UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended December 30, 2023
or
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ________ to ________
Commission file number: 1-5256

V. F. CORPORATION

(Exact name of registrant as specified in its charter)

Pennsylvania	**23-1180120**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. employer identification number)*

1551 Wewatta Street
Denver, Colorado 80202
(Address of principal executive offices)

(720) 778-4000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

(Title of each class)	*(Trading Symbol(s))*	*(Name of each exchange on which registered)*
Common Stock, without par value, stated capital, $0.25 per share	**VFC**	**New York Stock Exchange**
4.125% Senior Notes due 2026	**VFC26**	**New York Stock Exchange**
0.250% Senior Notes due 2028	**VFC28**	**New York Stock Exchange**
4.250% Senior Notes due 2029	**VFC29**	**New York Stock Exchange**
0.625% Senior Notes due 2032	**VFC32**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

On January 27, 2024, there were 388,815,956 shares of the registrant's common stock outstanding.

VF CORPORATION
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PART I — FINANCIAL INFORMATION

ITEM 1 — FINANCIAL STATEMENTS (UNAUDITED).

VF CORPORATION

Consolidated Balance Sheets
(Unaudited)

(In thousands, except share amounts)	December 2023	March 2023	December 2022
ASSETS			
Current assets			
Cash and equivalents	$ 988,006	$ 814,887	$ 571,347
Accounts receivable, less allowance for doubtful accounts of: December 2023 - $30,011; March 2023 - $28,075; December 2022 - $29,087	1,314,139	1,610,295	1,564,957
Inventories	2,148,219	2,292,790	2,591,915
Other current assets	485,562	434,737	515,763
Total current assets	4,935,926	5,152,709	5,243,982
Property, plant and equipment, net	913,384	942,440	932,663
Intangible assets, net	2,636,745	2,642,821	2,790,512
Goodwill	1,723,638	1,978,413	2,142,401
Operating lease right-of-use assets	1,314,306	1,372,182	1,293,041
Other assets	1,092,475	1,901,923	1,910,698
TOTAL ASSETS	**$ 12,616,474**	**$ 13,990,488**	**$ 14,313,297**
LIABILITIES AND STOCKHOLDERS’ EQUITY			
Current liabilities			
Short-term borrowings	$ 452,286	$ 11,491	$ 901,668
Current portion of long-term debt	1,000,596	924,305	910,616
Accounts payable	974,844	936,319	906,340
Accrued liabilities	1,569,557	1,673,651	1,827,610
Total current liabilities	3,997,283	3,545,766	4,546,234
Long-term debt	4,755,252	5,711,014	4,617,441
Operating lease liabilities	1,133,749	1,171,941	1,068,744
Other liabilities	620,997	651,054	761,246
Total liabilities	**10,507,281**	**11,079,775**	**10,993,665**
Commitments and contingencies			
Stockholders’ equity			
Preferred Stock, par value $1; shares authorized, 25,000,000; no shares outstanding at December 2023, March 2023 or December 2022	—	—	—
Common Stock, stated value $0.25; shares authorized, 1,200,000,000; shares outstanding at December 2023 - 388,819,204; March 2023 - 388,665,531; December 2022 - 388,660,385	97,205	97,166	97,165
Additional paid-in capital	3,619,654	3,775,979	3,766,304
Accumulated other comprehensive loss	(1,051,373)	(1,019,518)	(929,588)
Retained earnings (accumulated deficit)	(556,293)	57,086	385,751
Total stockholders’ equity	**2,109,193**	**2,910,713**	**3,319,632**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 12,616,474**	**$ 13,990,488**	**$ 14,313,297**

See notes to consolidated financial statements.

VF CORPORATION

Consolidated Statements of Operations
(Unaudited)

(In thousands, except per share amounts)	Three Months Ended December 2023		Three Months Ended December 2022		Nine Months Ended December 2023		Nine Months Ended December 2022	
Net revenues	**$**	**2,960,283**	**$**	**3,530,667**	**$**	**8,080,858**	**$**	**8,872,862**
Costs and operating expenses								
Cost of goods sold		1,327,871		1,593,048		3,792,168		4,134,207
Selling, general and administrative expenses		1,407,548		1,421,586		3,709,891		3,828,157
Impairment of goodwill and intangible assets		257,096		—		257,096		421,922
Total costs and operating expenses		**2,992,515**		**3,014,634**		**7,759,155**		**8,384,286**
Operating income (loss)		**(32,232)**		**516,033**		**321,703**		**488,576**
Interest income		4,211		3,914		14,513		6,020
Interest expense		(67,549)		(54,144)		(183,214)		(121,415)
Other income (expense), net		30,029		(9,901)		22,952		(113,895)
Income (loss) before income taxes		**(65,541)**		**455,902**		**175,954**		**259,286**
Income tax expense (benefit)		(23,089)		(51,966)		726,528		(74,190)
Net income (loss)	**$**	**(42,452)**	**$**	**507,868**	**$**	**(550,574)**	**$**	**333,476**
Earnings (loss) per common share								
Basic	$	(0.11)	$	1.31	$	(1.42)	$	0.86
Diluted	$	(0.11)	$	1.31	$	(1.42)	$	0.86
Weighted average shares outstanding								
Basic		388,383		387,739		388,294		387,663
Diluted		388,383		388,192		388,294		388,357

See notes to consolidated financial statements.

VF CORPORATION

Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

(In thousands)	Three Months Ended December 2023	Three Months Ended December 2022	Nine Months Ended December 2023	Nine Months Ended December 2022
Net income (loss)	**$ (42,452)**	**$ 507,868**	**$ (550,574)**	**$ 333,476**
Other comprehensive income (loss)				
Foreign currency translation and other				
Losses arising during the period	(4,373)	(1,506)	(3,809)	(74,924)
Income tax effect	25,609	43,475	6,607	(15,321)
Defined benefit pension plans				
Current period actuarial gains (losses)	(4,046)	(1,307)	697	(15,449)
Amortization of net deferred actuarial losses	4,106	3,858	12,508	11,532
Amortization of deferred prior service credits	(136)	(112)	(408)	(335)
Reclassification of net actuarial loss from settlement charges	131	695	3,430	93,597
Income tax effect	(118)	(935)	(4,236)	(23,401)
Derivative financial instruments				
Gains (losses) arising during the period	(73,375)	(119,635)	(36,220)	82,480
Income tax effect	11,790	17,970	6,076	(13,761)
Reclassification of net (gains) losses realized	912	(32,905)	(20,006)	(56,053)
Income tax effect	(168)	4,979	3,506	8,626
Other comprehensive loss	**(39,668)**	**(85,423)**	**(31,855)**	**(3,009)**
Comprehensive income (loss)	**$ (82,120)**	**$ 422,445**	**$ (582,429)**	**$ 330,467**

See notes to consolidated financial statements.

VF CORPORATION
Consolidated Statements of Cash Flows
(Unaudited)

(In thousands)	Nine Months Ended December 2023	2022
OPERATING ACTIVITIES		
Net income (loss)	$ (550,574)	$ 333,476
Adjustments to reconcile net income (loss) to cash provided (used) by operating activities:		
Impairment of goodwill and intangible assets	257,096	421,922
Depreciation and amortization	231,493	192,174
Reduction in the carrying amount of right-of-use assets	283,002	280,845
Stock-based compensation	51,665	47,714
Provision for doubtful accounts	7,157	1,231
Pension expense in excess of (less than) contributions	(10,691)	83,278
Deferred income taxes	(258,338)	(4,488)
Write-off of income tax receivables and interest	921,409	—
Other, net	(10,931)	15,228
Changes in operating assets and liabilities:		
Accounts receivable	305,490	(120,081)
Inventories	148,455	(1,200,438)
Accounts payable	41,663	352,047
Income taxes	(201,151)	(1,178,547)
Accrued liabilities	185,187	173,148
Operating lease right-of-use assets and liabilities	(282,361)	(290,679)
Other assets and liabilities	(12,824)	59,698
Cash provided (used) by operating activities	**1,105,747**	**(833,472)**
INVESTING ACTIVITIES		
Capital expenditures	(119,662)	(130,214)
Software purchases	(52,855)	(75,460)
Other, net	(19,477)	(1,159)
Cash used by investing activities	**(191,994)**	**(206,833)**
FINANCING ACTIVITIES		
Contingent consideration payment	—	(56,976)
Net increase in short-term borrowings	443,494	566,206
Payments on long-term debt	(907,926)	(500,786)
Payment of debt issuance costs	(576)	(819)
Proceeds from long-term debt	—	1,000,000
Cash dividends paid	(268,155)	(586,335)
Proceeds from issuance of Common Stock, net of (payments) for tax withholdings	(2,603)	(2,571)
Cash provided (used) by financing activities	**(735,766)**	**418,719**
Effect of foreign currency rate changes on cash, cash equivalents and restricted cash	(4,984)	(82,512)
Net change in cash, cash equivalents and restricted cash	**173,003**	**(704,098)**
Cash, cash equivalents and restricted cash – beginning of year	**816,319**	**1,277,082**
Cash, cash equivalents and restricted cash – end of period	**$ 989,322**	**$ 572,984**
Balances per Consolidated Balance Sheets:		
Cash and cash equivalents	$ 988,006	$ 571,347
Other current assets	1,186	1,511
Other assets	130	126
Total cash, cash equivalents and restricted cash	**$ 989,322**	**$ 572,984**

See notes to consolidated financial statements.

VF CORPORATION

Consolidated Statements of Stockholders' Equity
(Unaudited)

	Three Months Ended December 2023					
	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Total
(In thousands, except share amounts)	Shares	Amounts				
Balance, September 2023	**388,883,825**	**$ 97,221**	**$ 3,638,029**	**$ (1,011,705)**	**$ (513,500)**	**$ 2,210,045**
Net income (loss)	—	—	—	—	(42,452)	(42,452)
Dividends on Common Stock ($0.09 per share)	—	—	(34,983)	—	—	(34,983)
Stock-based compensation, net	(64,621)	(16)	16,608	—	(341)	16,251
Foreign currency translation and other	—	—	—	21,236	—	21,236
Defined benefit pension plans	—	—	—	(63)	—	(63)
Derivative financial instruments	—	—	—	(60,841)	—	(60,841)
Balance, December 2023	**388,819,204**	**$ 97,205**	**$ 3,619,654**	**$ (1,051,373)**	**$ (556,293)**	**$ 2,109,193**

	Three Months Ended December 2022					
	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Total
(In thousands, except share amounts)	Shares	Amounts				
Balance, September 2022	**388,569,062**	**$ 97,142**	**$ 3,952,786**	**$ (844,165)**	**$ (120,127)**	**$ 3,085,636**
Net income (loss)	—	—	—	—	507,868	507,868
Dividends on Common Stock ($0.51 per share)	—	—	(198,051)	—	—	(198,051)
Stock-based compensation, net	91,323	23	11,569	—	(1,990)	9,602
Foreign currency translation and other	—	—	—	41,969	—	41,969
Defined benefit pension plans	—	—	—	2,199	—	2,199
Derivative financial instruments	—	—	—	(129,591)	—	(129,591)
Balance, December 2022	**388,660,385**	**$ 97,165**	**$ 3,766,304**	**$ (929,588)**	**$ 385,751**	**$ 3,319,632**

Continued on next page.

See notes to consolidated financial statements.

VF CORPORATION

Consolidated Statements of Stockholders' Equity
(Unaudited)

(In thousands, except share amounts)	Nine Months Ended December 2023					
	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Total
	Shares	Amounts				
Balance, March 2023	**388,665,531**	**$ 97,166**	**$ 3,775,979**	**$ (1,019,518)**	**$ 57,086**	**$ 2,910,713**
Net income (loss)	—	—	—	—	(550,574)	(550,574)
Dividends on Common Stock ($0.69 per share)	—	—	(211,069)	—	(57,086)	(268,155)
Stock-based compensation, net	153,673	39	54,744	—	(5,719)	49,064
Foreign currency translation and other	—	—	—	2,798	—	2,798
Defined benefit pension plans	—	—	—	11,991	—	11,991
Derivative financial instruments	—	—	—	(46,644)	—	(46,644)
Balance, December 2023	**388,819,204**	**$ 97,205**	**$ 3,619,654**	**$ (1,051,373)**	**$ (556,293)**	**$ 2,109,193**

(In thousands, except share amounts)	Nine Months Ended December 2022					
	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Total
	Shares	Amounts				
Balance, March 2022	**388,298,375**	**$ 97,075**	**$ 3,916,384**	**$ (926,579)**	**$ 443,475**	**$ 3,530,355**
Net income (loss)	—	—	—	—	333,476	333,476
Dividends on Common Stock ($1.51 per share)	—	—	(203,394)	—	(382,941)	(586,335)
Stock-based compensation, net	362,010	90	53,314	—	(8,259)	45,145
Foreign currency translation and other	—	—	—	(90,245)	—	(90,245)
Defined benefit pension plans	—	—	—	65,944	—	65,944
Derivative financial instruments	—	—	—	21,292	—	21,292
Balance, December 2022	**388,660,385**	**$ 97,165**	**$ 3,766,304**	**$ (929,588)**	**$ 385,751**	**$ 3,319,632**

See notes to consolidated financial statements.

VF CORPORATION

Notes to Consolidated Financial Statements
(Unaudited)

NOTE 1 — BASIS OF PRESENTATION

Fiscal Year

VF Corporation (together with its subsidiaries, collectively known as “VF” or the “Company”) uses a 52/53 week fiscal year ending on the Saturday closest to March 31 of each year. The Company's current fiscal year runs from April 2, 2023 through March 30, 2024 ("Fiscal 2024"). Accordingly, this Form 10-Q presents our third quarter of Fiscal 2024. For presentation purposes herein, all references to periods ended December 2023 and December 2022 relate to the fiscal periods ended on December 30, 2023 and December 31, 2022, respectively. References to March 2023 relate to information as of April 1, 2023.

Basis of Presentation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X and do not include all of the information and notes required by generally accepted accounting principles in the United States of America (“GAAP”) for complete financial statements. Similarly, the March 2023 consolidated balance sheet data was derived from audited financial statements but does not include all disclosures required by GAAP. In the opinion of management, the accompanying unaudited interim consolidated financial statements contain all normal and recurring adjustments necessary to fairly state the consolidated financial position, results of operations and cash flows of VF for the interim periods presented. Operating results for the three and nine months ended December 2023 are not necessarily indicative of results that may be expected for any other interim period or for Fiscal 2024. For further information, refer to the consolidated financial statements and notes included in VF’s Annual Report on Form 10-K for the year ended April 1, 2023 (“Fiscal 2023 Form 10-K”).

Recent Development

Reinvent

On October 30, 2023, VF introduced Reinvent, a transformation program to enhance focus on brand-building and to improve operating performance and allow VF to achieve its full potential. The first announced steps in this transformation cover the following priorities: improve North America results, deliver the *Vans®* turnaround, reduce costs and strengthen the balance sheet. Refer to Note 18 for additional information on the program.

Use of Estimates

In preparing the interim consolidated financial statements, management makes estimates and assumptions that affect amounts reported in the interim consolidated financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 — RECENTLY ADOPTED AND ISSUED ACCOUNTING STANDARDS

Recently Adopted Accounting Standards

In March 2020, January 2021 and December 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2020-04, "*Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*", ASU No. 2021-01, "*Reference Rate Reform (Topic 848): Scope*" and ASU No. 2022-06, "*Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*", respectively. This guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The guidance is provided to ease the potential burden of accounting for reference rate reform. During the first quarter of Fiscal 2024, the Company amended the terms of its $2.25 billion senior unsecured revolving line of credit (the “Global Credit Facility”), which replaced the LIBOR benchmark interest rate with a benchmark interest rate based on the forward-looking secured overnight financing rate ("Term SOFR"). This guidance was adopted in the first quarter of Fiscal 2024, but did not impact VF's consolidated financial statements.

In September 2022, the FASB issued ASU No. 2022-04, "*Liabilities — Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations*". This guidance requires companies with supplier finance programs to disclose sufficient qualitative and quantitative information about the program to allow a user of the financial statements to understand the nature of, activity in, and potential magnitude of the program. The guidance became effective for VF in the first quarter of Fiscal 2024, except for the rollforward information that will be effective for annual periods beginning in Fiscal 2025 on a prospective basis. Early adoption is permitted. The Company adopted the required guidance in the first quarter of Fiscal 2024 and is evaluating the impact of adopting the guidance related to the rollforward information. Refer to Note 9 for disclosures related to the Company’s supply chain financing program.

Recently Issued Accounting Standards

In November 2023, the FASB issued ASU No. 2023-07, "*Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures"*, which updates reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses that are regularly provided to the individual or group identified as the chief operating decision maker ("CODM"). The guidance also requires disclosure of the title and position of the CODM and how reported measures of segment profit or loss are used to assess performance and allocate resources. The guidance will be effective for annual disclosures beginning in Fiscal 2025, and has expanded requirements to include all annual disclosures about a reportable segment's profit or loss and assets in subsequent interim periods. Early adoption is permitted. The guidance requires retrospective application to all prior periods presented in the financial statements. The Company is evaluating the impact that adopting this guidance will have on VF's disclosures.

In December 2023, the FASB issued ASU No. 2023-09, "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures"*, which is intended to enhance the transparency and decision usefulness of income tax disclosures by requiring that an entity, on an annual basis, disclose additional income tax information, primarily related to the rate reconciliation and income taxes paid. The rate reconciliation disclosures will require specific categories and additional information for reconciling items that meet a quantitative threshold. The income taxes paid disclosures will require disaggregation by individual jurisdictions that are greater than 5% of total income taxes paid. The guidance will be effective for annual disclosures beginning in Fiscal 2026. Early adoption is permitted. The amendments are required to be applied on a prospective basis; however, retrospective application is permitted. The Company is evaluating the impact that adopting this guidance will have on VF's disclosures.

NOTE 3 — REVENUES

Contract Balances

The following table provides information about contract assets and contract liabilities:

(In thousands)	December 2023	March 2023	December 2022
Contract assets [(a)]	$ 1,877	$ 2,294	$ 1,273
Contract liabilities [(b)]	67,103	62,214	80,456

(a) Included in the other current assets line item in the Consolidated Balance Sheets.
(b) Included in the accrued liabilities line item in the Consolidated Balance Sheets.

For the three and nine months ended December 2023, the Company recognized $59.9 million and $187.1 million, respectively, of revenue that was included in the contract liability balance during the periods, including amounts recorded as a contract liability and subsequently recognized as revenue as performance obligations were satisfied within the same period, such as order deposits from customers. The change in the contract asset and contract liability balances primarily results from the timing differences between the Company's satisfaction of performance obligations and the customer's payment.

Performance Obligations

As of December 2023, the Company expects to recognize $84.6 million of fixed consideration related to the future minimum guarantees in effect under its licensing agreements and expects such amounts to be recognized over time based on the contractual terms through March 2031. The variable consideration related to licensing arrangements is not disclosed as a remaining performance obligation as it qualifies for the sales-based royalty exemption. VF has also elected the practical expedient to not disclose the transaction price allocated to remaining performance obligations for contracts with an original expected duration of one year or less.

As of December 2023, there were no arrangements with transaction price allocated to remaining performance obligations other than contracts for which the Company has applied the practical expedients and the fixed consideration related to future minimum guarantees discussed above.

For the three and nine months ended December 2023, revenue recognized from performance obligations satisfied, or partially satisfied, in prior periods was not material.

Disaggregation of Revenues

The following tables disaggregate our revenues by channel and geography, which provides a meaningful depiction of how the nature, timing and uncertainty of revenues are affected by economic factors.

	Three Months Ended December 2023				
(In thousands)	Outdoor	Active	Work	Other	Total
Channel revenues					
Wholesale	$ 734,130	$ 264,606	$ 157,841	$ —	$ 1,156,577
Direct-to-consumer	999,694	728,479	58,038	—	1,786,211
Royalty	4,755	6,311	6,429	—	17,495
Total	**$ 1,738,579**	**$ 999,396**	**$ 222,308**	**$ —**	**$ 2,960,283**
Geographic revenues					
Americas	$ 821,506	$ 578,955	$ 185,916	$ —	$ 1,586,377
Europe	622,377	267,075	22,829	—	912,281
Asia-Pacific	294,696	153,366	13,563	—	461,625
Total	**$ 1,738,579**	**$ 999,396**	**$ 222,308**	**$ —**	**$ 2,960,283**

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(In thousands)	Three Months Ended December 2022 Outdoor	Active	Work	Other	Total
Channel revenues					
Wholesale	$ 973,292	$ 401,521	$ 198,956	$ —	$ 1,573,769
Direct-to-consumer	1,023,428	850,167	63,773	—	1,937,368
Royalty	6,325	6,994	6,211	—	19,530
Total	**$ 2,003,045**	**$ 1,258,682**	**$ 268,940**	**$ —**	**$ 3,530,667**
Geographic revenues					
Americas	$ 1,110,134	$ 766,394	$ 217,408	$ —	$ 2,093,936
Europe	643,740	312,857	26,752	—	983,349
Asia-Pacific	249,171	179,431	24,780	—	453,382
Total	**$ 2,003,045**	**$ 1,258,682**	**$ 268,940**	**$ —**	**$ 3,530,667**

(In thousands)	Nine Months Ended December 2023 Outdoor	Active	Work	Other	Total
Channel revenues					
Wholesale	$ 2,499,604	$ 1,163,874	$ 496,630	$ —	$ 4,160,108
Direct-to-consumer	1,769,098	1,964,645	137,649	—	3,871,392
Royalty	13,253	19,173	16,932	—	49,358
Total	**$ 4,281,955**	**$ 3,147,692**	**$ 651,211**	**$ —**	**$ 8,080,858**
Geographic revenues					
Americas	$ 2,021,660	$ 1,790,686	$ 526,355	$ —	$ 4,338,701
Europe	1,567,804	915,086	75,776	—	2,558,666
Asia-Pacific	692,491	441,920	49,080	—	1,183,491
Total	**$ 4,281,955**	**$ 3,147,692**	**$ 651,211**	**$ —**	**$ 8,080,858**

(In thousands)	Nine Months Ended December 2022 Outdoor	Active	Work	Other	Total
Channel revenues					
Wholesale	$ 2,602,744	$ 1,524,712	$ 608,972	$ 148	$ 4,736,576
Direct-to-consumer	1,710,437	2,226,870	145,274	—	4,082,581
Royalty	13,816	21,155	18,734	—	53,705
Total	**$ 4,326,997**	**$ 3,772,737**	**$ 772,980**	**$ 148**	**$ 8,872,862**
Geographic revenues					
Americas	$ 2,325,405	$ 2,282,005	$ 625,565	$ 148	$ 5,233,123
Europe	1,447,353	994,783	68,255	—	2,510,391
Asia-Pacific	554,239	495,949	79,160	—	1,129,348
Total	**$ 4,326,997**	**$ 3,772,737**	**$ 772,980**	**$ 148**	**$ 8,872,862**

NOTE 4 — INVENTORIES

(In thousands)	December 2023	March 2023	December 2022
Finished products	$ 2,093,174	$ 2,240,215	$ 2,535,759
Work-in-process	43,453	39,508	41,307
Raw materials	11,592	13,067	14,849
Total inventories	**$ 2,148,219**	**$ 2,292,790**	**$ 2,591,915**

NOTE 5 — INTANGIBLE ASSETS

(In thousands)	Weighted Average Amortization Period	Amortization Method	December 2023 Cost	December 2023 Accumulated Amortization	December 2023 Net Carrying Amount	March 2023 Net Carrying Amount
Amortizable intangible assets:						
Customer relationships and other	19 years	Accelerated	$ 264,610	$ 185,650	$ 78,960	$ 88,902
Indefinite-lived intangible assets:						
Trademarks and trade names					2,557,785	2,553,919
Intangible assets, net					**$ 2,636,745**	**$ 2,642,821**

Amortization expense for the three and nine months ended December 2023 was $3.5 million and $10.4 million, respectively. Based on the carrying amounts of amortizable intangible assets noted above, estimated amortization expense for the next five years beginning in Fiscal 2024 is $13.7 million, $13.1 million, $12.2 million, $11.7 million and $10.8 million, respectively.

NOTE 6 — GOODWILL

Changes in goodwill are summarized by reportable segment as follows:

(In thousands)	Outdoor	Active	Work	Total
Balance, March 2023	**$ 653,787**	**$ 1,211,244**	**$ 113,382**	**$ 1,978,413**
Impairment charges	(195,287)	—	(61,809)	(257,096)
Foreign currency translation	1,259	1,135	(73)	2,321
Balance, December 2023	**$ 459,759**	**$ 1,212,379**	**$ 51,500**	**$ 1,723,638**

During the three months ended December 2023, VF performed interim impairment analyses of the Timberland and Dickies reporting units and recorded impairment charges of $195.3 million and $61.8 million, respectively. The Timberland reporting unit is part of the Outdoor segment and the Dickies reporting unit is part of the Work segment. Refer to Note 16 for additional information on fair value measurements.

Accumulated impairment charges for the Outdoor segment were $518.5 million and $323.2 million as of December 2023 and March 2023, respectively. Accumulated impairment charges for the Active segment were $394.1 million as of December 2023 and March 2023, and accumulated impairment charges were $61.8 million for the Work segment as of December 2023.

NOTE 7 — LEASES

The Company leases certain retail locations, office space, distribution facilities, machinery and equipment, and vehicles. The substantial majority of these leases are operating leases. Total lease cost includes operating lease cost, variable lease cost, finance lease cost, short-term lease cost and impairment. Components of lease cost were as follows:

(In thousands)	Three Months Ended December 2023	Three Months Ended December 2022	Nine Months Ended December 2023	Nine Months Ended December 2022
Operating lease cost	$ 104,266	$ 103,127	$ 316,368	$ 306,259
Other lease cost	44,520	37,784	116,809	104,960
Total lease cost	**$ 148,786**	**$ 140,911**	**$ 433,177**	**$ 411,219**

During the nine months ended December 2023 and 2022, the Company paid $321.1 million and $315.0 million for operating leases, respectively. During the nine months ended December 2023 and 2022, the Company obtained $220.7 million and $356.1 million of right-of-use assets in exchange for lease liabilities, respectively.

NOTE 8 — SHORT-TERM BORROWINGS AND LONG-TERM DEBT

Commercial Paper Program

During the second quarter of Fiscal 2024, VF commenced a euro commercial paper program, which in addition to the existing U.S. commercial paper program, is supported by VF's $2.25 billion Global Credit Facility. The Company designates its euro commercial paper borrowings as a net investment hedge of VF's investment in certain foreign operations. Refer to Note 17 for additional information. As of December 2023, there were no outstanding euro commercial paper borrowings under this program. There were $437.0 million and $889.9 million in U.S. commercial paper borrowings as of December 2023 and December 2022, respectively.

Senior Notes Maturity

On September 18, 2023, VF repaid €850.0 million ($907.1 million) in aggregate principal amount of its outstanding 0.625% Senior Notes due in September 2023, in accordance with the terms of the notes.

NOTE 9 — SUPPLY CHAIN FINANCING PROGRAM

VF facilitates a voluntary supply chain finance ("SCF") program that enables a significant portion of our suppliers of inventory to leverage VF's credit rating to receive payment from participating financial institutions prior to the payment date specified in the terms between VF and the supplier. The SCF program is administered through third-party platforms that allow participating suppliers to track payments from VF and elect which receivables, if any, to sell to the financial institutions. The transactions are at the sole discretion of both the suppliers and financial institutions, and VF is not a party to the agreements and has no economic interest in the supplier's decision to sell a receivable. The terms between VF and the supplier, including the amount due and scheduled payment terms (which are generally within 90 days of the invoice date), are not impacted by a supplier's participation in the SCF program. All amounts due to suppliers that are eligible to participate in the SCF program are included in the accounts payable line item in VF's Consolidated Balance Sheets and VF payments made under the SCF program are reflected in cash flows from operating activities in VF's Consolidated Statements of Cash Flows. At December 2023, March 2023 and December 2022, the accounts payable line item in VF's Consolidated Balance Sheets included total outstanding obligations of $599.0 million, $510.9 million and $502.8 million, respectively, due to suppliers that are eligible to participate in the SCF program.

NOTE 10 — PENSION PLANS

The components of pension cost for VF's defined benefit plans were as follows:

	Three Months Ended December				Nine Months Ended December			
(In thousands)	2023		2022		2023		2022	
Service cost – benefits earned during the period	$	2,224	$	2,632	$	6,653	$	7,904
Interest cost on projected benefit obligations		11,763		10,754		35,350		34,065
Expected return on plan assets		(15,882)		(14,752)		(47,661)		(48,364)
Settlement charges		131		695		3,430		93,597
Amortization of deferred amounts:								
Net deferred actuarial losses		4,106		3,858		12,508		11,532
Deferred prior service credits		(136)		(112)		(408)		(335)
Net periodic pension cost	**$**	**2,206**	**$**	**3,075**	**$**	**9,872**	**$**	**98,399**

VF has reported the service cost component of net periodic pension cost in operating income (loss) and the other components, which include interest cost, expected return on plan assets, settlement charges and amortization of deferred actuarial losses and prior service credits, in the other income (expense), net line item in the Consolidated Statements of Operations.

VF contributed $20.6 million to its defined benefit plans during the nine months ended December 2023, and intends to make approximately $10.2 million of contributions during the remainder of Fiscal 2024.

VF recorded $0.1 million and $3.4 million in settlement charges in the other income (expense), net line item in the Consolidated Statements of Operations for the three and nine months ended December 2023, respectively, as well as $0.7 million and $1.8 million for the three and nine months ended December 2022, respectively. The settlement charges related to the recognition of deferred actuarial losses resulting from lump sum payments of retirement benefits in the supplemental defined benefit pension plan. Actuarial assumptions used in the interim valuations were reviewed and revised as appropriate. The discount rate used to determine the supplemental defined benefit pension obligation as of December 2023, September 2023 and June 2023 was 5.24%, 6.10% and 5.44%, respectively.

Additionally, in the first quarter of Fiscal 2023, VF entered into an agreement with The Prudential Insurance Company of America ("Prudential") to purchase an irrevocable group annuity contract relating to approximately $330.0 million of the U.S. qualified defined benefit pension plan obligations. The transaction closed on June 30, 2022 and was funded entirely by existing assets of the plan. Under the group annuity contract, Prudential assumed responsibility for benefit payments and annuity administration for approximately 17,700 retirees and beneficiaries. The transaction did not change the amount or timing of monthly retirement benefit payments. VF recorded a $91.8 million settlement charge in the other income (expense), net line item in the Consolidated Statement of Operations during the nine months ended December 2022 to recognize the related deferred actuarial losses in accumulated other comprehensive loss ("OCL").

NOTE 11 — CAPITAL AND ACCUMULATED OTHER COMPREHENSIVE LOSS

Common Stock

During the nine months ended December 2023, the Company did not purchase shares of Common Stock in open market transactions under its share repurchase program authorized by VF's Board of Directors. These are treated as treasury stock transactions when shares are repurchased.

Common Stock outstanding is net of shares held in treasury which are, in substance, retired. There were no shares held in treasury at the end of December 2023, March 2023 or December 2022. The excess of the cost of treasury shares acquired over the $0.25 per share stated value of Common Stock is deducted from retained earnings.

Accumulated Other Comprehensive Loss

Comprehensive income (loss) consists of net income (loss) and specified components of other comprehensive income (loss), which relate to changes in assets and liabilities that are not included in net income (loss) under GAAP but are instead deferred and accumulated within a separate component of stockholders' equity in the balance sheet. VF's comprehensive income (loss) is presented in the Consolidated Statements of Comprehensive Income (Loss). The deferred components of other comprehensive income (loss) are reported, net of related income taxes, in accumulated OCL in stockholders' equity, as follows:

(In thousands)	December 2023	March 2023	December 2022
Foreign currency translation and other	$ (856,853)	$ (859,651)	$ (841,877)
Defined benefit pension plans	(155,701)	(167,692)	(164,346)
Derivative financial instruments	(38,819)	7,825	76,635
Accumulated other comprehensive loss	**$ (1,051,373)**	**$ (1,019,518)**	**$ (929,588)**

The changes in accumulated OCL, net of related taxes, were as follows:

	Three Months Ended December 2023			
(In thousands)	Foreign Currency Translation and Other	Defined Benefit Pension Plans	Derivative Financial Instruments	Total
Balance, September 2023	**$ (878,089)**	**$ (155,638)**	**$ 22,022**	**$ (1,011,705)**
Other comprehensive income (loss) before reclassifications	21,236	(3,002)	(61,585)	(43,351)
Amounts reclassified from accumulated other comprehensive loss	—	2,939	744	3,683
Net other comprehensive income (loss)	21,236	(63)	(60,841)	(39,668)
Balance, December 2023	**$ (856,853)**	**$ (155,701)**	**$ (38,819)**	**$ (1,051,373)**

	Three Months Ended December 2022			
(In thousands)	Foreign Currency Translation and Other	Defined Benefit Pension Plans	Derivative Financial Instruments	Total
Balance, September 2022	**$ (883,846)**	**$ (166,545)**	**$ 206,226**	**$ (844,165)**
Other comprehensive income (loss) before reclassifications	41,969	(850)	(101,665)	(60,546)
Amounts reclassified from accumulated other comprehensive loss	—	3,049	(27,926)	(24,877)
Net other comprehensive income (loss)	41,969	2,199	(129,591)	(85,423)
Balance, December 2022	**$ (841,877)**	**$ (164,346)**	**$ 76,635**	**$ (929,588)**

(In thousands)	Foreign Currency Translation and Other	Defined Benefit Pension Plans	Derivative Financial Instruments	Total
	Nine Months Ended December 2023			
Balance, March 2023	**$ (859,651)**	**$ (167,692)**	**$ 7,825**	**$ (1,019,518)**
Other comprehensive income (loss) before reclassifications	2,798	762	(30,144)	(26,584)
Amounts reclassified from accumulated other comprehensive loss	—	11,229	(16,500)	(5,271)
Net other comprehensive income (loss)	2,798	11,991	(46,644)	(31,855)
Balance, December 2023	**$ (856,853)**	**$ (155,701)**	**$ (38,819)**	**$ (1,051,373)**

(In thousands)	Foreign Currency Translation and Other	Defined Benefit Pension Plans	Derivative Financial Instruments	Total
	Nine Months Ended December 2022			
Balance, March 2022	**$ (751,632)**	**$ (230,290)**	**$ 55,343**	**$ (926,579)**
Other comprehensive income (loss) before reclassifications	(90,245)	(11,226)	68,719	(32,752)
Amounts reclassified from accumulated other comprehensive loss	—	77,170	(47,427)	29,743
Net other comprehensive income (loss)	(90,245)	65,944	21,292	(3,009)
Balance, December 2022	**$ (841,877)**	**$ (164,346)**	**$ 76,635**	**$ (929,588)**

Reclassifications out of accumulated OCL were as follows:

(In thousands)

Details About Accumulated Other Comprehensive Loss Components	Affected Line Item in the Consolidated Statements of Operations	Three Months Ended December 2023	Three Months Ended December 2022	Nine Months Ended December 2023	Nine Months Ended December 2022
Amortization of defined benefit pension plans:					
Net deferred actuarial losses	Other income (expense), net	$ (4,106)	$ (3,858)	$ (12,508)	$ (11,532)
Deferred prior service credits	Other income (expense), net	136	112	408	335
Pension settlement charges	Other income (expense), net	(131)	(695)	(3,430)	(93,597)
Total before tax		(4,101)	(4,441)	(15,530)	(104,794)
Tax benefit		1,162	1,392	4,301	27,624
Net of tax		(2,939)	(3,049)	(11,229)	(77,170)
Gains (losses) on derivative financial instruments:					
Foreign exchange contracts	Net revenues	(794)	782	(220)	(9,173)
Foreign exchange contracts	Cost of goods sold	(2,697)	33,816	14,777	68,830
Foreign exchange contracts	Selling, general and administrative expenses	833	1,816	3,141	5,380
Foreign exchange contracts	Other income (expense), net	536	(3,536)	(725)	(9,065)
Interest rate contracts	Interest expense	1,210	27	3,033	81
Total before tax		(912)	32,905	20,006	56,053
Tax expense		168	(4,979)	(3,506)	(8,626)
Net of tax		(744)	27,926	16,500	47,427
Total reclassifications for the period, net of tax		$ (3,683)	$ 24,877	$ 5,271	$ (29,743)

NOTE 12 — STOCK-BASED COMPENSATION

Incentive Equity Awards Granted

During the nine months ended December 2023, VF granted stock options to employees and nonemployee members of VF's Board of Directors to purchas 5,837,052 shares of its Common Stock at a weighted average exercise price of $18.12 per share. The exercise price of each option granted was equal to the fair market value of VF Common Stock on the date of grant. Employee stock options typically vest and become exercisable in equal annual installments overthree years. Stock options granted to nonemployee members of VF's Board of Directors vest upon grant and become exercisable one year from the date of grant. All options haveten-year terms.

The grant date fair value of each option award was calculated using a lattice option-pricing valuation model, which incorporated a range of assumptions for inputs as follows:

	Nine Months Ended December 2023
Expected volatility	33% to 52%
Weighted average expected volatility	42%
Expected term (in years)	5.9 to 7.8
Weighted average dividend yield	3.8%
Risk-free interest rate	3.80% to 5.50%
Weighted average fair value at date of grant	$5.73

During the nine months ended December 2023, VF granted709,338 performance-based restricted stock units ("RSUs") to executives that enable them to receive shares of VF Common Stock at the end of a three-year performance cycle. The weighted average fair market value of VF Common Stock at the dates the units were granted was $18.29 per share. Each performance-based RSU has a potential final payout ranging from zero to two and one-quarter shares of VF Common Stock. The number of shares earned by participants, if any, is based on achievement of three-year financial and relative total shareholder return targets set by the Talent and Compensation Committee of the Board of Directors. Shares will be issued to participants in the year following the conclusion of the three-year performance period. The financial targets include 50% weighting based on VF's revenue growth and 50% weighting based on VF's gross margin performance over the three-year period compared to financial targets. Furthermore, the actual number of shares earned may be adjusted upward or downward by 25% of the target award, based on how VF's total shareholder return ("TSR") over the three-year period compares to the TSR for companies included in the Standard & Poor's 500 Consumer Discretionary Index, resulting in a maximum payout of225% of the target award. The grant date fair value of the TSR-based adjustment related to the performance-based RSU grants was determined using a Monte Carlo simulation technique that incorporates option-pricing model inputs, and was $0.35 per share.

During the nine months ended December 2023, VF granted50,883 nonperformance-based RSUs to nonemployee members of the Board of Directors. These units vest upon grant and will be settled in shares of VF Common Stock one year from the date of grant. The weighted average fair market value of VF Common Stock at the dates the units were granted was $17.88 per share.

In addition, VF granted 3,354,593 nonperformance-based RSUs to employees during the nine months ended December 2023. These units generally vest over periods up to four years from the date of grant and each unit entitles the holder to one share of VF Common Stock. The weighted average fair market value of VF Common Stock at the dates the units were granted was $17.18 per share.

NOTE 13 — INCOME TAXES

The effective income tax rate for the nine months ended December 2023 was 412.9% compared to (28.6)% in the 2022 period. The nine months ended December 2023 included a net discrete tax expense of $693.6 million, primarily related to the tax effects of decisions in the Timberland tax case and Belgium excess profits ruling, which are discussed further below. Excluding the $693.6 million net discrete tax expense in the 2023 period, the effective income tax rate would have been 18.7%. The nine months ended December 2022 included a net discrete tax benefit of $98.8 million, which primarily related to the Internal Revenue Service ("IRS") examinations for tax year 2017 and short-tax year 2018 resulting in a $94.9 million favorable adjustment to VF's transition tax liability under the Tax Cuts and Jobs Act. Excluding the $98.8 million net discrete tax benefit in the 2022 period, the effective income tax rate would have been 9.5%. Without discrete items, the effective income tax rate for the nine months ended December 2023 increased by 9.2% compared with the 2022 period primarily due to the jurisdictional mix of earnings and losses.

As previously reported, VF petitioned the U.S. Tax Court (the “Tax Court”) to resolve an IRS dispute regarding the timing of income inclusion associated with VF’s acquisition of The Timberland Company in September 2011. While the IRS argued that all such income should have been immediately included in 2011, VF reported periodic income inclusions in subsequent tax years. In Fiscal 2023, the Tax Court issued its final decision in favor of the IRS, which was appealed by VF. On October 19, 2022, VF paid $875.7 million related to the 2011 taxes and interest being disputed, which was recorded as an income tax receivable and began to accrue interest income. These amounts were included in the other assets line item in VF's Consolidated Balance Sheet, based on our assessment of the position under the more-likely-than-not standard of the accounting literature. On September 8, 2023, the U.S. Court of Appeals for the First Circuit (“Appeals Court”) upheld the Tax Court’s decision in favor of the IRS. As a result of the Appeals Court decision, VF determined that its position no longer met the more-likely-than-not threshold, and thus wrote off the related income tax receivable and associated interest and recorded $690.0 million of income tax expense in the second quarter of Fiscal 2024. This amount includes the reversal of $19.6 million of interest income, of which $7.5 million was recorded in the first quarter of Fiscal 2024. This amount reflects the total estimated net impact to VF's tax expense, which includes the expected reduction in taxes paid on the periodic inclusions that VF has reported, release of related deferred tax liabilities, and consideration of indirect tax effects resulting from the decision. The estimated impact is subject to future adjustments based on finalization with tax authorities.

VF was granted a ruling which lowered the effective income tax rate on taxable earnings for years 2010 through 2014 under Belgium's excess profit tax regime. During 2015, the European Union Commission ("EU") investigated and announced its decision that these rulings were illegal and ordered the tax benefits to be collected from affected companies, including VF. During 2017 and 2018, VF Europe BVBA was assessed and paid €35.0 million in tax and interest, which was recorded as an income tax receivable and was included in the other current assets line item in VF's Consolidated Balance Sheets, based on the expected success of the requests for annulment. After subsequent annulments and appeals, the General Court confirmed the decision of the EU on September 20, 2023. As a result, VF wrote off the related income tax receivable and recorded a benefit for the associated foreign tax credit, resulting in $26.1 million of net income tax expense in the second quarter of Fiscal 2024.

VF files a consolidated U.S. federal income tax return, as well as separate and combined income tax returns in numerous state and international jurisdictions. In the U.S., the IRS examinations for tax years through 2015 have been effectively settled.

In addition, VF is currently subject to examination by various state and international tax authorities. Management regularly assesses the potential outcomes of both ongoing and future examinations for the current and prior years and has concluded that VF's provision for income taxes is adequate. The outcome of any one examination is not expected to have a material impact on VF's consolidated financial statements. Management believes that some of these audits and negotiations will conclude during the next 12 months.

During the nine months ended December 2023, the amount of net unrecognized tax benefits and associated interest increased by $0.9 million to $298.5 million, which includes a net reduction of $183.0 million due to settlement with the tax authorities related to intellectual property transfers completed in a prior period and a net increase of $192.5 million due to uncertainty in the application of court decisions upheld upon appeal, which were recorded in the second quarter of Fiscal 2024. Management believes that it is reasonably possible that the amount of unrecognized income tax benefits and interest may decrease during the next 12 months by approximately $29.4 million due to settlement of audits and expiration of statutes of limitations, of which $25.7 million would reduce income tax expense.

NOTE 14 — REPORTABLE SEGMENT INFORMATION

The CODM allocates resources and assesses performance based on a global brand view which represents VF's operating segments. The operating segments have been evaluated and combined into reportable segments because they meet the similar economic characteristics and qualitative aggregation criteria set forth in the relevant accounting guidance.

The Company's reportable segments have been identified as: Outdoor, Active and Work. We have included an Other category in the table below for purposes of reconciliation of revenues and profit, but it is not considered a reportable segment. Other primarily includes sourcing activities related to transition services.

Financial information for VF's reportable segments is as follows:

	Three Months Ended December		Nine Months Ended December	
(In thousands)	**2023**	2022	**2023**	2022
Segment revenues:				
Outdoor	$ 1,738,579	$ 2,003,045	$ 4,281,955	$ 4,326,997
Active	999,396	1,258,682	3,147,692	3,772,737
Work	222,308	268,940	651,211	772,980
Other	—	—	—	148
Total segment revenues	**$ 2,960,283**	**$ 3,530,667**	**$ 8,080,858**	**$ 8,872,862**
Segment profit (loss):				
Outdoor	$ 304,741	$ 457,027	$ 557,830	$ 670,615
Active [(a)]	94,020	146,885	351,772	541,171
Work	(1,864)	18,487	13,482	92,989
Other	—	(134)	—	(516)
Total segment profit	**396,897**	**622,265**	**923,084**	**1,304,259**
Impairment of goodwill and intangible assets	(257,096)	—	(257,096)	(421,922)
Corporate and other expenses	(142,004)	(116,133)	(321,333)	(507,656)
Interest expense, net	(63,338)	(50,230)	(168,701)	(115,395)
Income (loss) before income taxes	**$ (65,541)**	**$ 455,902**	**$ 175,954**	**$ 259,286**

[(a)] Includes legal settlement gains of $29.1 million in the three and nine months ended December 2023.

NOTE 15 — EARNINGS (LOSS) PER SHARE

(In thousands, except per share amounts)	Three Months Ended December 2023	Three Months Ended December 2022	Nine Months Ended December 2023	Nine Months Ended December 2022
Earnings (loss) per common share – basic:				
Net income (loss)	$ (42,452)	$ 507,868	$ (550,574)	$ 333,476
Weighted average common shares outstanding	388,383	387,739	388,294	387,663
Earnings (loss) per common share	**$ (0.11)**	**$ 1.31**	**$ (1.42)**	**$ 0.86**
Earnings (loss) per common share – diluted:				
Net income (loss)	$ (42,452)	$ 507,868	$ (550,574)	$ 333,476
Weighted average common shares outstanding	388,383	387,739	388,294	387,663
Incremental shares from stock options and other dilutive securities	—	453	—	694
Adjusted weighted average common shares outstanding	388,383	388,192	388,294	388,357
Earnings (loss) per common share	**$ (0.11)**	**$ 1.31**	**$ (1.42)**	**$ 0.86**

In the three and nine-month periods ended December 2023, the dilutive impacts of outstanding stock options and other dilutive securities were excluded from dilutive shares as a result of the Company's net loss for the periods and, as such, their inclusion would have been anti-dilutive. As a result, a total of 19.2 million and 19.0 million potentially dilutive shares related to stock options and other dilutive securities were excluded from the diluted loss per share calculations for the three and nine-month periods ended December 2023, respectively.

Outstanding stock options and other dilutive securities of approximately 9.9 million and 9.7 million shares were excluded from the calculations of diluted earnings per share for the three and nine-month periods ended December 2022, respectively, because the effect of their inclusion would have been anti-dilutive. In addition, 0.6 million shares of performance-based RSUs were excluded from the calculations of diluted earnings per share for both the three and nine-month periods ended December 2022, because these units were not considered to be contingent outstanding shares in those periods.

NOTE 16 — FAIR VALUE MEASUREMENTS

Financial assets and financial liabilities measured and reported at fair value are classified in a three-level hierarchy that prioritizes the inputs used in the valuation process. A financial instrument's categorization within the valuation hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The hierarchy is based on the observability and objectivity of the pricing inputs, as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Significant directly observable data (other than Level 1 quoted prices) or significant indirectly observable data through corroboration with observable market data. Inputs would normally be (i) quoted prices in active markets for similar assets or liabilities, (ii) quoted prices in inactive markets for identical or similar assets or liabilities, or (iii) information derived from or corroborated by observable market data.
- Level 3 — Prices or valuation techniques that require significant unobservable data inputs. These inputs would normally be VF's own data and judgments about assumptions that market participants would use in pricing the asset or liability.

Recurring Fair Value Measurements

The following table summarizes financial assets and financial liabilities that are measured and recorded in the consolidated financial statements at fair value on a recurring basis:

(In thousands)	Total Fair Value	Fair Value Measurement Using [(a)] Level 1	Level 2	Level 3
December 2023				
Financial assets:				
Cash equivalents:				
Money market funds	$ 69,840	$ 69,840	$ —	$ —
Time deposits	27,659	27,659	—	—
Derivative financial instruments	15,804	—	15,804	—
Deferred compensation	91,666	91,666	—	—
Financial liabilities:				
Derivative financial instruments	64,700	—	64,700	—
Deferred compensation	88,566	—	88,566	—

(In thousands)	Total Fair Value	Fair Value Measurement Using [(a)] Level 1	Level 2	Level 3
March 2023				
Financial assets:				
Cash equivalents:				
Money market funds	$ 418,304	$ 418,304	$ —	$ —
Time deposits	21,233	21,233	—	—
Derivative financial instruments	49,688	—	49,688	—
Deferred compensation	99,200	99,200	—	—
Financial liabilities:				
Derivative financial instruments	72,653	—	72,653	—
Deferred compensation	96,364	—	96,364	—

(a) There were no transfers among the levels within the fair value hierarchy during the nine months ended December 2023 or the year ended March 2023.

VF's cash equivalents include money market funds and time deposits with maturities within three months of their purchase dates that approximate fair value based on Level 1 measurements. The fair value of derivative financial instruments, which consist of foreign exchange forward contracts and interest rate swap contracts, is determined based on observable market inputs (Level 2), including spot and forward exchange rates for foreign currencies and interest rate forward curves, and considers the credit risk of the Company and its counterparties. VF's deferred compensation assets primarily represent investments held within plan trusts as an economic hedge of the related deferred compensation liabilities. These investments primarily include mutual funds (Level 1) that are valued based on quoted prices in active markets. Liabilities related to VF's deferred compensation plans are recorded at amounts due to participants, based on the fair value of the participants' selection of hypothetical investments.

All other significant financial assets and financial liabilities are recorded in the consolidated financial statements at cost, except life insurance contracts which are recorded at cash surrender value. These other financial assets and financial liabilities include cash held as demand deposits, accounts receivable, short-term borrowings, accounts payable and accrued liabilities. At December 2023 and March 2023, their carrying values approximated fair value. Additionally, at December 2023 and March 2023, the carrying values of VF's long-term debt, including the current portion, were $5,755.8 million and $6,635.3 million, respectively, compared with fair values of $5,280.7 million and $6,244.4 million at those respective dates. Fair value for long-term debt is a Level 2 estimate based on quoted market prices or values of comparable borrowings.

Nonrecurring Fair Value Measurements

Timberland Reporting Unit and Indefinite-Lived Intangible Asset Impairment Analysis

During the three months ended December 2023, management determined that the recent downturn in the Timberland historical financial results, combined with a downward revision to the latest Fiscal 2024 forecast and forward-looking financial projections, was a triggering event that required management to perform a quantitative impairment analysis of both the Timberland reporting unit goodwill, which includes the *Timberland®* brand, and the Timberland indefinite-lived trademark intangible asset, which includes both the *Timberland®* and *Timberland PRO®* brands. The carrying values of the goodwill and indefinite-lived trademark intangible asset at the December 30, 2023 testing date were $407.9 million and $999.5 million, respectively. As a result of the impairment testing performed, VF recorded a goodwill impairment charge of $195.3 million in the Consolidated Statements of Operations for the three and nine months ended December 2023 to write down the Timberland reporting unit carrying value to its estimated fair value. No impairment charge was recorded on the indefinite-lived trademark intangible asset. The estimated fair value of the indefinite-lived trademark intangible asset exceeded its carrying value by a significant amount.

The *Timberland®* brand, acquired in 2011, offers outdoor, adventure-inspired lifestyle footwear, apparel and accessories that combine performance benefits and versatile styling for men, women and children. Products are sold globally through chain, department and specialty stores, independent distributors and licensees, independently-operated partnership stores, concession retail stores, VF-operated stores, on websites with strategic digital partners and online at www.timberland.com. The Timberland reporting unit is included in the Outdoor reportable segment.

The fair values of the Timberland reporting unit and indefinite-lived trademark intangible asset were estimated using valuation techniques consistent with those discussed in the Critical Accounting Policies and Estimates section included in Management's Discussion and Analysis in the Fiscal 2023 Form 10-K.

Management's revenue and profitability forecasts used in the Timberland reporting unit and indefinite-lived trademark intangible asset valuations considered recent and historical performance, strategic initiatives, industry trends and macroeconomic factors. Assumptions used in the valuations were similar to those that would be used by market participants performing independent valuations of the business.

Key assumptions developed by management and used in the quantitative analysis of the Timberland reporting unit and indefinite-lived trademark intangible asset include:

- Financial projections and future cash flows that considered recent historical results, actual results lower than previous internal forecasts, with forecasted revenue growth and profitability improvement throughout the forecast period that reflects the long-term strategy for the business with a return to historical averages, and terminal growth rates based on the expected long-term growth rate of the business;
- Tax rates based on the statutory rates for the countries in which the brand operates and the related intellectual property is domiciled;
- Royalty rates based on market data as well as active license agreements for the brand and similar VF brands; and,
- Market-based discount rates.

The valuation model used by management in the impairment testing assumes recovery from the recent downturn in the brand's operating results and the return to revenue growth and improved profitability over the projection period. If the brand is unable to achieve the financial projections, an impairment on the indefinite-lived trademark intangible asset or additional impairment on the reporting unit goodwill could occur in the future.

Dickies Reporting Unit and Indefinite-Lived Intangible Asset Impairment Analysis

September 30, 2023 Testing

During the three months ended September 2023, management determined that the recent downturn in the Dickies historical financial results, combined with a downward revision to the latest Fiscal 2024 forecast, was a triggering event that required management to perform a quantitative impairment analysis of both the Dickies reporting unit goodwill and the Dickies indefinite-lived trademark intangible asset. Based on the analysis, management concluded both the goodwill and indefinite-lived intangible asset were not impaired. For goodwill, the estimated fair value of the reporting unit exceeded the carrying value by 8%. The estimated fair value of the indefinite-lived trademark intangible asset exceeded its carrying value by a significant amount. The carrying values of the goodwill and indefinite-lived trademark intangible asset at the September 30, 2023 testing date were $61.2 million and $290.0 million, respectively.

December 30, 2023 Testing

During the three months ended December 2023, management determined that the continued downturn in the Dickies financial results, weakness in certain key U.S. wholesale customer accounts, including lost product placement, and weakness in certain international markets, combined with expectations of a slower recovery, which have resulted in further reductions to the financial projections, was a triggering event that required management to perform a quantitative impairment analysis of both the Dickies reporting unit goodwill and the Dickies indefinite-lived trademark intangible asset. The carrying values of the goodwill and indefinite-lived trademark intangible asset at the December 30, 2023 testing date were $61.8 million and $290.0 million, respectively. Based on the analysis, management concluded that the Dickies reporting unit goodwill was fully impaired and thus recorded an impairment charge of $61.8 million in the Consolidated Statements of Operations for the three and nine months ended December 2023. Based on the analysis, management concluded that the indefinite-lived trademark intangible asset was not impaired and the estimated fair value exceeded its carrying value by a significant amount.

The *Dickies®* brand, acquired in 2017, is a leader in authentic, functional, durable and affordable workwear and has expanded to produce work-inspired, casual-use products. Products are sold globally through mass merchants, specialty stores, independent distributors and licensees, independently-operated partnership stores, concession retail stores, VF-operated stores, on websites with strategic digital partners and online at www.dickies.com. The Dickies reporting unit is included in the Work reportable segment.

The fair values of the Dickies reporting unit and indefinite-lived trademark intangible asset were estimated using valuation techniques consistent with those discussed in the Critical Accounting Policies and Estimates section included in Management's Discussion and Analysis in the Fiscal 2023 Form 10-K.

Management's revenue and profitability forecasts used in the Dickies reporting unit and indefinite-lived trademark intangible asset valuations considered recent and historical performance, strategic initiatives, industry trends and macroeconomic factors. Assumptions used in the valuations were similar to those that would be used by market participants performing independent valuations of the business.

Key assumptions developed by management and used in the quantitative analysis of the Dickies reporting unit and indefinite-lived trademark intangible asset include:

- Financial projections and future cash flows, including a base year that considered recent actual results lower than previous internal forecasts, continued weakness in certain key accounts and markets, slower recovery from the recent downturn, with moderate revenue growth and improved profitability throughout the forecast period that reflects the long-term strategy for the business, and terminal growth rates based on the expected long-term growth rate of the business;
- Tax rates based on the statutory rates for the countries in which the brand operates and the related intellectual property is domiciled;
- Royalty rates based on market data as well as active license agreements for the brand and similar VF brands; and,
- Market-based discount rates.

The valuation model used by management in the impairment testing assumes recovery from the recent downturn in the brand's operating results and the return to revenue growth and improved profitability over the projection period. If the brand is unable to achieve the financial projections, an impairment of the indefinite-lived trademark intangible asset could occur in the future.

Management's Use of Estimates and Assumptions

Management made its estimates based on information available as of the date of our assessments, using assumptions we believe market participants would use in performing an independent valuation of the business. Although management believes the estimates and assumptions used in the impairment testing are reasonable and appropriate, it is possible that VF's assumptions and conclusions regarding impairment or recoverability of the Timberland reporting unit goodwill or the Timberland and Dickies indefinite-lived trademark intangible assets could change in future periods. There can be no assurance the estimates and assumptions, particularly our long-term financial projections, used in our goodwill and indefinite-lived intangible asset impairment testing will prove to be accurate predictions of the future, if, for example, (i) the businesses do not perform as projected, (ii) overall economic conditions in the remainder of Fiscal 2024 or future years vary from current assumptions (including changes in discount rates, royalty rates and foreign currency exchange rates), (iii) business conditions or strategies change from current assumptions, including loss of major customers or channels, (iv) investors require higher rates of return on equity investments in the marketplace, or (v) enterprise values of comparable publicly traded companies, or actual sales transactions of comparable companies, were to decline, resulting in lower multiples of revenues and earnings before interest, tax, depreciation and amortization ("EBITDA"). A future impairment charge of the Timberland reporting unit goodwill or the Timberland and Dickies indefinite-lived trademark intangible assets could have a material effect on VF's consolidated financial position and results of operations.

The Company owns a broad, diverse portfolio of other brands and businesses for which material amounts of goodwill and intangible assets have been recorded in the Consolidated Balance Sheets. Management continuously evaluates the current and future performance of VF's brands and businesses, as well as other relevant factors, in assessing the recoverability of these assets. There can be no assurances that the estimates and assumptions used in our long-term financial projections, among other factors, will prove to be accurate predictions of the future. As such, a future impairment charge of goodwill or intangible assets could occur, and if so, could have a material effect on VF's consolidated financial position and results of operations.

NOTE 17 — DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Summary of Derivative Financial Instruments

VF's outstanding derivative financial instruments include foreign currency exchange forward contracts and interest rate swap contracts. Although derivatives meet the criteria for hedge accounting at the inception of the hedging relationship, a limited number of derivative contracts intended to hedge assets and liabilities are not designated as hedges for accounting purposes.

The notional amounts of all outstanding foreign currency exchange forward contracts were $3.0 billion at December 2023, $3.4 billion at March 2023 and $3.3 billion at December 2022, consisting primarily of contracts hedging exposures to the euro, British pound, Canadian dollar, Swiss franc, Mexican peso, South Korean won, Chinese renminbi, Swedish krona, Polish zloty and Japanese yen. These derivative contracts have maturities up to 20 months.

The notional amounts of VF's outstanding interest rate swap contracts were $500.0 million at December 2023, March 2023 and December 2022.

The following table presents outstanding derivatives on an individual contract basis:

	Fair Value of Derivatives with Unrealized Gains			Fair Value of Derivatives with Unrealized Losses		
(In thousands)	December 2023	March 2023	December 2022	December 2023	March 2023	December 2022
Derivatives Designated as Hedging Instruments:						
Foreign exchange contracts	$ 13,901	$ 46,752	$ 80,435	$ (63,897)	$ (71,052)	$ (58,455)
Interest rate contracts	1,737	—	422	—	(1,140)	—
Total derivatives designated as hedging instruments	15,638	46,752	80,857	(63,897)	(72,192)	(58,455)
Derivatives Not Designated as Hedging Instruments:						
Foreign exchange contracts	166	2,936	4,061	(803)	(461)	(321)
Total derivatives	**$ 15,804**	**$ 49,688**	**$ 84,918**	**$ (64,700)**	**$ (72,653)**	**$ (58,776)**

VF records and presents the fair values of all of its derivative assets and liabilities in the Consolidated Balance Sheets on a gross basis, even though they are subject to master netting agreements. If VF were to offset and record the asset and liability balances on a net basis in accordance with the terms of its master netting agreements, the amounts presented in the Consolidated Balance Sheets would be adjusted from the current gross presentation to the net amounts as detailed in the following table:

	December 2023		March 2023		December 2022	
(In thousands)	Derivative Asset	Derivative Liability	Derivative Asset	Derivative Liability	Derivative Asset	Derivative Liability
Gross amounts presented in the Consolidated Balance Sheets	$ 15,804	$ (64,700)	$ 49,688	$ (72,653)	$ 84,918	$ (58,776)
Gross amounts not offset in the Consolidated Balance Sheets	(15,011)	15,011	(26,470)	26,470	(24,024)	24,024
Net amounts	**$ 793**	**$ (49,689)**	**$ 23,218**	**$ (46,183)**	**$ 60,894**	**$ (34,752)**

Derivatives are classified as current or noncurrent based on maturity dates, as follows:

(In thousands)		December 2023	March 2023	December 2022
Derivative Instruments	**Balance Sheet Location**			
Foreign exchange contracts	Other current assets	$ 12,261	$ 48,132	$ 79,862
Foreign exchange contracts	Accrued liabilities	(55,562)	(59,995)	(42,274)
Foreign exchange contracts	Other assets	1,806	1,556	4,634
Foreign exchange contracts	Other liabilities	(9,138)	(11,518)	(16,502)
Interest rate contracts	Other current assets	1,737	—	—
Interest rate contracts	Other assets	—	—	422
Interest rate contracts	Other liabilities	—	(1,140)	—

Cash Flow Hedges

VF primarily uses foreign currency exchange forward contracts to hedge a portion of the exchange risk for its forecasted sales, inventory purchases, operating costs and certain intercompany transactions, including sourcing and management fees and royalties. The company also uses interest swap contracts to hedge against a portion of the exposure related to its interest payments on its variable-rate debt. The effects of cash flow hedging included in VF's Consolidated Statements of Comprehensive Income (Loss) and Consolidated Statements of Operations are summarized as follows:

(In thousands)	Gain (Loss) on Derivatives Recognized in Accumulated OCL Three Months Ended December		Gain (Loss) on Derivatives Recognized in Accumulated OCL Nine Months Ended December	
Cash Flow Hedging Relationships	**2023**	**2022**	**2023**	**2022**
Foreign exchange contracts	$ (71,398)	$ (120,057)	$ (42,049)	$ 82,058
Interest rate contracts	(1,977)	422	5,829	422
Total	**$ (73,375)**	**$ (119,635)**	**$ (36,220)**	**$ 82,480**

(In thousands)		Gain (Loss) Reclassified from Accumulated OCL into Net Income (Loss) Three Months Ended December		Gain (Loss) Reclassified from Accumulated OCL into Net Income (Loss) Nine Months Ended December	
Cash Flow Hedging Relationships	**Location of Gain (Loss)**	**2023**	**2022**	**2023**	**2022**
Foreign exchange contracts	Net revenues	$ (794)	$ 782	$ (220)	$ (9,173)
Foreign exchange contracts	Cost of goods sold	(2,697)	33,816	14,777	68,830
Foreign exchange contracts	Selling, general and administrative expenses	833	1,816	3,141	5,380
Foreign exchange contracts	Other income (expense), net	536	(3,536)	(725)	(9,065)
Interest rate contracts	Interest expense	1,210	27	3,033	81
Total		**$ (912)**	**$ 32,905**	**$ 20,006**	**$ 56,053**

Derivative Contracts Not Designated as Hedges

VF uses foreign currency exchange contracts to manage foreign currency exchange risk on third-party and intercompany accounts receivable and payable, as well as intercompany borrowings. These contracts are not designated as hedges, and are recorded at fair value in the Consolidated Balance Sheets. Changes in the fair values of these instruments are recognized directly in earnings. Gains or losses on these contracts largely offset the net transaction losses or gains on the related assets and liabilities. In the case of derivative contracts executed on foreign currency exposures that are no longer probable of occurring, VF de-designates these hedges and the fair value changes of these instruments are also recognized directly in earnings. During the nine months ended December 2023, certain derivative contracts were de-designated as the related hedged forecasted transactions were no longer deemed probable of occurring. Accordingly, the Company reclassified amounts from accumulated OCL and recognized an $8.3 million loss in cost of goods sold during the nine months ended December 2023.

Other Derivative Information

At December 2023, accumulated OCL included $40.7 million of pre-tax net deferred losses for foreign currency exchange contracts and a $1.7 million pre-tax deferred gain for interest rate swap contracts, which are expected to be reclassified to earnings during the next 12 months. The amounts ultimately reclassified to earnings will depend on exchange rates in effect when outstanding derivative contracts are settled.

Net Investment Hedge

The Company has designated its euro-denominated fixed-rate notes and euro commercial paper borrowings, which represented €2.0 billion in aggregate principal as of December 2023, as a net investment hedge of VF's investment in certain foreign operations. Because this debt qualified as a nonderivative hedging instrument, foreign currency transaction gains or losses of the debt are deferred in the foreign currency translation and other component of accumulated OCL as an offset to the foreign currency translation adjustments on the hedged investments. During the three and nine-month periods ended December 2023, the Company recognized an after-tax loss of $74.8 million and $19.3 million, respectively, in other comprehensive income (loss) related to the net investment hedge transaction, and an after-tax loss of $126.5 million and an after-tax gain of $45.2 million for the three and nine-month periods ended December 2022, respectively. Any amounts deferred in accumulated OCL will remain until the hedged investment is sold or substantially liquidated.

NOTE 18 — RESTRUCTURING

The Company incurs restructuring charges related to strategic initiatives and cost optimization of business activities. Beginning in the three months ended December 2023, restructuring costs include charges related to Reinvent, a transformation program to enhance focus on brand-building and to improve operating performance and allow VF to achieve its full potential. The Company currently estimates that it will incur approximately $80.0 million to $130.0 million in restructuring and restructuring-related charges in connection with Reinvent, and that substantially all actions will be completed by the end of Fiscal 2025. Of the total estimated charges, the Company anticipates that approximately one-half will relate to severance and employee-related benefits and that the remainder will relate to asset impairments and other non-cash write-downs. Cash payments are generally expected to be paid within one year of charges incurred. During the three and nine months ended December 2023, VF recorded $50.3 million of charges in connection with Reinvent, of which $31.6 million related to severance and employee-related benefits and $18.7 million related to non-cash asset write-downs. As of December 2023, $3.7 million of cash payments related to the Reinvent charges have been made.

During the three and nine months ended December 2023, VF recognized $50.8 million and $51.9 million, respectively, of total restructuring charges, related to approved initiatives. Of the total restructuring charges recognized in the three and nine months ended December 2023, $46.6 million and $47.7 million were reflected in selling, general and administrative expenses, respectively, and $4.2 million in cost of goods sold in both periods. The Company has not recognized any significant incremental costs related to accruals for the year ended March 2023 or prior periods.

Of the $45.2 million total restructuring accrual at December 2023, $43.7 million is expected to be paid out within the next 12 months and is classified within accrued liabilities. The remaining $1.5 million will be paid out beyond the next 12 months and thus is classified within other liabilities.

The components of the restructuring charges are as follows:

	Three Months Ended December		Nine Months Ended December	
(In thousands)	2023	2022	2023	2022
Severance and employee-related benefits	$ 31,602	$ 10,607	$ 32,278	$ 50,165
Asset impairments and write-downs	18,739	—	18,739	—
Accelerated depreciation	—	25	—	7,276
Contract termination and other	435	460	889	5,563
Total restructuring charges	**$ 50,776**	**$ 11,092**	**$ 51,906**	**$ 63,004**

Restructuring costs by business segment are as follows:

	Three Months Ended December		Nine Months Ended December	
(In thousands)	2023	2022	2023	2022
Outdoor	$ —	$ 391	$ 242	$ 887
Active	—	—	434	1,478
Work	—	—	—	9
Corporate and other	50,776	10,701	51,230	60,630
Total	**$ 50,776**	**$ 11,092**	**$ 51,906**	**$ 63,004**

The activity in the restructuring accrual for the nine-month period ended December 2023 was as follows:

(In thousands)	Severance	Other	Total
Accrual at March 2023	**$ 38,721**	**$ 6,545**	**$ 45,266**
Charges	32,278	—	32,278
Cash payments and settlements	(24,574)	(4,839)	(29,413)
Adjustments to accruals	(2,398)	(582)	(2,980)
Impact of foreign currency	37	26	63
Accrual at December 2023	**$ 44,064**	**$ 1,150**	**$ 45,214**

NOTE 19 — SUBSEQUENT EVENT

On January 23, 2024, VF's Board of Directors declared a quarterly cash dividend of $0.09 per share, payable on March 20, 2024 to stockholders of record on March 11, 2024.

ITEM 2 — MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

VF Corporation (together with its subsidiaries, collectively known as “VF” or the “Company”) uses a 52/53 week fiscal year ending on the Saturday closest to March 31 of each year. The Company's current fiscal year runs from April 2, 2023 through March 30, 2024 ("Fiscal 2024"). Accordingly, this Form 10-Q presents our third quarter of Fiscal 2024. For presentation purposes herein, all references to periods ended December 2023 and December 2022 relate to the fiscal periods ended on December 30, 2023 and December 31, 2022, respectively. References to March 2023 relate to information as of April 1, 2023.

All per share amounts are presented on a diluted basis and all percentages shown in the tables below and the following discussion have been calculated using unrounded numbers.

References to the three and nine months ended December 2023 foreign currency amounts and impacts below reflect the changes in foreign exchange rates from the three and nine months ended December 2022 when translating foreign currencies into U.S. dollars. VF’s most significant foreign currency exposure relates to business conducted in euro-based countries. Additionally, VF conducts business in other developed and emerging markets around the world with exposure to foreign currencies other than the euro.

RECENT DEVELOPMENTS

Cybersecurity Incident

On December 13, 2023, VF detected unauthorized occurrences on a portion of its information technology ("IT") systems. Upon detecting the unauthorized occurrences, VF began taking steps to contain, assess and remediate the incident, including beginning an investigation with leading external cybersecurity experts, activating its incident response plan, and shutting down some systems. As a result of these and other measures, and while VF’s investigation and remediation efforts remain ongoing, VF believes the threat actor was ejected from VF’s IT systems on December 15, 2023. The threat actor disrupted VF’s business operations by encrypting some IT systems, and stole data from VF, including personal data. After VF shut down some of its systems, VF experienced disruption to certain of its operations, including interrupted replenishment of retail store inventory and delayed order fulfillment which had impacts such as the cancellation by customers and consumers of some product orders, reduced demand on certain of its brands’ e-commerce sites, and delay of some wholesale shipments. While VF is still experiencing minor residual impacts from the cyber incident, VF has resumed retail store inventory replenishment and product order fulfillment, and is caught up on fulfilling orders that were delayed as a result of the cyber incident. VF has substantially restored the IT systems and data that were impacted by the cyber incident, but continues to work through minor operational impacts.

While the investigation remains ongoing, VF believes that the material impact or reasonably likely material impact on VF is limited to the material impacts on VF’s business operations discussed above, which are no longer ongoing at this time. VF also believes the impacts of the cyber incident are not material and are not reasonably likely to be material to its financial condition and results of operations.

VF will be seeking reimbursement of costs, expenses and losses stemming from the cyber incident by submitting claims to VF’s cybersecurity insurers. The timing and amount of any such reimbursements are not known at this time.

Reinvent

On October 30, 2023, VF introduced Reinvent, a transformation program to enhance focus on brand-building and to improve operating performance and allow VF to achieve its full potential.

The first announced steps in this transformation, which cover the following priorities: improve North America results, deliver the *Vans®* turnaround, reduce costs and strengthen the balance sheet, are as follows:

- *Establish global commercial organization, inclusive of an Americas region:* Change the operating model with the establishment of a global commercial structure. This includes the creation of an Americas regional platform, modeled on the Company's successful operations in the Europe and Asia-Pacific regions. With this change, VF has created the role of Chief Commercial Officer, with responsibility for go-to-market execution globally.
- *Sharpen brand presidents' focus on sustainable growth:* A direct consequence and intent of the operating model change, which is particularly critical at this stage for the *Vans®* brand, enables brand presidents to direct greater focus and attention to long-term brand-building, product innovation and growth strategies.
- *Appoint new Vans® president*: The Global Brand President of *Vans®* has stepped down from the position and has transitioned to lead Reinvent and the project teams driving the work. A search for a new brand president is ongoing with VF's CEO serving in the role on an interim basis.
- *Optimize cost structure to improve operating efficiency and profitability:* Implement a large-scale cost reduction program, which is expected to deliver $300 million in fixed cost savings, by removing spend in non-strategic areas of the business, and simplifying and right-sizing VF's structure.
- *Reduce debt and leverage:* In addition to improving operating performance, VF is committed to deleveraging the balance sheet.

Reinvent charges and project-related costs in the third quarter of Fiscal 2024 were $50.9 million, which primarily included costs associated with severance and employee-related benefits and certain non-cash asset write-downs.

Dividend Update

On October 24, 2023, the Board of Directors declared a quarterly dividend of $0.09 per share that was paid during the third quarter of Fiscal 2024, which represented a 70% reduction when compared to the dividend of $0.30 per share paid in the second quarter of Fiscal 2024. The decrease in the dividend was an action taken to strengthen the Company's financial position by reducing debt. Subject to approval by its Board of Directors, VF intends to continue to pay quarterly dividends. On January 23, 2024, the Board of Directors declared a quarterly dividend of $0.09 per share to be paid during the fourth quarter of Fiscal 2024.

Impact of Global Events and Uncertainties

Though not expected to have a significant impact in the current year, the coronavirus ("COVID-19") pandemic resulted in temporary closures of VF-operated retail stores in Fiscal 2023, most notably in the Asia-Pacific region, which impacted revenues in the region for the nine months ended December 2022. The ongoing conflict between Russia and Ukraine and the conflict in the Middle East continue to cause disruption in the regions and unknown impacts to the global economy; however, we currently do not expect significant disruption to our business.

For additional information, see the risk factors discussed inPart I, "Item 1A. Risk Factors" in the Fiscal 2023 Form 10-K.

SUMMARY OF THE THIRD QUARTER OF FISCAL 2024

- Revenues were down 16% to $3.0 billion compared to the three months ended December 2022, including a 1% favorable impact from foreign currency.
- Outdoor segment revenues decreased 13% to $1.7 billion compared to the three months ended December 2022, including a 2% favorable impact from foreign currency.
- Active segment revenues decreased 21% to $1.0 billion compared to the three months ended December 2022, including a 1% favorable impact from foreign currency.
- Work segment revenues decreased 17% to $222.3 million compared to the three months ended December 2022, including a 1% favorable impact from foreign currency.
- Wholesale revenues were down 26% compared to the three months ended December 2022, including a 2% favorable impact from foreign currency.
- Direct-to-consumer revenues were down 8% over the 2022 period, including a 1% favorable impact from foreign currency. E-commerce revenues decreased 13% in the current period, including a 1% favorable impact from foreign currency. Direct-to-consumer revenues accounted for 60% of VF's net revenues for the three months ended December 2023.
- International revenues decreased 5% compared to the three months ended December 2022, including a 3% favorable impact from foreign currency. Revenues in Europe decreased 7%, including a 5% favorable impact from foreign currency. Revenues in the Asia-Pacific region increased 2%, including a 1% unfavorable impact from foreign currency. International revenues represented 52% of VF's net revenues for the three months ended December 2023.
- Revenues in the Americas region decreased 24% compared to the three months ended December 2022, including a 1% favorable impact from foreign currency.
- Gross margin increased 20 basis points to 55.1% compared to the three months ended December 2022, primarily driven by favorable mix, partially offset by unfavorable foreign currency impacts.
- Earnings (loss) per share was $(0.11) compared to $1.31 in the 2022 period. The decrease was primarily driven by lower profitability across all segments, goodwill impairment charges related to the Timberland and Dickies reporting units and Reinvent charges during the three months ended December 2023, partially offset by legal settlement gains in the quarter. The three months ended December 2022 included a $0.24 discrete tax benefit in the quarter.

ANALYSIS OF RESULTS OF OPERATIONS

Consolidated Statements of Operations

The following table presents a summary of the changes in net revenues for the three and nine months ended December 2023 from the comparable periods in 2022:

(In millions)	Three Months Ended December	Nine Months Ended December
Net revenues — 2022	$ 3,530.7	$ 8,872.9
Organic	(615.1)	(897.7)
Impact of foreign currency	44.7	105.7
Net revenues — 2023	**$ 2,960.3**	**$ 8,080.9**

VF reported a 16% and 9% decrease in revenues for the three and nine months ended December 2023, respectively, compared to the 2022 periods, including a 1% favorable impact from foreign currency in both periods. The revenue decrease in the three months ended December 2023 was driven by declines across all segments. The revenue decrease in the nine months ended December 2023 was primarily due to declines in the Active and Work segments. The revenue decrease in both periods was partially offset by overall growth in the Asia-Pacific region in both the three and nine months ended December 2023. The Asia-Pacific region was negatively impacted by COVID-19 resurgence in Mainland China in the nine months ended December 2022.

Additional details on revenues are provided in the section titled “Information by Reportable Segment.”

The following table presents the percentage relationships to net revenues for components of the Consolidated Statements of Operations:

	Three Months Ended December		Nine Months Ended December	
	2023	2022	2023	2022
Gross margin (net revenues less cost of goods sold)	55.1 %	54.9 %	53.1 %	53.4 %
Selling, general and administrative expenses	47.5	40.3	45.9	43.1
Impairment of goodwill and intangible assets	8.7	—	3.2	4.8
Operating margin	**(1.1)%**	**14.6 %**	**4.0 %**	**5.5 %**

Gross margin increased 20 basis points and decreased 30 basis points in the three and nine months ended December 2023, respectively, compared to the 2022 periods. The increase in the three months ended December 2023 was primarily driven by favorable mix, partially offset by unfavorable foreign currency impacts. The decrease in the nine months ended December 2023 was primarily driven by unfavorable foreign currency impacts, partially offset by favorable mix.

Selling, general and administrative expenses as a percentage of total revenues increased 720 and 280 basis points during the three and nine months ended December 2023, respectively, compared to the 2022 periods. Selling, general and administrative expenses decreased $14.0 million and $118.3 million in the three and nine months ended December 2023, respectively, compared to the 2022 periods. The decrease in the three months ended December 2023 was primarily due to lower distribution and advertising expenses, partially offset by Reinvent charges. The decrease in the nine months ended December 2023 was due to lower compensation and administrative costs, direct-to-consumer expenses and distribution costs, partially offset by higher information technology costs.

VF recorded goodwill impairment charges of $195.3 million and $61.8 million related to the Timberland and Dickies reporting units, respectively, in the three and nine months ended December 2023. During the third quarter of Fiscal 2024, due to continued weakness and downturn in the financial results, combined with expectations of a slower recovery, the Company determined that a triggering event had occurred requiring impairment testing of the Timberland and Dickies reporting unit goodwill and indefinite-lived trademark intangible assets. The goodwill impairment related to the reduction in financial projections for both reporting units.

VF recorded goodwill and intangible asset impairment charges of $229.0 million and $192.9 million, respectively, in the nine months ended December 2022 related to the Supreme reporting unit. During the second quarter of Fiscal 2023, due to continued increases in the federal funds rate and strengthening of the U.S. dollar relative to other currencies, the Company determined that a triggering event had occurred requiring impairment testing of the Supreme reporting unit goodwill and indefinite-lived trademark intangible asset. The impairment related to an increase in the market-based discount rates used in the valuation and the negative impact of foreign currency exchange rate changes on financial projections.

Net interest expense increased $13.1 million and $53.3 million during the three and nine months ended December 2023, respectively, compared to the 2022 periods. The increase in net interest expense in both the three and nine months ended December 2023 was primarily due to additional borrowings on long-term debt at higher rates, partially offset by lower short-term commercial paper borrowings and higher investment rates. Total outstanding debt averaged $6.8 billion in the nine months ended December 2023 and $6.5 billion in the same period in 2022, with weighted average interest rates of 3.4% and 2.3% in the nine months ended December 2023 and 2022, respectively.

Other income (expense), net decreased $39.9 million and $136.8 million during the three and nine months ended December 2023, respectively, compared to the 2022 periods. The decrease in the three months ended December 2023 was primarily due to legal settlement gains of $29.1 million and lower foreign currency losses compared to the 2022 period. The decrease in the nine months ended December 2023 was primarily due to the above-mentioned benefits during the fiscal third quarter and a $91.8 million pension settlement charge recorded in the 2022 period, which resulted from the purchase of a group annuity contract and transfer of a portion of the assets and liabilities associated with the U.S. qualified defined benefit pension plan to an insurance company.

The effective income tax rate for the nine months ended December 2023 was 412.9% compared to (28.6)% in the 2022 period. The nine months ended December 2023 included a net discrete tax expense of $693.6 million, primarily related to the tax effects of decisions in the Timberland tax case and Belgium excess profits ruling. Refer to Note 13 to VF's consolidated financial statements for additional information. Excluding the $693.6 million net discrete tax expense in the 2023 period, the effective income tax rate would have been 18.7%. The nine months ended December 2022 included a net discrete tax benefit of $98.8 million, which primarily related to the Internal Revenue Service ("IRS") examinations for tax year 2017 and short-tax year 2018 resulting in a $94.9 million favorable adjustment to VF's transition tax liability under the Tax Cuts and Jobs Act. Excluding the $98.8 million net discrete tax benefit in the 2022 period, the effective income tax rate would have been 9.5%. Without discrete items, the effective income tax rate for the nine months ended December 2023 increased by 9.2% compared with the 2022 period primarily due to the jurisdictional mix of earnings and losses.

As a result of the above, net income (loss) in the three months ended December 2023 was $(42.5) million ($(0.11) per diluted share) compared to $507.9 million ($1.31 per diluted share) in the 2022 period, and net income (loss) in the nine months ended December 2023 was $(550.6) million ($(1.42) per diluted share) compared to $333.5 million ($0.86 per diluted share) in the 2022 period. Refer to additional discussion in the “Information by Reportable Segment” section below.

Information by Reportable Segment

VF's reportable segments are: Outdoor, Active and Work. We have included an Other category in the tables below for purposes of reconciliation of revenues and profit (loss), but it is not considered a reportable segment. Other primarily includes sourcing activities related to transition services.

Refer to Note 14 to the consolidated financial statements for a summary of results of operations by segment, along with a reconciliation of segment profit to income (loss) before income taxes.

The following tables present a summary of the changes in segment revenues and profit (loss) in the three and nine months ended December 2023 from the comparable periods in 2022 and revenues by region for our top 4 brands for the three and nine months ended December 2023 and 2022:

Segment Revenues:

	Three Months Ended December				
(In millions)	Outdoor	Active	Work	Other	Total
Segment revenues — 2022	$ 2,003.0	$ 1,258.7	$ 268.9	$ —	$ 3,530.7
Organic	(293.0)	(274.4)	(47.7)	—	(615.1)
Impact of foreign currency	28.6	15.1	1.1	—	44.7
Segment revenues — 2023	**$ 1,738.6**	**$ 999.4**	**$ 222.3**	**$ —**	**$ 2,960.3**

	Nine Months Ended December				
(In millions)	Outdoor	Active	Work	Other	Total
Segment revenues — 2022	$ 4,327.0	$ 3,772.7	$ 773.0	$ 0.1	$ 8,872.9
Organic	(107.0)	(667.3)	(123.2)	(0.1)	(897.7)
Impact of foreign currency	62.0	42.3	1.4	—	105.7
Segment revenues — 2023	**$ 4,282.0**	**$ 3,147.7**	**$ 651.2**	**$ —**	**$ 8,080.9**

Segment Profit (Loss):

	Three Months Ended December				
(In millions)	Outdoor	Active	Work	Other	Total
Segment profit (loss) — 2022	$ 457.0	$ 146.9	$ 18.5	$ (0.1)	$ 622.3
Organic	(159.0)	(54.5)	(20.6)	0.1	(233.9)
Impact of foreign currency	6.7	1.6	0.2	—	8.5
Segment profit (loss) — 2023	**$ 304.7**	**$ 94.0**	**$ (1.9)**	**$ —**	**$ 396.9**

	Nine Months Ended December				
(In millions)	Outdoor	Active	Work	Other	Total
Segment profit (loss) — 2022	$ 670.6	$ 541.2	$ 93.0	$ (0.5)	$ 1,304.3
Organic	(125.8)	(197.0)	(80.3)	0.5	(402.6)
Impact of foreign currency	13.0	7.6	0.8	—	21.4
Segment profit — 2023	**$ 557.8**	**$ 351.8**	**$ 13.5**	**$ —**	**$ 923.1**

Note: Amounts may not sum due to rounding.

Top Brand Revenues:

(In millions)	Three Months Ended December 2023				
	Vans®	*The North Face®*	*Timberland®* [(a)]	*Dickies®*	Total
Americas	$ 434.1	$ 557.7	$ 231.4	$ 111.5	$ 1,334.7
Europe	149.4	418.1	172.6	22.8	762.9
Asia-Pacific	84.7	216.3	69.1	13.6	383.7
Global	**$ 668.2**	**$ 1,192.1**	**$ 473.0**	**$ 147.9**	**$ 2,481.2**

(In millions)	Three Months Ended December 2022				
	Vans®	*The North Face®*	*Timberland®* [(a)]	*Dickies®*	Total
Americas	$ 625.6	$ 731.8	$ 330.7	$ 125.4	$ 1,813.5
Europe	185.1	417.8	195.0	26.8	824.7
Asia-Pacific	116.2	171.6	69.8	24.8	382.4
Global	**$ 926.9**	**$ 1,321.2**	**$ 595.5**	**$ 177.0**	**$ 3,020.6**

(In millions)	Nine Months Ended December 2023				
	Vans®	*The North Face®*	*Timberland®* [(a)]	*Dickies®*	Total
Americas	$ 1,350.3	$ 1,377.0	$ 549.6	$ 331.1	$ 3,608.0
Europe	526.4	990.9	489.5	75.8	2,082.6
Asia-Pacific	277.9	491.1	176.3	49.1	994.4
Global	**$ 2,154.5**	**$ 2,859.0**	**$ 1,215.5**	**$ 456.0**	**$ 6,685.0**

(In millions)	Nine Months Ended December 2022				
	Vans®	*The North Face®*	*Timberland®* [(a)]	*Dickies®*	Total
Americas	$ 1,859.9	$ 1,511.9	$ 737.7	$ 386.3	$ 4,495.8
Europe	608.3	874.1	485.8	68.3	2,036.5
Asia-Pacific	357.6	367.1	165.6	79.2	969.5
Global	**$ 2,825.9**	**$ 2,753.2**	**$ 1,389.1**	**$ 533.7**	**$ 7,501.9**

[(a)] The global Timberland brand includes *Timberland®*, reported within the Outdoor segment and *Timberland PRO®*, reported within the Work segment.

Note: Amounts may not sum due to rounding.

The following sections discuss the changes in revenues and profitability by segment. For purposes of this analysis, royalty revenues have been included in the wholesale channel for all periods.

Outdoor

(Dollars in millions)	Three Months Ended December 2023	Three Months Ended December 2022	Percent Change	Nine Months Ended December 2023	Nine Months Ended December 2022	Percent Change
Segment revenues	$ 1,738.6	$ 2,003.0	(13.2)%	$ 4,282.0	$ 4,327.0	(1.0)%
Segment profit	304.7	457.0	(33.3)%	557.8	670.6	(16.8)%
Operating margin	17.5 %	22.8 %		13.0 %	15.5 %	

The Outdoor segment includes the following brands: *The North Face®*, *Timberland®*, *Smartwool®, Altra®* and *Icebreaker®*.

Global revenues for Outdoor decreased 13% in the three months ended December 2023 compared to 2022, including a 2% favorable impact from foreign currency. Revenues in the Americas region decreased 26%. Revenues in the Europe region decreased 3%, including a 5% favorable impact from foreign currency. Revenues in the Asia-Pacific region increased 18%, including a 2% unfavorable impact from foreign currency and a 22% increase in Greater China (which includes Mainland China, Hong Kong and Taiwan), including a 2% unfavorable impact from foreign currency.

Global revenues for Outdoor decreased 1% in the nine months ended December 2023 compared to 2022, including a 1% favorable impact from foreign currency. Revenues in the Americas region decreased 13%. Revenues in the Asia-Pacific region increased 25%, including a 4% unfavorable impact from foreign currency and a 29% increase in Greater China, including an 5% unfavorable impact from foreign currency. Revenues in the Europe region increased 8%, including a 5% favorable impact from foreign currency.

Global revenues for *The North Face®* brand decreased 10% and increased 4% in the three and nine months ended December 2023, respectively, compared to the 2022 periods. This includes a 1% favorable impact from foreign currency in both periods. The decrease in the three months ended December 2023 was driven by a decline in the Americas region, which decreased 24% compared to the 2022 period. Revenues in the Asia-Pacific region increased 26% in the three months ended December 2023, including a 2% unfavorable impact from foreign currency. Revenues in the Europe region were flat in the three months ended December 2023, including a 5% favorable impact from foreign currency. The increase in the nine months ended December 2023 was driven by growth in the Asia-Pacific and Europe regions. Revenues in the Asia-Pacific region increased 34% in the nine months ended December 2023, including a 4% unfavorable impact from foreign currency. Revenues in the Europe region increased 13% in the nine months ended December 2023, including a 5% favorable impact from foreign currency. Revenues in the Americas region decreased 9% in the nine months ended December 2023.

Global revenues for the *Timberland®* brand decreased 21% and 11% in the three and nine months ended December 2023, respectively, compared to the 2022 periods. This includes a 2% favorable impact from foreign currency in both periods. The overall declines were most significantly impacted by a 34% and 29% decrease in the Americas region for the three and nine months ended December 2023, respectively, including a 1% favorable impact from foreign currency in both periods. Revenues in the Europe region decreased 11% and increased 1% in the three and nine months ended December 2023, respectively, including a 5% and 6% favorable impact from foreign currency in the respective periods. Revenues in the Asia-Pacific region decreased 1% and increased 6% in the three and nine months ended December 2023, respectively, compared to the 2022 periods, including a 2% and 4% unfavorable impact from foreign currency in the respective periods.

Global direct-to-consumer revenues for Outdoor decreased 2% and increased 3% in the three and nine months ended December 2023, respectively, compared to the 2022 periods, including a 2% and 1% favorable impact from foreign currency in the respective periods. The decrease in the three months ended December 2023 was primarily due to declines in the Americas region. The increase in the nine months ended December 2023 was primarily due to *The North Face®* brand in the Europe and Asia-Pacific regions. Global wholesale revenues decreased 25% and 4% in the three and nine months ended December 2023, respectively, compared to the 2022 periods. The decrease includes a 1% and 2% favorable impact from foreign currency in the three and nine months ended December 2023, respectively. The decrease in both periods was primarily driven by declines in the Americas region.

Operating margin decreased in both the three and nine months ended December 2023 compared to the 2022 periods, reflecting increased direct-to-consumer expenses and higher information technology costs. The decreases in both periods were partially offset by higher gross margin, primarily driven by favorable mix and unfavorable foreign currency impacts. The decrease in the three months ended December 2023 also reflects lower leverage of operating expenses due to decreased revenues.

Active

	Three Months Ended December			Nine Months Ended December		
(Dollars in millions)	2023	2022	Percent Change	2023	2022	Percent Change
Segment revenues	$ 999.4	$ 1,258.7	(20.6)%	$ 3,147.7	$ 3,772.7	(16.6)%
Segment profit	94.0	146.9	(36.0)%	351.8	541.2	(35.0)%
Operating margin	9.4 %	11.7 %		11.2 %	14.3 %	

The Active segment includes the following brands: *Vans®*, *Supreme®*, *Kipling®*, *Napapijri®*, *Eastpak®* and *JanSport®*.

Global revenues for Active decreased 21% in the three months ended December 2023 compared to the 2022 period, including a 1% favorable impact from foreign currency. Revenues in the Americas region decreased 24%, including a 1% favorable impact from foreign currency. Revenues in the Europe region decreased 15%, including a 4% favorable impact from foreign currency. Revenues in the Asia-Pacific region decreased 15%, including a 2% unfavorable impact from foreign currency, and a 24% decrease in Greater China, including a 1% unfavorable impact from foreign currency.

Global revenues for Active decreased 17% in the nine months ended December 2023 compared to the 2022 period, including a 1% favorable impact from foreign currency. Revenues in the Americas region decreased 22%. Revenues in the Europe region decreased 8%, including a 4% favorable impact from foreign currency. Revenues in the Asia-Pacific region decreased 11%, including a 3% unfavorable impact from foreign currency, and a 15% decrease in Greater China, including a 3% unfavorable impact from foreign currency.

Vans® brand global revenues decreased 28% and 24% in the three and nine months ended December 2023, respectively, compared to the 2022 periods. This includes a 1% favorable impact from foreign currency in both periods. The overall declines were most significantly impacted by a 31% and 27% decrease in the Americas region for the three and nine months ended December 2023, respectively, including a 1% favorable impact from foreign currency in the nine months ended December 2023. Revenues in the Europe region decreased 19% and 13% in the three and nine months ended December 2023, respectively, including a 4% favorable impact from foreign currency in both periods. Revenues in the Asia-Pacific region decreased 27% and 22% in the three and nine months ended December 2023, respectively, including a 2% unfavorable impact from foreign currency in the nine months ended December 2023.

Global direct-to-consumer revenues for Active decreased 14% and 12% in the three and nine months ended December 2023, respectively, compared to the 2022 periods, including a 1% favorable impact from foreign currency in the three months ended December 2023. The decreases were primarily driven by declines in the Americas region, which decreased 18% and 17% in the three and nine months ended December 2023, respectively. Global wholesale revenues decreased 34% and 23% in the three and nine months ended December 2023, respectively, including a 2% favorable impact from foreign currency in both periods. The decreases were primarily due to a 44% and 31% decrease in the Americas region in the three and nine months ended December 2023, respectively, including a 1% favorable impact from foreign currency in both periods. Wholesale revenues in the Europe region decreased 25% and 14% in the three and nine months ended December 2023, respectively, including a 4% favorable impact from foreign currency in both periods. Wholesale revenues in the Asia-Pacific region decreased 19% and 23% in the three and nine months ended December 2023, respectively, and included a 1% unfavorable impact from foreign currency in the nine months ended December 2023.

Operating margin decreased in the three and nine months ended December 2023 compared to the 2022 periods, reflecting lower leverage of operating expenses due to decreased revenues. The decrease in the three and nine months ended December 2023 was partially offset by legal settlement gains of $29.1 million. The decrease in the three months ended December 2023 was partially offset by higher gross margin, primarily driven by favorable mix and unfavorable foreign currency impacts.

Work

(Dollars in millions)	Three Months Ended December 2023	2022	Percent Change	Nine Months Ended December 2023	2022	Percent Change
Segment revenues	$ 222.3	$ 268.9	(17.3)%	$ 651.2	$ 773.0	(15.8)%
Segment profit (loss)	(1.9)	18.5	(110.1)%	13.5	93.0	(85.5)%
Operating margin	(0.8)%	6.9 %		2.1 %	12.0 %	

The Work segment includes the following brands: *Dickies®* and *Timberland PRO®.*

Global Work revenues decreased 17% in the three months ended December 2023 compared to the 2022 period, including a 1% favorable impact from foreign currency. Revenues in the Americas region decreased 14%. Revenues in the Asia-Pacific region decreased 45%. Revenues in the Europe region decreased 15%, including a 4% favorable impact from foreign currency.

Global Work revenues decreased 16% in the nine months ended December 2023 compared to the 2022 period. Revenues in the Americas region decreased 16%. Revenues in the Asia-Pacific region decreased 38%, including a 2% unfavorable impact from foreign currency. Revenues in the Europe region increased 11%, including a 6% favorable impact from foreign currency.

Dickies® brand global revenues decreased 16% and 15% in the three and nine months ended December 2023, respectively, compared to the 2022 periods, including a 1% favorable impact from foreign currency in the three months ended December 2023. The decline in both the three and nine months ended December 2023 was primarily driven by a decrease in the Americas region of 11% and 14% in the respective periods, reflecting lower inventory replenishment and weakness with certain key U.S. wholesale customer accounts. The decline in both periods was also attributed to decreases in the Asia-Pacific region of 45% and 38% in the three and nine months ended December 2023, respectively, including a 2% unfavorable impact from foreign currency in the nine months ended December 2023, primarily due to broad-based weakness in Greater China. Revenues in the Europe region decreased 15% and increased 11% in the three and nine months ended December 2023, respectively, including a 4% and 6% favorable impact from foreign currency in the respective periods.

Operating margin decreased in the three and nine months ended December 2023 compared to the 2022 periods, reflecting lower gross margin resulting from increased inventory reserves and higher material costs, and lower leverage of operating expenses due to decreased revenues. The decreases were partially offset by price increases and favorable mix.

Reconciliation of Segment Profit to Income (Loss) Before Income Taxes

There are three types of costs necessary to reconcile total segment profit to consolidated income (loss) before income taxes. These costs are (i) impairment of goodwill and intangible assets, which is excluded from segment profit because these costs are not part of the ongoing operations of the businesses, (ii) corporate and other expenses, discussed below, and (iii) interest expense, net, which was discussed in the “Consolidated Statements of Operations” section.

(Dollars in millions)	Three Months Ended December 2023	2022	Percent Change	Nine Months Ended December 2023	2022	Percent Change
Impairment of goodwill and intangible assets	$ 257.1	$ —	100.0 %	$ 257.1	$ 421.9	(39.1)%
Corporate and other expenses	142.0	116.1	22.3 %	321.3	507.7	(36.7)%
Interest expense, net	63.3	50.2	26.1 %	168.7	115.4	46.2 %

Corporate and other expenses are those that have not been allocated to the segments for internal management reporting, including (i) certain information systems and shared service costs, (ii) corporate headquarters costs, and (iii) certain other income and expenses. The increase in corporate and other expenses for the three months ended December 2023 was primarily due to Reinvent charges and project-related costs of $50.9 million. The decrease in the nine months ended December 2023 was due to a $91.8 million pension settlement charge recorded in the first quarter of Fiscal 2023 and lower compensation and administrative costs in Fiscal 2024.

International

International revenues decreased 5% and increased 2% in the three and nine months ended December 2023, respectively, compared to the 2022 periods. Foreign currency had a favorable impact of 3% and 2% on international revenues in the three and nine months ended December 2023, respectively.

Revenues in the Europe region decreased 7% and increased 2% in the three and nine months ended December 2023, respectively, including a 5% favorable impact from foreign currency in both periods. In the Asia-Pacific region, revenues increased 2% and 5% in the three and nine months ended December 2023, respectively. Foreign currency had an unfavorable impact of 1% and 3% on Asia-Pacific revenues in the three and nine months ended December 2023, respectively. Revenues in Greater China increased 5% and 10% in the three and nine months ended December 2023, respectively, including a 2% and 4% unfavorable impact from foreign currency in the respective periods. The nine months ended December 2022 was negatively impacted by COVID-19 resurgence in Mainland China.

International revenues were 52% and 46% of total revenues in the three-month periods ended December 2023 and 2022, respectively, and 52% and 47% of total revenues in the nine-month periods ended December 2023 and 2022, respectively.

Direct-to-Consumer

Direct-to-consumer revenues decreased 8% and 5% in the three and nine months ended December 2023, respectively, compared to the 2022 periods, including a 1% favorable impact from foreign currency in both periods.

VF's e-commerce business decreased 13% and 9% during the three and nine months ended December 2023, respectively, including a 1% favorable impact from foreign currency in the three months ended December 2023. These results were primarily driven by declines in the e-commerce business in the Americas region.

Revenues from VF-operated retail stores decreased 4% during the three and nine months ended December 2023, including a 1% favorable impact from foreign currency in both periods. There were 1,271 VF-operated retail stores at December 2023 compared to 1,282 at December 2022.

Direct-to-consumer revenues were 60% and 55% of total revenues in the three-month periods ended December 2023 and 2022, respectively, and 48% and 46% of total revenues in the nine-month periods ended December 2023 and 2022, respectively.

Wholesale

Wholesale revenues decreased 26% and 12% in the three and nine months ended December 2023, respectively, compared to the 2022 periods, including a 2% favorable impact from foreign currency in both periods. These results were primarily driven by declines in the wholesale business in the Americas region.

Wholesale revenues were 40% and 45% of total revenues in the three-month periods ended December 2023 and 2022, respectively, and 52% and 54% of total revenues in the nine-month periods ended December 2023 and 2022, respectively.

ANALYSIS OF FINANCIAL CONDITION

Consolidated Balance Sheets

The following discussion refers to significant changes in balances at December 2023 compared to March 2023:

- *Decrease in accounts receivable* — primarily due to lower wholesale shipments.
- *Decrease in inventories* — driven by VF reducing elevated inventory levels, primarily in core and replenishment products.
- *Decrease in goodwill* — primarily due to $257.1 million in impairment charges related to the Timberland and Dickies reporting units recorded in the third quarter of Fiscal 2024.
- *Decrease in other assets* — primarily due to the write-off of the $875.7 million income tax receivable in the second quarter of Fiscal 2024 due to the unfavorable decision in the Timberland tax case related to 2011 taxes and interest disputed with the IRS.
- *Increase in short-term borrowings* — primarily due to an increase in commercial paper borrowings.
- *Decrease in long-term debt* — due to the reclassification of $1.0 billion of long-term debt due in December 2024 related to our delayed draw Term Loan Agreement (the "DDTL Agreement").

The following discussion refers to significant changes in balances at December 2023 compared to December 2022:

- *Decrease in accounts receivable* — primarily due to lower wholesale shipments.
- *Decrease in inventories* — driven by VF reducing elevated inventory levels, primarily in core and replenishment products.
- *Decrease in intangible assets* — primarily due to a $148.0 million impairment charge related to the *Supreme*® indefinite-lived trademark intangible asset recorded in the fourth quarter of Fiscal 2023.
- *Decrease in goodwill* — primarily due to $257.1 million in impairment charges related to the Timberland and Dickies reporting units recorded in the third quarter of Fiscal 2024 and a $165.1 million impairment charge related to the Supreme reporting unit recorded in the fourth quarter of Fiscal 2023.
- *Decrease in other assets* — primarily due to the write-off of the $875.7 million income tax receivable in the second quarter of Fiscal 2024 due to the unfavorable decision in the Timberland tax case related to 2011 taxes and interest disputed with the IRS.
- *Decrease in short-term borrowings* — primarily due to a decrease in commercial paper borrowings.
- *Decrease in accrued liabilities* — primarily due to a decrease in income taxes payable related to the Timberland tax case decision and lower accrued compensation.
- *Decrease in other liabilities* — primarily due to a decrease in deferred income tax liabilities, including the impacts from the Timberland tax case decision.

Liquidity and Capital Resources

We consider the following to be measures of our liquidity and capital resources:

(Dollars in millions)	December 2023	March 2023	December 2022
Working capital	$938.6	$1,606.9	$697.7
Current ratio	1.2 to 1	1.5 to 1	1.2 to 1
Net debt to total capital	76.0%	71.6%	68.7%

The decrease in working capital and the current ratio at December 2023 compared to March 2023 was primarily due to a net increase in current liabilities driven by higher short-term borrowings, and a net decrease in current assets driven by lower accounts receivable and inventories for the periods compared, as discussed in the "Consolidated Balance Sheets" section above, partially offset by higher cash balances. The increase in working capital at December 2023 compared to December 2022 was primarily due to a net decrease in current liabilities driven by decreased short-term borrowings and accrued liabilities, partially offset by a net decrease in current assets driven by lower accounts receivable and inventories, as discussed in the "Consolidated Balance Sheets" section above.

For the ratio of net debt to total capital, net debt is defined as short-term and long-term borrowings, in addition to operating lease liabilities, net of unrestricted cash. Total capital is defined as net debt plus stockholders' equity. The increase in the net debt to total capital ratio at December 2023 compared to both March 2023 and December 2022 was driven by a decrease in stockholders' equity, partially offset by a decrease in net debt for the periods compared. The decrease in stockholders' equity for both comparisons was driven by net loss in the respective periods and payments of dividends. The decrease in net debt at December 2023 compared to March 2023 was driven by the repayment of €850.0 million in aggregate principal amount of Senior Notes due in September 2023, partially offset by higher short-term borrowings. The decrease in net debt at December 2023 compared to December 2022 was driven by lower short-term borrowings, as discussed in the "Consolidated Balance Sheets" section above, and higher cash and cash equivalents at December 2023.

VF's primary source of liquidity is its expected annual cash flow from operating activities. Cash from operations is typically lower in the first half of the calendar year as inventory builds to support peak sales periods in the second half of the calendar year. Cash provided by operating activities in the second half of the calendar year is substantially higher as inventories are sold and accounts receivable are collected. Additionally, direct-to-consumer sales are highest in the fourth quarter of the calendar year. VF's additional sources of liquidity include available borrowing capacity against its Global Credit Facility, available cash balances and international lines of credit.

In summary, our cash flows were as follows:

(In thousands)	Nine Months Ended December 2023	Nine Months Ended December 2022
Cash provided (used) by operating activities	$ 1,105,747	$ (833,472)
Cash used by investing activities	(191,994)	(206,833)
Cash provided (used) by financing activities	(735,766)	418,719

Cash Provided (Used) by Operating Activities

Cash flows related to operating activities are dependent on net income (loss), adjustments to net income (loss) and changes in working capital. The increase in cash provided by operating activities in the nine months ended December 2023 compared to December 2022 was primarily due to a decrease in net cash used by working capital driven by lower accounts receivable and inventory balances in the 2023 period and the $875.7 million payment related to the Timberland tax case in the prior year period. The increase in cash provided by operating activities was partially offset by lower earnings for the periods compared.

Cash Used by Investing Activities

The decrease in cash used by investing activities in the nine months ended December 2023 was primarily due to decreased software purchases of $22.6 million and decreased capital expenditures of $10.6 million, partially offset by lower proceeds from the sale of assets of $14.2 million compared to the 2022 period.

Cash Provided (Used) by Financing Activities

The increase in cash used by financing activities during the nine months ended December 2023 was primarily due to borrowings of $1.0 billion under the DDTL Agreement during the 2022 period and a $907.1 million payment of long-term debt in the nine months ended December 2023 compared to a $500.0 million payment of long-term debt in the nine months ended December 2022. The increase was also due to a $122.7 million net decrease in short-term borrowings for the periods compared. The increase was partially offset by a $57.0 million payment of Supreme contingent consideration in the prior year period and a $318.2 million decrease in dividends paid for the periods compared.

Share Repurchases

VF did not purchase shares of its Common Stock in the open market during the nine months ended December 2023 or the nine months ended December 2022 under the share repurchase program authorized by VF's Board of Directors.

As of the end of December 2023, VF had $2.5 billion remaining for future repurchases under its share repurchase authorization. VF's capital deployment priorities in the near-to-medium term will be focused on optimizing and driving the performance of the current portfolio and reducing leverage.

Revolving Credit Facility and Short-term Borrowings

VF relies on its ability to generate cash flows to finance its ongoing operations. In addition, VF has significant liquidity from its available cash balances and credit facilities. VF maintains a $2.25 billion senior unsecured revolving line of credit (the “Global Credit Facility”) that expires in November 2026. VF may request an unlimited number of one-year extensions so long as each extension does not cause the remaining life of the Global Credit Facility to exceed five years, subject to stated terms and conditions; however, granting of any extension is at the discretion of the lenders. The Global Credit Facility may be used to borrow funds in U.S. dollars or any alternative currency (including euros and any other currency that is freely convertible into U.S. dollars, approved at the request of the Company by the lenders) and has a $75.0 million letter of credit sublimit. The Global Credit Facility supports VF’s global commercial paper program for short-term, seasonal working capital requirements and general corporate purposes. Outstanding short-term balances may vary from period to period depending on the level of corporate requirements.

VF has restrictive covenants on its Global Credit Facility, including a consolidated net indebtedness to consolidated net capitalization financial ratio covenant, as defined in the agreement as amended in February 2023, starting at 70% with future step downs. The calculation of consolidated net indebtedness is net of unrestricted cash and the calculation of consolidated net capitalization permits certain addbacks, including non-cash impairment charges and material impacts resulting from adverse legal rulings, as defined in the amended agreement. The covenant calculation also excludes consolidated operating lease liabilities. As of December 2023, VF was in compliance with all covenants.

VF has a global commercial paper program that allows for borrowings of up to $2.25 billion to the extent that it has borrowing capacity under the Global Credit Facility. There were $437.0 million in U.S. commercial paper borrowings as of December 2023. In addition to the U.S. commercial paper program,VF commenced a euro commercial paper borrowing program during the second quarter of Fiscal 2024. As of December 2023, there were no outstanding euro commercial paper borrowings under this program. Standby letters of credit issued under the Global Credit Facility as of December 2023 were $0.6 million, leaving approximately $1.8 billion available for borrowing against the Global Credit Facility at December 2023, subject to applicable financial covenants.

VF has $85.1 million of international lines of credit with various banks, which are uncommitted and may be terminated at any time by either VF or the banks. Total outstanding balances under these arrangements were $15.3 million at December 2023.

Additionally, VF had $988.0 million of unrestricted cash and equivalents at December 2023.

Maturity

On September 18, 2023, VF repaid €850.0 million ($907.1 million) in aggregate principal amount of its outstanding 0.625% Senior Notes due in September 2023, in accordance with the terms of the notes.

Supply Chain Financing Program

VF facilitates a voluntary supply chain finance ("SCF") program that enables a significant portion of our suppliers of inventory to leverage VF's credit rating to receive payment from participating financial institutions prior to the payment date specified in the terms between VF and the supplier. The SCF program is administered through third-party platforms that allow participating suppliers to track payments from VF and elect which receivables, if any, to sell to the financial institutions. The transactions are at the sole discretion of both the suppliers and financial institutions, and VF is not a party to the agreements and has no economic interest in the supplier's decision to sell a receivable. The terms between VF and the supplier, including the amount due and scheduled payment terms (which are generally within 90 days of the invoice date) are not impacted by a supplier's participation in the SCF program. All amounts due to suppliers that are eligible to participate in the SCF program are included in the accounts payable line item in VF's Consolidated Balance Sheets and VF payments made under the SCF program are reflected in cash flows from operating activities in VF's Consolidated Statements of Cash Flows. At December 2023, March 2023 and December 2022, the accounts payable line item in VF’s Consolidated Balance Sheets included total outstanding obligations of $599.0 million, $510.9 million and $502.8 million, respectively, due to suppliers that are eligible to participate in the SCF program.

In the second quarter of Fiscal 2023, VF extended its payment terms with eligible suppliers under the SCF program. VF expects a positive impact in Fiscal 2024; however, the change is not expected to have a material impact on VF's long-term overall liquidity or capital resources.

Rating Agencies

At the end of December 2023, VF’s long-term debt ratings were ‘BBB’ by Standard & Poor’s ("S&P") Global Ratings and ‘Baa3 by Moody’s Investors Service ("Moody's"), and U.S. commercial paper ratings by those rating agencies were ‘A-2’ and ‘P-3’, respectively. The Moody's rating for VF's euro commercial paper was also 'P-3' at the end of December 2023. There is no active market for euro commercial paper based on VF's current rating. VF's credit rating outlook by both S&P and Moody's at the end of December 2023 was 'negative'.

VF’s credit agency ratings currently allow for access to additional liquidity at competitive rates. Further downgrades to VF's ratings could negatively impact borrowing costs.

None of VF’s long-term debt agreements contain acceleration of maturity clauses based solely on changes in credit ratings. However, if there were a change in control of VF, and as a result of the change in control the notes were rated below investment grade by recognized rating agencies, then VF would be obligated to repurchase the notes at 101% of the aggregate principal amount, plus any accrued and unpaid interest, if required by the respective holders of the notes. The change of control provision applies to all notes, except for the notes due in 2033.

Dividends

The Company paid cash dividends of $0.09 and $0.69 per share during the three and nine months ended December 2023, respectively, and the Company has declared a cash dividend of $0.09 per share that is payable in the fourth quarter of Fiscal 2024. Subject to approval by its Board of Directors, VF intends to continue to pay quarterly dividends.

Other Matters

As previously reported, VF petitioned the U.S. Tax Court (the “Tax Court”) to resolve an IRS dispute regarding the timing of income inclusion associated with VF’s acquisition of The Timberland Company in September 2011. While the IRS argued that all such income should have been immediately included in 2011, VF reported periodic income inclusions in subsequent tax years. In Fiscal 2023, the Tax Court issued its final decision in favor of the IRS, which was appealed by VF. On October 19, 2022, VF paid $875.7 million related to the 2011 taxes and interest being disputed, which was recorded as an income tax receivable based on the technical merits of our position with regards to the case and began to accrue interest income. On September 8, 2023, the U.S. Court of Appeals for the First Circuit (“Appeals Court”) upheld the Tax Court’s decision in favor of the IRS. As a result of the Appeals Court decision, VF wrote off the related income tax receivable and associated interest and recorded $690.0 million of income tax expense in the second quarter of Fiscal 2024. This amount includes the reversal of $19.6 million of interest income, of which $7.5 million was recorded in the first quarter of Fiscal 2024. This amount reflects the total estimated net impact to VF’s tax expense, which includes the expected reduction in taxes paid on the periodic inclusions that VF has reported, release of related deferred tax liabilities, and consideration of indirect tax effects resulting from the decision. The estimated impact is subject to future adjustments based on finalization with tax authorities.

Contractual Obligations

Management’s Discussion and Analysis in the Fiscal 2023 Form 10-K provided a table summarizing VF’s material contractual obligations and commercial commitments at the end of Fiscal 2023 that would require the use of funds. As of December 2023, there have been no material changes in the amounts of unrecorded commitments disclosed in the Fiscal 2023 Form 10-K, except as noted below:

- Inventory purchase obligations decreased by approximately $1.1 billion at the end of December 2023 primarily due to timing of inventory shipments and an overall planned reduction in inventory levels.

Management believes that VF has sufficient liquidity and flexibility to operate its business and meet its current and long-term obligations as they become due.

Recent Accounting Pronouncements

Refer to Note 2 to VF’s consolidated financial statements for information on recently adopted accounting standards.

Critical Accounting Policies and Estimates

Management has chosen accounting policies it considers to be appropriate to accurately and fairly report VF's operating results and financial position in conformity with generally accepted accounting principles in the United States of America. Our critical accounting policies are applied in a consistent manner. Significant accounting policies are summarized in Note 1 to the consolidated financial statements included in the Fiscal 2023 Form 10-K. Except as disclosed in Note 2 to VF's consolidated financial statements, there have been no material changes in VF's accounting policies

The application of these accounting policies requires management to make estimates and assumptions about future events and apply judgments that affect the reported amounts of assets, liabilities, revenues, expenses, contingent assets and liabilities, and related disclosures. These estimates, assumptions and judgments are based on historical experience, current trends and other factors believed to be reasonable under the circumstances. Management evaluates these estimates and assumptions, and may retain outside consultants to assist in the evaluation. If actual results ultimately differ from previous estimates, the revisions are included in results of operations in the period in which the actual amounts become known.

The accounting policies that involve the most significant estimates, assumptions and management judgments used in preparation of the consolidated financial statements, or are the most sensitive to change from outside factors, are discussed in Management's Discussion and Analysis in the Fiscal 2023 Form 10-K. Refer to Note 16 to VF's consolidated financial statements for additional information regarding VF's critical accounting policies and estimates during Fiscal 2024.

Cautionary Statement on Forward-looking Statements

From time to time, VF may make oral or written statements, including statements in this quarterly report, that constitute "forward-looking statements" within the meaning of the federal securities laws. You can identify these statements by the fact that they use words such as "will," "anticipate," "believe," "estimate," "expect," "should," and "may," and other words and terms of similar meaning or use of future dates. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. Forward-looking statements include statements concerning plans, objectives, projections and expectations relating to VF's operations or economic performance and assumptions related thereto. Forward-looking statements are made based on management's expectations and beliefs concerning future events impacting VF and therefore involve a number of risks and uncertainties. Forward-looking statements are not guarantees, and actual results could differ materially from those expressed or implied in the forward-looking statements. VF undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Potential risks and uncertainties that could cause the actual results of operations or financial condition of VF to differ materially from those expressed or implied by forward-looking statements include, but are not limited to: the level of consumer demand for apparel and footwear; disruption to VF's distribution system; changes in global economic conditions and the financial strength of VF's customers, including as a result of current inflationary pressures; fluctuations in the price, availability and quality of raw materials and finished products; disruption and volatility in the global capital and credit markets; VF's response to changing fashion trends, evolving consumer preferences and changing patterns of consumer behavior; VF's ability to maintain the image, health and equity of its brands; intense competition from online retailers and other direct-to-consumer business risks; third-party manufacturing and product innovation; increasing pressure on margins; VF's ability to grow its international, direct-to-consumer and digital businesses; VF's ability to find and amplify consumer tailwinds, build brands on multiple growth horizons and leverage platforms for speed to scale and efficiency; retail industry changes and challenges; VF's ability to execute its transformation and other business strategies, such as the Reinvent transformation program, including cost reduction and productivity initiatives and the update and maintenance of an agile and efficient operating model and organizational structure; any inability of VF or third parties on which we rely, to maintain the strength and security of information technology systems; the fact that VF's facilities and systems, and those of third parties on which we rely, are frequent targets of cyber-attacks of varying levels of severity, and may be vulnerable to such attacks, and any inability or failure by us or such third parties to anticipate or detect data or information security breaches or other cyber-attacks, including the cyber incident that was reported by VF in December 2023, could result in data or financial loss, reputational harm, business disruption, damage to our relationships with customers, consumers, employees and third parties on which we rely, litigation, regulatory investigations, enforcement actions or other negative impacts; any inability by VF or third parties on which we rely to properly collect, use, manage and secure business, consumer and employee data and comply with privacy and security regulations; foreign currency fluctuations; stability of VF's vendors' manufacturing facilities and VF's ability to establish and maintain effective supply chain capabilities; continued use by VF's suppliers of ethical business practices; VF's ability to accurately forecast demand for products; actions of activist and other shareholders; VF's ability to recruit, develop or retain key executive or employee talent or successfully transition executives; continuity of members of VF's management; changes in the availability and cost of labor; VF's ability to protect trademarks and other intellectual property rights; possible goodwill and other asset impairment such as the impairment charges related to the *Timberland®* and *Dickies®* reporting unit goodwill and *Supreme®* reporting unit goodwill and indefinite-lived trademark intangible asset; maintenance by VF's licensees and distributors of the value of VF's brands; VF's ability to execute acquisitions and dispositions, integrate acquisitions and manage its brand portfolio; business resiliency in response to natural or man-made economic, public health, political or environmental disruptions; changes in tax laws and additional tax liabilities, including the timing of income inclusion associated with our acquisition of the *Timberland®* brand in 2011; legal, regulatory, political, economic, and geopolitical risks, including those related to the current conflicts in Ukraine and the Middle East; changes to laws and regulations; adverse or unexpected weather conditions, including any potential effects from climate change; VF's indebtedness and its ability to obtain financing on favorable terms, if needed, could prevent VF from fulfilling its financial obligations; VF's ability to pay and declare dividends or repurchase its stock in the future; climate change and increased focus on environmental, social and governance issues; VF's ability to execute on its sustainability strategy and achieve its sustainability-related goals and targets; risks arising from the widespread outbreak of an illness or any other communicable disease, or any other public health crisis, including the coronavirus (COVID-19) global pandemic; and tax risks associated with the spin-off of our Jeanswear business completed in 2019. More information on potential factors that could affect VF's financial results is included from time to time in VF's public reports filed with the Securities and Exchange Commission, including VF's Annual Report on Form 10-K.

ITEM 3 — QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

There have been no significant changes in VF's market risk exposures from what was disclosed in Item 7A in the Fiscal 2023 Form 10-K.

ITEM 4 — CONTROLS AND PROCEDURES.

Disclosure controls and procedures:

Under the supervision of the Chief Executive Officer and Chief Financial Officer, a Disclosure Committee comprising various members of management has evaluated the effectiveness of the disclosure controls and procedures at VF and its subsidiaries as of the end of the period covered by this quarterly report (the "Evaluation Date"). Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded as of the Evaluation Date that such controls and procedures were effective.

Changes in internal control over financial reporting:

There have been no changes during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, VF's internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1 — LEGAL PROCEEDINGS.

Information on VF's legal proceedings is set forth under Part I, "Item 3. Legal Proceedings" in the Fiscal 2023 Form 10-K. Except as noted in Note 13 — Income Taxes within Part I, Item 1 of this Form 10-Q, there have been no material changes to the legal proceedings from those described in the Fiscal 2023 Form 10-K.

SEC regulations require us to disclose certain information about proceedings arising under federal, state or local environmental regulations if we reasonably believe that such proceedings may result in monetary sanctions above a stated threshold. Pursuant to SEC regulations, VF uses a threshold of $1 million for purposes of determining whether disclosure of any such proceedings is required. VF believes that this threshold is reasonably designed to result in disclosure of any such proceedings that are material to VF's business or financial condition. Applying this threshold, there are no such proceedings to disclose for this period.

ITEM 1A — RISK FACTORS.

You should carefully consider the risk factors set forth under Part I, “Item 1A. Risk Factors” in the Fiscal 2023 Form 10-K, which could materially affect our business, financial condition and future results. The risks described in the Fiscal 2023 Form 10-K are not the only risks facing the Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and operating results.

Other than the risks identified below, there have been no material changes to the risk factors identified in Part I, “Item 1A. Risk Factors” in the Fiscal 2023 Form 10-K.

LEGAL, REGULATORY AND COMPLIANCE RISKS

We may have additional tax liabilities from new or evolving government or judicial interpretation of existing tax laws.

As a global company, we determine our income tax liability in various tax jurisdictions based on an analysis and interpretation of U.S. and international tax laws and regulations. This analysis requires a significant amount of judgment and estimation and is often based on various assumptions about the future actions of tax authorities. These determinations are the subject of periodic U.S. and international tax audits and court proceedings. In particular, tax authorities and the courts have increased their focus on income earned in no- or low-tax jurisdictions or income that is not taxed in any jurisdiction. Tax authorities have also become skeptical of special tax rulings provided to companies offering lower taxes than may be applicable in other countries.

For example, VF was granted a ruling which lowered the effective income tax rate on taxable earnings for years 2010 through 2014 under Belgium’s excess profit tax regime. During 2015, the EU investigated and announced its decision that the ruling was illegal and ordered that tax benefits granted under the ruling should be collected from the affected companies, including VF Europe, BVBA, a subsidiary of VF. During 2017 and 2018, VF Europe BVBA was assessed and paid €35.0 million in tax and interest, which was recorded as an income tax receivable based on the expected success of the requests for annulment. After subsequent annulments and appeals, the General Court confirmed the decision of the EU on September 20, 2023. As a result, VF wrote off the related income tax receivable and recorded a benefit for the associated foreign tax credit, resulting in $26.1 million of net income tax expense in the three months ended September 2023.

Also, as previously reported, VF petitioned the U.S. Tax Court (the "Tax Court") to resolve an Internal Revenue Service ("IRS") dispute regarding the timing of income inclusion associated with VF's acquisition of The Timberland Company in September 2011. While the IRS argued that all such income should have been immediately included in 2011, VF reported periodic income inclusions in subsequent tax years. In Fiscal 2023, the Tax Court issued its final decision in favor of the IRS, which was appealed by VF. On October 19, 2022, VF paid $875.7 million related to the 2011 taxes and interest being disputed, which was recorded as an income tax receivable based on the technical merits of our position with regards to the case and began to accrue interest income. On September 8, 2023, the U.S. Court of Appeals for the First Circuit ("Appeals Court") upheld the Tax Court’s decision in favor of the IRS. As a result of the Appeals Court decision, VF wrote off the related income tax receivable and associated interest and recorded $690.0 million of income tax expense in the second quarter of Fiscal 2024. This amount reflects the total estimated net impact to VF’s tax expense, which includes consideration of indirect tax effects resulting from the decision and is subject to future adjustments based on finalization with tax authorities.

Although we accrue for uncertain tax positions, our accrual may be insufficient to satisfy unfavorable findings. Unfavorable audit findings, or court interpretations (involving VF or other companies with similar tax profiles) may result in payment of taxes, fines and penalties for prior periods and higher tax rates in future periods, which may have a material adverse effect on our financial condition, results of operations or cash flows.

BUSINESS AND OPERATIONAL RISKS

VF relies significantly on information technology. Any inadequacy, interruption, integration failure or security failure of this technology could harm VF’s ability to effectively operate its business.

Our ability to effectively manage and operate our business depends significantly on information technology systems. We rely heavily on information technology to track sales and inventory and manage our supply chain. We are also dependent on information technology, including the Internet, for our direct-to-consumer sales, including our e-commerce operations and retail business credit card transaction authorization. Despite our preventative efforts, our systems and those of third parties on which we rely are frequently targeted by cyber-attacks of varying levels of severity, including the incident reported by VF in December 2023. These systems may be vulnerable to damage, failure or interruption due to cyber-attacks, viruses, data security incidents, technical malfunctions, natural disasters or other causes, or in connection with upgrades to our system or the implementation of new systems. The failure of these systems to operate effectively or remain innovative, problems with transitioning to upgraded or replacement systems, difficulty in integrating new systems or systems of acquired businesses or a breach in security of these systems has, and could continue to, adversely impact the operations of VF’s business. These impacts could affect, among other things, our reputation, management of inventory, ordering and replenishment of products, sourcing and distribution of products, e-commerce operations, retail business credit card transaction authorization and processing, corporate email communications and our interaction with the public on social media, and did affect our management of inventory, ordering and replenishment of products, sourcing and distribution of products, e-commerce operations, and corporate email communications. Moreover, failure to provide effective digital (including omni-channel) capabilities and information technology infrastructure could result in an inability to meet current and future business needs and a resulting loss of brand competitiveness, leading to loss of revenue and market share and decreased business agility.

VF is subject to data and information security and privacy risks that could negatively affect its business operations, results of operations or reputation.

In the normal course of business, we often collect, retain and transmit certain sensitive and confidential consumer information, including payment information and employee information, over public networks. There is a significant concern by consumers and employees over the security of personal information collected, retained or transmitted over the Internet, identity theft and user privacy. Data and information security breaches are increasingly sophisticated, and can be difficult to detect for long periods of time. Accordingly, if unauthorized parties gain access to our networks or databases, such as with the incident reported by VF in December 2023, or those of third parties on which we rely, they have, and could continue to, be able to steal, publish, delete, hold ransom or modify our private and sensitive information, including payment information, personal information, and confidential or other proprietary business information.

We are subject to frequent cyber-attacks of varying levels of severity and threats to our business from a variety of bad actors, many of whom attempt to gain unauthorized access to, steal and compromise our confidential information and systems. For example, we detected unauthorized occurrences on a portion of our information technology systems in December 2023. We have incurred, and may continue to incur, certain costs related to this attack including, without limitation, expenses to respond to, remediate and investigate this matter which may not be covered by, or may exceed the coverage limits of, our cyber liability insurance. While we have implemented systems and processes designed to protect against unauthorized access to or use of personal information and other confidential information, and rely on encryption and authentication technology to effectively secure transmission of such information, including payment information, there is no guarantee that they will be able to prevent unauthorized access to our systems and information in the future. Our facilities and systems, and those of third parties on which we rely, are frequently the target of cyber-attacks of varying levels of severity and have been, and may in the future be vulnerable, and we may be unable to prevent, anticipate or detect security breaches and data loss.

In addition, we face amplified data security risks as a result of the number of employees we employ, including more employees working remotely. These amplified risks include increased demand on our information technology resources and systems, increased phishing and other cyber-attacks, and an increase in the number of points of potential attack, such as laptops and mobile devices. Employees may intentionally or inadvertently cause data security breaches that result in the unauthorized release of personal or confidential information.

VF and its consumers and customers could suffer harm if valuable business data, or employee, consumer, customer and other confidential and proprietary information were corrupted, lost, accessed or misappropriated by third parties due to a cyber-attack, a security failure in VF’s systems or due to one of our third-party service providers or our employees. Any such breach, including, without limitation, the incident reported by VF in December 2023, has and could require significant expenditures to remediate; could cause damage to our reputation, to confidence in our e-commerce platforms and to our relationships with customers, consumers, employees and third parties on whom we rely; has and could continue to result in business disruption, negative media attention and lost sales; and could expose us to risks of litigation, liability and increased scrutiny from regulatory entities. In addition, as a result of recent security breaches at a number of prominent retailers and other companies, media and public scrutiny of information security and privacy has become more intense and the regulatory environment has become increasingly uncertain, rigorous and complex. As a result, we may incur significant costs to comply with laws regarding the privacy and security of personal information and we may not be able to comply with new data protection laws and regulations being adopted around the world.

Any failure to comply with the laws and regulations and consumer expectations surrounding the privacy and security of personal information could subject us to legal and reputational risk, including significant fines and/or litigation for non-compliance in multiple jurisdictions, negative media coverage, diminished consumer confidence and decreased attraction to our brands, any of which could have a negative impact on revenues and profits. In addition, while we maintain cyber insurance policies, those existing insurance policies may not adequately protect VF from all of the adverse effects and damages that could be caused by a security breach, including the incident reported by VF in December 2023. Moreover, if our associates or vendors, intentionally or inadvertently, misuse consumer data or are not transparent with consumers about how we use their data, our brands, reputation and relationships with consumers could be damaged.

We experienced a significant data security breach in December 2023 which could result in a number of potentially unknown outcomes, including but not limited to, litigation, regulatory investigations or enforcement actions, any of which could have a material impact on our business operations, financial condition, or results of operations.

The cybersecurity incident we experienced in December 2023 included the encryption of certain information technology systems and the theft of certain personal information through unauthorized access to our information technology systems. Our investigation of the incident remains ongoing, and it is possible that we will identify additional information that was accessed or stolen, which could materially affect the risk of loss or reputational damage. As a result of the cybersecurity incident, we may be subject to governmental investigations, private litigation or other claims, which could result in fines, other monetary relief, or injunctive relief that could materially increase our data security costs, adversely impact how we operate our systems and collect and use personal information. If, as a result of any such governmental investigation, other investigation or claim, we are found to be in violation of applicable laws and regulations including, without limitation, any applicable data privacy and information security laws or regulations, we could be subject to legal risk, including government enforcement action and civil litigation, which could adversely affect our business, reputation, financial condition or results of operations. Defending any such litigation claim or enforcement action, regardless of merit, and whether successful or unsuccessful, and cooperating with regulatory investigations, could be expensive and time-consuming and adversely affect our business, reputation, results of operations or financial condition.

FINANCIAL RISKS

VF's balance sheet includes a significant amount of intangible assets and goodwill. A decline in the fair value of an intangible asset or of a business unit could result in an asset impairment charge, such as the recent impairment charges related to the Timberland® and Dickies® reporting unit goodwill and Supreme® reporting unit goodwill and indefinite-lived trademark intangible asset.

VF's policy is to evaluate indefinite-lived intangible assets and goodwill for possible impairment as of the beginning of the fourth quarter of each year, or whenever events or changes in circumstances indicate that the fair value of such assets may be below their carrying amount. In addition, intangible assets that are being amortized are tested for impairment whenever events or circumstances indicate that their carrying value may not be recoverable. For these impairment tests, we use various valuation methods to estimate the fair value of our business units and intangible assets. If the fair value of an asset is less than its carrying value, we would recognize an impairment charge for the difference.

During the second quarter of Fiscal 2023, due to continued increases in the federal funds rate and strengthening of the U.S. dollar relative to other currencies, VF determined that a triggering event had occurred requiring impairment testing of the Supreme reporting unit goodwill and indefinite-lived trademark intangible asset. As a result of the impairment testing performed, VF recorded impairment charges of $229.0 million and $192.9 million to the Supreme reporting unit goodwill and indefinite-lived trademark intangible asset, respectively. The impairment primarily related to an increase in the market-based discount rates used in the valuations and the negative impact of foreign currency exchange rate changes on financial projections.

During the fourth quarter of Fiscal 2023, in connection with its annual impairment testing, VF performed a quantitative analysis of the Supreme reporting unit goodwill and indefinite-lived trademark intangible asset. As a result of the impairment testing performed, VF recorded impairment charges of $165.1 million and $148.0 million to the Supreme reporting unit goodwill and indefinite-lived trademark intangible asset, respectively. The impairment related to lower financial projections and increased risk of achieving management's forecasts.

During the third quarter of Fiscal 2024, due to continued weakness and downturn in the financial results, combined with expectations of a slower recovery than previously anticipated, VF determined that a triggering event had occurred requiring impairment testing of the Timberland and Dickies reporting unit goodwill and indefinite-lived trademark intangible assets. As a result of the impairment testing performed, VF recorded goodwill impairment charges of $195.3 million and $61.8 million related to the Timberland and Dickies reporting units, respectively. The goodwill impairment related to the reduction in financial projections for both reporting units.

It is possible that we could have another impairment charge for goodwill or trademark and trade name intangible assets in future periods if (i) the businesses do not perform as projected, (ii) overall economic conditions in the remainder of Fiscal 2024 or future years vary from our current assumptions (including changes in discount rates, royalty rates and foreign currency exchange rates), (iii) business conditions or our strategies for a specific business unit change from our current assumptions, (iv) investors require higher rates of return on equity investments in the marketplace, or (v) enterprise values of comparable publicly traded companies, or of actual sales transactions of comparable companies, were to decline, resulting in lower comparable multiples of revenues and earnings before interest, taxes, depreciation and amortization and, accordingly, lower implied values of goodwill and intangible assets. Any future impairment charge for goodwill or intangible assets could have a material effect on our consolidated financial position or results of operations.

ITEM 2 — UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

(c) Issuer purchases of equity securities:

The following table sets forth VF's repurchases of our Common Stock during the fiscal quarter ended December 30, 2023 under the share repurchase program authorized by VF's Board of Directors in 2017.

Third Quarter Fiscal 2024	Total Number of Shares Purchased	Weighted Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Dollar Value of Shares that May Yet be Purchased Under the Program
October 1 - October 28, 2023	—	$ —	—	$ 2,486,971,057
October 29 - November 25, 2023	—	—	—	2,486,971,057
November 26 - December 30, 2023	—	—	—	2,486,971,057
Total	—		—	

VF will continue to evaluate future share repurchases available under its authorization, considering funding required for investments in organic growth and reducing leverage.

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ITEM 5 — OTHER INFORMATION.

RULE 10B5-1 TRADING PLANS

During the three months ended December 30, 2023, no director or officer of VF adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6 — EXHIBITS.

10.1	Severance Plan for Section 16 Officers (effective October 6, 2023)
31.1	Certification of Chief Executive Officer, pursuant to 15 U.S.C. Section 10A, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer, pursuant to 15 U.S.C. Section 10A, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

V.F. CORPORATION
(Registrant)

By: /s/ Matthew H. Puckett
Matthew H. Puckett
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: February 7, 2024

By: /s/ Bryan H. McNeill
Bryan H. McNeill
Vice President, Controller and Chief Accounting Officer
(Principal Accounting Officer)

Exhibit 10.1

VF CORPORATION SEVERANCE PLAN FOR SECTION 16 OFFICERS

(Effective October 6, 2023)

This is the VF Corporation Severance Plan for Section 16 Officers, effective October 6, 2023 (the "Plan").

VF Corporation, a Pennsylvania corporation (together with its direct and indirect subsidiaries, "VF Corporation") reserves the right to amend or discontinue the Plan, or to reduce, suspend or discontinue future contributions or benefits, at any time and for any reason. Nothing contained in this Plan is a guarantee of your continued employment with VF Corporation.

INTRODUCTION TO SEVERANCE PLAN

The purpose of the Plan is to provide severance benefits in certain situations to Eligible Employees (as defined below) who are involuntarily terminated. Severance pay is provided in addition to regular earned pay and accrued vacation benefits, if any, that may be payable to an Eligible Employee at the time of his or her separation.

ELIGIBILITY

Under this Plan, severance pay will be paid only to Eligible Employees in certain situations. Eligibility for severance is determined at the sole discretion of the Plan Administrator (as defined below).

An "Eligible Employee" is an employee of VF Corporation who:

- Has been designated by the Board of Directors of VF Corporation as an "officer" of VF Corporation pursuant to Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended,
- Is terminated for reasons determined by the Plan Administrator to be beyond the employee's control, such as,
  - Employee's resignation for "Good Reason" (as defined below),
  - Reorganization or job elimination, or
  - Failure to be reinstated upon authorized return from a disability leave of absence of 12 months or less,
- Terminates employment under circumstances that are not an "Ineligible Termination,"
- Has received written notice from the Plan Administrator of the employee's eligibility for severance benefits,
- Has signed and returned to VF Corporation a release in the form prescribed by VF Corporation (a "Release"), and the revocation period for the Release, if any, has expired, all within 60 days following termination of employment, and

- Has signed and agreed to the non-competition and non-solicitation obligations provided under the Plan.

For purposes of this Plan, “Good Reason” shall mean the occurrence of any of the following without the Employee’s consent:

- (A) a material reduction by VF Corporation in the Employee’s authority or responsibilities which results in the Employee no longer reporting to VF Corporation’s Chief Executive Officer;
- (B) a material reduction by VF Corporation in the Employee’s base salary other than an across-the-board reduction in compensation of similarly situated Employees;
- (C) a change of 50 miles or more in the geographic location where the Executive is to provide services; or
- (D) a material breach of the terms of the Employee’s offer letter.

Notwithstanding the forgoing, an Employee’s termination will not be deemed for Good Reason under this Plan unless the Employee provides VF Corporation with 60 days’ written notice of the occurrence of an event described above, provides VF Corporation with a period of at least 30 days to cure such event and immediately resigns from employment with VF Corporation after the cure period has expired.

The Plan Administrator, in its sole discretion, shall determine whether an individual is eligible for severance pay and benefits as an Eligible Employee.

EXCLUDED EMPLOYEES

An employee is an “Excluded Employee” who will not receive severance pay or benefits under this Plan if he or she is:

- Entitled to receive benefits under a separate severance program adopted by VF Corporation,
- Not employed by VF Corporation at the time of termination,
- Employed in VF Corporation’s Supreme brand line of business at the time of termination,
- Covered by a collective bargaining agreement (union contract) that does not provide for coverage under this Plan,
- Covered by a written employment agreement (other than confidentiality and noncompete agreements) that provides for separate severance payments in the event of termination of employment.

INELIGIBLE TERMINATIONS

Severance pay will not be paid under this Plan to an employee who loses employment with VF Corporation in an “Ineligible Termination.”

An Ineligible Termination is an employee's termination of employment because of his or her:

- Voluntary resignation or retirement other than for "Good Reason" as defined above,
- Discharge for "Cause" as defined in the Change in Control Agreement signed by the employee,
- Discharge for reasons within the control of the employee (such as but not limited to dishonesty, inadequate work performance, attendance problems, deliberate misconduct or failure to act, destruction of property, significant breach of VF Corporation rules, failure to agree to a VF Corporation-mandated change in terms and conditions of employment (e.g., changes to VF Corporation practices and policies), commission of acts detrimental to or unfavorably reflecting on VF Corporation and similar occurrences),
- Refusal to sign an agreement to arbitrate/mediate matters associated with employment at VF Corporation,
- Starting a leave of absence, including military service leave,
- Failure to be reinstated upon authorized return from a disability leave of absence of more than 12 months,
- Termination following a disability leave that extends beyond 12 months and a thirty (30) day notice period,
- Death.

SEVERANCE BENEFITS

Amount and Timing of Severance Benefits

An Eligible Employee will receive (i) severance pay for one hundred four (104) Weeks of Pay, and (ii) outplacement services at the "Level E Series Exclusive 12" level. The Company, in its sole discretion, may elect to provide severance pay as a combination of severance via salary continuation and/or garden leave, which in combination will amount to the severance benefits.

Week of Pay

A "Week of Pay" shall be determined as follows:

- A "Week of Pay" means the officer's base salary rate (excluding bonuses) in effect on the date the officer is separated, divided by fifty-two (52).

A Week of Pay does not include annual or long-term bonuses, overtime, shift differential payments, stipends or allowances, special one-time payments, such as non-cash awards, hiring or special achievement bonuses, relocation or foreign service payments or allowances, retention, change in control, or other bonuses related to a business transaction, or amounts realized by the employee upon the exercise of a nonqualified stock option, the lapse of restrictions applicable to restricted stock or any disposition of stock acquired under a qualified or incentive stock option.

Timing

Severance pay will be paid at regular payroll intervals following the officer's termination of employment, which may be adjusted by VF Corporation from time to time.

In no event will any severance payments be made later than two years following the date of the officer's termination of employment. Lump-sum payments may be made with the approval of the Plan Administrator. Any severance pay remaining unpaid at the death of a former officer who was receiving severance payments will be paid in a lump sum to the estate of the former officer as soon as possible following the death, but in no event later than two years following the officer's termination of employment.

Notwithstanding any provision of the Plan to the contrary, if on the date of an employee's separation from service (within the meaning of the Section 409A of the Internal Revenue Code and any guidance issued thereunder (the "409A Guidance")) the employee is treated as a "specified employee" (within the meaning of the 409A Guidance and as determined pursuant to the identification methodology adopted by VF Corporation from time to time), payments treated as a "deferral of compensation" (within the meaning of the 409A Guidance), if any, will be made or begin on the first day of the seventh month after the date of separation from service, or, if the employee dies earlier, on the ninetieth (90^{th}) day after his or her death. In the event that severance payments are delayed because a former employee is treated as a specified employee, payments that would have been paid but for the required delay will be accumulated and paid (without interest) to the former employee on the first payroll date after such delay.

Other Benefits During Severance

Outplacement consultation services may be provided, at the sole discretion of the Plan Administrator, to Eligible Employees, as provided above. The Plan Administrator may authorize initial outplacement consultation but may withhold further services until he/she has received the officer's signed Release and the revocation period for the Release has expired. In no event will outplacement consultation services be provided after the last day of the second calendar year after the calendar year of the officer's termination of employment. Any outplacement benefits provided under this Plan may not be exchanged for cash or other benefits.

Any Eligible Employee on garden leave will continue to be an active employee and will continue group medical and dental coverage through the period of garden leave. A former Employee's (on severance via salary continuation) group medical and dental coverages, as well as vision and employee assistance program coverages, will cease at the end of the month in which employment is terminated unless he or she elects to extend coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"). The premium for COBRA coverage is set by the administrator of the VF Corporation Health and Welfare Benefits Plan from time to time. It is the Eligible Employee's responsibility to pay any premiums for COBRA continuation coverage. If an Eligible Employee elects COBRA continuation coverage, then during the shorter of the severance payment period or the COBRA continuation period, VF Corporation will reimburse the Eligible Employee for the cost of the COBRA premium payments in excess of the Eligible Employee's active employee rate for health insurance for him and his dependents on the Eligible Employee's date of termination of employment. Notwithstanding the foregoing, no reimbursement payment will be made at any time when the employee is no longer eligible for COBRA continuation coverage.

If any reimbursements of the premiums for an Eligible Employee's COBRA continuation coverage are taxable benefits, then such reimbursement shall be made in accordance with the requirements of Treasury Regulation section 1.409A-3(i)(1)(iv).

For the avoidance of doubt, the executive benefits available to an Eligible Employee prior to termination of employment, including but not limited to financial advisory services and executive physicals, will cease effective as of the date of termination of employment.

Equity Awards

The Plan does not affect the terms of any outstanding equity awards. The treatment of any outstanding equity awards shall be determined in accordance with the terms of the VF Corporation 1996 Stock Compensation Plan, as amended, any other VF Corporation equity plan or plans under which they were granted and any applicable award agreements.

Non-Competition and Non-Solicitation

As a condition to receiving any severance benefits under the Plan, and to the extent permitted by applicable law, each Eligible Employee shall agree that, upon termination of the Eligible Employee's relationship with VF Corporation, for a period equal to the period in which the Eligible Employee receives severance pay (104 weeks), the Eligible Employee will not, without VF Corporation's written consent, as principal, agent, consultant, employee, director, or otherwise, directly or indirectly, assist any Competitor of VF Corporation in any manner in which the Eligible Employee provided services or assistance to VF Corporation in any geographic area in which VF Corporation does business; provided, however, that the Eligible Employee may work for a Competitor in a segment of its business which does not compete with VF Corporation. "Competitor" means any business which is engaged in the development and/or sale of products and services which compete with VF Corporation and where VF Corporation's confidential information or trade secrets would be useful to such business.

As a condition to receiving any severance benefits under the Plan, and to the extent permitted by applicable law, each Eligible Employee shall agree that the Eligible Employee shall not for a period of 104 weeks after termination, directly or indirectly, solicit, recruit, request, cause, induce, or encourage any employee or consultant of VF Corporation who is an employee or consultant of VF Corporation during Employee's employment with VF Corporation to (i) terminate or alter such employment or consulting relationship, (ii) accept employment, or enter into any consulting arrangement, with any person other than VF Corporation.

As a condition to receiving any severance benefits under the Plan, and to the extent permitted by applicable law, each Eligible Employee shall agree that the Eligible Employee shall not for a period of 104 weeks after termination, directly or indirectly, solicit, recruit, request, cause, induce, or encourage any customer of VF Corporation to cease, limit, or reduce the customer's relationship with VF Corporation. For purposes of this paragraph, customer shall mean any customer with whom the Eligible Employee had direct contact with or access to confidential information about in the 104 weeks preceding the Eligible Employee's termination of employment.

As a condition to receiving any severance benefits under the Plan, and to the extent permitted by applicable law, an Eligible Employee shall agree that the remedies at law are inadequate and that, for any breach of the Plan's required non-competition and non-solicitation provisions, VF

Corporation shall be entitled to injunctive relief. VF Corporation's entitlement to injunctive relief is expressly without waiver of any other remedies VF Corporation may have, including, without limitation, compensatory and punitive damages. The Eligible Employee shall further agree that such injunctive relief may be entered without posting bond. An Eligible Employee shall further agree that in the event VF Corporation is successful in enforcing any provisions of the non-competition and non-solicitation provisions, VF Corporation shall be entitled to recover its costs and reasonable attorneys' fees incurred in connection with such enforcement.

Termination of Severance Pay

A former employee's right to receive further severance pay will terminate on the date he or she again becomes employed by VF Corporation or an independent contractor performing services for VF Corporation.

A former employee's right to receive further severance will terminate and VF Corporation shall be entitled to recover amounts of severance already paid if the Plan Administrator determines subsequent to its authorization and/or payment that he or she:

- Has breached the non-competition and non-solicitation provisions of this Plan, to the extent applicable, or
- Had engaged in gross misconduct or violation of the VF Corporation Code of Conduct while still employed by VF Corporation, or
- Is engaging, or has engaged, in conduct that is disparaging of or detrimental to VF Corporation or any of its officers or employees, or
- Has commenced an action in state or federal court, or filed an administrative charge with any federal, state or local governmental agency, seeking any payment for individual relief or other individual recovery that would be barred by the Release;

Nothing in the Plan, any separation agreement to be entered into pursuant to this Plan or Release shall restrict or limit a former employee's right to discuss the former employee's employment or report possible violations of law or regulation with the Equal Employment Opportunity Commission, United States Department of Labor, the National Labor Relations Board, the Securities and Exchange Commission, or other federal government agency or similar state or local agency, or the former employee's right to discuss the terms and conditions of the former employee's employment with others to the extent expressly permitted by Section 7 of the National Labor Relations Act or to the extent that such disclosure is protected under the applicable provisions of law or regulation, including but not limited to "whistleblower" statutes or other similar provisions that protect such disclosure.

Termination of Plan

VF Corporation reserves the right to amend or terminate this Plan at any time by a written instrument, signed by the Talent and Compensation Committee of the VF Board of Directors or any other duly authorized officer. The amendment or termination will be effective as of the date specified in the instrument. Any employee whose employment with VF Corporation terminates after the effective date of an amendment will be bound by that amendment. Any employee whose employment terminates after the effective date of the termination of the Plan will be ineligible for any benefits under the Plan.

No Benefits Accrue

No employee of VF Corporation or any of its subsidiaries will accrue any right under this Plan before satisfying all the requirements for benefits in effect at the termination of his or her employment.

No Employment Rights

The Plan shall not confer employment rights upon any person. No person shall be entitled by virtue of the Plan to become or to remain in the employ of VF Corporation or any of its subsidiaries that have adopted the Plan and nothing in the Plan shall restrict the right of VF Corporation or any of its subsidiaries that have adopted the Plan to terminate the employment of any employee or other person at any time.

Clawback

Any amounts payable under the Plan are subject to any policy (whether in existence as of the effective date of the Plan or later adopted) established by VF Corporation providing for clawback or recovery of amounts that are paid to an Eligible Employee. VF Corporation will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law, regulation or listing requirement. Where applicable, this obligation shall be specified, and agreed to by the Eligible Employee, in his or her separation agreement and general release.

Recovery of Excess Payments

Any individual in receipt of Plan payments will be required to return to VF Corporation any benefits, or portion thereof, paid under the Plan by a mistake of fact or law.

Effect on Other Plans, Agreements, and Benefits

Any severance benefits payable to an Eligible Employee under the Plan will be: (i) reduced by any severance benefits to which the Participant would otherwise be entitled under any general severance policy or severance plan maintained by VF Corporation or any agreement between the Eligible Employee and VF Corporation that provides for severance benefits (unless the policy, plan, or agreement expressly provides for severance benefits to be in addition to those provided under the Plan); and (ii) any severance benefits payable to an Eligible Employee under the Plan will be reduced by any severance benefits to which the Eligible Employee is entitled by operation of a statute or government regulations.

Any severance benefits payable to an Eligible Employee under the Plan will not be counted as compensation for purposes of determining benefits under any other benefit policies or plans of VF Corporation, except to the extent expressly provided therein.

Administration

The Talent and Compensation Committee of the Board of Directors of VF Corporation will be the Plan Administrator and will have overall responsibility for administration of the Plan. The Plan Administrator may also designate a duly authorized representative to administer the Plan. The Plan Administrator, or its duly authorized representative, will also have sole discretionary authority to interpret the Plan, to make factual determinations regarding the Plan, and to determine eligibility for and amounts of severance pay.

Plan Exceptions

Exceptions to this Plan may be made only upon written approval of the Plan Administrator or the Plan Administrator's duly authorized representative.

Initial Benefit Determination

The Plan Administrator will notify a terminated employee if he or she is eligible for severance benefits and of the amount of severance pay benefits he or she will receive, if any. An employee who does not receive notice that he or she is entitled to severance benefits within 30 days after termination of employment, or who disagrees with the amount of severance benefits, must file a written claim for severance benefits within 90 days after termination of employment. The claim must be in writing, signed by the employee (the "claimant") and dated, setting forth the facts which he or she believes to be sufficient to entitle him or her to the benefit claimed. The claim must be mailed by certified mail to the Plan Administrator or personally delivered to:

VF Corporation
Attn: Executive Vice President - Chief People Officer
1551 Wewatta Street, Denver CO 80202

Within ninety (90) days of receipt of the claim, the Plan Administrator will respond in writing to the claimant. If any claim for benefits is denied, the notice will be written in a manner calculated to be understood by the individual and will include:

- The specific reason or reasons for the denial; and
- Specific references to the pertinent Plan provisions on which the denial is based.
- If special circumstances require an extension of this ninety (90) day period, notice of the extension and the reason therefor will be furnished to the claimant by the Plan Administrator before the end of the initial ninety (90) day period. In no event will such extension exceed one hundred and eighty (180) days after the receipt of the initial claim for benefits.

Appeal Review

An employee may appeal a determination of his or her eligibility for benefits or the amount of the benefit by filing a written appeal with the Plan Administrator within 60 days after the initial benefit determination. The appeal must be mailed by certified mail to the Plan Administrator or personally delivered to:

VF Corporation
Attn: Executive Vice President - Chief People Officer
1551 Wewatta Street, Denver CO 80202

If the employee does not file an appeal within 60 days, the initial determination will be final. If the employee appeals the decision, then the requirement that the employee sign and not rescind a release within 60 days after termination of employment is extended until the 15th day following the date of the Plan Administrator's written notice regarding the decision on the employee's appeal.

The appeal should include the amount to which the employee believes he or she is entitled and the reason(s) why. The employee or his or her representative may submit written comments, documents, and records for consideration.

All documents relevant to a benefit determination will be provided to the employee or his or her representative on request and free of charge.

Within 60 days of receiving the appeal, the Plan Administrator will provide written notice to the employee of his or her decision on the appeal. If the appeal is denied in whole or in part, the notice will include the reasons for the denial, and all other information required by ERISA including information about the employee's right to bring a civil action under section 502(a) of ERISA.

Extension of Time to Respond to Appeal

The time period within which the Plan Administrator is required to respond to an appeal may be extended by the Plan Administrator for an additional 60 days provided the Plan Administrator provides the claimant with written notice of the reasons for the delay.

Limitations on Legal Actions

An employee or former employee who fails to complete this appeal procedure will be barred from asserting his or her claim for benefits in any judicial or administrative proceeding. No legal action may be brought more than six months following the Plan Administrator's final benefit determination.

Internal Revenue Code Section 409A

In no event will severance pay be paid for more than 104 weeks without the written approval of the Plan Administrator.

It is the intent of VF Corporation, including any subsidiary employing an Eligible Employee, that payments or benefits provided under the Plan will be considered either a "short-term deferral" or a "separation pay plan" that does not provide for the deferral of compensation within the meaning of Code Section 409A and the regulations thereunder ("Section 409A"), and the Plan will be construed and interpreted in accordance with such intent.

If and to the extent that any payment or benefit is determined by the Plan Administrator to constitute "nonqualified deferred compensation" subject to Section 409A, (a) if such payment or benefit is provided to an Eligible Employee who is a "specified employee" (within the meaning of Section 409A and as determined pursuant to procedures established by VF Corporation), then such payment or benefit shall not be made or commence until the first day of the seventh month after the date of separation from service (the "six-month delay") and (b) such payment shall be made as part of the fixed schedule made up of the payroll dates during the 104-week severance period. Any installment payments that would have been made but for the six-month delay shall be accrued and paid on the first payroll period that occurs after the end of the six-month delay. No interest will accrue or be paid with respect to any such accrued payments subject to such six-month delay. All installment payments made under the Plan shall be treated as separate payments and not aggregated for purposes of Section 409A.

In addition, if a severance or benefit under this Plan is subject to Section 409A, then if the consideration period for execution and delivery of the required general release spans two calendar years, payments may not begin (or be made) before the second calendar year.

Notwithstanding the foregoing, neither VF Corporation nor the Plan Administrator guarantees any tax consequences of any Eligible Employee's or beneficiary's entitlement to or receipt of payments or other benefits from, the Plan, and each Eligible Employee or beneficiary (if applicable) will be solely responsible for payment of any tax obligations incurred in connection with the benefits provided under the Plan.

Exhibit 31.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 15 U.S.C. SECTION 10A, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Bracken Darrell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of V.F. Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 7, 2024

/s/ Bracken Darrell
Bracken Darrell
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 15 U.S.C. SECTION 10A, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Matthew H. Puckett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of V.F. Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

February 7, 2024

/s/ Matthew H. Puckett
Matthew H. Puckett
Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of V.F. Corporation (the “Company”) on Form 10-Q for the period ending December 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Bracken Darrell, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 7, 2024

/s/ Bracken Darrell
Bracken Darrell
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of V.F. Corporation (the “Company”) on Form 10-Q for the period ending December 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Matthew H. Puckett, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 7, 2024

/s/ Matthew H. Puckett
Matthew H. Puckett
Executive Vice President and Chief Financial Officer