actively engages with its suppliers to ensure a constant supply of sustainable materials. As a part of the acknowledgement of VF's FDM policy, suppliers are being trained on transitioning to more sustainable supplies for now and into the future. Where suppliers are not in compliance with our policies, timebound supplier improvement plans are developed. Through its CanopyStyle initiative, the NGO Canopy, is working directly with man made cellulosic suppliers and producers to develop policies and certification that ensures wood pulp is not sourced from ancient and endangered forests.

**Cattle products**

**Sustainable source identified**

Yes

**Primary action to ensure supply**

Engaging in capacity building activities in the value chain

**Please explain**

VF actively engages with its suppliers to ensure a constant supply of sustainable materials. As a part of the acknowledgement of VF's ADM policy, suppliers are being trained on transitioning to more sustainable supplies for now and into the future. Where suppliers are not in compliance with our policies, timebound supplier improvement plans are developed.

**Other - Rubber**

**Sustainable source identified**

Yes

**Primary action to ensure supply**

Engaging in capacity building activities in the value chain

**Please explain**

VF is engaging NGOs and suppliers in exploring supply availability for sourcing 100% FSC certified natural rubber.

**F1.7**

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**(F1.7) Has your organization experienced any detrimental forests-related impacts?**

No

**F2. Procedures**

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**F2.1**

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**(F2.1) Does your organization undertake a forests-related risk assessment?**

Yes, forests-related risks are assessed

**F2.1a**

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**(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.**

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## Timber

### Value chain stage

Direct operations  
Supply chain

### Coverage

Full

### Risk assessment procedure

Assessed in an environmental risk assessment

### Frequency of assessment

Annually

### How far into the future are risks considered?

1 to 3 years

### Tools and methods used to identify and assess risks

Internal company methods  
External consultants

### Please explain

VF has a risk assessment procedure for issue management. Timber was determined as an at risk area after stakeholder engagement conversations, evaluation of the EU Timber Regulations (EUTR) and the US Lacey Act, as well as a deeper dive study with Textile Exchange into cellulosic materials used in our products. This led to an in depth mapping of our timber based products and the development of our Forest Derived Materials policy that was published in February 2017. The policy addresses four main areas by using raw materials that minimize deforestation risks: 1) Supporting programs to conserve ancient and endangered forests, 2) Prioritizing the use of a certified sustainable sources, 3) Encouraging Responsible Forest Management Practices for suppliers, and 4) Reducing virgin material use and prioritizing recycled content materials.

## Cattle Products

### Value chain stage

Direct operations  
Supply chain

### Coverage

Full

### Risk assessment procedure

Assessed in an environmental risk assessment

### Frequency of assessment

Annually

### How far into the future are risks considered?

1 to 3 years

### Tools and methods used to identify and assess risks

Internal company methods  
External consultants

### Please explain

Our Animal Derived Materials includes leather, which was determined as an at risk area after stakeholder engagement conversations. The Animal Derived Materials (ADM) policy addresses leather directly, requiring that leather does not come from farms in the Amazon Biome that have contributed to new Amazon deforestation. If leathers are sourced from the Amazon Biome, there must be proof that the land where animals were raised did not contribute to new deforestation. Suppliers must provide proof of country of origin and state or province where the animal was born and bred for all ADM's sold to VF. This policy is applicable for all VF brands, coalitions, and supply chain partners involved in procurement, sourcing and manufacturing of all products produced for any VF brand

## Other - Rubber

### Value chain stage

Supply chain

### Coverage

Full

### Risk assessment procedure

Assessed as part of other company-wide risk assessment system

### Frequency of assessment

Annually

### How far into the future are risks considered?

1 to 3 years

### Tools and methods used to identify and assess risks

Internal company methods

External consultants

### Please explain

As a part of broader Human Rights Risk Assessment with Maplecroft and Shift, Rubber was reviewed as potential risk in our supply chain. Today, we are speaking with Rainforest Alliance, WWF, Conservation International, and The Forest Trust to understand market supply, environmental impacts, social risks in sourcing countries and the best actions to take to mitigate such risks.

## F2.1b

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### (F2.1b) Which of the following issues are considered in your organization's forests-related risk assessment(s)?

#### Availability of forest risk commodities

##### Relevance & inclusion

Relevant, always included

##### Please explain

Availability of forest risk commodities are essential in our risk assessment. Our Forest Derived Materials (FDM) policy commits us to procuring only certified and or recycled materials for our indirect materials by 2020 and joining the CanopyStyle initiative for manmade cellulosic materials. Our policy specifically calls attention to availability issues as it comes to the roll out dates across regions understanding the challenges some markets have with access to certified materials. Allowing for recycled content gives different markets flexibility to continue sourcing materials as needed. Our FDM also ensures that we have continuous communication with our suppliers in addition to conducting an annual traceability assessment. This assessment considers regional and material issues to justify our timetable. We continue to engage with suppliers and relevant stakeholders to understand the issues that might emerge when trying to procure sustainable timber products. This is directly addressed in our FDM policy which allows for different timeframes in which different materials will be required to meet our policy requirements. The time line was developed specifically to align with availability issues currently seen in the marketplace such as the availability of FSC in Asia.

#### Quality of forest risk commodities

##### Relevance & inclusion

Relevant, sometimes included

##### Please explain

We are using wood pulp in our operations, which is a low grade material and does not face threats itself. Given this, we do not foresee a shortage of timber affecting our operations. Increasingly, with our FDM we are looking for lower risk, third party certified materials which can be considered of a higher quality. Our policies look closely at the availability of quality but see this more closely tied with availability as opposed to quality.

## Impact of activity on the status of ecosystems and habitats

### Relevance & inclusion

Relevant, always included

### Please explain

The impact of our activities on ecosystems is considered in our risk assessment. Ecosystem protection is a critical component to our policies. Specific call outs are made to protecting the Amazon Biome within our ADM policy as well as an overarching effort to preserve high conservation value forests (HCVF) in our FDM policy. Both policies ensure continuous communication with our suppliers in addition to conducting an annual traceability assessment. This assessment considers regional and material issues to justify our timetable. We continue to engage with suppliers to understand the issues that might come up when trying to procure sustainable timber products. Additionally, if a new high risk ecosystem and/or habitat emerges, we work with our suppliers accordingly to make sure we do not procure from those areas. If material comes from PEFC, we require suppliers to provide the countries of origin. We will audit more heavily in any ecosystems and habitats that have a change in status.

## Regulation

### Relevance & inclusion

Relevant, always included

### Please explain

Regulation is considered in our risk assessment. The FDM ensures visibility of VF's timber based products to safeguard our compliance to legislation such as the U.S. Lacey Act and the EU Timber Regulations (EUTR). We work with local governments to ensure our prompt awareness of issues in regulation, which allows us to plan for regulation internally within our policies. We try to go above and beyond with these internal policies, speculating regulation directions, sufficiently preparing VF for any issues that arise.

## Climate change

### Relevance & inclusion

Relevant, always included

### Please explain

Climate Change is considered in our risk assessment. Maintaining forests globally is an important part in a stable climate and mitigating carbon put into the atmosphere. Our FDM policy looks at alternative materials for our products that may have less impact in helping stabilize our climate and the effects caused by climate change.

## Tariffs or price increases

### Relevance & inclusion

Relevant, always included

### Please explain

Our policies were developed to protect VF from potential price increases. The FDM policy developed roll out dates across regions and material types, understanding the challenges some markets and product types will have with access to certified and recycled materials. Later compliance dates are given to allow for our sourcing and procurement teams to find materials that meet our policy. We are working with the FSC and other NGOs to understand where supply might be a challenge, and therefore, anticipating price increases. Additionally, due to VF's scale, we can mitigate price increases as we consolidate suppliers.

## Loss of markets

### Relevance & inclusion

Not relevant, explanation provided

### Please explain

We are using wood pulp in our operations, which is a low grade material and does not face threats itself. Given this, we do not foresee a shortage of timber affecting our operations that could potentially harm our ability to service any particular market.

## Brand damage related to forest risk commodities

### Relevance & inclusion

Relevant, always included

### Please explain

Brand damage related to forest risk commodities is considered in VF's risk assessments. Our policies were developed to shield our brands from the potential brand damage that can arise from neglecting to source forest risk commodities from sustainable sources. Policies were developed in conjunction with our brands, as they understood the potential brand damage caused by forest risk. Specific to our largest brands, The North Face and Timberland, we have conducted surveys to better understand how our customers perceive our brands and their purchasing decision considerations, which have identified actions that we are now taking to protect our brands and exceed customer expectations.

## Corruption

### Relevance & inclusion

Relevant, always included

### Please explain

In the past, we have encountered issues around foreign countries lacking regulations regarding legal timber procurement. These findings resulted in our immediate attention to illegal timber used in our foreign factories. We immediately provide direction toward legal alternatives and closely monitor timber used in the factory operations.

## Social impacts

### Relevance & inclusion

Relevant, always included

### Please explain

Many communities are reliant on the forests surrounding them and the services that they provide, for this reason social impacts are always considered in our risk assessment. Additionally, in our FDM policy we specifically look to mitigate any issues around the loss of indigenous peoples and local community rights through the preference of FSC certified materials.

## Other, please specify

### Relevance & inclusion

Please select

### Please explain

## F2.1c

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### (F2.1c) Which of the following stakeholders are considered in your organization's forests-related risk assessments?

#### Customers

### Relevance & inclusion

Relevant, always included

### Please explain

It is important that as a part of our license to operate that VF manage risks associated our raw materials responsibly. VF Corp oration factors customers into our forest risk assessment by responding to customer surveys, such as Walmart, as it pertains to forest related issues. This keeps our customers abreast of VF's adherence to our FDM policy .

#### Employees

### Relevance & inclusion

Relevant, always included

### Please explain

Across VF and our brands, our employees expect us to manage our resources responsibly. We believe this resource management is important for recruiting top talent and employee retention, which is why employees are considered in the organizations risk assessment at many levels. Across our business brand buyers, marketing and suppliers are educated on our FDM policy that sets strict standards for how to go about purchasing forest related products.

## Investors

### Relevance & inclusion

Relevant, always included

### Please explain

Many of our investors are interested in our raw material risk management program and expect us to responsibly source throughout our owned manufacturing and supply chain. As a method of engagement, through the CDP, we are publishing this information for our investors to better understand our approach to forest related risk.

## Local communities

### Relevance & inclusion

Relevant, always included

### Please explain

Many communities are reliant on the forests surrounding them and the services that they provide, for this reason local communities are always considered in our risk assessment. That is why in our FDM policy, we specifically look to mitigate any issues around the loss of indigenous peoples and local community rights as it is a global issue associated with forests. That is why we preference FSC certified materials that specifically addresses these issues.

## NGOs

### Relevance & inclusion

Relevant, always included

### Please explain

VF Corp engages with NGOs as a part of our forest risk assessment to better understand the most current issues. When we put together our FDM policy, Canopy, WRI, Forest Trust, Rainforest Alliance and many others were engaged. Today, we continue to speak with them to understand any new issues arising that we should be aware of and need to address. One of these new issues that has arisen relates to rubber and we are working with the NGO community to find the best way to address the issues.

## Other forest risk commodity users/producers at a local level

### Relevance & inclusion

Relevant, sometimes included

### Please explain

Local level stakeholders are considered where appropriate. For example, Wrangler has begun to speak with Rainforest Alliance and smallholders in the considering timber alternatives for viscose and rayon like materials.

## Regulators

### Relevance & inclusion

Relevant, always included

### Please explain

VF regularly researches developing regional policy and law. In our FDM policy, the US Lacey Act and EU regulation were important factors that encouraged us and set the business case for setting internal policy.

## Suppliers

### Relevance & inclusion

Relevant, always included

### Please explain

Our suppliers are important stakeholders when considering risk. Our FDM policy specifically outlines a feasible timeline for meeting our requirements based on regional and material specific differences. While we want to mitigate our use of irresponsibly sourced materials, we need to do it in a way that is feasible for our suppliers. That is why in addition to a clear policy we have put together educational presentations that explain our policy and how to adhere to it.

## Other stakeholders, please specify

### Relevance & inclusion

Not considered

### Please explain

No other stakeholders are considered at this time.

### F3. Risks and opportunities

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#### F3.1

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**(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?**

	Risk
Timber	No
Palm Oil	<Not Applicable>
Cattle Products	No
Soy	<Not Applicable>
Other - Rubber	No
Other	<Not Applicable>

#### F3.1a

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**(F3.1a) How does your organization define substantive impact on your business?**

Substantive change would be any major impact from physical water risk, regulatory or reputational risk to direct operations and/ or the supply chain that affects cost of goods (COGS) sold or annual sales by a delay in inventory.

#### F3.1c

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**(F3.1c) Why does your organization not consider itself to be exposed to forests-related risks with the potential to have a substantive financial or strategic impact?**

**Forest risk commodities**

Timber

**Primary reason for not identifying risks**

Risks exist, but no substantive impact anticipated

**Please explain**

Timber products do not account for a considerable amount of revenue, as their primary use is in packaging and for construction. The sourcing of wood and paper are not considered to pose an operational risk to VF. Substantive change would be any major impact from regulatory or reputational risk to direct operations and/ or the supply chain that affects cost of goods (COGS) sold or annual sales by a delay in inventory

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**Forest risk commodities**

Cattle products

**Primary reason for not identifying risks**

Risks exist, but no substantive impact anticipated

**Please explain**

Substantive change would be any major impact from regulatory or reputational risk to direct operations and/ or the supply chain that affects cost of goods (COGS) sold or annual sales by a delay in inventory based on our risk assessments there is no substantive impact anticipated.

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**Forest risk commodities**

Other – Rubber

**Primary reason for not identifying risks**

Risks exist, but no substantive impact anticipated

**Please explain**

Substantive change would be any major impact from regulatory or reputational risk to direct operations and/ or the supply chain that affects cost of goods (COGS) sold or annual sales by a delay in inventory based on our risk assessments there is no substantive impact anticipated.

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**F3.2**

**(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

	Have you identified opportunities?
Timber	Yes
Palm Oil	<Not Applicable>
Cattle products	Yes
Soy	<Not Applicable>
Other - Rubber	Yes
Other	<Not Applicable>

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**F3.2a**

**(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.**

**Forest risk commodity**

Timber

**Type of opportunity**

Markets

**Where in your value chain does the opportunity occur?**

Supply chain

**Primary forests-related opportunity**

Improved community relations

**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

VF published its Forest Derived Materials policy and Animal Derived Materials policy in early 2017 which we believe is the basis for realizing the listed opportunities. The policy sets targets for different materials and regions to reach compliance which requires either certified or/and recycled raw materials. We believe this work will increase brand value. Increasingly more brands are being evaluated by investors, consumers and their employees by social and environmental efforts. We believe these policies are just one piece in being a leader in sustainability that our stakeholders are interested to seeing us become.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact****Explanation of financial impact**

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**Forest risk commodity**

Timber

**Type of opportunity**

Resilience

**Where in your value chain does the opportunity occur?**

Direct operation

**Primary forests-related opportunity**

Improved staff retention

**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

We believe this work assists with staff retention and satisfaction. Before the policy was publicized, policy socialization was given across our brands and supply chain. Numerous employees were thankful to work for a company with strong values that takes environmental and social issues into consideration. We believe continued socialization and annual progress updates on compliance will continue to communicate the good work that VF is doing for the environment.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact****Explanation of financial impact**

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**Forest risk commodity**

Timber

**Type of opportunity**

Products & services

**Where in your value chain does the opportunity occur?**

Please select

**Primary forests-related opportunity**

Increased transparency

**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

We believe this work has increased transparency across VF. The roll out of the FDM policy has required us to upgrade management systems and continue to gain greater understanding across our entire value chain .

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact**

**Explanation of financial impact**

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**Forest risk commodity**

Timber

**Type of opportunity**

Markets

**Where in your value chain does the opportunity occur?**

Supply chain

**Primary forests-related opportunity**

Driving demand for sustainable materials

**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

We believe this work will drive the demand for more sustainable materials. Responsible material sourcing has been a key first step in our sustainable materials journey. Sourcing our raw materials (i.e. timber, cotton, leather, etc.) from responsible sources that are known to cause less impact to the natural and social environment has been a priority at VF. Increasingly through consumer insights and trends research, we are finding that if sustainable choices are offered and communicated with consumers, they will purchase these items over a comparable product without sustainable attributes.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact**

**Explanation of financial impact**

---

**Forest risk commodity**

Cattle Products

**Type of opportunity**

Products & services

**Where in your value chain does the opportunity occur?**

---

Supply chain

**Primary forests-related opportunity**

Increased brand value

**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

VF published its Animal Derived Materials policy in early 2017, which we believe is the basis for realizing the listed opportunities. The policy ensures that all leather does not come from cattle raised in the Amazon Biome contributing to new deforestation. Suppliers must provide documentation to prove compliance. We believe this work will increase brand value. Increasingly more brands are being evaluated by investors, consumers and their employees by their social and environmental efforts. We believe these policies are just one piece in being a leader in sustainability that our stakeholders are interested to seeing us become.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact**

**Explanation of financial impact**

---

**Forest risk commodity**

Cattle Products

**Type of opportunity**

Resilience

**Where in your value chain does the opportunity occur?**

Supply chain

**Primary forests-related opportunity**

Improved staff retention

**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

We believe this work assists with staff retention and satisfaction. Before the policy was publicized, policy socialization was given across our brands and supply chain. Numerous employees were thankful to work for a company with strong values that takes environmental and social issues into consideration. We believe continued socialization and annual progress updates on compliance will continue to communicate the good work that VF is doing for the environment.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact**

**Explanation of financial impact**

---

**Forest risk commodity**

Cattle Products

**Type of opportunity**

Products & services

**Where in your value chain does the opportunity occur?**

Supply chain

---

**Primary forests-related opportunity**

Increased transparency

**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

We believe this work has increased transparency across VF. The roll out of the ADM policy has required us to upgrade management systems, increase communications with suppliers and continue to gain greater understanding across our entire value chain.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact****Explanation of financial impact**

---

**Forest risk commodity**

Cattle Products

**Type of opportunity**

Markets

**Where in your value chain does the opportunity occur?**

Supply chain

**Primary forests-related opportunity**

Driving demand for sustainable materials

**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

We believe this work will drive the demand for more sustainable materials. Responsible material sourcing has been a key first step in our sustainable materials journey. Sourcing our raw materials (i.e. timber, cotton, leather, etc.) from responsible sources that are known to cause less impact to the natural and social environment has been a priority at VF. Increasingly through consumer insights and trends research, we are finding that if sustainable choices are offered and communicated with the consumers, consumers will purchase these items over a comparable product without sustainable attributes.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact****Explanation of financial impact**

---

**Forest risk commodity**

Other - Rubber

**Type of opportunity**

Markets

**Where in your value chain does the opportunity occur?**

Supply chain

**Primary forests-related opportunity**

Driving demand for sustainable materials

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**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

We believe this work will drive the demand for more sustainable materials. Responsible material sourcing has been a key first step in our sustainable materials journey. Sourcing our raw materials (i.e. timber, cotton, leather, etc.) from responsible sources that are known to cause less impact to the natural and social environment has been a priority at VF. Increasingly through consumer insights and trends research, we are finding that if sustainable choices are offered and communicated with the consumers, consumers will purchase these items over a comparable product without sustainable attributes.

**Estimated timeframe for realization**

4-6 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact****Explanation of financial impact****Forest risk commodity**

Other - Rubber

**Type of opportunity**

Resilience

**Where in your value chain does the opportunity occur?**

Supply chain

**Primary forests-related opportunity**

Improved supply chain engagement

**Financial incentives**

<Not Applicable>

**Company-specific description & strategy to realize opportunity**

The recognition of rubber's supply chain risks has allowed for increased direct engagement with major rubber supply chain actors, such as natural rubber traders, certified natural rubber suppliers and continue to enhance provenance in supply chain.

**Estimated timeframe for realization**

4-6 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

Likely

**Potential financial impact****Explanation of financial impact****F4. Governance****F4.1****(F4.1) Does your organization have a policy that includes forests-related issues?**

Yes, we have a documented forests policy that is publicly available

F4.1a

**(F4.1a) Select the options to describe the scope and content of your policy.**

	Scope	Content	Please explain
Row 1	Company-wide	Commitment to avoiding deforestation and forest degradation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Commitment to transparency Commitment to stakeholder awareness and education Recognition of the overall importance of forests and other natural habitats Description of business dependency on forests List of timebound commitments and targets Description of forests-related performance standards for direct operations Description of forests-related standards for procurement Reference to international standards and widely-recognized forests-related initiatives	VF has two publicly available policies that address deforestation for climate change mitigation. Our Animal Derived Materials policy ensures leather does not come from farms in the Amazon Biome, that have contributed to new Amazon deforestation. This effort is to protect the largest intact tropical rainforest in the world. Our Forest Derived Materials policy addresses loss of ancient and endangered forests and loss of biodiversity and habitat associated with deforestation and its effects on climate change. These issues are addressed by four main strategies: supporting programs to conserve ancient and endangered forests, prioritizing the use of certified sustainable sources, encouraging responsible forest management. Practices for suppliers, and reducing virgin material use and prioritizing recycled content materials. The specific timebound goals address these strategies directly.

F4.1b

**(F4.1b) Do you have commodity specific sustainability policy(ies)? If yes, select the options that best describe their scope and content.**

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Timber	Yes	Company-wide	<p>Commitment to avoiding deforestation and forest degradation</p> <p>Commitment to protect rights and livelihoods of local communities</p> <p>Commitments beyond regulatory compliance</p> <p>Commitment to stakeholder awareness and education</p> <p>Recognition of the overall importance of forests and other natural habitats</p> <p>Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy</p> <p>List of timebound commitments and targets</p> <p>Description of forests-related performance standards for direct operations</p> <p>Description of forests-related standards for procurement</p> <p>Reference to international standards and widely-recognized forests-related initiatives</p>	<p>VF's focus on using responsibly sourced materials includes our commitment to protect the world's forests. In consultation with Canopy, Rainforest Alliance and Stand.Earth, we developed a Forest Derived Materials (FDM) Policy that covers the sustainable and responsible sourcing of forest products used in our supply chain. This policy aims to prevent any contributions to deforestation, to the degradation of forest habitats and indigenous populations, Loss of biodiversity and habitat, or the use of forced labor in making forestry products. VF is committed to continuous improvement of the criteria and enforcement of its FDM policy. We are committed to constantly improving our FDM Policy and practices by working with relevant stakeholders including NGO's, materials suppliers, industry groups and competitors. This policy is applicable to all VF Brands, Coalitions, and Supply Chain Partners involved in the procurement, sourcing and manufacture of all products produced for any VF Brand (including but not limited to fabrics containing manmade cellulosic fibers, hangtags, shoeboxes, hangers, shopping bags, corrugate, tissue paper, store fixtures and solid wood furniture). VF seeks to address these areas by using raw materials with minimal impact on forests and forest habitats with a focus on: 1.) Supporting programs to conserve Ancient and Endangered Forests 2.) Prioritizing the use of certified sustainable sources 3.) Encouraging Responsible Forest Management Practices for suppliers 4.) Reducing virgin material use and prioritizing Recycled Content materials.</p>
Palm Oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Cattle Products	Yes	Company-wide	Commitment to avoiding deforestation and forest degradation Commitments beyond regulatory compliance Commitment to stakeholder awareness and education Commitment to innovation Recognition of potential business impact on forests and other natural habitats Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy List of timebound commitments and targets Description of forests-related standards for procurement Reference to international standards and widely-recognized forests-related initiatives	We believe that all animals should be treated with care and respect. That's why we developed an Animal Derived Materials (ADM) Policy in consultation with Humane Society International to solidify our commitment to sourcing animal derived materials from suppliers that treat animals ethically and humanely. The policy prohibits the use of fur and endangered or exotic animal species in VF products. The ADM policy applies to all VF brands and supply chain partners involved in the procurement, sourcing and manufacture of any products on behalf of our brands. VF ensures sourced leathers from the Amazon biome must come with proof that the land where animals were raised did not contribute to new deforestation. We are committed to constantly improving our ADM Policy and practices by working with relevant stakeholders including animal welfare organizations, materials suppliers, industry groups and competitors. We also acknowledge the potential negative side effects on the environment of Animal Derived Materials (ADM's) and will use this policy to help address those impacts now and in future iterations of it. We will actively promote the further development and use of viable commercial substitutes to ADMs that meet the needs of our business, brands and end users with increasing focus in that area We value continuous improvement. To keep this policy as robust as possible we will periodically review it to ensure that it is relevant, credible, current and matches our sphere of control within our ADM supply chain. This policy is applicable to all VF Brands, Coalitions, and Supply Chain Partners involved in the procurement, sourcing and manufacture of all products produced for any VF Brand (including but not limited to hides, fabrics, insulation, trims and accessories). We encourage our supply chain partners to use this policy for materials beyond those sourced for VF. This policy does not apply to feedstock used for recycled ADM's in VF products (e.g. wool garment inputs for recycled wool, leather scrap inputs for recycled leather).
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	No	<Not Applicable>	<Not Applicable>	
Other	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

## F4.2

**(F4.2) Is there board-level oversight of forests-related issues within your organization?**

Yes

## F4.2a

**(F4.2a) Identify the position(s) of the individual(s) on the board with responsibility for forests-related issues.**

Position of individual	Please explain
Board Chair	Steve Rendle, our Board Chair is responsible for all Sustainability & Responsibility efforts.

## F4.2b

**(F4.2b) Provide further details on the board's oversight of forests-related issues.**

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Reviewing and guiding corporate responsibility strategy Reviewing and guiding risk management policies Reviewing and guiding strategy	The VP of global sustainability reports to the Board's Nomination and Governance Committee on Sustainability related matters including climate, deforestation and sequestration.

## F4.3

**(F4.3) Below board level, provide the highest-level management position(s) or committee(s) with responsibility for forests-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Other, please specify (VF Global Responsible Sourcing)	Both assessing and managing forests-related risks and opportunities	Half-yearly	
Other, please specify (VP Global Sustainability)	Both assessing and managing forests-related risks and opportunities	Half-yearly	

## F4.4

**(F4.4) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?**

No, not currently but we do plan to introduce them in the next two years

## F5. Business strategy

### F5.1

**(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	5-10	With the launch of our Purpose, to power movements of sustainable and active lifestyles for the betterment of people and our planet, the importance of forests for the livelihoods and health of our people is recognized and considered in our long-term business objectives.
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	Forest related goals and objectives are outlined in our FDM policy based on region and material type, we see this as one of our many efforts as a part of our long-term objective to address supply chain and raw material traceability and risk mitigation.
Financial planning	Yes, forests-related issues are integrated	5-10	With the launch of our Purpose, to power movements of sustainable and active lifestyles for the betterment of people and our planet, the importance of forests for the livelihoods and health of our people is recognized and considered in our long-term business objectives and inevitably our financial planning.

**F6. Implementation**

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**F6.1**

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**(F6.1) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?**

Yes

**F6.1a**

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**(F6.1a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?**

Other, please specify (Canopy Style Initiative, Five Freedoms )

**F6.1b**

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**(F6.1b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.**

**Commodity coverage**

Timber

**Criteria**

Avoidance of negative impacts on threatened and protected species and habitats

No trade of CITES listed species

No conversion of High Conservation Value areas

No conversion of High Carbon Stock forests

Adoption of Free, Prior and Informed Consent (FPIC) principles

No sourcing of illegally produced and/or traded forest risk commodities

**Operational coverage**

Direct operations

**% of total production/ consumption covered by commitment**

100%

**Commitment timeframe**

2020

**Please explain**

VF has a risk assessment procedure for issue management. Timber was determined as an at risk area after stakeholder

engagement conversations, evaluation of the EU Timber Regulations (EUTR) and the US Lacey Act, as well as a deeper dive study with Textile Exchange into cellulosic materials used in our products. This led to an in-depth mapping of our timber based products and the development of our Forest Derived Materials Policy that was published in February 2017. The policy addresses four main areas by using raw materials that minimize deforestation risks: 1) Supporting programs to conserve Ancient and Endangered Forests, 2) Prioritizing the use of a certified sustainable source, 3) Encouraging Responsible Forest Management Practices for suppliers, and 4) Reducing virgin material use and prioritizing recycled content materials. This covered High value management, high carbon stock, illegal sources, FPIC, and CITES listed species through the Canopy Style commitment to ancient and endangered forests and third party certification and or recycled content materials.

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**Commodity coverage**

Cattle Products

**Criteria**

Avoidance of negative impacts on threatened and protected species and habitats  
No trade of CITES listed species  
No conversion of High Conservation Value areas  
No conversion of High Carbon Stock forests

**Operational coverage**

Direct operations

**% of total production/ consumption covered by commitment**

100%

**Commitment timeframe**

2020

**Please explain**

Additionally, including leather in the Animal Derived Materials Policy was determined as an at risk area after stakeholder engagement conversations. The Animal Derived Materials Policy addresses leather directly, requiring that leather is not sourced from farms in the Amazon Biome, considered High Conservation Value and High Carbon stock forest, that have contributed to new Amazon deforestation. If leathers are sourced from the Amazon Biome, there must be proof that the land where animals were raised did not contribute to new deforestation. Suppliers must provide proof of country of origin and state or province where the animal was born and bred for all ADM's sold to VF. The ADM policy also mentions our adherence to not using hides from any CITES listed species.

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**Commodity coverage**

Other - Rubber

**Criteria**

Please select

**Operational coverage**

Direct operations

**% of total production/ consumption covered by commitment**

Please select

**Commitment timeframe**

Please select

**Please explain**

No rubber policy in place

---

**Commodity coverage**

Timber

**Criteria**

Avoidance of negative impacts on threatened and protected species and habitats  
No trade of CITES listed species  
No conversion of High Conservation Value areas  
No conversion of High Carbon Stock forests  
Adoption of Free, Prior and Informed Consent (FPIC) principles  
No sourcing of illegally produced and/or traded forest risk commodities

**Operational coverage**

Supply chain

---

**% of total production/ consumption covered by commitment**

100%

**Commitment timeframe**

2020

**Please explain**

VF has a risk assessment procedure for issue management. Timber was determined as an at risk area after stakeholder engagement conversations, evaluation of the EU Timber Regulations (EUTR) and the US Lacey Act, as well as a deeper dive study with Textile Exchange into cellulosic materials used in our products. This led to an in-depth mapping of our timber based products and the development of our Forest Derived Materials Policy that was published in February 2017. The policy addresses four main areas by using raw materials that minimize deforestation risks: 1) Supporting programs to conserve Ancient and Endangered Forests, 2) Prioritizing the use of a certified sustainable source, 3) Encouraging Responsible Forest Management Practices for suppliers, and 4) Reducing virgin material use and prioritizing recycled content materials. This covered High value management, high carbon stock, illegal sources, FPIC, and CITES listed species through the Canopy Style commitment to ancient and endangered forests and third party certification and or recycled content materials.

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**Commodity coverage**

Cattle Products

**Criteria**

Avoidance of negative impacts on threatened and protected species and habitats

No trade of CITES listed species

No conversion of High Conservation Value areas

No conversion of High Carbon Stock forests

**Operational coverage**

Supply chain

**% of total production/ consumption covered by commitment**

100%

**Commitment timeframe**

2020

**Please explain**

Additionally, including leather in the Animal Derived Materials Policy was determined as an at risk area after stakeholder engagement conversations. The Animal Derived Materials Policy addresses leather directly, requiring that leather is not sourced from farms in the Amazon Biome, considered High Conservation Value and High Carbon stock forest, that have contributed to new Amazon deforestation. If leathers are sourced from the Amazon Biome, there must be proof that the land where animals were raised did not contribute to new deforestation. Suppliers must provide proof of country of origin and state or province where the animal was born and bred for all ADM's sold to VF. The ADM policy also mentions our adherence to not using hides from any CITES listed species.

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F6.2

**(F6.2) Did you have any quantified targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?**

Yes

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F6.2a

**(F6.2a) Provide details of your target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.**

**Target reference number**

Target 1

**Forest risk commodity**

Timber

**Form of commodity covered**

Primary packaging  
Secondary packaging  
Cellulose-based textile fiber

**Type of target**

Sustainable procurement standard

**Coverage**

Direct operations and supply chain

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

<Not Applicable>

**Start year**

2017

**Start figure**

21-30%

**Target year**

2020

**Target**

100%

**% achieved**

31-40%

**Please explain**

Materials associated with timber must be some combination of recycled and/or certified materials reaching 100%. By 2018: All office paper, commercial print, and corrugate in the US & EMEA are set to reach full policy compliance. All shopping bags, hangtags, shoe boxes, tissue paper, and hangers worldwide are set to reach full compliance. By 2019: Office paper in CASA and AP, commercial print in CASA and AP, Corrugate in CASA & AP are set to reach full compliance. VF will randomly select suppliers for auditing to ensure policy adherence. Non-compliance will be subject to Corrective Action Plans in a similar fashion to other forms of supplier non-compliance. By 2020: All office paper, commercial print, and corrugate across AP & CASA are set to reach full compliance. All store fixtures and solid wood furniture worldwide set to reach full compliance

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**Target reference number**

Target 2

**Forest risk commodity**

Cattle Products

**Form of commodity covered**

Hides/ leather

**Type of target**

Sustainable procurement standard

**Coverage**

Direct operations and supply chain

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

<Not Applicable>

**Start year**

2017

**Start figure**

11-20%

**Target year**

2021

---

**Target**

100%

**% achieved**

100%

**Please explain**

Our Animal Derived Materials policy ensures leather does not come from farms in the Amazon Biome that have contributed to new Amazon deforestation. This is not done through third party certification but done internally, working directly with our leather suppliers. Leather from the Amazon Biome must be 100% traceable to show the land where cattle were raised did not contribute to new deforestation. Steps towards these targets began with training and educating ADM suppliers regarding VF's ADM policy, communicating ADM Policy to all ADM Suppliers, submission of list of all ADM's and quantities used in VF products via our annual VF Materials Inventory or through alternative means determined by VF. Then we completed ADM suppliers' acknowledgement of commitment to adhere to VF's ADM Policy (signed acknowledgment completed) and providing proof of country of origin and state or province where the animal was born and bred for all ADM's sold to VF. VF will randomly select suppliers for auditing to ensure policy adherence. Non-compliance will be subject to Corrective Action Plans in a similar fashion to other forms of supplier non-compliance. VF will ask ADM suppliers to begin to adopt third party ADM certifications where feasible and applicable.

## F6.3

**(F6.3) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?**

	Do you have system(s) in place?
Timber	Yes
Palm Oil	<Not Applicable>
Cattle products	Yes
Soy	<Not Applicable>
Other - Rubber	Yes
Other	<Not Applicable>

## F6.3a

**(F6.3a) Provide details on the level of traceability your organization has for your disclosed commodity(ies).**

	% of total production/consumption volume traceable	Point to which commodity is traceable	Description of traceability system	Exclusions	Description of exclusion
Timber	100%	Country	VF is working to develop a scalable approach to traceability that can be used for mapping material flows in any product. We are currently running pilot programs to trace the key materials in selected products back to their countries of origin. These efforts will provide us with greater visibility into our supply chain and various traceability approaches that will work at all levels. We want to not only substantiate our claims around responsible sourcing, but also proactively manage potential risks from forest and animal derived materials. Our sourcing team gathers supplier information annually through our Materials Inventory Survey as well as through indirect procurement. These surveys require suppliers to share material certification data and recycled content. If materials are not FSC certified, additional documentation, including country of origin, is required to prove Responsible Forest Management Practices are taking place in the supply chain.	<Not Applicable>	<Not Applicable>
Palm Oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	100%	Region	VF is working to develop a scalable approach to traceability that can be used for mapping material flows in any product. We are currently running pilot programs to trace the key materials in selected products back to their countries of origin. These efforts will provide us with greater visibility into our supply chain and various traceability approaches that will work at all levels. We want to not only substantiate our claims around responsible sourcing, but also proactively manage potential risks from forest and animal derived materials. Our sourcing team gathers supplier information annually through our Materials Inventory Survey. This survey requires country of origin for all animal derived materials including leather. Leather suppliers from Brazil are asked more detailed information including proof that the land where animals were raised did not contribute to new deforestation. Site visits are made where necessary.	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	6-10%	Country	We are beginning a pilot with brand specific Tier 1 suppliers to understand the country of origin of rubber to understand the risks associated within these countries.	Not applicable	
Other	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

**F6.4**

**(F6.4) Do you specify any third-party certification schemes for your disclosed commodity(ies)? Indicate the volume and percentage of your production and/or consumption covered.**

**Forest risk commodity**

Cattle products

**Do you specify any certification scheme?**

No

**Third-party certification scheme**

<Not Applicable>

**% of total production/consumption volume certified**

<Not Applicable>

**Form of commodity**

<Not Applicable>

**Volume of production/ consumption certified**

<Not Applicable>

**Metric**

<Not Applicable>

**Please explain**

Our Animal Derived Materials Policy ensures leather does not come from farms in the Amazon Biome, that have contributed to new Amazon deforestation. This is not done through third party certification but done internally, working directly with our leather suppliers.

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**Forest risk commodity**

Timber

**Do you specify any certification scheme?**

Yes

**Third-party certification scheme**

- FSC Forest Management certification
- FSC Chain of Custody
- FSC Controlled Wood
- FSC Recycled
- PEFC Sustainable Forest Management certification
- PEFC Chain of Custody
- PEFC Project Chain of Custody
- PEFC Group certification
- SFI Forest Management certification
- SFI Chain of Custody
- SFI Fiber Sourcing certification

**% of total production/consumption volume certified**

100

**Form of commodity**

- Paper
- Boards, plywood, engineered wood
- Primary packaging
- Secondary packaging

**Volume of production/ consumption certified**

**Metric**

Please select

**Please explain**

Nominated hangtags, shoeboxes, hangers, shopping bags, tissue paper, gift boxes, corrugate, store fixtures and solid wood furniture can range from 100% recycled content to 100% certified content and any combination in between. If these materials have certified content that is not FSC, additional documentation will be needed to demonstrate that it is sourced from an entity employing responsible forest management practices. For recycled paper, provide "processed chlorine free (PCF)" products. For virgin paper, provide "Totally Chlorine Free (TCF)" or "Elemental Chlorine Free (ECF)" VF outlines that suppliers should have policies in place to eliminate the use of fabrics and fibers from the world's ancient and endangered forests by the end of 2017.

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**Forest risk commodity**

Other - Rubber

**Do you specify any certification scheme?**

No

**Third-party certification scheme**

<Not Applicable>

**% of total production/consumption volume certified**

<Not Applicable>

**Form of commodity**

<Not Applicable>

**Volume of production/ consumption certified**

<Not Applicable>

**Metric**

<Not Applicable>

**Please explain**

---

**(F6.5) Do you specify any sustainable production/procurement standards for your disclosed commodity(ies), other than third-party certification? Indicate the percentage of production/consumption covered and if you monitor supplier compliance with these standards.**

**Forest risk commodity**

Timber

**Do you specify any sustainability standards?**

Yes

**Type of standard**

Procurement

**Description of standard**

All suppliers are required to meet our Forest Derived Materials policy which have built in timebound supplier requirements. For all new suppliers, they are required to meet compliance and this is built into their contract agreements. Our sourcing team gathers supplier information annually through our Materials Inventory Survey. This requires suppliers to disclose the wood based materials sold to VF and their compliance with the policy. Responses deemed worthy of further investigation require further documentation submissions and desk audits. Additionally, VF's indirect procurement team is engaging with the Sustainable Purchasing Leadership Council to determine more opportunities where forest risk commodities would be of concern.

**% of total commodity volume covered by standard**

<10%

**Do you have a system in place to monitor compliance with this standard?**

Yes

**Type(s) of monitoring system**

Other, please specify (Internal Monitoring)

**% of suppliers in compliance with standards**

100%

**Please explain**

Annual Surveying takes place of suppliers through a materials inventory and through indirect procurement.

**Forest risk commodity**

Cattle Products

**Do you specify any sustainability standards?**

Yes

**Type of standard**

Procurement

**Description of standard**

All suppliers are required to meet our Animal Derived Materials policy which have built in timebound supplier requirements. For all new suppliers, they are required to meet compliance and this is built into their contract agreements. Our sourcing team gathers supplier information annually through our Materials Inventory Survey. This survey requires country of origin for all animal derived materials including leather. Leather suppliers from Brazil are asked more detailed information including proof that the land where animals were raised did not contribute to new deforestation. Site visits are made where necessary.

**% of total commodity volume covered by standard**

100%

**Do you have a system in place to monitor compliance with this standard?**

Yes

**Type(s) of monitoring system**

Other, please specify (Internal monitoring )

**% of suppliers in compliance with standards**

100%

**Please explain**

Annual surveying to manage supply chain date and ADM policy acknowledgements.

---

**Forest risk commodity**

Other - Rubber

**Do you specify any sustainability standards?**

No

**Type of standard**

<Not Applicable>

**Description of standard**

<Not Applicable>

**% of total commodity volume covered by standard**

<Not Applicable>

**Do you have a system in place to monitor compliance with this standard?**

<Not Applicable>

**Type(s) of monitoring system**

<Not Applicable>

**% of suppliers in compliance with standards**

<Not Applicable>

**Please explain**

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F6.7

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**(F6.7) Are you working with your direct suppliers to support and improve their capacity to supply sustainable raw materials?**

	Are you working with direct suppliers?	Supplier engagement approach	Please explain
Timber	Yes, working with direct suppliers	Collecting data in central database Encouraging certification Supplier questionnaires on environmental and social indicators Workshops and training Supplier audits	VF is actively engaged with its suppliers to ensure a constant supply of sustainable materials. As part of acknowledgement of VF's FDM Policy, suppliers are being trained to transition to more sustainable supplies for now and into the future. Where suppliers are not in compliance with our policies, timebound supplier specific improvements plans are developed.
Palm Oil	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	Yes, working with direct suppliers	Collecting data in central database Encouraging certification Supplier questionnaires on environmental and social indicators Workshops and training Supplier audits	VF is actively engaged with its suppliers to ensure a constant supply of sustainable materials. As part of acknowledgement of VF's ADM Policy, suppliers are being trained to transition to more sustainable supplies for now and into the future. Where suppliers are not in compliance with our policies, timebound supplier specific improvements plans are developed. Collecting responses from suppliers through annual surveys to assess risk in the supply chain and conduct subsequent on-site assessments.
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	Yes, working with direct suppliers	Developing or distributing supply chain mapping tool Collecting data in central database Encouraging work with multi-stakeholder groups	VF is actively engaging with multi-stakeholder groups to develop and distribute supplier surveys to collect information for mapping the rubber supply chain. Suppliers are being surveyed to encourage and transition to sustainable practices and sourcing options.
Other	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.8

**(F6.8) Are you working beyond your first-tier supplier(s) to manage and mitigate forests-related risks?**

	<b>Are you working beyond first tier?</b>	<b>Please explain</b>
Timber	Yes, working beyond first tier	By requiring third party certifications we are working across our entire supply chain.
Palm Oil	<Not Applicable>	<Not Applicable>
Cattle products	Yes, working beyond first tier	The nomination of leather requires engagement with second tier suppliers and potentially deeper into the supply chain. In Brazil, We are working beyond the first tier of our supply chain to trace key materials in a product back to the source. One of our pilot projects is focused on increasing visibility into our leather production, starting from our first-tier supplier all the way to slaughterhouse and farm. Each supplier selected for this project has been asked to complete a screening questionnaire. This screening request must be completed by suppliers at all levels in the leather supply chain.
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	No, not working beyond the first tier	We are currently only piloting with our tier 1 suppliers to understand where our rubber is coming from.
Other	<Not Applicable>	<Not Applicable>

**F6.9**

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**(F6.9) Do you participate in external initiatives or activities to further the implementation of your policies concerning the sustainability of your disclosed commodity(ies)?**

**Forest risk commodity**

Timber

**Do you participate in activities/initiatives?**

Yes

**Activities**

Engaging with non-governmental organizations

**Initiatives**

<Not Applicable>

**Please explain**

VF partners with several NGOs and external stakeholders. We have close dialogues with FSC and SFI. We are also business partners with WWF, attending the Global Forest ; Trade Network event. We additionally actively engage with Canopy and other stakeholders in the CanopyStyle initiative to gain full traceability for all viscose fibres and sustainably source wood for viscose & rayon, and participate in panels encouraging others to join the CanopyStyle initiative. We are also an active member of the Sustainable Purchasing Leadership Council (SPLC) which we just joined this past year. We are also in conversations with the Rainforest Alliance in researching more sustainable alternatives to cellulosic materials in our products.

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**Forest risk commodity**

Cattle Products

**Do you participate in activities/initiatives?**

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

Sustainable Apparel Coalition (SAC)

**Please explain**

The Sustainable Apparel Coalition was founded by a group of sustainability leaders from global apparel and footwear companies who recognize that addressing our industry's current social and environmental challenges are both a business imperative and an opportunity. The Coalition's vision is an apparel and footwear industry that produces no unnecessary environmental harm and has a positive impact on the people and communities associated with its activities. Through multi-stakeholder engagement, the Coalition seeks to lead the industry toward a shared vision of sustainability built upon a common approach for measuring and evaluating apparel and footwear product sustainability performance that will spotlight priorities for action and opportunities for technological innovation. In 2012 the Sustainable Apparel Coalition (SAC) launched the Higg Index on a global scale to create a common global framework for assessing product level sustainability. VF attends every meeting and therefore influences the strategy of the Sustainable Apparel Coalition. We are actively working with the SAC and the Higg Index as committee members.

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**Forest risk commodity**

Other - Rubber

**Do you participate in activities/initiatives?**

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

Other, please specify (OIA Working Group)

**Please explain**

Timberland, a VF brand, is driving the development of a working group as a part of the Outdoor Industry Association (OIA), specifically addressing the risks surrounding natural rubber. This working group is made up of other footwear and apparel companies, and non-governmental organizations, including Rainforest Alliance, Columbia and Target.

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**F7. Linkages and trade-offs**

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## F7.1

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**(F7.1) Has your organization identified any linkages or trade-offs between forests and other environmental issues in its direct operations and/or other parts of its value chain?**

Yes

### F7.1a

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**(F7.1a) Describe the linkages or trade-offs and the related management policy or action.**

**Linkage/tradeoff**

Linkage

**Type of linkage/tradeoff**

Decreased GHGs emissions

**Description of linkage/tradeoff**

At VF, we see a direct link between forest preservation and our ability to decrease our GHG emissions

**Policy or action**

Within our S&R Strategy, Made for Change, climate change is a key issue we are addressing in our 'Scale for Good' pillar. In 2019, we will be publishing our climate change science-based targets that will incorporate carbon sequestration mechanisms including how forests play a role in mitigating GHG emissions.

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**Linkage/tradeoff**

Linkage

**Type of linkage/tradeoff**

Increased carbon sequestration

**Description of linkage/tradeoff**

At VF, we see a direct link between forest preservation and carbon sequestration

**Policy or action**

Within our S&R Strategy, Made for Change, climate change is a key issue we are addressing in our 'Scale for Good' pillar. In 2019, we will be publishing our climate change science-based targets that will incorporate carbon sequestration mechanisms including how forests play a role in mitigating carbon and thus climate change. Additionally, for years Timberland has been planting trees as a part of their sustainability efforts. They have set a goal of planting 10 million trees by 2020 which contributes to our carbon sequestration efforts.

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## F8. Verification

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### F8.1

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**(F8.1) Do you verify any forests information reported in your CDP disclosure?**

No, but we are actively considering verifying in the next two years

## F9. Barriers and challenges

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**(F9.1) Describe the key barriers or challenges to avoiding forests-related risks in your direct operations or in other parts of your value chain.**

**Forest risk commodity**

Timber

**Coverage**

Supply chain

**Primary barrier/challenge type**

Supply chain complexity

**Comment**

Today there are fewer barriers in the timber market as certification bodies have been in the marketplace for a few decades. Yet there still remains a challenge that many of our suppliers are unaware of their supply chain. Additionally, premiums still exist in certified construction materials and finding availability of FSC in Asia.

---

**Forest risk commodity**

Cattle Products

**Coverage**

Supply chain

**Primary barrier/challenge type**

Inexistent or immature certification standards

**Comment**

While certifications exist for leather around the chemicals used, such as the leather working group (LWG), there is still no global certification standard for cattle that looks at reducing deforestation and environmental concerns associated with the animal while it is alive. Our traceability efforts are aimed at substantiating our policies to ensure animal welfare and build confidence in our supply chain. We trace the origins of our raw materials to ensure VF is not contributing to deforestation in the Amazon Biome.

---

**Forest risk commodity**

Other - Rubber

**Coverage**

Supply chain

**Primary barrier/challenge type**

Supply chain complexity

**Comment**

The footwear industry uses only a small portion of overall natural rubber supply, this gives us very little leverage in asking suppliers to change their practices. Additionally, we face challenges around finding a supply of third party certified rubber. Lastly, it is an added complication that the recipe of the rubber-based component of a shoe, midsole and outersole, that is generally a mix of EVA and natural rubber, is considered a supplier's proprietary information.

---

**Forest risk commodity**

Timber

**Coverage**

Supply chain

**Primary barrier/challenge type**

Limited access to certified materials

**Comment**

Today there are fewer barriers in the timber market as certification bodies have been in the marketplace for a few decades. Yet there still remains a challenge that many of our suppliers are unaware of their supply chain. Additionally, premiums still exist in certified construction materials and finding availability of FSC in Asia.

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**Forest risk commodity**

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Timber

**Coverage**

Supply chain

**Primary barrier/challenge type**

Cost of sustainably produced/certified products

**Comment**

Today there are fewer barriers in the timber market as certification bodies have been in the marketplace for a few decades. Yet there still remains a challenge that many of our suppliers are unaware of their supply chain. Additionally, premiums still exist in certified construction materials and finding availability of FSC in Asia.

---

**Forest risk commodity**

Timber

**Coverage**

Supply chain

**Primary barrier/challenge type**

Please select

**Comment**

Today there are fewer barriers in the timber market as certification bodies have been in the marketplace for a few decades. Yet there still remains a challenge that many of our suppliers are unaware of their supply chain. Additionally, premiums still exist in certified construction materials and finding availability of FSC in Asia.

---

**Forest risk commodity**

Cattle Products

**Coverage**

Supply chain

**Primary barrier/challenge type**

Cost and/or complexity of certification requirements

**Comment**

While certifications exist for leather around the chemicals used, such as the leather working group (LWG), there is still no global certification standard for cattle that looks at reducing deforestation and environmental concerns associated with the animal while it is alive. Our traceability efforts are aimed at substantiating our policies to ensure animal welfare and build confidence in our supply chain. We trace the origins of our raw materials to ensure VF is not contributing to deforestation in the Amazon Biome.

---

**Forest risk commodity**

Cattle Products

**Coverage**

Supply chain

**Primary barrier/challenge type**

Supply chain complexity

**Comment**

While certifications exist for leather around the chemicals used, such as the leather working group (LWG), there is still no global certification standard for cattle that looks at reducing deforestation and environmental concerns associated with the animal while it is alive. Our traceability efforts are aimed at substantiating our policies to ensure animal welfare and build confidence in our supply chain. We trace the origins of our raw materials to ensure VF is not contributing to deforestation in the Amazon Biome.

---

**Forest risk commodity**

Other - Rubber

**Coverage**

Supply chain

**Primary barrier/challenge type**

Limited availability of certified materials

**Comment**

The footwear industry uses only a small portion of overall natural rubber supply, this gives us very little leverage in asking suppliers to change their practices. Additionally, we face challenges around finding a supply of third party certified rubber. Lastly, it is an added complication that the recipe of the rubber-based component of a shoe, midsole and outersole, that is generally a mix of EVA and natural rubber, is considered a supplier's proprietary information.

---

**Forest risk commodity**

Other - Rubber

**Coverage**

Supply chain

**Primary barrier/challenge type**

Limited supply chain engagement

**Comment**

The footwear industry uses only a small portion of overall natural rubber supply, this gives us very little leverage in asking suppliers to change their practices. Additionally, we face challenges around finding a supply of third party certified rubber. Lastly, it is an added complication that the recipe of the rubber-based component of a shoe, midsole and outersole, that is generally a mix of EVA and natural rubber, is considered a supplier's proprietary information.

---

**Forest risk commodity**

Other - Rubber

**Coverage**

Supply chain

**Primary barrier/challenge type**

Cost and/or complexity of certification requirements

**Comment**

The footwear industry uses only a small portion of overall natural rubber supply, this gives us very little leverage in asking suppliers to change their practices. Additionally, we face challenges around finding a supply of third party certified rubber. Lastly, it is an added complication that the recipe of the rubber-based component of a shoe, midsole and outersole, that is generally a mix of EVA and natural rubber, is considered a supplier's proprietary information.

---

**Forest risk commodity**

Other - Rubber

**Coverage**

Supply chain

**Primary barrier/challenge type**

Cost of sustainably produced/certified products

**Comment**

The footwear industry uses only a small portion of overall natural rubber supply, this gives us very little leverage in asking suppliers to change their practices. Additionally, we face challenges around finding a supply of third party certified rubber. Lastly, it is an added complication that the recipe of the rubber-based component of a shoe, midsole and outersole, that is generally a mix of EVA and natural rubber, is considered a supplier's proprietary information.

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## F9.2

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**(F9.2) Describe the main measures that would improve your organization's ability to manage forests-related risks.**

**Forest risk commodity**

Timber

**Coverage**

Supply chain

**Main measure**

Improved data collection and quality

**Comment**

---

Data collection within our supply chain continues to be a challenge and it remains challenging to confirm the accuracy of everything that is shared. Data collection could also be trusted if there were greater enforcement of the legal requirements globally.

---

**Forest risk commodity**

Cattle Products

**Coverage**

Supply chain

**Main measure**

Improved data collection and quality

**Comment**

Data collection within our supply chain continues to be a challenge and it remains challenging to confirm the accuracy of everything that is shared. Additionally, third party certifications would more easily allow us to manage the issues at hand.

---

**Forest risk commodity**

Other - Rubber

**Coverage**

Supply chain

**Main measure**

Improved data collection and quality

**Comment**

Data collection within our supply chain continues to be a challenge and it remains challenging to confirm the accuracy of everything that is shared.

---

**Forest risk commodity**

Timber

**Coverage**

Supply chain

**Main measure**

Reduced cost of certified materials

**Comment**

Data collection within our supply chain continues to be a challenge and it remains challenging to confirm the accuracy of everything that is shared. Data collection could also be trusted if there were greater enforcement of the legal requirements globally.

---

**Forest risk commodity**

Timber

**Coverage**

Supply chain

**Main measure**

Greater enforcement of regulations

**Comment**

Data collection within our supply chain continues to be a challenge and it remains challenging to confirm the accuracy of everything that is shared. Data collection could also be trusted if there were greater enforcement of the legal requirements globally.

---

**Forest risk commodity**

Cattle Products

**Coverage**

Supply chain

**Main measure**

Development of certification and sustainability standards

**Comment**

Data collection within our supply chain continues to be a challenge and it remains challenging to confirm the accuracy of everything that is shared. Additionally, third party certifications would more easily allow us to manage the issues at hand.

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F10. Signoff

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F-FI

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**(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

F10.1

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**(F10.1) Provide the following information for the person that has signed off (approved) your CDP forests response.**

	Job Title	Corresponding job category
Row 1	VP of Global Sustainability	Environment/Sustainability manager

SF. Supply chain module

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SF0.1

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**(SF0.1) What is your organization's annual revenue for the reporting period?**

	Annual revenue
Row 1	11800000000

SF0.2

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**(SF0.2) Do you have an ISIN for your organization that you are willing to share with CDP?**

Yes

SF0.2a

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**(SF0.2a) Please share your ISIN in the table below.**

	ISIN country code	ISIN numeric identifier (including single check digit)
Row 1	US	9182041080

SF1.1

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(SF1.1) On F6.4 you were asked “Do you specify any third-party certification schemes for your disclosed commodity(ies)? Indicate the volume and percentage of your production and/or consumption covered”. Can you also indicate, for each of your disclosed commodity(ies), the percentage of certified volume sold to each requesting CDP supply chain member?

No

## SF1.1b

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(SF1.1b) Why can you not indicate the percentage of certified volume sold to each of your requesting CDP supply chain members? Describe any future plans for adopting and communicating levels of certification to requesting members.

**Requesting member**

Walmart - Brasil

**Forest risk commodity**

Cattle Products

**Primary reason**

No requirement from customers to track certification levels in the past

**Please explain**

To date, no customer has requested this information and we consider it proprietary information.

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## SF2.1

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(SF2.1) Please propose any mutually beneficial forests-related projects you could collaborate on with specific CDP supply chain members.

**Requesting member**

Please select

**Commodity related to the project**

Please select

**Category of project**

Please select

**Type of project**

<Not Applicable>

**Estimated timeframe for realization of benefits to customer**

Please select

**Details of project**

**Projected outcome**

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## SF2.2

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(SF2.2) Have requests or initiatives by CDP supply chain members prompted your organization to take organizational-level action to reduce or remove deforestation/forest degradation from your operations or your supply chain?

No

Submit your response

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**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

**Please confirm below**

I have read and accept the applicable Terms