

V.F. Corporation

Corporate Governance Principles Adopted on October 19, 2006

Introduction

The following principles have been adopted by the Board of Directors of V.F. Corporation (the "Corporation"). They set forth the general standards for the governance of the Corporation in conjunction with (and subject to) the requirements of state and federal law, the New York Stock Exchange Listing Standards and the Corporation's Articles of Incorporation and Bylaws.

Role of the Board of Directors

The Board of Directors, which is the representative of the shareholders, has the responsibility to oversee and monitor the effectiveness of the management of the business and affairs of the Corporation except with respect to those matters reserved to the shareholders. It elects the senior management team, which is charged with the conduct of the Corporation's business. The Board acts as an advisor and counselor to senior management and ultimately oversees and monitors its performance and ensures that management is capably executing its responsibilities. The function of the Board in monitoring the performance of the senior management of the Corporation is supported by the presence of outside Directors of stature who have business knowledge.

Composition and Selection of the Board

Director Independence

It is the policy of the Corporation that a substantial majority of the members of the Board of Directors must meet the independence requirements of the New York Stock Exchange. The determination of independence is made annually by the Board of Directors based on all relevant facts and circumstances. The Board has established categorical standards to assist it in determining director independence in accordance with the New York Stock Exchange requirements. These are set forth on Exhibit A attached hereto and made part hereof.

Size of the Board

The number of Directors should not exceed a number that can function efficiently as a body. The Nominating and Governance Committee, in consultation with the Chairman and CEO, considers and makes recommendations to the Board concerning the appropriate size and needs of the Board.

Selection of Board Members.

The Nominating and Governance Committee considers candidates to fill new positions created by expansion and vacancies that occur by resignation, by retirement or for any other reason. The Corporation's Bylaws establish the procedures to be followed by shareholders who wish to propose candidates for election as directors. Candidates are selected for their character, judgment, business experience and acumen. While diversity of experience and background are factors taken into consideration in selecting nominees, Board members are elected to represent all shareholders and not to represent any particular constituency. Final approval of a candidate is determined by the full Board.

The Nominating and Governance Committee considers the participation and contribution of incumbent Directors in determining whether to recommend their re-nomination to the Board. The Board believes this process provides an effective evaluation of Board members' ability to perform their duties.

Board Leadership

Chairman of the Board

The positions of Chairman of the Board and Chief Executive Officer are usually held by the same person. This combination has served the Corporation well for many years. However, the Board is free to make this choice any way that it deems best for the Corporation.

Chairs of Executive Sessions

The chairs of the Audit, Compensation, Finance and Nominating and Governance committees of the Board, who are independent in accordance with the New York Stock Exchange requirements and the categorical standards listed on attached Exhibit A, preside on an annual rotating basis at meetings or executive sessions at which only the outside Directors are present. The Board believes that this is an effective way of providing leadership at these meetings.

Board Performance

Limitations on Director's Terms

The Board does not believe that it should establish term limits for Board members. However, when a Director's principal occupation or business association changes substantially during his or her tenure as a Director, that Director is expected to offer to submit his or her resignation for consideration by the Nominating and Governance Committee. The Nominating and Governance Committee will recommend to the Board the action, if any, to be taken with respect to the Director's offer to submit his or her resignation. Also, in accordance with the Corporation's Bylaws, no one is eligible to be elected as a

Director for a term that extends beyond the annual meeting of shareholders immediately following his or her seventy-second birthday.

Although the Board does not impose limits on the number of other boards on which Directors may serve, Directors should take into consideration other board responsibilities that would affect attendance, participation and preparedness for meetings of the Board of this Corporation. Independent Directors should advise the Chairman and CEO in advance of accepting an invitation to join another corporate board.

New Board Member Orientation

At the time they join the Board, new Directors are provided with basic information concerning the Corporation and with briefings by senior management to acquaint them with the Corporation's financial profile, strategic plans, management organization, compliance programs and corporate policies. At the request of individual Directors, the Board will consider making available formal training opportunities in areas relevant to the discharge of a Director's duties.

Director Compensation

The Compensation Committee, in consultation with the Nominating and Governance Committee, periodically reviews the compensation of Directors. In its review and recommendation to the Board, the Committee considers among other things (a) the effect of director compensation on maintaining the independent status of directors, (b) compensation for non-management directors at similarly situated companies, and (c) use of the compensation program to align the interests of Board members with shareholders. Directors who are employees of the Corporation do not receive separate compensation for service as directors. All Directors are expected to own stock in the Corporation in an appropriate amount as determined by the Nominating and Governance Committee.

Functioning of the Board

Attendance

Directors are expected to attend meetings of the Board, of committees of which they are members and of the Corporation's shareholders.

Agendas

The Chairman of the Board and CEO sets the agenda for Board meetings with the understanding that certain items pertinent to the advisory and monitoring functions of the Board will be regularly brought to it for review and/or decision. For example, the annual financial plan is reviewed by the Board. Agenda items that fall within the scope of responsibilities of a Board committee are reviewed with the chair of that committee. Any member of the Board may request that an item be included on the agenda.

Board Materials

Board materials related to agenda items are provided to Board members sufficiently in advance of Board meetings where necessary to allow the Directors to prepare for discussion of the items at the meeting. Directors are expected to devote adequate time to prepare for participation in the meetings, including review of the advance materials.

Attendance by Management

At the invitation of the Board, members of senior management recommended by the Chairman and CEO attend Board meetings or portions thereof for the purpose of participating in discussions. Generally, presentations of matters to be considered by the Board are made by the manager responsible for that area of the Corporation's operations. In addition, Board members have access to all other members of management and employees of the Corporation.

Executive Sessions

Executive sessions or meetings of outside Directors without management present are held on a regular basis. At least once per year, such an executive session is held to review the report of the outside auditors, the criteria upon which the performance of the Chairman and CEO and other senior managers is based, the performance of the Chairman and CEO against such criteria, and the compensation of the Chairman and CEO and other senior managers. Additional executive sessions or meetings of outside Directors may be held from time to time as required. Executive sessions or meetings are held at each Board meeting with the Chairman and CEO for a general discussion of relevant subjects. At least one meeting or executive session of non-management directors per year shall include only independent directors.

Board Access to Consultants

In performing its oversight function, the Board is entitled to rely on the advice, reports and opinions of management, counsel, independent auditors and other advisors whom the Board believes to be competent. The Board has the authority to engage such financial experts, including independent accountants other than the Corporation's independent auditor, counsel, including counsel other than the Corporation's regular counsel, and other consultants and advisors as it deems necessary or appropriate to assist in carrying out its responsibilities to the Corporation and its shareholders.

Shareholder Proposals

Within four months after an annual meeting at which a shareholder proposal receives the affirmative vote of the shares of at least a majority of the votes cast (excluding abstentions and broker non-votes), the Nominating and Governance Committee or its Chairperson will make all reasonable efforts to schedule a meeting (which may be held telephonically) with the proponent of the proposal, to obtain any additional information to provide to the Board of Directors for its reconsideration of the proposal.

Following the meeting with the proponent, the Nominating and Governance Committee will present the proposal with the Committee's recommendation, and information relevant to the proposal, to the full Board of Directors, for action consistent with the Corporation's Articles of Incorporation and By-Laws, which should necessarily include consideration of the interests of the shareholders.

Committee Structure and Functioning

Structure

It is the general policy of the Corporation that all major decisions be considered by the Board as a whole. As a consequence, the committee structure of the Board is limited to those committees considered to be basic to or required for the operation of a publicly-owned corporation. Currently these committees are the Executive Committee, Finance Committee, Audit Committee, Compensation Committee, and Nominating and Governance Committee. The chairs of these committees are recommended to the Board by the Nominating and Governance Committee in consultation with the Chairman and CEO.

Membership Criteria

The Audit, Compensation and Nominating and Governance committees consist of only independent Directors. The membership of these committees is rotated from time to time.

Meetings

The frequency, length and agenda of meetings of each of the committees are determined by the chair of the committee. Sufficient time to consider the agenda items is provided. Materials related to agenda items are provided to the committee members sufficiently in advance of the meeting where necessary to allow the members to prepare for discussion of the items at the meeting.

Responsibilities

The responsibilities of each of the committees are determined by the Board.

Evaluations

Each committee is responsible for preparing an annual performance self-evaluation.

Compensation, Evaluation and Succession Planning for the Chairman and CEO

Compensation and Evaluation

The Compensation Committee is responsible for setting annual and long-term performance targets for the Chairman and CEO and for evaluating his or her performance against these targets. These targets are based on the annual

and long-term performance goals for the Corporation set by the Board in consultation with management on an annual basis. The Committee meets annually with the Chairman and CEO to receive his or her recommendations concerning such targets. Both the targets and the evaluation are then submitted for consideration by the outside Directors of the Board at a meeting or executive session of that group. The outside Directors then meet with the Chairman and CEO to review the Committee's conclusions about his or her performance against the targets. The Compensation Committee also is responsible for setting annual and long-term performance targets and compensation for the direct reports to the Chairman and CEO. These decisions are presented to the outside Directors of the Board at a meeting or executive session of that group.

Succession Planning

The Nominating and Governance Committee recommends to the Board plans for succession to the position of Chairman of the Board and Chief Executive Officer. The Compensation Committee reviews a succession plan for key officer positions of the Corporation, other than the position of Chairman and CEO. To assist the Board, the Chairman and CEO annually provides the Board with an assessment of senior managers and of their potential to succeed him or her. He or she also provides the Board with an assessment of persons considered potential successors to certain senior management positions.

Communications

The Chairman and CEO is responsible for establishing effective communications with the Corporation's stakeholder groups, i.e., shareholders, customers, employees, communities, suppliers, creditors, governments and corporate partners. It is the policy of the Corporation that management speaks for the Corporation. This policy does not preclude outside Directors from meeting with shareholders, but it is suggested that any such meetings be coordinated with management.

Board Evaluation and Periodic Review of These Principles

Evaluation

The Board conducts an annual performance self-evaluation to determine whether it and its committees are functioning effectively.

Review

These principles are reviewed by the Board in connection with the annual Board evaluation.

Exhibit A

Independence of Directors

To be considered independent under the Listing Standards of the NYSE, the Board must determine that a director does not have any direct or indirect (as a partner, shareholder or officer of an organization that has a relationship with VF) material relationship with VF by broadly considering all relevant facts and circumstances. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others. The Board's determination of each director's independence will be disclosed annually in the Company's proxy statement. The Board has established the following categorical standards to assist it in determining director independence in accordance with the NYSE rules:

- No director who is an employee, or whose immediate family member is an executive officer, of VF can be considered independent until three (3) years after termination of such employment relationship.
- No director who is affiliated with or employed by, or whose immediate family member is affiliated with or employed in a professional capacity by, a present or former internal or external auditor of the company can be considered independent until three (3) years after the end of the affiliation or employment or auditing relationship.
- No director can be considered independent if he or she is employed, or if his or her immediate family member is employed, as an executive officer of another company where any of VF's present executives serve on the other company's compensation committee until three years after the end of such service or employment relationship.
- No director can be considered independent if he or she receives, or his or her immediate family member receives, more than \$100,000 per year in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service) until three years after he or she or his or her immediate family member ceases to receive more than \$100,000 per year in such compensation.
- No director can be considered independent if he or she is an executive officer or employee of another company not including a charitable organization (or an immediate family member of the director is an executive officer of such company) that makes payments to, or receives payments from, VF for property or services in an amount which, in any single fiscal year, exceeds the greater of \$1 million or 2% of

such other company's consolidated gross revenues until three years after falling below such threshold.

- VF will disclose, in its annual proxy statement, any charitable contributions made by VF to a charitable organization if the charitable organization is one in which a VF director serves as an executive officer and, within the preceding three years, charitable contributions made by VF in any single fiscal year exceed the greater of \$1 million or 2 % of such charitable organization's consolidated gross revenues. This disclosure does not automatically result in a determination against that director's independence; however, the Board will consider the materiality of this relationship in its overall affirmative determination of that director's independence status.
- The Board, as part of its self-evaluation will review all commercial, industrial, banking, consulting, legal, accounting, charitable, and familial relationships between the Company and its directors.
- For relationships not qualifying within the above guidelines, the determination of whether the relationship is material, and therefore whether the director is independent, shall be made by the Board. The Company will explain in the next proxy statement the basis for any Board determination that a relationship was immaterial despite the fact that it did not meet the categorical standards of immateriality set forth in the above guidelines.

In addition, members of the Audit Committee of the Board are subject to heightened standards of independence under the NYSE rules and the SEC rules and regulations