



VF Corporation
October 27, 2020

Business & Human Rights Resources Centre: COVID-19 Tracker

Factory Closures

1.a. Are you keeping a list of factories that have closed in your supply chain since March 2020, (including those that you stopped sourcing from during the pandemic) **Yes**

1.b. Is your company willing to share a list of closed factories, including names and addresses? **Yes**

1.c. Are you willing to provide BHRRC with updated lists in the future?

Purchasing Practices

2.a. Have you implemented a policy specifying that your sourcing team must not ask for price reductions or discounts relative to comparable items from last season? **No**

2.b. If yes, can you share this policy with BHRRC?

2.c. If no, have you implemented any pandemic related policy designed to ensure your sourcing staff do not pressure suppliers on price or production times and can you share this policy?

Worker Wage and Severance Payments

3.a. Have you received reports of non-payment of full salaries for workers in your supply chain? **Yes**

3.b. Is your company actively involved in resolving each of these payment disputes? **Yes**

4.a. When garment workers lose their jobs, are you monitoring if they are receiving all outstanding wages and legally mandated severance payments? **Yes**

4.b. Is your company actively involved in ensuring workers are paid outstanding wages, severance, and benefits? **Yes**

Discriminatory Dismissals and Human Rights Violations

5.a. Have you implemented a pandemic-related policy with your suppliers to ensure vulnerable demographics of workers are not being disproportionately targeted for layoffs (e.g. union members & leaders, pregnant women, migrant workers)? **Yes**

5.b. Are you tracking lay-offs and suspensions by demographic? **Yes**

5.c. If Y can you provide a list of the categories being monitored? **Migrant Workers**

5.d. If N, what steps are you taking to ensure discriminatory dismissals are not being carried out?

6.a. Are there one or more factories supplying your company where advocates have alleged workers have been criminally charged or imprisoned in violation of their human rights (freedom of expression, freedom of assembly & association, collective bargaining etc.)? **No**¹

6.b. In all such cases, have all workers been released from custody with all charges dropped?

Questions included in previous questionnaire, please provide current responses:

7.a. What were your payment times prior to the pandemic (in days)? **45**

7.b. Have you extended these payment times for the current pandemic period? **Yes**²

7.c. What are the maximum number of days from invoice date within which you pay your suppliers currently (e.g. 30, 60, 90, 180 days)? **60**

8. Have you committed to pay in full for all in-production and completed orders? **Yes**

9. Have you requested a discount for any orders? **No**

10. Are you supporting suppliers with access to local finance with a letter of credit or through other means? **No**³

¹ These issues have previously occurred within the VF global supply chain network and we have worked to resolve them in a timely manner. At the date of filing this survey with the Business & Human Rights Resource Centre, no active cases related to this issue have come to the attention of VF.

² For new purchase orders issued after June 1, 2020, VF payment times went from 45 days to 60 days; however, VF did not change payment times for purchase orders that were already accepted during the height of the crisis.

³ VF is in the process of establishing supplier trade financing through our banking relationships. As we work on the systems to implement this, we have focused on supporting suppliers with cashflow concerns by immediately paying tens of millions of dollars early. VF did not have trade financing previously as our payment terms were highly competitive and we paid early on average.