At VF, our guiding principles are embedded in everything we do. We believe in partnering with others who share our values and who understand the importance of always conducting business ethically.

We are committed to taking steps to end forced labor, whether in the form of human trafficking, indentured labor or otherwise. This statement outlines many of our efforts to eradicate forced labor from our direct supply chains.

**OUR BUSINESS AND SUPPLY CHAINS**

VF is a global leader in branded lifestyle apparel, footwear and accessories. We own and operate several world-class manufacturing sites and, through our network of nearly 70,000 associates, we share our values-driven internal manufacturing model with our contracted suppliers. In addition to VF owned and operated factories, our supply chain also includes sourcing, direct sourcing and licensing. Sourcing comprises nearly 1,000 suppliers which are in more than 50 countries and represent much of our supply chain. Some of our brands choose to participate in a direct sourcing model, where the brand selects its own supplier independent of VF’s supplier network. Products supplied through direct sourcing are typically specialty and limited release products. Regardless of the model, these independently owned and operated suppliers are subject to the compliance principles outlined in this statement.

**ANTI-SLAVERY AND HUMAN TRAFFICKING PRINCIPLES**

All VF associates are governed by the [VF Code of Business Conduct](#), which forbids the use of forced or involuntary labor in any of our locations or in the operations of facilities that produce goods for us.

We evaluate potential contracted factories against our rigorous standards and require them to agree to VF’s [Terms of MODERN SLAVERY ACT DISCLOSURE STATEMENT](#).
Engagement prior to entering our supply chain. By agreeing to our Terms of Engagement, contracted factories are also bound by our Global Compliance Principles. Combined, these documents provide clear guidance on VF's expectations and address topics such as child labor, forced labor, legal wages, discrimination, and harassment-free workplace policies. They also prohibit contracted factories from engaging subcontractors to produce VF products without the written permission of VF.

VF will not knowingly work with factories that use forced labor. We use our own trained factory compliance auditors as well as accredited third-party auditors to ensure compliance with our Terms of Engagement and Global Compliance Principles. We also have signed various public pledges demonstrating our firm opposition to the use of forced child and adult labor.

RISK ASSESSMENT AND DUE DILIGENCE

At VF, the issue of where potential slavery and human trafficking risks may lie in our operations and supply chain and how VF assesses and manages those risks are addressed through our due diligence and audit processes. Before conducting business with VF, each contracted factory must undergo a rigorous Factory Compliance Audit. Our on-site audit process includes scheduled and unannounced audits by our trained factory compliance auditors and third-party audit companies. We inspect for evidence of health and safety concerns, wage and social compliance, forced labor, child labor issues, harassment-free workplace policies, and environmental issues. To receive an “accepted” rating, a factory must not have any serious health, safety or labor issues in its facility. A factory receiving an accepted rating is authorized to produce our products for one year, at which time it must undergo an annual review. A factory receiving a “developmental” rating may still produce our products, but will be audited again every six months and must show continuous improvement in health, safety, and labor issues. A factory with persistent safety, health, or labor issues that fails to remediate issues within 180 days will be rejected as our supplier and unauthorized to supply product for VF.

Our Terms of Engagement make it clear that contracted factories must conduct business in full compliance with all applicable laws, rules and regulations and comply with the terms of our Global Compliance Principles. The Global Compliance Principles specifically forbid the use of forced labor and prohibit discrimination or harassment in the workplace. Each factory certifies compliance with these terms and conditions prior to becoming an approved contracted factory and is routinely audited for compliance.

In 2016, approximately 2,171 factories underwent our audit process, which includes an assessment of indicators of human trafficking and labor law violation risks. Of those, 141 factories were rejected for failing to meet one or more of our standards. VF also partnered with a global non-profit organization focused on third-party due diligence to begin implementation of a risk-based process requiring all contracted factories to undergo additional review procedures. The level of review is based on certain factors including the factory's home country's level of perceived corruption, the relative size of the factory's business with VF and any known reputational risks of doing business with the factory. This process, which aims to achieve engagement and transparency, requires factories to complete a questionnaire, provide supporting documentation and certify compliance with relevant laws. The implementation process is ongoing.

TRAINING

VF associates receive assignments to complete online and facilitator-led training on our Code of Business Conduct during their first thirty days and sign an agreement to abide by its principles, including those related to human trafficking and forced labor. For our associates and management who have direct responsibility for monitoring, auditing and enforcing our Global Compliance Principles, we provide additional training conducted by our staff or a third party. Training includes topics such as identifying child labor, involuntary or forced labor and preventing human trafficking.
ENFORCEMENT

All VF associates must comply with our Code of Business Conduct, which includes principles relating to human trafficking and forced labor. Violation of our Code of Business Conduct by one of our associates can result in disciplinary action, including termination of employment. Consistent with internationally recognized labor standards, our Global Compliance Principles specify minimum working conditions for employees of our suppliers, helping to support the principle that our values are reflected in our products. A contracted factory's breach of the Terms of Engagement can result in VF taking corrective action, including termination as an approved contracted factory.

All VF-owned and operated factories also undergo independent certification by a non-profit organization that promotes global ethics in manufacturing.

EFFECTIVENESS

The VF Code of Business Conduct, our Ethics Helpline and the compliance principles listed in this statement aim to help ensure that the use of forced or involuntary labor in our supply chain is prevented. Our Terms of Engagement, Global Compliance Principles, along with our actions through due diligence, risk assessment, audits and training seek to ensure that our contracted factories are free of known labor or employment supplied by or through slavery, forced or compulsory labor or the product of human trafficking. Reviewing key performance indicators such as audit statistics and helpline reports on an ongoing basis allows us to update training for our auditors to identify and report human trafficking and modern slavery issues, and leads to continuous improvement in our practices. We continue to develop more comprehensive ways of addressing the risks of slavery and human trafficking.

This statement covers January 1, 2017, to December 31, 2017, and has been approved by the Board of VF Corporation.

Steve Rendle, Director

June 2018