



April 8, 2024

Mayisha Begum
Business and Human Rights Resource Centre

Dear Ms. Begum,

Thank you for your recent communication regarding purchasing practices within the VF supply chain.

Upholding human rights, particularly worker rights, is a core priority at VF Corporation. When VF must significantly reduce orders or exit from a facility, we follow our Responsible Exit Protocol to minimize negative impacts on factory workers and ensure factories operate in a way that is consistent with international labor standards and local regulations. VF's protocol is aligned with the FLA Retrenchment Guideline. As is the case with many in our industry, VF has seen an overall decline in consumer demand in the past several years, due to both COVID and overall global economic conditions, which has meant that we have had to subsequently reduce orders.

As part of this protocol, VF provides notice to our suppliers when we become aware that future orders will be impacted. When making the decision to exit a facility, we work with factory management to phase out orders over time whenever possible. Our sourcing teams remain in regular communication with our supplier partners, particularly in situations where there could be order reductions, phase out plans, or other circumstances that may result in worker retrenchment.

VF works with factories to ensure, among other things, that all alternatives to retrenchment are explored first and that dismissed workers are communicated with and provided all appropriate severance and other benefits, as required by local law. When worker layoffs are communicated to VF by a supplier partner, our Responsible Sourcing Operations team maintains a dialogue with the supplier and monitors the situation to ensure all local laws are being or have been followed in terms of notice, severance, or other payments due to impacted workers. The VF team also reviews all VF required factory programs and works to scale back where significant financial resources are required to ensure the factory has adequate means to prioritize full legal payments to the retrenched workers.

We have looked into the allegations outlined in your email. Regarding the specific factories highlighted, in all instances where retrenchment occurred, VF was aware of the situation and our Responsible Exit Protocol was followed. One facility, Garmex, is not part of our supply chain and thus we have no visibility into the situation. Additionally, at Shoe Premier, there were no suspensions or terminated workers since July 2023, but there were voluntary resignations because there was no overtime due to lower order volume at the factory.

Thank you again for reaching out.

Sincerely,

A handwritten signature in blue ink that reads "Sara Stefanski".

Sara Stefanski
Vice President
Global Responsible Sourcing