Levi Strauss & Co.  
UK Modern Slavery Act Statement

Levi Strauss & Co. is committed to ensuring that modern slavery and human trafficking is not taking place in its business or supply chains.

1. Description of business structure, and locations where there is a risk of slavery and human trafficking

For more than 160 years, Levi Strauss & Co. has worked to honor the pioneering spirit of hard work, individuality and authenticity in how we make our products and how we run our company. We’ve dedicated ourselves to elevating the dignity of the people who work to bring our clothing to market. And we’ve invested our time, energy, heart and resources in improving the future of these communities.

In October 2005, we were the first apparel company to release the names and locations of all our active, approved owned-and-operated, contract and licensee factories that manufacture and finish Levi’s®, Dockers®, Signature by Levi Strauss™ and Denizen® products. We believe that making our factory list public fosters collaboration with other brands and leads to sector-wide improvement in workplace conditions. In 2018, we continued to advance supply chain transparency by expanding our public supplier list beyond manufacturing and finishing suppliers to include fabric mills.

2. Modern Slavery Policies and Supplier Contractual Requirements

Levi Strauss & Co. assesses the risk related to the apparel supply chain as a fundamental element of our standard supplier and licensee engagement process. Levi Strauss & Co.’s commitment to responsible business practices - embodied in our Global Sourcing and Operating Guidelines - guides our decisions and behavior as a company everywhere we do business. Since becoming the first multinational to establish such guidelines in 1991, Levi Strauss & Co. has used them to help improve the lives of workers manufacturing our products, make responsible sourcing decisions and protect our commercial interests. The guidelines are a cornerstone of our business relationships with hundreds of contractors worldwide.

The Global Sourcing and Operating Guidelines include two parts: (1) Country Assessment Guidelines, which address large, external issues beyond the control of Levi Strauss & Co.’s individual business partners; and (2) Business Partner Terms of Engagement (TOE), which deal with issues that are substantially controllable by individual business partners.

The Country Assessment Guidelines focus on four key categories: health and safety conditions; human rights environment, including risks of modern slavery, human trafficking and child labor; legal system; political, economic and social environment. Based on these Guidelines, Levi Strauss & Co. conducts regular country assessments to understand any country-level issues that might present concern in light of the ethical principles we have set for ourselves. In 2018, Levi Strauss & Co. conducted 16 such country assessments.

Our Business Partner TOE, shared in the regularly updated Sustainability Guidebook, are applicable to every factory, subcontractor, licensee, agent, or affiliate that manufactures or finishes product for Levi Strauss & Co. All of our business partners are required to meet the TOE requirements, which is reflected in purchasing agreement contracts.

Our TOE include the ban on the use of child labor, prison labor, indentured labor, bonded labor and trafficked labor. In addition, they have a specific section dedicated to foreign migrant workers and their rights. The foreign migrant workers’ requirements cover the areas of:

- Recruitment
- Employment contracts
- Remuneration and benefits
• Worker communication
• Accommodations and food
• Social activities and religious practices
• Repatriation

In Fall 2017, the Sustainability Guidebook was updated to include a broadened definition of forced labor and relevant policies. The following sections have been updated accordingly:
• Prison, Forced or Trafficked Labor
• General Labor Practices and Freedom of Association
• Foreign Migrant Workers

3. Steps Taken to Assess and Manage Risk

We conduct regular assessments of our suppliers based on the conditions outlined in our TOE, which all our suppliers receive in the Sustainability Guidebook. These assessments involve on-site and off-site discussions with workers, management interviews, review of factory records (such as timecards and payroll) and health and environmental safety inspections. Each assessment identifies areas for improvement and a detailed corrective action plan, including actions, responsible parties and timelines. Regular follow-up visits are also conducted to ensure suppliers are completing their corrective action plans on a timely basis. We conduct both announced and unannounced assessments.

WHERE A BUSINESS PARTNER OR SUPPLIER FAILS TO MEET OUR STANDARDS, OR COMPLY WITH ANY OF OUR TOE, THEY ARE GIVEN A REASONABLE PERIOD TO CORRECT THE PROBLEM. IF, ON OUR NEXT INSPECTION, CERTAIN CASES OF NON-COMPLIANCE HAVE NOT BEEN RESOLVED IN A TIMELY MANNER, LEVI STRAUSS & CO. HAS RIGHTS, WHERE APPROPRIATE, TO TERMINATE THE BUSINESS RELATIONSHIP.

In 2018, Levi Strauss & Co. signed onto the industry commitment to Responsible Recruitment developed in conjunction with the American Apparel and Footwear Association and the Fair Labor Association. It further amplified to our suppliers and other stakeholders Levi Strauss & Co.’s commitment to create conditions in our supply chain under which: (1) no workers pay for their job; (2) workers retain control of their travel documents and have full freedom of movement; and (3) all workers are informed of the basic terms of their employment before leaving home. These requirements had already been included in our TOE.

Since 2012, Levi Strauss & Co. has been an early signatory to the industry’s Uzbek Cotton Pledge, coordinated by the Cotton Campaign. In 2018, we also became a signatory to the newly introduced Turkmen Cotton Pledge. As a signatory to both Pledges, we publicly state our firm opposition to the use of forced labor in Uzbekistan’s and Turkmenistan’s cotton production. We committed to not knowingly source Uzbek and Turkmen cotton for the manufacturing of any of our products until the governments of Uzbekistan and Turkmenistan end the practice of forced labor in their cotton sectors. These Pledges are in alignment with Levi Strauss & Co.’s sourcing bans, of which our suppliers were reminded by our top management in 2018.

Levi Strauss & Co. maintains and enforces internal accountability procedures for employees and contractors regarding company standards on forced labor and human trafficking. While these accountability procedures have previously targeted the risks of forced labor and child labor, amongst others, these have been amended to include a broader reference to modern slavery and human trafficking. In the case of non-compliance, Levi Strauss & Co. reserves the right to examine the specific situation and develop a best possible strategy for resolution.

4. Due Diligence in the Business and Supply Chains

We employ full-time staff located globally to oversee compliance and advise on, and monitor suppliers’ sustainability programs. To supplement our own monitoring efforts, we use third-party monitors to conduct regular assessments of every factory, key fabric mills and our product licensee suppliers. All third-party monitors understand the scope of our labor, environment, and health and safety standards and know the local languages, laws, culture and business context of each country in which they operate. All third-party monitors must be individually approved by Levi Strauss & Co. to conduct TOE assessments in factories. In accordance with our supplier arrangements, these monitors apply the standards of either the local law, or our Sustainability Guidebook - whichever are stricter.

3. Training and Programmes

Our view is that monitoring our suppliers for compliance against our TOE is only one mechanism for improving working conditions. Levi Strauss & Co. goes beyond compliance to invest in programs that focus on improving the lives of the workers who make our products. Through our Worker Well-being initiative, we are collaborating with our suppliers and local
service providers to implement programs in factories around the world. Worker well-being is a new approach to supply chain engagement that improves the lives of the workers who make our products by supporting their financial empowerment, health and family well-being, equality and acceptance.

We actively support the International Labor Organization’s Better Work program, which is the leading global organization focused on protecting human rights and improving working conditions in the apparel industry. ILO Better Work makes targeted investments in our manufacturing suppliers’ workers, training apparel workers and factory management on their rights and responsibilities in the workplace. All Levi Strauss & Co. sourcing countries participate in ILO Better Work, if present. They currently include Bangladesh, Cambodia, Indonesia, Nicaragua and Vietnam.

Levi Strauss & Co. conducts internal training on the Worldwide Code of Business Conduct annually to ensure we provide our employees with a clear set of standards and guidance for conducting our business with integrity and the highest degree of compliance with the law. Additionally, Levi Strauss & Co. conducts internal training of our supply chain management to ensure the management are knowledgeable and aware of the issues and concerns surrounding the supply chain, including human trafficking and slavery, with a particular focus on mitigating risks.

This statement is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 and constitutes our Group’s slavery and human trafficking statement for the financial year ending 30 November 2018.

Levi Strauss (UK) Limited

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Date: 24/3/19

Levi Strauss & Co.

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Date: 3/28/19