

# 2022 Sustainability Goals & Progress Update

September 2023



LEVI STRAUSS & CO.

# Contents

## 2022 Sustainability Goals & Progress Update

From Our Leadership .....	3
Our Sustainability Strategy.....	6
Our Sustainability Goals for 2025 and Beyond .....	7
Progress Toward Our Goals .....	8
Climate.....	9
Consumption .....	14
Community.....	19
Sustainability Reporting Frameworks.....	24
About Our Reporting .....	24

# Letter From Our CEO

When Levi Strauss and Jacob Davis first added rivets to pants to make them more durable, 150 years ago, they were responding to the needs of the day. There were commercial needs, to be sure – they had to produce garments people wanted to grow the business – and there was a consumer need for clothing that withstood the rigors of mining in the California hills. So they innovated to meet the moment, creating what came to be known as the Levi's® 501® jean.

Today, Levi Strauss & Co. (LS&Co.) is a global leader in jeanswear and a cultural icon, known the world over. Yet we too must respond to the time we are living in. Yes, we have tools Strauss and Davis could only have dreamed of, and we use them to deliver products consumers continue to make part of their everyday lives. But we have challenges I'm guessing they couldn't have imagined – first and foremost: the existential threat of climate change and the impacts already visible the world over. In addition, consumers are, with good reason, more interested than ever in how their garments are made. To earn their trust and secure not just license to operate but

also license to grow, we have to meet their expectations. That means continuing to push forward on our sustainability programming, with our values as our guide, and operating in a way that serves our planet and our communities, as well as our business.

With that in mind, I'm pleased to share this update on our sustainability goals and progress from 2022. In its most literal sense, this report documents where we are across our three key sustainability pillars of [climate, consumption and community](#). But it also serves as a testament to the work we've done and a commitment to push further, to be bolder, to maintain the same sense of urgency that's fueled our progress to date and to drive greater impact in our business and in our industry.

As you'll see, we've made some very real progress. For example, since we published our initial climate goals in 2018, we've reached 90% renewable electricity in company-operated facilities, reduced Scope 1 and 2 GHG emissions by 71% and Scope 3 GHG supply chain emissions by 23% (from a 2016 base year) and continued talking to consumers



about overproduction and overconsumption. These are signposts of a broader effort to be better stewards of the resources we use and to look after our communities.

We know we have a ways to go, but I'm confident that we're moving in the right direction. And we will keep pursuing impactful innovation, upholding our global standards of conduct, working with established partners and seeking out new collaborations to help us meet our sustainability ambitions. Simply put: this is the right way to do business, the right way to move forward and the right way to meet this moment, just as Strauss and Davis did all those years ago.

Yours,

A handwritten signature in black ink, appearing to read "C. Bergh".

**Chip Bergh**

President and CEO, Levi Strauss & Co.

# Q&A With Harmit Singh and Jeffrey Hogue

**Harmit Singh, Executive Vice President and Chief Financial and Growth Officer, and Jeffrey Hogue, Chief Sustainability Officer, share their thoughts on this year's report.**

**Jeff, this is a shorter report than we've seen over the past two years. Why is that?**

The past two years, we produced lengthier reports because they were the first two we had published. We wanted to explain as much as we could about our approach and how we identified and defined our goals. With those foundational elements established, we turned our focus to our operations and to delivering against our goals with the highest level of integrity possible. So, the report still has the key information that our stakeholders are asking us for, delivered more concisely and grounded in the same commitment to the work as a whole.

**Harmit, you recently added “Chief Growth Officer” to your title. How do you factor sustainability into growth strategies for the company?**

We want to grow the company, but we want to do it the right way. That means integrating sustainability into our strategies from the outset. In fact, sustainability is a key facet of our plans because making progress against our goals is not only the right thing to do, it will also make us a more resilient, efficient business, today and into the future. It will mitigate supply chain risks and bring us closer to the communities in which we operate. It will lead to a more diverse organization that is ready and willing to stand up for its people and communities. And we've seen over the years how it drives innovation and allows for sustainable growth over time. We've said for years, in fact, that operating this way is how we secure not just license to operate, but license to grow.



**Harmit Singh**  
EVP and Chief Financial and Growth Officer



**Jeffrey Hogue**  
Chief Sustainability Officer

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In terms of our products, our approach remains grounded in an unwavering commitment to making durable, quality and timeless products that can be worn for decades and then passed on. And in terms of our broader operations, we believe that we will only truly succeed if we leave the world better than we found it. So, we will stay close to our supply chain partners, to other brands and to other stakeholder organizations in order to find ways to deliver greater impact at scale through collaboration. It's another indication that our values and our value are closely linked. Sustainability is not only the right way to do business, it is good business.

**Jeff, are there particular highlights you want to call out?**

I think we've made progress on a number of fronts, including how we are executing on our more established goals, around climate, for instance, and defining some of our newer ones, like our goal around biodiversity, which we finalized in 2023. I'm also encouraged by some of the partnerships that we've forged with groups like Fashion for Good or with Walmart's Project Gigaton™, on a Virtual Power Purchasing Agreement, which are important both for what they are and what they suggest might be possible in the future. We've said it before but it bears repeating: collaboration, in both conventional and unconventional forms, is critical and will only become more so. To make real progress on the most important issues the industry is facing, we'll need new types of leadership, partnership and commitment that do not focus on being first or differentiating our approaches from our competitors, but instead move us forward in ways that benefit all our stakeholders. That is how we make real impact and progress and fulfill the pledges we've made.

**Harmit, are there aspects of this work that people might not see that you want to call out?**

All the work that goes into it. That includes gathering the data, of course, and the construction of the different programs. But it also includes substantiation efforts involving numerous departments to ensure that we can stand behind everything that we're reporting. Deep partnership between our finance and sustainability teams ensures that we measure the value created for all stakeholders. This is all happening in an environment where corporate sustainability performance is receiving far more scrutiny than it has in years past. We want to be ready for all of it, but we also want to demonstrate how seriously we take these efforts and how intently we are working to meet the expectations and demands companies are facing today.



# Our Sustainability Strategy

Our holistic sustainability strategy, which includes 16 goals, demonstrates our commitment to both a comprehensive definition of sustainability and to progress across our key sustainability pillars of climate, consumption and community. Our intent is to be a leader in transparency and impact, to accelerate the circular economy ecosystem and to increase collaboration in the apparel industry by inspiring employees, communities and value chain partners to join our journey toward an inclusive and regenerative industry in which all people are treated with dignity and respect.

Our strategy provides a framework for us to continue embedding our sustainability ambitions within our broader business strategies to create more resilience and address the most pressing challenges of our time.

**Sustainability performance and business performance are intertwined as we strive to accelerate progress on our goals.**

## Key Sustainability Pillars



Climate



Consumption



Community

## Our Sustainability Strategy



### Climate

Net-zero emissions of greenhouse gases by no later than 2050

40% absolute reduction in supply chain greenhouse gas (GHG) emissions by 2025\*

90% absolute reduction in GHG emissions\*\* and 100% renewable electricity in all company-operated facilities by 2025

Reduce freshwater use in manufacturing by 50% in areas of high water stress by 2025\*\*\*

Prevent and reduce our impact on biodiversity within our supply chain; support ecosystem protection and restoration programs beyond our supply shed\*\*\*\*

\*Against a 2016 base year. Supply chain GHG emissions refer to Scope 3, Category 1 (Purchased Goods and Services). This Scope 3 target is expected to be revised in fiscal year 2023 to align with the SBTi Net-Zero Standard. LS&Co. will publish a revised science-based target and any change in timeline for achievement in 2024.

\*\*Against a 2016 base year. This goal refers to Scope 1 and 2 emissions and is consistent with limiting temperature rise to 1.5°C compared to pre-industrial levels.

\*\*\*Against a 2018 base year. The scope of this target is all key supplier, wet finishing, manufacturing facilities and fabric mills in areas of high water stress. Key suppliers refer to suppliers covering more than 80% of our global product units.

\*\*\*\*In fiscal year 2022, we completed our assessment to identify material impacts and dependencies on nature across the value chain, which allowed us to develop our new biodiversity goal in fiscal year 2023. We have reflected the new goal in this report, as we have met our prior goal to develop a comprehensive biodiversity strategy.



### Consumption

By 2026, develop a comprehensive plan to make the company circular ready\*

Key markets to introduce or increase resale and upcycling initiatives to extend the life of our products by 2025

Zero waste to landfill from company-operated facilities and 50% waste diversion across strategic suppliers by 2030\*\*

Eliminate single-use plastics in consumer-facing packaging by shifting to 100% reusable, recyclable or home compostable plastics by 2030

Strategic garment wet finishing manufacturing and fabric mills use 100% certified Screened Chemistry by 2026\*\*\*

Use only third-party preferred or certified more sustainable primary materials by 2030\*\*\*\*

\*Circular products and services will be considered "circular ready" when they align to established circularity frameworks, including but not limited to the Ellen MacArthur Foundation's Make Fashion Circular Framework. In fiscal year 2023, we updated the language for our circularity goal to increase clarity around our intended efforts. The adjustment to our goal language did not change the overall intent of our goal. To see our former language, visit our 2021 sustainability report.

\*\*In alignment with the Zero Waste International Alliance and TRUE Zero Waste certification, facilities that reach the 90% threshold will be designated as zero waste. We are committed to sharing our waste diversion progress.

\*\*\*\*Strategic garment wet finishing manufacturing and fabric mills covering approximately 80% of global product units. Certain suppliers do not meet the size threshold to be considered a key and/or strategic garment wet finishing manufacturing and fabric supplier, including Beyond Yoga® suppliers.

\*\*\*\*In this context, "preferred" is based on the Textile Exchange, which defines a preferred fiber or material as "one which results in improved environment and/or social sustainability outcomes and impacts in comparison to conventional production." We define "more sustainable" materials as those that have achieved third-party verification or certification.



### Community

Continually improve apparel worker health, satisfaction and engagement

Ensure competitiveness and equity in total rewards

Ensure that LS&Co. remains a dynamic and inclusive career destination

Leverage the leadership of the Levi Strauss Foundation and invest in our communities to advance pioneering social change

Drive societal impact in communities where LS&Co. operates through advocacy, grantmaking, employee giving and volunteerism

## Our Sustainability Goals for 2025 and Beyond

16 people- and planet-first goals that illustrate our commitment to bettering the world we all share



# Progress Toward Our Goals

We introduced our updated slate of people- and planet-first goals in our fiscal year 2021 Sustainability Report, which was published in September 2022. The goals include targets tied to various areas across our sustainability strategy and collectively reflect our guiding philosophy of profits through principles. This is our first year reporting on the status of all 16 goals. Some of them – including a handful of goals under climate – have been in place for a few years and we've already been tracking progress. For our newer goals, we are still in the process of establishing the comprehensive baselines and key performance indicators necessary to track our progress and impact. Where we do not yet have data to report, we continue to work closely with internal and external stakeholders to pinpoint our biggest opportunities to deliver impact on each goal.

We also recognize that progress isn't always linear, particularly on our climate goals, given our growing footprint and the continued volatility in the macroeconomic environment.

**We remain committed to action and will continue reporting on our goals annually going forward.**



Key Sustainability Pillar

# Climate

## Goal

**Net-zero emissions of greenhouse gases by no later than 2050**

## Progress

As a first step, we began the net-zero goal setting process with the Science Based Targets initiative (SBTi), including a climate scenario analysis and identifying decarbonization pathways. Our estimated timeline for submission to SBTi for approval is in 2023.

To learn more, visit our [CDP Climate Response](#).



## Goal

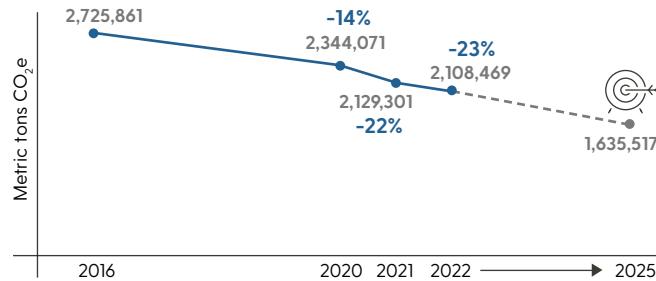
**40% absolute reduction in supply chain greenhouse gas (GHG) emissions by 2025 (against a 2016 base year)<sup>1</sup>**

## Progress

We reduced supply chain GHG emissions by 23% from the base year through our ongoing partnership with our suppliers.

To achieve our goal, we must continue collaborating with our suppliers. We are working with our key suppliers to make sure their emission reduction targets are at least 40% of the base year.<sup>2</sup> These efforts will require changes to both equipment as well as investment in renewable energy of multiple forms.

**40%**  
absolute reduction  
in supply chain  
GHG emissions<sup>1</sup>



1. Supply chain GHG emissions refer to Scope 3, Category 1 (Purchased Goods and Services). This Scope 3 target is expected to be revised in fiscal year 2023 to align with the SBTi Net-Zero Standard. LS&Co. will publish a revised science-based target and any change in timeline for achievement in 2024.

2. Key suppliers cover more than 80% of our global product units.

**Goal**

**90% absolute reduction in GHG emissions (against a 2016 base year)<sup>3</sup> and 100% renewable electricity in all company-operated facilities by 2025**

To learn more, visit our [CDP Climate Response](#).

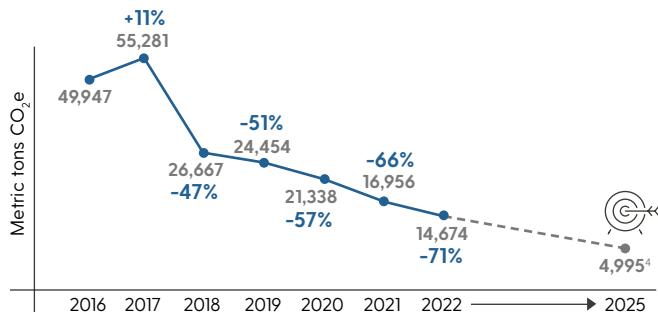
**Progress**

We reduced GHG emissions associated with all company-operated facilities by 71% from the base year.

We have made progress through initiatives across our business. In our distribution centers, we made upgrades to equipment and infrastructure that reduce our energy consumption or drive energy efficiency. We established sustainability leads in our retail business to measure, monitor and manage our energy and emissions. Examples of efforts include regular reviews of our energy portfolios and identifying opportunities to engage with retail staff on initiatives that drive reductions in energy consumption.

We also continue to purchase renewable energy certificates (RECs) and energy attribute certificates (EACs), and are participating in a Virtual Power Purchase Agreement (VPPA) that will help us meet our targets. Please see page 11 for more details.

**90%**  
absolute reduction  
in GHG emissions  
associated with  
all company-  
operated facilities<sup>3</sup>



3. This goal refers to Scope 1 and 2 emissions and is consistent with limiting temperature rise to 1.5°C compared to pre-industrial levels.  
 4. The 90% 2025 target emissions (4,995 metric tons CO<sub>2</sub>e) have been corrected from what we reported in our 2021 and 2020 sustainability reports (5,605 metric tons CO<sub>2</sub>e). In fiscal year 2020, we updated our emissions calculation methodology and recalculated the respective baselines. For consistency, we've revised the 2025 target emissions to reflect a 90% reduction from our 2016 baseline. This change does not impact our current goals or progress.

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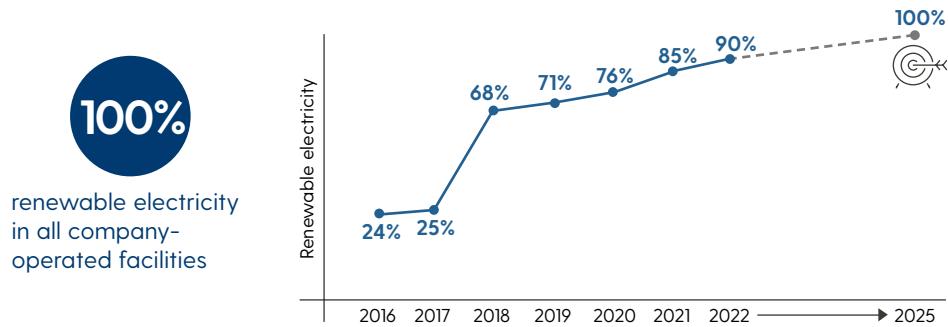
To learn more, visit our  
[CDP Climate Response](#).



Our renewable electricity consumption in company-operated facilities was 84,718 megawatt hours (MWh), or 90% of the total electricity used in those facilities.<sup>5</sup>

Our renewable electricity sources include energy from LS&Co.'s on-site projects, RECs and EACs from LS&Co. locations, and electricity that we receive from renewable energy generation serving the electric grids where select LS&Co. offices, factories or retail stores are located.

We also continue to evaluate options for our portfolio, including VPPAs. As of 2022, we are participating in a joint VPPA in partnership with Walmart for the construction of a new wind farm in Marion County, Kansas, through a long-term, fixed-rate offtake agreement. The partnership will commission renewable energy to power LS&Co.'s U.S. energy load.



5. While it has become common to use "renewable energy" and "renewable electricity" interchangeably, they are different. Electricity refers to purchased-from-the-grid electricity, as opposed to other forms of energy, such as natural gas, diesel and other fuels.

**Goal**

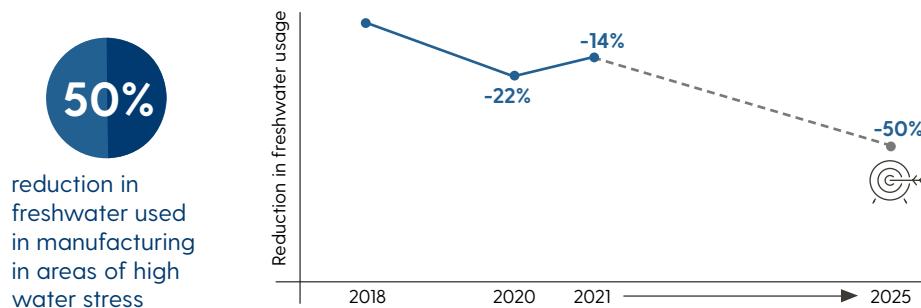
**Reduce freshwater use in manufacturing by 50% in areas of high water stress by 2025 (against a 2018 base year)<sup>6</sup>**

To learn more, visit our  
**CDP Water Response.**

**Progress**

For water, we report on the prior calendar year due to the timing of estimating our usage utilizing data from our suppliers.<sup>7,8</sup>

For the calendar year 2021, the estimate of total freshwater used for the manufacturing of our products in areas of high water stress was 15,030 million liters, a 14% reduction from our 2018 base year.



Our total freshwater usage in 2021 was higher than 2020 due to increased levels of production volume following COVID-19-related supply chain disruption. To meet our goal, we plan to redouble our efforts to encourage more water recycling and other water-efficient processes with our supply chain partners.

6. The scope of this target is all key supplier, wet finishing, manufacturing facilities and fabric mills in areas of high water stress. Key suppliers refer to suppliers covering more than 80% of our global product units.

7. Our supplier-level data includes verified Higg water use data. LS&Co. engages with our suppliers to review the quality and reasonableness of the data received. Many suppliers do not submit their data on time or at all, which affects our ability to report on our water footprint. Therefore, we also rely on estimates. In addition, the timeline for receiving verified Higg data and ensuring its accuracy can be 10 months to one year, which affects our ability to report in a timely manner.

8. We report progress on a calendar year consistent with the Higg source data.

## Goal

**Prevent and reduce our impact on biodiversity within our supply chain; support ecosystem protection and restoration programs beyond our supply shed<sup>9</sup>**

## Progress

In fiscal year 2022, we worked with a third party to conduct a baseline assessment of our material value chain impacts and dependencies on biodiversity.<sup>10</sup> As part of the assessment, we used a variety of industry-leading tools and guidance to gain insight, including the Integrated Biodiversity Assessment Tool (IBAT) and Species Threat Abatement and Restoration (STAR) metric tools to quantify the impact of raw material production on biodiversity across terrestrial and freshwater realms. We also utilized the Cambridge Institute for Sustainability Leadership's (CISL) Biodiversity Impact Metric, Global Biodiversity Score (GBS) and the Taskforce on Nature-related Financial Disclosures (TNFD), among others. The completed assessment helped to facilitate our comprehensive biodiversity strategy, and in fiscal year 2023, we developed a new biodiversity goal, as reflected above, and the corresponding targets:

- By the end of fiscal year 2030, invest in at least three projects in high water-stressed basins that support the reduction of freshwater withdrawal pressures and nutrient load pressures in our raw material supply chain.<sup>11</sup>
- Reach zero deforestation across high-risk materials by the end of fiscal year 2025.<sup>12</sup>
- Protect and restore 30% of our raw material footprint in high biodiversity significant regions by the end of fiscal year 2030.<sup>13</sup>

<sup>9</sup>. In fiscal year 2022, we completed our assessment to identify material impacts and dependencies on nature across the value chain, which allowed us to develop our new biodiversity goal in fiscal year 2023. We have reflected the new goal in this report, as we have met our prior goal to develop a comprehensive biodiversity strategy.

<sup>10</sup>. Beyond Yoga® data was not included in this assessment.

<sup>11</sup>. Locations will be selected by water/drought risk locations and our LS&Co. baseline biodiversity assessment. The exact proximity requirements are yet to be determined.

<sup>12</sup>. High-risk raw materials are defined as natural rubber, bovine leather and manmade cellulosic fibers as defined by EU Deforestation Regulation requirements.

<sup>13</sup>. Thirty percent of our fiscal year 2022 baseline is approximately 50,000 hectares.



## Key Sustainability Pillar

# Consumption

## Goal

**By 2026, develop a comprehensive plan to make the company circular ready<sup>14,15</sup>**

## Progress

From our work with the Ellen MacArthur Foundation's (EMF) Make Fashion Circular Framework, we have the overarching parameters in place for our plan – centered on products that can be used more, are made to be made again, and are made from safe and recycled or renewable inputs. We are now taking a systems-based approach to identify what we need to do in our operations and production systems and how we can help address the wider barriers to a circular fashion economy. Examples of these barriers include a lack of regulation in some jurisdictions, underdeveloped collection, sorting and recycling technologies, and in some cases, inconsistencies around what "circular" means. To address those challenges, our comprehensive plan will include the actions needed to accelerate in the following four areas:

1. Continuing to design clothing that can be loved for generations and maintaining our heritage of high quality and durability.
2. Ensuring that we provide more options for consumers to extend the life of our products through in-store takeback of previously loved clothing, recommerce efforts like our Levi's® SecondHand platform, repair and refresh options through Levi's® Tailor Shops and other new business models under investigation.

We are committed to furthering the apparel industry's journey toward a circular future. We have made strides in numerous areas, such as designing our Levi's® Circular 501® jeans – first launched in 2021 – which are made with advanced recycled materials.

To progress our efforts across the company, we are developing a comprehensive and strategic plan for how we are becoming circular ready.

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3. Continuing to focus on eliminating hazardous chemicals in products and ensuring that we can increase our use of renewable fibers in our products.
4. Partnering for scale with other brands through our partnership with Fashion for Good.

Making progress on the initiatives outlined in many of our other goals within our sustainability strategy will help us toward becoming circular ready.

14. Circular products and services will be considered “circular ready” when they align to established circularity frameworks, including but not limited to the Ellen MacArthur Foundation’s Make Fashion Circular Framework.

15. In fiscal year 2023, we updated the language for our circularity goal to increase clarity around our intended efforts. The adjustment to our goal language did not change the overall intent of our goal. To see our former language, visit our 2021 sustainability report.

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## Goal

### Key markets to introduce or increase resale and upcycling initiatives to extend the life of our products by 2025

## Progress

We continue to invest in our resale and upcycling programs, and plan to expand them in the future. We currently offer the following programs in our key markets:

- Our United States Levi's® [SecondHand recommerce platform](#) allows people to find and purchase popular secondhand styles.

Levi's® SecondHand	2021 <sup>16</sup>	2022 <sup>16</sup>
Units of clothing reclaimed or extended <sup>17</sup>	28,000	18,000
Number of units resold <sup>18</sup>	14,000	13,000
Number of consumers purchasing secondhand items	10,000	9,000

- Our Levi's® Tailor Shop continues to allow customers to get beloved pieces repaired, repurposed or updated with their own personal stamp.
- We designed and produced more than 47,000 units that can be used more, are made to be made again and are made of safe and recycled or renewable inputs – all in adherence to the Ellen MacArthur Foundation’s Jeans Redesign guidelines.

16. Numbers are rounded to the nearest thousand.

17. Represents all items sent to Trove for a second life (including consumer trade-ins, vintage products and damaged returns).

18. Net items fulfilled.

## Goal

**Zero waste to landfill from company-operated facilities and 50% waste diversion across strategic suppliers by 2030<sup>19</sup>**

## Progress

We set this goal to accelerate our existing waste strategy. In fiscal year 2022, we began identifying immediate and longer-term actions to meet the goal. We are in the process of obtaining data to measure this goal and determining key performance indicators to track our progress. Our intention is to certify our company-operated distribution centers and manufacturing plants with TRUE Zero Waste.

We participate in a Fashion for Good project in Europe that aims to create solutions to match textile waste with recyclers, as well as a sorting project in India to research the volume and use of pre- and post-consumer textile waste. In the United States, we participate in a Fashion for Good consortium of stakeholders to study garment recycling. Through this partnership, Fashion for Good is conducting a research survey of U.S. consumers to understand textile disposal behavior, understand the composition and disposition of current textile waste in the United States, assess infrastructure needs for textile collection and sorting, and develop an investment roadmap to scale solutions. By understanding consumer behavior and the overall landscape around textile disposal, we hope to identify alternatives to landfill for consumer garments and textiles.

19. In alignment with the Zero Waste International Alliance and TRUE Zero Waste certification, facilities that reach the 90% threshold will be designated as zero waste. We are committed to sharing our waste diversion progress.

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## Goal

**Eliminate single-use plastics in consumer-facing packaging by shifting to 100% reusable, recyclable or home compostable plastics by 2030**

## Progress

We have completed some early steps toward this goal, including participating in a Fashion for Good project to test compostable alternatives to conventional single-use polybags and are identifying the immediate and longer-term actions to reduce the use of plastics in our supply chain, distribution centers and stores. We are making progress in obtaining data for this goal and will identify measurable key performance indicators to implement and track.

## Goal

### Strategic garment wet finishing manufacturing and fabric mills use 100% certified Screened Chemistry by 2026<sup>20</sup>

## Progress

We continue to make efforts to advance our Screened Chemistry commitments. Examples of our efforts around our Screened Chemistry program in fiscal year 2022 include:

- We are developing a process that leverages tools and partners to track strategic garment wet finishing facilities that are using Screened Chemistry as well as the percentage of screened chemicals used in LS&Co. production.
- To advance the progress toward the goal and our commitment to sustainable chemical management, our key suppliers participated in the Zero Discharge of Hazardous Chemicals' (ZDHC) Roadmap to Zero program, which is a holistic approach toward chemical management and is foundational to our Screened Chemistry program.
  - Sixty-five percent of our key suppliers completed the ZDHC's Supplier to Zero Foundational Level certification, achieved by completing a questionnaire that evaluates how effectively they implemented the ZDHC guidelines.<sup>21</sup>
  - Thirty-five percent of our key suppliers completed the ZDHC's Supplier to Zero Progressive Level certification, achieved by completing the Foundational Level questionnaire plus getting their answers verified by a third party.<sup>21</sup>
  - We achieved our chemicals management key performance indicator (KPI) by earning the ZDHC's "Aspirational Level" certification in 2023 for our work in fiscal year 2022. This was the third year in a row that we received the honor, which is ZDHC's highest category recognition of corporate chemical management sustainability, and we intend to continue to meet this standard in the years ahead.

We launched the Levi Strauss & Co. Chemical Playbook for ZDHC in fiscal year 2022, meant to communicate both our Screened Chemistry strategy and steps for supplier factories' conformance with requirements from the ZDHC, a multi-stakeholder collaboration that aims to accelerate the implementation of sustainable chemical management. Specifically, the playbook helps our suppliers and other stakeholders understand our commitments and expectations.<sup>22</sup>

20. Strategic garment wet finishing manufacturing and fabric mills covering approximately 80% of global product units. Certain suppliers do not meet the size threshold to be considered a key and/or strategic garment wet finishing manufacturing and fabric supplier, including Beyond Yoga® suppliers.

21. All key suppliers referenced participated in the Supplier to Zero project during fiscal year 2022 and received their certifications between 2022 and 2023.

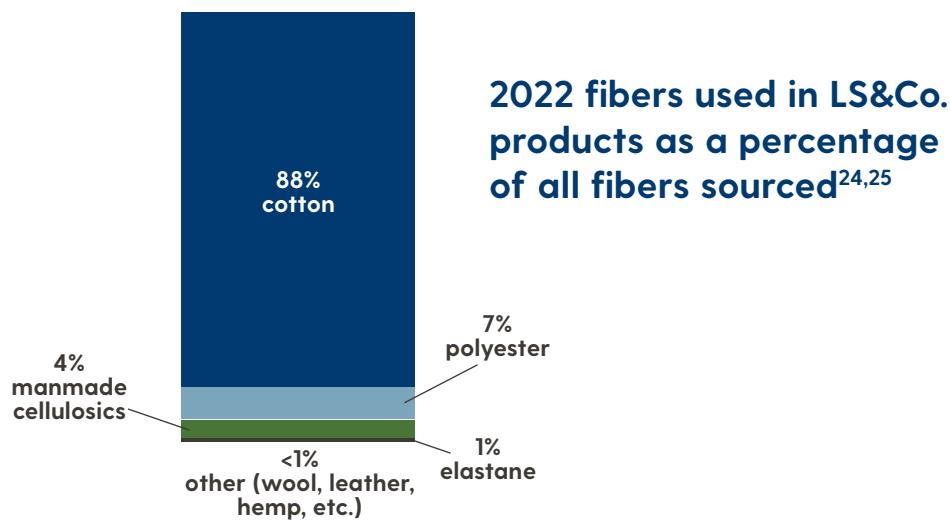
22. Screened chemicals are auxiliary chemicals that have been screened by LS&Co.'s appointed toxicological profiler organizations and can be found in the ZDHC Gateway and/or LS&Co.-distributed Preferred Chemical List. Our Screened Chemistry program examines chemicals used to manufacture our products against specific health and environmental impacts, allowing us to identify safer and more sustainable alternatives. We share our Preferred Chemical List with suppliers, which includes safer formulations for manufacturing and gives suppliers the resources they need to select safer chemicals.

**Goal**

**Use only third-party preferred or certified more sustainable primary materials by 2030<sup>23</sup>**

**Progress**

We increased our use of preferred, verified or certified more sustainable fibers for our primary materials, which include cotton, manmade cellulosic fibers and polyester. While we only use a small amount of leather, we do understand the impact of leather on biodiversity and thus work to source leather from Leather Working Group-rated suppliers.

**Percentage used in our products<sup>24</sup>**

	2021 <sup>26</sup>	2022 <sup>25</sup>
More sustainable cotton (i.e., cotton that was organic, recycled or Better Cotton) <sup>27</sup>	95%	>99%
Manmade cellulosic fibers sourced from Canopy Green Shirt-rated suppliers <sup>28</sup>	100%	100%
Leather products sourced from Leather Working Group (LWG)-rated suppliers <sup>29</sup>	>35%	>60%
Recycled polyester	8%	11%

23. In this context, "preferred" is based on the Textile Exchange, which defines a preferred fiber or material as "one which results in improved environment and/or social sustainability outcomes and impacts in comparison to conventional production." We define "more sustainable" materials as those that have achieved third-party verification or certification.

24. Data for cotton, manmade cellulosics and polyester excludes production for Levi's Footwear and Accessories (LFA), Local-for-Local (LFL), licensees and Beyond Yoga®. Data for leather excludes production for LFL, licensees and Beyond Yoga®.

25. Data is as of October 2022 and reflects product seasons H2'22 and H1'23. Together, these seasons generally correspond to the fiber sourced for LS&Co. products in fiscal year 2022. In our year-over-year fiber analyses, we track the fiber used in our products for the second half of the current year and the first half of the following year.

26. Data is as of October 2021 and reflects product seasons H2'21 and H1'22. Together, these seasons generally correspond to the fiber sourced for LS&Co. products in fiscal year 2021. In our year-over-year fiber analyses, we track the fiber used in our products for the second half of the current year and the first half of the following year.

27. We intend to reach 100% certified or preferred more sustainable cotton in 2025 while continuing to diversify our portfolio to incorporate more sustainable and less resource-intensive alternatives to conventional virgin cotton.

28. We accepted manmade cellulosic fibers from the companies Lenzing, Birla, Kelheim and Tangshan Sanyou (for Circulose® fiber) in 2021, and from Lenzing, Birla, Kelheim and Tangshan Sanyou (for Circulose® fiber) in 2022. Circulose® is a registered trademark of ReNewCell AB.

29. Our LWG reporting is based on the best available information at the time. We are dedicated to improving the methodology used to calculate the amount of LWG-rated leather in our products by partnering with LWG and our suppliers.



Key Sustainability Pillar

# Community



## Goal

**Continually improve apparel worker health, satisfaction and engagement**

## Progress

We continue to take steps to improve worker health, satisfaction and engagement. For example:

- We refreshed our Worker Well-being (WWB) [Guidebook](#) and program in 2022. The updated guidebook supports suppliers in establishing strong internal worker-management teams that are able to identify needs, develop solutions and set new priorities across three focus areas that are proven to create impact and advance well-being: gender equity, workplace environment, and policies and systems. We aim to implement our updated WWB program across 100% of our key suppliers.<sup>30</sup> Currently, we are working with key suppliers on the following initiatives:
  - Establishing and communicating anti-harassment policies and independent reporting mechanisms.
  - Establishing policies on gender equity as well as goals around skills building and promotion of female suppliers.
  - Establishing functional worker-management committees.
  - Our Supplier Code of Conduct and sourcing contracts require suppliers to offer permanent and/or long-term regular employment contracts for all non-seasonal workers, regardless of whether such contracts are legally required in each jurisdiction. We check for long-term contract violations when we conduct our assessments of suppliers.
- LS&Co. aims to understand our suppliers' current compensation situations within the context of various wage benchmarks, including the Global Living Wage Coalition estimates, and evaluate opportunities for impact in our source base. We have subscribed to the Fair Labor Association's (FLA) Fair Compensation Toolkit, which includes a wage data collection tool as well as a dashboard for analysis, as a common methodology for measuring and driving industry-wide progress on fair compensation. As part of our initial work, 30 factories in our supply chain have completed FLA's comprehensive wage data collection tool. We aim to explore and analyze this data, learn from public case studies and then create a path to a fair compensation strategy.

30. Key suppliers refer to suppliers covering more than 80% of our global product units.

**Goal****Ensure competitiveness and equity in total rewards****Progress**

To help fulfill our commitment to fair and equitable compensation, LS&Co. conducts an audit every other year for U.S. employees and plans to expand these pay equity audits to markets beyond the United States. We completed an audit in 2022 covering our U.S. nonunion population, including corporate and retail employees as well as distribution center management. The study considered job level, performance, experience and other factors such as promotions and location of jobs. The audit confirmed that we do not have any systemic pay differences across gender and ethnicity. We are also focused on building our managers' competency and ability to navigate compensation conversations to increase transparency around pay for employees. We're determined to eliminate bias, increase transparency and ensure that pay is based on merit, performance and other pertinent factors like market expertise, experience and role.

In 2022, we also worked to enhance our global paid leave policies, which became effective in January 2023. We implemented an updated global paid leave policy for our benefit-eligible employees. Primary caregivers are entitled to up to 20 weeks of maternity leave, and secondary caregivers can take up to 8 weeks of paid parental bonding leave. Additionally, all benefit-eligible employees can take up to 8 weeks of paid family care leave to care for an ill family member. This policy is an important part of our commitment to ensure competitiveness and equity in total rewards.

We also expanded our wellness and mental health programs to support resiliency and well-being, offering a spectrum of support. For example, we implemented Lyra Health for our U.S.-based employees, which provides access to high-quality mental health coaches and therapists.

## Goal

### Ensure that LS&Co. remains a dynamic and inclusive career destination

## Progress

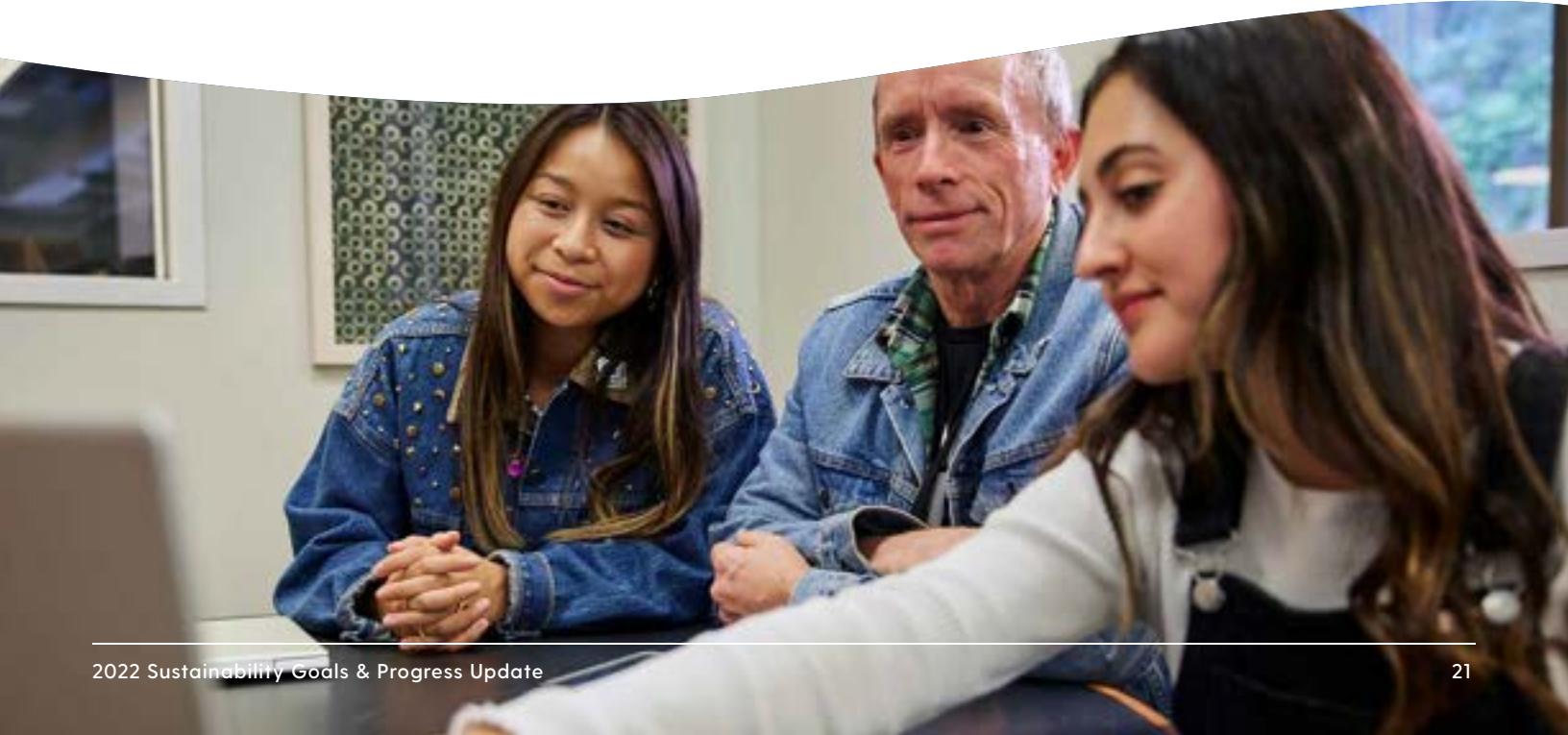
We focus on hiring, representation and engagement to ensure that LS&Co. remains a dynamic and inclusive career destination.

We continue to enhance our efforts to identify and recruit top diverse talent into the organization, and then eliminate barriers to success.

In calendar year 2022, we experienced increases in Black and Hispanic/Latinx representation across our corporate U.S. population and increases in Hispanic/Latinx and Asian talent in our U.S. retail and distribution centers in the United States. Our global workforce is still majority women, and we've successfully increased women representation on our executive and top management levels.

In our 2022 Global Engagement Survey, we earned a 75% overall engagement score, three points above the global benchmark. Seventy-six percent of our global employees participated in the survey and more than 14,000 employees provided feedback.

To learn about our efforts to garner representation and engagement in 2022, please see our [Diversity, Equity & Inclusion Impact Report](#).



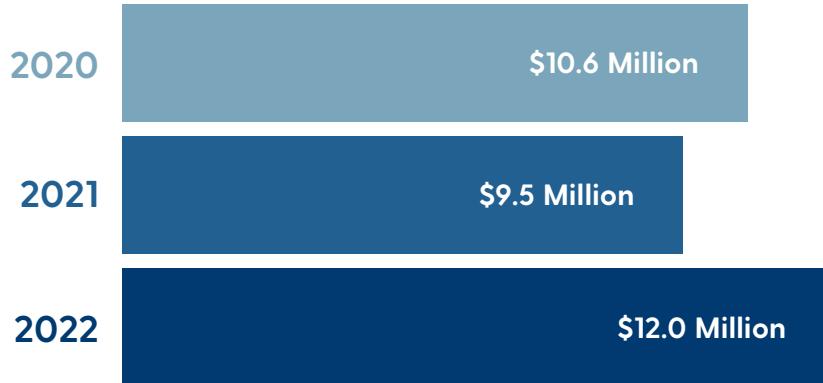
## Goal

**Leverage the leadership of the Levi Strauss Foundation and invest in our communities to advance pioneering social change**

## Progress

In 2022, the Levi Strauss Foundation (LSF) provided \$12 million in grants aimed at advancing social change – nearly all of which were made to BIPOC and LGBTQIA+ communities in the United States and disenfranchised communities outside the United States.<sup>31,32</sup> In particular, 73% of LSF grants were made to organizations led by people of color in the United States.

### LSF grants



31. LSF supports pioneering leaders and organizations fighting for change on the issues and events of our time where LS&Co. has a business presence.

32. BIPOC refers to Black, Indigenous and People of Color.



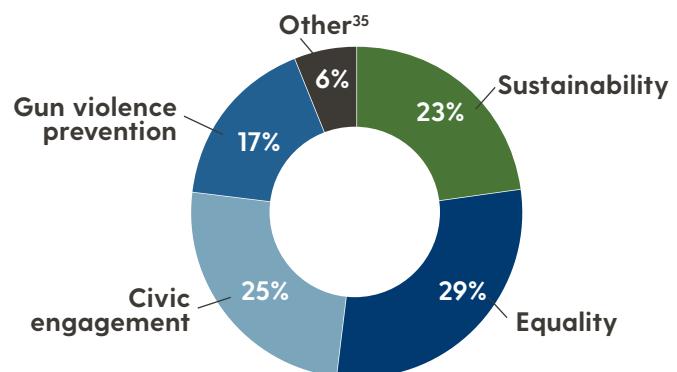
**Goal**

**Drive societal impact in communities where LS&Co. operates through advocacy, grantmaking, employee giving and volunteerism<sup>33</sup>**

**Progress**

In 2022, employees in 51 countries either made donations or volunteered to support more than 1,500 causes. Their donations totaled \$1.1 million; a total that climbed to more than \$1.9 million after matching donations from the Levi Strauss Foundation. A total of 26% of LS&Co. employees participated in 2022 by either donating money, volunteering or both. The number of employees volunteering (17%) is 7 percentage points higher than industry peers, according to benchmarks compiled by Benevity, a charitable donation management platform. Notably, engagement among our corporate employees increased to an all-time high of 46%.

Our giving reflects our values and our drive to make a societal impact. In 2022, of the corporate grantmaking portfolio, 55% of the organizations LS&Co. supported were BIPOC-led.<sup>36</sup>

**Corporate giving****Percentage of corporate and brand philanthropic giving focus areas:**

<sup>33</sup> Corporate and employee philanthropy data is reported for December 1–November 30 timeframe year-over-year.

<sup>34</sup> Estimated fair market value.

<sup>35</sup> Event sponsorships, employee memberships and miscellaneous.

<sup>36</sup> BIPOC-led means that more than 50% of executive staff and board members are BIPOC, as self-reported by each organization.



# Sustainability Reporting Frameworks

We align to multiple sustainability reporting frameworks. View our latest indices using the links below:

- [Sustainability Reporting Indices:](#)
  - [2022 Sustainability Accounting Standards Board \(SASB\) Index](#)
  - [2022 Task Force on Climate-related Financial Disclosures \(TCFD\) Index](#)
  - [2022 United Nations Global Compact \(UNGC\) Communication on Progress](#)

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## About Our Reporting

### **Report Scope and Content**

This report covers performance during our fiscal year 2022 (November 29, 2021 through November 27, 2022), except where noted. Due to limitations in our greenhouse gas emissions data, the Scope 1, 2 and 3 data presented in the report covers activity from December 1 through November 30 for each year, respectively.

Our reporting is based on the underlying disclosure context. When appropriate, certain sections of this report focus on our company-operated corporate offices, distribution centers, factories and retail stores across all our geographic regions. Unless indicated otherwise, metrics include consolidated data from the company and its subsidiaries. In September 2021, we acquired Beyond Yoga®, and its sustainability data has been included unless indicated otherwise. At other times, we include information related to third parties that manufacture, distribute or sell our products, including suppliers, vendors, contractors, licensees and other partners. Data inclusions and exclusions are clearly noted.

We use conventional rounding methods throughout the report, and data has been rounded to the nearest whole number except where noted, and with

the exception of items approaching 100% (>99%), in which case, we will not round to avoid misleading or implying 100%.

## Forward-Looking Statements

This Sustainability Goals & Progress Update and related website contain forward-looking statements, including statements related to our sustainability strategies, initiatives and targets. We based these forward-looking statements on our current assumptions, expectations and projections. These forward-looking statements are estimates and involve a number of risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties are detailed in our filings with the U.S. Securities and Exchange Commission, including our Form 10-K and may be updated from time to time via additional filings on Forms 10-Q or 8-K. Other unknown or unpredictable factors also could have material effects on our future results, performance or achievements. All information in this Sustainability Report and related website was current only as of the date originally presented and we disclaim any obligation to update this information.

## What We Mean When We Say

**Levi Strauss & Co., LS&Co., the company, us, we or our:** Unless specified otherwise, these terms refer to our global operations, encompassing all of our company-operated physical locations, including retail stores, distribution centers, manufacturing facilities and administrative offices. Our company-operated retail locations include leased locations as they are operated by us in accordance with LS&Co. standards. These terms are used for convenience only and are not intended to identify one particular entity, location or brand.

**Levi Strauss Foundation:** The [Levi Strauss Foundation](#), an independent legal entity, advances the human rights and well-being of underserved people in places where LS&Co. has a business presence.

**Suppliers:** These are independent third parties with which we have a direct contractual relationship to produce our apparel and accessories. They make up our Tier 1 supply base and include both “cut and sew” suppliers and laundries, more broadly referred to as “factories.” All of our suppliers operate their own businesses and manage their own facilities. They are expected to operate in compliance with our [Supplier Code of Conduct Implementation Guidebook](#), [Product Safety by Design Framework](#) for Restricted Substances List (RSL) and [Supplier Code of](#)



**Conduct.** Tier 2 includes those facilities where our Tier 1 suppliers get their fabric and other materials, commonly referred to as “fabric mills” or simply “mills.”

**Company-operated factories:** These include LS&Co.’s two factories in Plock, Poland, and Cape Town (Epping), South Africa.

## Data Verification

We are committed to data accuracy, comparability and consistency that enable year-over-year assessments of our sustainability progress. We applied our internally developed substantiation process to the information and disclosures provided in this report. This included review of report content to reliable external and internal evidence, including system-generated reports, external assurance reports, certifications received, involvement in campaigns and accreditations or awards received. Differences from industry standards, assumptions, estimates or models used in the information are clearly referenced and explained. Additionally, the report is reviewed by an internal cross-functional team to ensure our disclosures are presented clearly and consistently. While this process gives us confidence in the integrity and accuracy of our data and disclosures, it is not a substitute for third-party assurance.

We did seek and receive [external assurance](#) from a third party with respect to our Scope 1, 2 and 3 (Category 3) emissions and energy information in our report. We regularly review emissions quantification methodologies to ensure we are aligned with best practices. Changes in our methodologies may result in updated calculations for our current and previous reporting periods, including our base year. Reasonable methodologies, estimates and other assumptions are used when compiling the data based on the information and methodologies available at that time.



# LEVI STRAUSS & CO.

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DENIZEN  
FROM  
Levi's

BEYOND YOGA



SIGNATURE  
BY LEVI STRAUSS & CO.