WORKER WELL-BEING IMPLEMENTATION GUIDEBOOK

LEVI STRAUSS & CO.
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INTRODUCTION

This Guidebook presents information on the Levi Strauss & Co. (LS&Co.) Worker Well-being (WWB), a supply chain initiative introduced by LS&Co. to raise the living standards of workers through partnerships with strategic vendors. The Guidebook outlines the criteria for vendor selection into WWB, implementation standards and requirements for validation of vendor programs. The guidelines in this document are applicable to all LS&Co. vendors and we expect that, with time, all supply chain partners meet these criteria.

WWB was conceived by LS&Co. as a new approach to supply chain engagement. WWB goes beyond labor compliance and collaborates with suppliers to implement programs that improve the lives of apparel workers. LS&Co. believes that investments in worker well-being enable a more conducive business environment, generating shared value for workers and factories.

To drive improvements to worker and community well-being, WWB sets more holistic expectations for suppliers. Over time, LS&Co. expects that all its vendors implement worker programs that go beyond legal and Terms of Engagement (TOE) requirements and that respond to workers’ needs that often manifest themselves beyond factory walls. WWB asks that vendors communicate with workers, identify local challenges, develop and implement appropriate worker programs and forge partnerships to generate and sustain lasting impacts.

To assist with the implementation and dissemination of WWB, this Guidebook:

• **Presents LS&Co.'s long-term vision for its supply chain** as it relates to Worker Well-being.

• **Communicates the details of WWB** to vendors and external stakeholders, including vendor selection criteria, expectations for implementation of worker programs and WWB validation standards.

• **Outlines the responsibilities for companies and vendors** as it relates to WWB.

Over the last 15 years LS&Co. has invested $10.5 million in grants to advance the rights and wellbeing of apparel workers in 16 key sourcing countries, building collaborations with brands, suppliers and local organizations.

In 1991, LS&Co. became the first apparel company to develop a comprehensive code of conduct for its suppliers based on internationally recognized standards, known as the Terms of Engagement (TOE).

In 2011, the company announced its commitment to a new approach to engage suppliers and create local, factory-level programs to address worker well-being and WWB was introduced.

Since 2011, WWB has been piloted with 5 suppliers in Bangladesh, Cambodia, Egypt, Haiti and Pakistan.
LS&Co. has long held the belief that its success as a company is directly tied to innovation and setting higher standards for itself and its business partners. WWB is yet another step forward and expands the company’s efforts to better the lives of workers around the world and build a more holistic business model.

LS&Co. intends to allocate a greater percentage of cost of goods to “model” vendors—those that proactively manage sustainable products and programs, are leaders in their industries, and deliver a resilient and efficient supply chain. While some vendors already demonstrate this leadership, LS&Co. expects that current vendors evolve their businesses and that newly selected vendors fit this model profile.

**WWB AND THE COMPANY’S LONG-TERM SUPPLY CHAIN STRATEGY**

This section of the Guidebook lays out LS&Co.’s long-term supply chain strategy, serving to inform vendors of the Company’s business expectations so these can be incorporated into our vendors’ long-term plans.

WWB draws inspiration from and builds upon the Levi Strauss Foundation’s (LSF) successful track record of supporting worker empowerment programs and LS&Co.’s Sustainability team’s work on workplace conditions over the past two decades.

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**SUPPLY CHAIN EVOLUTION**

WWB is an integral part of this supply chain evolution. Model vendors see worker well-being as critical to the business and understand the value of investing in their workforce. Model vendors understand that improved well-being can lead to greater efficiency and productivity and increased supply chain reliability.

LS&Co. believes that deeper partnerships with model vendors on sustainability and worker well-being will lead to a stronger supply chain. As a means to continue to impact the lives of workers around the world, we see this as the logical next step.
Worker Well-being initiatives can increase the quality of life of workers and translate the benefits of healthy and happy employees into meaningful business impacts. At the individual level, improved well-being can result in healthier, happier, safer, more educated and financially stable workers. Businesses benefit from increases in employee engagement (e.g. retention), productivity, reductions in employee absenteeism and decreases in ancillary expenses such as legal or healthcare costs. Worker well-being initiatives thus transcend to the greater community and lead to a virtuous cycle for workers and the business. Below are examples of the documented business impacts that investing in worker well-being can generate:

- **HERproject**, an initiative led by BSR, empowers low-income women working in global supply chains through programs that promote health, economic empowerment, and women’s rights.
  - A 2006 study in a Bangladesh factory found a US$4 to US$1 ROI for women’s health education and clinic services program. Benefits materialized in the form of reduced turnover and absenteeism.
  - At a factory in Mexico, 47 peer educators were trained on general and reproductive health and shared their knowledge with 1,090 female co-workers. Women reported more regular doctor visits, which led to reductions in new employee disability claims and better worker relations.
  - A factory in Pakistan implemented HERproject to educate workers about family planning and sexual health and provided sanitary napkins at a subsidized cost. As a result, the factory reported reduced health complaints and women reported a 25% reduction in poor concentration at work, 28% less absenteeism related to menstruation, and 33% less difficulty in meeting production targets. An initial ROI analysis found that employees worked an average of 2.5 more hours per month during the project period, representing an additional 615 days of work per year.

- Extending Service Delivery, a health program funded by USAID, conducted a study to determine the ROI for a Bangladesh garment factory that introduced onsite health services for its workers. The study found that the factory saved $3 for every $1 spent on health services. Savings were calculated based on workers reporting they were...
less likely to miss or leave work once health services were available.

- A microfinance program implemented by CARE International in apparel factories provided workers access to loans for healthcare, education, or income-generating activities. The program led to increased retention as well as increased productivity, higher quality products, and supplier reliability.

- Programs to provide access to clean drinking water and hygiene education to factory workers have led to reductions in employee illnesses and increases in worker productivity.

- The provision of community-based early childhood care and education centers have resulted in enhanced productivity of factory workers by ensuring that their children are provided with childcare while they are at work. For example, a Vietnamese garment factory, found that staff turnover decreased by one third after the company established an onsite kindergarten.
Vendor selection is based on measures of business and sustainability alignment with the company and an evaluation of the vendor’s history of investments in worker well-being programs and/or the vendor’s interest in and commitment to improving worker well-being. Once selected, vendors will be expected to implement the WWB guidelines for worker programs and will undergo program validations periodically.

The steps to select vendors into WWB and the corresponding selection criteria are outlined below. It should be noted that selection for WWB is not a factory-level process and evaluates vendors’ processes and activities in all their locations, irrespective of where LS&Co. production takes place. This selection process will evaluate a vendor’s global operations and management systems.

VENDOR SELECTION CRITERIA

1. **Global Supply Chain screens vendors based on a set of business criteria:**
   - Vendor is a strategic, tier one supplier who produces across product categories.
   - LS&Co. has a five-year engagement plan with vendor.
   - Vendor is located in a developing country or where there are investments by LS&Co.
   - Vendor has business challenges that could be mitigated by worker programs (e.g. high attrition rate).

2. **Sustainability applies a sustainability criteria to short-listed vendors:**
   - Vendor performs beyond compliance, according to TOE assessments.
   - Vendor has resources to implement medium- to long-term worker programs.
   - Vendor is located in a country with a network of service providers and non-governmental organizations that could become implementation partners.

3. **Based on the above screening criteria, Sustainability and Global Supply Chain will agree on strategic vendors to be targeted for WWB.**

4. **Sustainability and Global Supply Chain will brief selected vendors on WWB to gauge initial vendor interest.**

5. **Sustainability will lead a process to assess vendor preparedness using the WWB Vendor Readiness Assessment Toolkit. This includes:**
   - An assessment of the vendor’s current community involvement practices by reviewing information collected through the TOE process.
   - A review of the vendor’s responses to the WWB Pre-Meeting Questionnaire.
   - An in-person meeting with the vendor to discuss vendor preparedness and willingness to join WWB.

6. **Vendor develops WWB roadmap, including targets and performance indicators.**

7. **Sustainability validates the roadmap developed by the vendor.**
Those selected as WWB vendors demonstrate a commitment to sustain investments in worker well-being programs and to improve their employees’ standards of living. To ensure that the implementation of WWB is consistent throughout its supply chain and that worker programs are developed and implemented effectively, LS&Co. has set general parameters for the implementation of worker programs. At the same time, LS&Co. understands that flexibility is crucial to ensure that programs respond to local contexts and the company expects vendors to own the strategy and implementation of their worker initiatives.

Along these lines, the principles are purposefully general. WWB differs from compliance programs and does not take a checklist approach to evaluate suppliers’ implementation of worker programs. Selected vendors already demonstrate knowledge in workers’ and local community needs and have experience trying to mitigate these issues. Many already have programs in place that follow similar implementation guidelines. WWB is theirs to create and apply, is flexible and does not dictate the types of worker programs to be created.

With the general guidelines outlined below, LS&Co. seeks consistency and integrity in the approach to WWB throughout the world and to help catalyze and scale successful vendor programs.

1. Vendors must have processes in place to listen to workers and identify local needs. For programs to be relevant and beneficial, they must consider workers’ inputs and management should understand the local context in which workers live. There are many ways that vendors can listen to workers’ voices, including structured surveys, one-on-one conversations, group discussions, and engagements with union and other workplace leaders. Vendors should also consider engaging with community leaders and organizations that understand local challenges and can help inform the company of worker and community needs.

In communications with employees, vendors should gather information on topics that go beyond traditional workplace issues. As WWB calls for the implementation of programs that exceed legal and TOE requirements, vendors should consider gathering worker feedback around:

- Worker and family well-being and health
- Safe work and home environments
- Economic empowerment and professional development
- Access to quality healthcare & financial services
- Equality and acceptance at work and the community

As employee feedback will guide program implementation, it is crucial that the scope of conversations includes these broader topics and attempts to identify local needs that often manifest themselves beyond the factory walls. Additionally, vendors should ensure that a sufficient sample of employees participates in this process so that opinions are representative of the entire workforce.

Once worker needs are identified, vendors should have an approach to prioritize worker programs. Vendors may conduct a materiality analysis to help identify and select issues that are important to workers and to the company and/or issues that are important to workers and can be influenced by the company.
LS&Co. has created a Workers’ Needs Survey to help vendors identify challenges experienced by workers. The survey can be accessed here.

Finally, vendors should always close the loop on communication efforts and continuously inform workers of company actions that result from the employee feedback process.

2 Vendors must implement programs that respond to local needs. Based on communications with workers, suppliers should identify the main needs of workers and implement responsive programs. As previously noted, the scope of the programs should go beyond legally mandated requirements and TOE standards and address broader social issues.

Below are examples of programs in the three WWB focus areas. These are examples only and vendors are not required to implement programs solely under these areas. We recognize that there is no one-size-fits-all approach to address workers’ needs and improve the well-being of communities. Vendors will design programs at the factory-level and determine which programs to implement based on the needs of workers and communities.

WWB Focus Area: Economic empowerment
Goal: Enable workers and their families to raise their standards of living through economic empowerment, education, and access to related services.

Program examples:
• Financial literacy courses
• Skills training workshops
• After work educational programs
• Micro-financing
• Access to financial services and products
• Employee savings programs

WWB Focus Area: Good health and family well-being
Goal: Develop programs that improve worker and community knowledge of health issues and that provide access to affordable health services.

Program examples:
• Sexual and reproductive health trainings
• Clinic services for employees and their families
• Hygiene workshops
• Nutrition
• Access to quality health care
• Awareness raising campaigns for HIV/AIDS and other sexually transmitted infections

WWB Focus Area: Equality and acceptance
Goal: Workers’ voices are heard and they enjoy equality in the workplace and the community.

Program examples:
• Communication skills building
• Discrimination and harassment awareness raising
• Gender equality programs
• Women’s empowerment

In addition to ensuring that the scope of programs is appropriate, responding to local needs means investing in programs that will affect and maintain long-term change. Vendors should not overemphasize infrastructure related programs (e.g. painting of houses and schools, provision of free goods, building of houses, etc.), but instead seek deeper engagements with workers and the community. An emphasis on worker and community programs that take shape in the form of participatory processes, skills building, and organizational development are welcome, as these are more likely to drive sustained results.

To this effect, LS&Co. expects vendors to move in a continuum in the development of their worker programs and improve their program offerings and designs as they accumulate experience. Below are examples of the various stages of worker programs, which range from focusing on awareness raising only to offering products and services to workers and the community at large to expand impact.

3 Vendors must ensure that programs are accessible to employees. WWB vendors must have at least one program in place that benefits at least 50% of employees. Vendors should strive to expand programs to their entire workforce. One of the vendor’s programs should also last at least one year.
Whenever applicable and feasible, vendors should extend program benefits to workers’ families and the community. While we acknowledge that resources for community involvement may not always be readily available, vendors should, whenever possible, extend programs to the community and seek ways to leverage worker programs to drive broader community impact. For the purpose of this document, a vendor’s community can be defined as workers’ families, groups of people near the geographic boundaries of the supplier’s operations, and other groups in society that may be impacted by the supplier’s operations and/or benefit from supplier programs. LS&Co. sees community involvement and investment as important to promote local development.

Vendors must have a medium- to long-term strategy for their worker programs. As called for in the WWB Roadmap, vendors should have, at a minimum, a two-year plan for their worker programs. The plan should include information on:

- Worker and community needs to be targeted
- Program coverage/reach and target beneficiaries
- Inputs and resources from the company and partner organizations
- Expected activities
- Target outputs (e.g. number of trainings to be offered, number of materials distributed, number of training hours, etc.)
- Anticipated outcomes and impact (e.g. increased awareness of HIV/AIDS, increased worker satisfaction, increased clinic visits, etc.)
EXAMPLES OF FACTORY-BASED PROGRAMS

Empowering Marginalized Female Garment Workers and Female Financial Services Agents in Bangladesh is a program implemented by CARE Bangladesh to socially and economically empower women in the ready-made garment industry through increased financial inclusion. The program provides training on mobile banking and financial literacy, including banking awareness training, to enable female workers to use mobile banking and become ‘female banking agents’. The program seeks to formalize and ease money transactions, create employment opportunities for women, and increase savings practices.

ALAFA Healthcare in the Workplace Program is an HIV prevention and treatment program in Lesotho’s garment industry. The program is run by the Apparel Lesotho Alliance to Fight AIDS (ALAFA) and aims to provide ongoing prevention, treatment, and care activities along with factory policy and management training programs. The initiative includes a medical monitoring system set to create a single database of patients and a network of support groups in every factory. The program’s approach allows ALAFA to respond to workers’ immediate health concerns while building a healthy industry culture.

The Responsible and Accountable Garment Sector’s Improving Social Standards in the Indian Ready-Made Garment Sector is a program created by Social Accountability International to improve working conditions of workers by reducing gender discrimination in the supply chain. Program activities include classroom and on-site trainings of suppliers and subcontractors on gender discrimination issues.

Safe Workplaces, Safe Communities is an initiative led by CARE Cambodia that aims to reduce gender-based violence and sexual harassment in workplaces and communities, primarily in the garment, hospitality, and tourism industries. The program provides life skills training, peer education on sexual and reproductive health, and training for employers on Cambodian labor law and women’s rights among others.

An LS&Co. supplier in Bangladesh has implemented a set of measures to promote the health of expectant mothers. The supplier provides regular, free of charge prenatal health checks to employees with a factory gynecologist, medicine and nutritious meals at no cost, and makes adjustments to increase the comfort of workstations.

- Monitoring and evaluation plans
- Program assumptions and risk factors that may impact program implementation

Vendors should consider leveraging global, national, and local partners to reach program efficacy and scale. Programs often benefit from external expertise and assistance to fill in knowledge, resource, and staff gaps. Partnerships with external organizations and other brands can also help vendors deepen program impact and scale up efforts.
To ensure programs are impactful, LS&Co. expects vendors to put in place steps to monitor and evaluate their worker programs. This will allow suppliers to course-correct initiatives in a timely manner and scale those programs with proven success.

There are many ways to monitor and evaluate worker programs. In its most basic form, monitoring should measure progress or outputs against pre-established targets and against resources invested. For example, is the number of workers trained progressing according to monthly goals? Is the number of medical exams provided within established targets? In turn, a program’s evaluation looks to answer what the effects of the program are on beneficiaries, also referred to as program outcomes. Basic evaluation questions deal with changes that happened after the program implementation. For example, what knowledge did workers retain after the program? Did the training lead to increased clinic visits? Are workers more satisfied with their jobs?

As part of WWB, LS&Co. expects vendors to put in place monitoring and evaluation activities to answer these program progress (output) and program results (outcome) questions. Vendors can answer these questions by conducting formal surveys with program participants, engaging in structured group discussions with workers who have benefited from programs, and interviewing staff and organizations responsible for program implementation. Regardless of the methodology employed to monitor and evaluate programs, WWB vendors must be able to share the findings of their monitoring and evaluation efforts with LS&Co.

The Company also requires that vendors maintain basic indicators on worker programs. These should, at a minimum, show the outputs of worker programs. Selected indicators should be collected frequently, in intervals appropriate to the program’s implementation (e.g. monthly, quarterly, or bi-annually) and, whenever possible, these indicators should be disaggregated by gender (e.g. number of women trained and number of men trained, absenteeism rate for women and absenteeism rate for men, etc.). Indicators that demonstrate changes and impact among beneficiaries are also valuable and vendors should strive to establish and collect these as well.

**EXAMPLES OF PROGRAM INDICATORS**

<table>
<thead>
<tr>
<th>PROGRAM INPUTS</th>
<th>PROGRAM OUTPUTS</th>
<th>PROGRAM RESULTS</th>
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<tbody>
<tr>
<td>ECONOMIC EMPOWERMENT: FINANCIAL LITERACY</td>
<td>Trainers</td>
<td>Number of training modules</td>
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<td></td>
<td>Training material</td>
<td>Number of hours of training</td>
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<tr>
<td></td>
<td>Classroom</td>
<td>Number of workers trained, disaggregated by gender</td>
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<td></td>
<td>Upper management oversight</td>
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<td></td>
<td>Program completion bonus</td>
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<tr>
<td>GOOD HEALTH AND FAMILY WELL-BEING: SEXUAL AND REPRODUCTIVE HEALTH TRAININGS</td>
<td>Trainers</td>
<td>Number of training modules</td>
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<tr>
<td></td>
<td>Training material</td>
<td>Number of hours of training</td>
</tr>
<tr>
<td></td>
<td>Classroom</td>
<td>Number of workers trained, disaggregated by gender</td>
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<tr>
<td></td>
<td>Upper management oversight</td>
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<tr>
<td></td>
<td>Medical supplies</td>
<td>Number of exams</td>
</tr>
<tr>
<td></td>
<td>Doctors and nurses</td>
<td>Number of clinic visits, disaggregated by gender</td>
</tr>
<tr>
<td>EQUALITY AND ACCEPTANCE: WOMEN EMPOWERMENT</td>
<td>Trainers</td>
<td>Number of training modules</td>
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<tr>
<td></td>
<td>Training material</td>
<td>Number of hours of training</td>
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<tr>
<td></td>
<td>Classroom</td>
<td>Number of women workers trained</td>
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<td></td>
<td>Budget for micro-loans</td>
<td>Number of loans awarded</td>
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<td></td>
<td>IT platform to track worker loans</td>
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</table>
As part of the efforts to measure program impact, LS&Co. also advises that vendors track key business metrics to assess any correlations that worker programs may have with factory performance. Many worker programs will impact important management indicators and help tackle certain business pain points. Analyzing these indicators can also help vendors determine which worker programs yield social and business results and focus on those that create shared value.

Examples of metrics that may help vendors correlate social and business impact include:
- Productivity
- Absenteeism rate
- Tardy rate
- Number of resignations and dismissals
- Turnover rate
- Number of accidents and injuries
- Number of factory clinic visits

Disaggregation of these business indicators, for example by gender and by reason, will often help businesses better diagnose the causes behind high or low numbers or variations in the metrics. For example, gender inequality issues prevalent in the community may cause higher turnover among female employees and absenteeism due to illnesses may point to the need for specific health programs. The disaggregation of indicators can provide insights into worker needs and help managers identify solutions for business challenges.

Embedding the analysis of business and social indicators into decision-making processes contributes to management buy-in by making the business value of worker programs more explicit and thus increasing the sustainability outlook of these programs.

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**SUMMARY OF WORKER WELL-BEING PROGRAM IMPLEMENTATION STANDARDS**

1. Have processes in place to communicate with workers, identify local needs, and prioritize worker programs.
2. Implement worker programs that respond to local needs and improve program offerings and designs as vendor accumulates experience.
3. Have at least one program in place that benefits 50%+ of employees and lasts at a minimum one year.
4. When possible, extend program benefits to the community.
6. Consider leveraging partnerships to reach program efficacy and scale.
7. Implement monitoring and evaluation efforts to improve worker programs.
PROGRAM VALIDATION

This section of the Guidebook outlines the criteria for the validation of worker programs. These standards are applicable to all WWB suppliers.

To ensure consistency and integrity across WWB sites, LS&Co. will engage staff and experts to validate WWB programs. They will conduct onsite visits to WWB vendors to assess worker programs, verify implementation and alignment with WWB criteria, and provide recommendations for improvements.

The validation process will rely on:
- Information gathered from senior management, human resources, corporate social responsibility, and other staff involved in program implementation
- Interviews with workers and other program beneficiaries
- When needed, interviews with local community organizations that have insights into workers’ needs
- A review of program related documents

Worker programs and vendor practices will be validated according to the following criteria:

1. Communication mechanisms between workers and management that allow vendor to identify local needs are in place.
2. Vendor implements worker programs that go beyond legal and TOE requirements.
3. Worker programs take into consideration workers’ input and vendor communicates worker program strategy to workers.
4. Worker programs respond to previously identified local needs and generate an impact on workers’ well-being.
5. At least one worker program reaches, at a minimum, 50% of the workforce and has a minimum duration of one year.
6. Vendor has implemented processes to monitor and evaluate program results.
7. Vendor makes progress against the WWB Roadmap and strategy for future worker programs continues to evolve, seeking deeper and lasting impacts for the workforce and the community.

Beyond validating programs, the findings from the field visit should give vendors recommendations to strengthen worker programs, helping drive more lasting results for workers around the world.
LS&Co. has created WWB to drive improvements to the standards of living of workers around the world. By activating its supply chain to this goal, the Company expects thousands of workers to be impacted and benefit from new and expanded programs. To help catalyze these changes, LS&Co. will work with vendors to develop research, program curriculum, and tools to strength programs. LSF will also introduce its network of credible partners, non-government organizations, and other institutions to vendors seeking program implementation assistance or to leverage partnerships for impact. The Foundation has created a fund specially designed to support WWB programs by matching vendor investments in worker well-being and funding organizations working alongside factories in the implementation of these projects.

By embedding WWB into its supply chain strategy and expecting that all vendors put in place worker well-being initiatives, LS&Co. hopes that vendors will own worker programs and set long-term goals for their investments. By listening to workers and creating programs that respond to local needs, vendors will create shared value for their stakeholders and their businesses. The table below outlines the main responsibilities of LS&Co., LSF, and vendors as part of WWB.

**ROLES AND RESPONSIBILITIES**

This section of the Guidebook summarizes the roles and responsibilities of vendors and the various teams within LS&Co. and LSF throughout the various implementation phases of WWB.

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<th>WWB PHASE</th>
<th>ACTION</th>
<th>RESPONSIBLE</th>
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<td>VENDOR SELECTION</td>
<td>• Apply business and sustainability criteria and administer the WWB Vendor Readiness Assessment Toolkit</td>
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<td></td>
<td>• Select WWB vendors</td>
<td>Sustainability, Global Supply Chain and LSF</td>
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<td>• Share information on worker programs, company willingness to join WWB</td>
<td>Vendors</td>
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<td>• Develop WWB Roadmap</td>
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<td></td>
<td>• Validate and assist in the development of WWB Roadmap</td>
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<td></td>
<td>• Set and reinforce vendor requirements</td>
<td>Sustainability</td>
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<tr>
<td>WWB IMPLEMENTATION</td>
<td>• Assess workers’ needs</td>
<td>Vendors</td>
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<td>• Prioritize and select worker well-being programs</td>
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<td>• Develop and implement worker programs</td>
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<td>• Ensure programs are impactful and sustainable</td>
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<td></td>
<td>• Forge partnerships for program implementation when needed</td>
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<td>• Monitor and evaluate program results</td>
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<td>• Facilitate access to WWB Innovation Fund</td>
<td>LSF</td>
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<td></td>
<td>• Connect vendors to credible local partners for program implementation</td>
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<td></td>
<td>• Provide research, tools, and resources that could increase worker program impact</td>
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<tr>
<td>PROGRAM VALIDATION</td>
<td>Support validation of worker programs according to WWB criteria</td>
<td>Experts and LS&amp;Co. staff</td>
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**Absenteeism rate:** The percentage of workdays lost to employees being absent. The rate is calculated by taking the number of workdays lost to absenteeism divided by the total number of available workdays, multiplied by 100. Absenteeism refers to employees missing part or whole days of work due to personal illness, personal business, or other reasons (excluding paid vacation).

**Beneficiaries:** A person or groups of individuals who derive (or receive) a benefit from a program, such as benefits from a worker well-being initiative or other social or economic intervention.

**Community engagement:** The involvement of the vendor in decisions and activities that affect community well-being. Community engagement shifts the focus from the individual to the collective and considers the diversity that exists within a community. For the purpose of this document, a vendor’s community can be defined as workers’ families, groups of people near the geographic boundaries of the supplier’s operations, and other groups in society that may be impacted by the supplier’s operations and/or benefit from supplier programs.

**Communication Mechanisms:** Formal and informal channels for communication between workers and management. Informal communication mechanisms include general conversation between employees and employers, email communication, employee feedback, social functions and meetings at the workplace. Formal communication mechanisms include communication tools implemented by an organization’s human resource department, such as employee surveys and suggestion boxes.

**Evaluation:** An evaluation looks to answer what the effects of a given program are on beneficiaries. A basic evaluation answers questions that deal with changes that happened after the program implementation. For example, what knowledge did workers retain after the program’s implementation? Did the training lead to increased clinic visits? Are workers more satisfied with their jobs?

**Implementation partner:** Any institution, non-government organization, or business that helps carry out (or implement) institutional arrangements in line with the larger organization’s goals and objectives. For example, universities or other organizations that partner with vendors for the implementation of WWB program.

**Indicator:** A standard measurement used to understand whether progress is being made or results are being achieved—for example, number of training modules, course attendance rate, and final grade on course. Indicators can help demonstrate progress of worker programs and measure changes due to worker programs and should be collected frequently, in intervals appropriate to the program’s implementation (e.g., monthly, quarterly, or bi-annually) and, whenever possible, disaggregated by gender (e.g., number of women trained and number of men trained).
GLOSSARY

Inputs and program resources: Resources, such as technical assistance, training, or provision of staff, knowledge, and other tangible materials that are needed for program implementation.

Levi Strauss Foundation: The Levi Strauss Foundation (LSF) is the independent private foundation and philanthropic arm of Levi Strauss & Company. LSF advances the human rights and well-being of underserved people touched by the Company’s business.

Materiality analysis: A process that helps identify material topics that present risks or opportunities to the organization. In the context of WWB, a materiality analysis identifies and selects issues that are important to workers and to the company and/or issues that are important to workers and can be influenced by the company.

Monitoring: A process that measures a program’s progress against pre-established targets and resources invested. For example, monitoring helps to answer questions such as: Is the number of workers trained progressing according to monthly goals?; Is the number of medical exams provided within established targets?

Productivity: Measure of efficiency of a person, machine, or factory in converting inputs to useful outputs. Productivity is the rate of output per unit of input and is computed by dividing average output (e.g., goods produced) per period by the total costs or resources (e.g., cost of labor, number of workers, etc.) incurred in that period. An increase in productivity means more output for less input (e.g., more jeans produced using the same or less costs or labor involved).

Program impact: Changes or outcomes among beneficiaries that are a direct result of an intervention program. Program impact (e.g., lower rates of sexually transmitted infections, increased worker satisfaction, decrease instances of illnesses, etc.) is different from program outcomes because it describes the broader or longer-term effects of an intervention program that were directly caused by the intervention alone and cannot be explained by any factors outside of the intervention (e.g., other program interventions or policies, worker motivation, etc).

Program outcomes: Any results to which a given program output contributes to. Program outcomes may be intermediate or end outcomes, short-term or long-term, intended or unintended, positive or negative, direct or indirect. Examples of program outcomes include increased awareness of HIV/AIDS, increased clinic visits, high attendance rates, etc.

Program outputs: Produced as a direct result of inputs (e.g., financial resources and trainers — inputs — led to workers being trained — outputs). Program outputs are the tangible, immediate, and intended products or consequences of an activity within an organization’s control or influence. For example, this can include number of trainings offered, number of materials distributed, number of training hours, etc.
GLOSSARY

S

Shared Value: The notion that creating economic value through the competitiveness of a company also creates value for the communities around it by addressing community needs and challenges.

T

Tardy rate: The percentage of days tardy during a certain period of time. The rate is calculated by taking the number of days tardy divided by the total number of available work days (minus absences) within a review period and multiplied by 100. For example, six tardy days / 156 days = 3.8% tardy rate

Terms of Engagement (TOE): The LS&Co. Business Partner Terms of Engagement are part of the LS&Co. Global Sourcing and Operating Guidelines (GSOG) that apply to individual companies that supply to LS&Co. They specify requirements by which all contract factories and licensees must abide by and cover workplace and environmental practices.

Traditional Workplace Issues: Refers to the legal and employment standards that are common in corporate social responsibility code of conducts. These include issues related to legal requirements around health and safety, child labor, working hours, wages, hiring practices, discrimination and harassment, among others.

Turnover Rate: The percentage of employees that leave during a certain period of time (usually during a fiscal year or calendar year) in relation to the total employee population. The rate is calculated by taking the number of employees leaving divided by the average number of employees at the beginning and at the end of the reporting period, multiplied by 100.

V

Vendor: Businesses that sell goods and services. Vendors manufacture inventory/stock items and are generally referred to as suppliers of any good or service.

W

Worker programs: Programs that aim to create social and business results, creating shared value for workers and the company. Worker programs can range from awareness raising only to offering products and services to workers and the community at large to expand impact.

Workers’ Needs Survey: A survey developed by LSF to help vendors identify workers’ needs. The survey contains questions around the WWB initiative’s focus areas of promoting economic empowerment, good health and family well-being, and equality and acceptance. The survey also includes basic demographics questions so that vendors can gather information on the characteristics of their labor force and of their households. Additionally, as workplace satisfaction is one of the main drivers for the implementation of worker programs, the survey contains a comprehensive set of questions on the topic.
Glossary

**WWB Implementation Guidebook:** The WWB Implementation Guidebook outlines the standards that frame the WWB initiative. It is intended for vendor and other stakeholders to assist in the implementation and dissemination of WWB. It outlines the initiative’s vendor selection criteria, expectations for implementation of worker programs, and WWB validation standards.

**WWB Pre-Meeting Questionnaire:** A questionnaire that is given to vendors that have been pre-selected to join WWB and asks questions regarding their worker well-being programs. The WWB Pre-Meeting Questionnaire is part of the WWB Vendor Readiness Assessment Toolkit.

**WWB Roadmap:** The WWB Roadmap outlines a vendor’s two-year plan for their worker well-being program, which includes their medium- to long-term strategy for their worker and community programs. The roadmap is used as a planning tool for a vendor’s worker programs. It is constantly adjusted and updated.

**WWB Vendor Readiness Assessment Toolkit:** The toolkit assesses vendor preparedness to participate in WWB. It does so by collecting information on the vendor’s community and worker programs through the Pre-Meeting Questionnaire and assessing the vendor’s commitment to worker well-being and willingness to join WWB through an in-person meeting with the vendor.