



2019 IN REVIEW

LEVI STRAUSS FOUNDATION

MARCH 2020

2019 IN REVIEW



UNEQUAL TIMES

The mission of Levi Strauss & Co. is to deliver “**profits through principles**” to make an outsized impact on the world. By driving meaningful social change on the issues and events of our day, the Levi Strauss Foundation is an integral part of this mission.

The current social and political moment – rife with scapegoating, disruption and polarization – serves as a highly consequential backdrop to live the **LS&Co. values: empathy, integrity, courage, originality**. In February 2017, the Foundation’s board approved the launch of a \$1.0MM fund for organizations defending the rights of vulnerable groups – immigrants, refugees, Muslims, communities of color and transgender people – that bore the brunt of repressive policies and treatment. Every year since then, we’ve renewed this conviction to help people in the crosshairs of discrimination and injustice.

During 2019, we took care in balancing agility and patience: to stay alert and responsive to the exigencies of these times, and to stay true to our commitments toward long-term impact. Given that this environment for vulnerable communities has not abated, **The Strategic Response Fund** is now a mainstay of the Foundation’s work. Moving forward, this allows

for bolder, multi-year support of the social justice bellwethers funded by this portfolio. We are proud and honored to support their indefatigable defense of marginalized communities; their activation of a new generation of adherents; their efforts to humanize immigrants and Muslims in entertainment and media; and their championing of justice and inclusion.

STAYING THE COURSE

True to our connection with a 168-year old company, the Levi Strauss Foundation recognizes the power of patience, perseverance and trust. Through our **core portfolios – HIV/AIDS, Worker Well-being and Social Justice** – we strive for meaningful long-term impact through our outstanding grantees.

➔ 2019 marked the 35th year of the **Foundation’s commitment to end HIV/AIDS**. We were the first corporate funder in this arena, and we will do our part in the final push to end this global pandemic within our lifetime, namely by taking on the social injustices that fuel the epidemic. The Foundation is sustaining its support for vanguard advocacy organizations in middle-income countries and investing in several new partnerships that build the political power of impacted communities in the United States.

2019 IN REVIEW

- LSF stepped up efforts to deepen the impact of the **Worker Well-being** initiative – not only improving the health and financial security of apparel workers, but also advancing gender equality and factory management cultures to ensure their well-being within the workplace. Today, more than 219,000 apparel workers in 113 of LS&Co.'s supplier factories in 17 countries are benefitting from factory-based health, financial literacy and gender equality programs; more than 65 percent of the company's product volume is now made in factories with WWB initiatives.
- 2019 was also the fourth year of **Pioneers 2020** – LSF's signature hometown initiative. We are partnering with seven next-generation leaders of social justice organizations in the San Francisco Bay Area as they seek to take their work to the next level. 2020 will be the final year of this program – stay tuned for the launch of a case study and field-building efforts to engage funders and practitioners on its lessons.

JOINING FORCES

In 2019, as Levi Strauss & Co. took policy stands on gun safety, voter engagement and inclusion, LSF's partners drove deep impact in communities through advocacy and organizing:

- Rev. Michael McBride (*Live Free*) championed racial equity in gun violence prevention efforts across the country and joined forces with Desmond Meade (*Let My People Vote*) to restore the right to vote for more than one million citizens in Florida. Both leaders spoke at a town hall session at Levi's Plaza on the right to vote, activating employees in voter engagement and registration efforts.
- The National Immigration Law Center filed a lawsuit challenging the Trump administration's expansion of the public charge regulation. This expansion makes it more challenging for immigrants to obtain a green card or become naturalized citizens, if they receive any government benefits (food stamps, Medicaid, etc.). This regulatory change may deter as many as 26 million people – including lawful non-citizens and their U.S.-citizen family members – from accessing vital services for which they are eligible.

Studies indicate that employees want to work for companies that not only resonate with their values but also take stands on the important issues of the day. The Foundation's social justice partners are striking a powerful chord with the empathy and concern of company leaders and employees; 2019 saw opportune moments to bring these worlds together:

- On International Women's Day, Ai-jen Poo (*National Domestic Workers Alliance*) addressed the company's top leaders at the annual global leadership summit.
- Saru Jayaraman (*One Fair Wage*) delivered a keynote speech at the Viola Summit for gender equality, attended by 300 employees in San Francisco.
- Zahra Billoo (*Council for American Islamic Relations*) offered a "bystander" training, equipping one hundred employees at the headquarter office with tools to address harassment and discrimination.
- LSF grantees spoke at sessions organized by the LS&Co. Employee Resource Groups for LGBTQ, Asian, Black, Latinx, immigrants and refugees, and women and girls.
- The Transgender Law Center marched alongside Levi Strauss & Co. employees at San Francisco Pride. This marked the first pairing of a nonprofit organization and a company in the event's history.

A LOOK AHEAD

Given the urgency of needs among the communities we serve, the Levi Strauss Foundation's grant investments will increase from \$8.5MM globally in 2019 to \$10.0MM in 2020 – the highest budget level in more than 15 years, owing to the financial performance of the company. We aim to be more responsive to crises, provide more flexible and long-term support to our grantees and innovate our core programs.

The Foundation will also explore some new horizons in 2020 focused on voting – a core tenet of self-expression and democracy – through support of organizations lifting the civic engagement and voices of highly marginalized communities across the U.S.



BACKGROUND:
MISSION & PURPOSE

BACKGROUND: MISSION & PURPOSE

MISSION STATEMENT

The Levi Strauss Foundation advances the human rights and well-being of underserved people in places where the company has a business presence.

VALUE PROPOSITION

WHAT WE DO:

Drive pioneering social change that brings our values to life in communities around the world.

HOW WE DO IT:



HIV/AIDS

Raising awareness and confronting HIV/AIDS stigma and discrimination.



WORKER RIGHTS & WELL-BEING

Improving the lives of workers in the global apparel industry.



SOCIAL JUSTICE & HUMAN RIGHTS

Taking on the issues of our day and fostering access to justice.

THE VALUE WE DELIVER:



FOR COMMUNITIES

Create programs that advance justice and provide opportunities to improve the lives of disadvantaged people.



FOR EMPLOYEES

Financially support LS&Co.'s volunteer programs and deepen pride of association among employees.



FOR LS&CO.'S REPUTATION

Serve as a key driver in helping LS&Co. to embody the energy and events of our time – ensuring its relevance in the lives of stakeholders beyond the marketplace.

BACKGROUND: MISSION & PURPOSE

GUIDED BY THE LS&CO. LEGACY

LS&CO. LEGACY	➔	LEVI STRAUSS FOUNDATION HALLMARKS
167-year history of industry-leading citizenship	➔	Get in early, stay the course
Icons: Pioneers Symbol of cultural change	➔	Social pioneers Take on the “issues and events of our time”
Sustainability platform: Authentic self-expression	➔	Challenge convention, push the limits of the response New frontiers of possibility Agile, audacious and fearless in pursuit of social change
“The value of values”: Originality, integrity, empathy, courage	➔	Bring our values to life beyond the marketplace

BACKGROUND: MISSION & PURPOSE

OUR APPROACH: DRIVING SOCIAL CHANGE

SOCIAL CHANGE STRATEGY



GRANTMAKING FOCUS

Change laws and policies

» Support advocacy

Drive programmatic innovation and scale

» Identify and build thought and action leadership

Build moral and political consensus for change agenda

» Identify and engage key 'influencers'
» Cultivate effective communication

OUR APPROACH: "GOING BEYOND THE GRANT"

GOAL



"GOING BEYOND THE GRANT"

Build thought leadership and influence the field

» Build advocacy capacity of grantees
» Build communications capacity of grantees
» Lift best practices and voices of grantees (e.g., conference presentations, awards)

Build grantee organizations

» Link grantees with key influencers and other funders

Tell the story of pioneering change

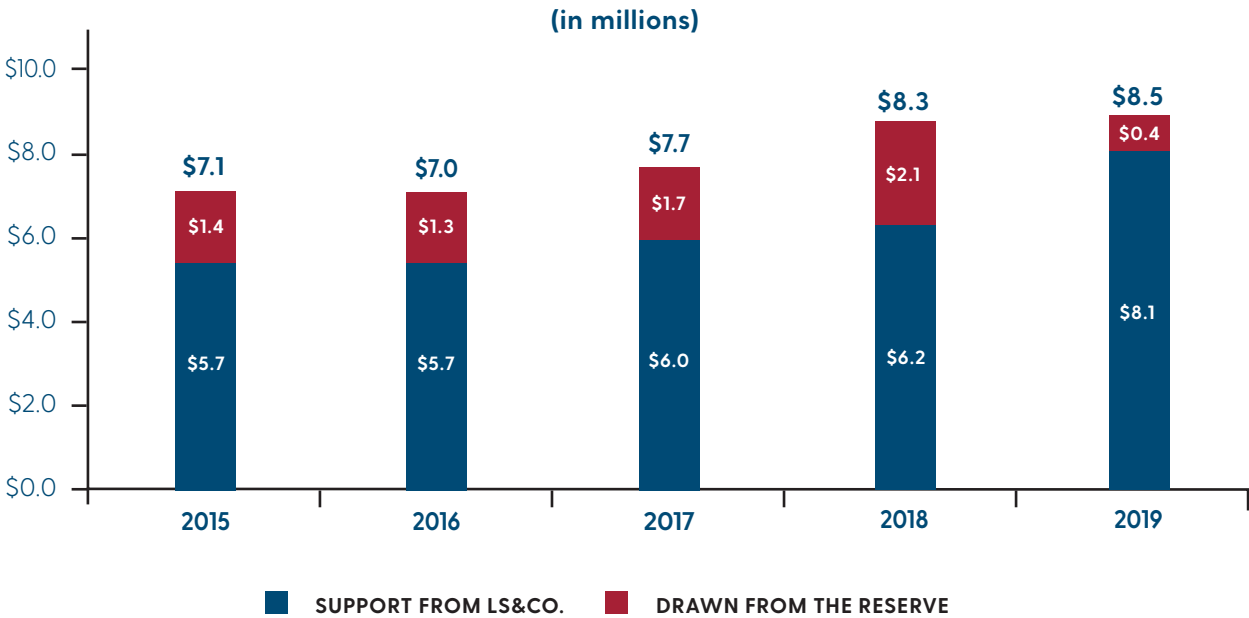
» Develop compelling blogs, case studies, videos
» Leverage corporate communications channels
» Frame and spotlight selected grantees as "social pioneers" reflecting the Levi Strauss values and character



2019
BY THE NUMBERS

2019 BY THE NUMBERS

PROGRAM BUDGETS FUNDING SOURCE



HOW SUPPORT FROM LS&CO. IS CALCULATED

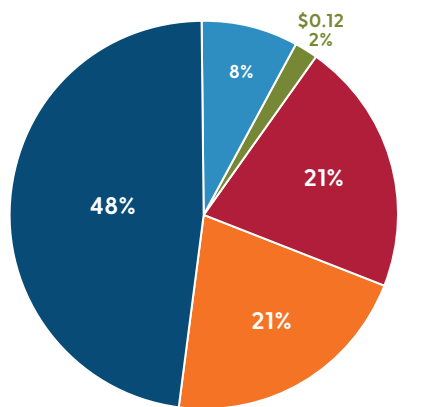
Charitable Support Allocation (2019)	
Total LS&Co. Charitable Support	\$11.36MM
Direct Corporate Grantmaking Allocation	\$(2.00)MM
LSF Operating Budget Allocation	\$(1.28)MM
NET TO LSF 2019 PROGRAM BUDGET	\$8.08MM
(Any differential between this amount and the annual Program budget is borne by the Reserve.)	

- » LS&Co. has a consistent track record of allocating 2 percent of profits to charitable support.
- » Over the last five years, the contributions from the company have covered, on average, 80% of the Foundation's program budget.

2019 BY THE NUMBERS

2019 STRATEGIC GRANTMAKING

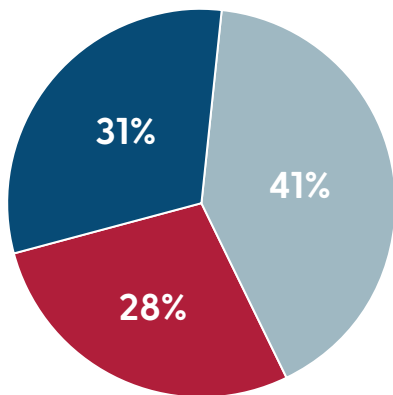
GRANTS BY REGION
(IN MILLIONS)



■ US ■ ASIA, AFRICA, MIDDLE EAST
■ GLOBAL ■ EUROPE ■ LATIN AMERICA

» Grantmaking in Asia, Africa, Middle East increased due to investments in Worker Well-Being grants.

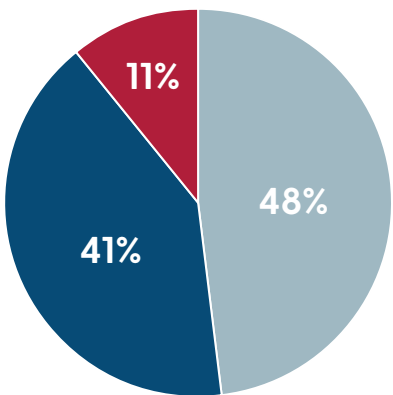
GRANTS BY ISSUE
(IN MILLIONS)



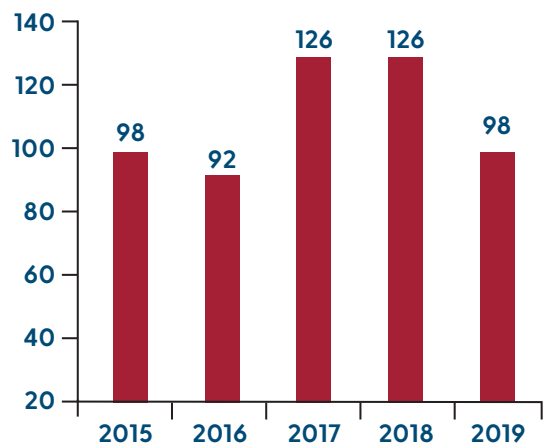
■ HIV/AIDS ■ WORKER RIGHTS / WWB ■ SOCIAL JUSTICE

» The Social Justice portfolio continues to be the largest due to the Strategic Response Fund.
» Worker Well-Being and Social Justice continue to account for the greatest share of staff time.

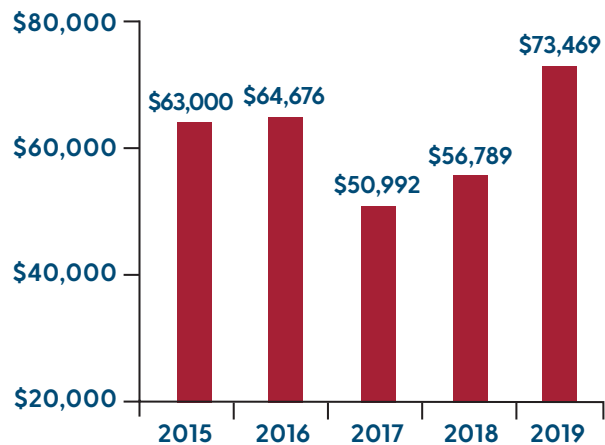
STAFF TIME



NUMBER OF GRANTS



AVERAGE GRANT SIZE



» The number of grants decreased by 22%, but the average grant size increased by 29% due to larger grants in the Worker Well-Being and Social Justice portfolios..

A close-up photograph of a pair of blue denim jeans. A worn, yellowed paper label is attached to the waistband. The label features the text "LEVI STRAUSS & CO." in a large, bold, serif font. Below this, in smaller text, is "SAN FRANCISCO, CAL.". The label also includes the words "ORIGINAL" and "QUALITY CLOTHING." in a stylized font. A central graphic shows a man in a top hat and a woman in a dress, with the word "TRADE" above them. At the bottom of the label, it says "Care Instructions Inside Garment" and "501". The jeans have yellow stitching and a visible pocket on the right side.

PROGRAM HIGHLIGHTS

FY19 YEAR IN REVIEW: HIV/AIDS



Levi Strauss & Co. has been involved in the fight against HIV/AIDS since nearly the beginning. San Francisco was one of the epicenters of the epidemic in the U.S. in the early 1980s. Employees wanted to distribute prevention leaflets at our headquarters but were concerned about being stigmatized, so company leaders joined them to hand out this information. LS&Co. became one of the first companies to get involved with raising awareness about HIV/AIDS and combatting stigma and discrimination. LSF made its first HIV/AIDS-related grant in 1982 to support the first AIDS clinic in the world at San Francisco General Hospital—a grant that matched an employee's contribution. Mirroring the company's business footprint, as the HIV/AIDS epidemic grew, the Foundation's investments extended to other places like China, the Philippines and South Africa.

A Social Justice Issue

The face of HIV/AIDS has changed dramatically in the nearly-four decades since it was first diagnosed, and there is a real possibility that an AIDS-free generation can happen within our lifetime. This is possible because we have seen significant progress in the fight against HIV/AIDS with medicine and science. It is no longer the wildly out-of-control global pandemic setting a “red alert” all around the world. In the United States and many parts of the world, people are living with HIV—and living longer and healthier lives.

However, even with life-saving treatments and widespread awareness, it's still a disease without a cure that impacts more than a million people in the U.S., and a staggering 37 million globally. It's also still a problem compounded by politics, racism, homophobia and transphobia, gender inequality and poverty—or broadly speaking, social injustice and inequality.

Does a woman have the power to negotiate condom use all the time? Can a transgender woman find steady employment with adequate healthcare if finding an appropriate bathroom is a national debate? Does homophobia prevent young gay men from accessing needed healthcare? Will an undocumented American seek out healthcare if the threat of deportation hangs in the air? How safe can someone feel if she can be prosecuted for not disclosing her status prior to having sex? How can someone main their health if they doesn't have a safe place to live or enough to eat?

These are the questions we are grappling with today – and the Levi Strauss Foundation's approach has evolved in response to the changing face of the epidemic. Today, we support **high-impact organizations** to address the **social injustice and inequalities that fuel the epidemic** through policy change and **advocacy work**. This means changing bad laws or legal systems, fixing unfair policies and building movements within affected communities.

Our strategy has evolved but our commitment remains unchanged. And with our proverbial sleeves rolled up, we're

intent on seeing it through the end by standing with the people living with or affected by it.

2019 the rollout of a **refreshed program strategy**:

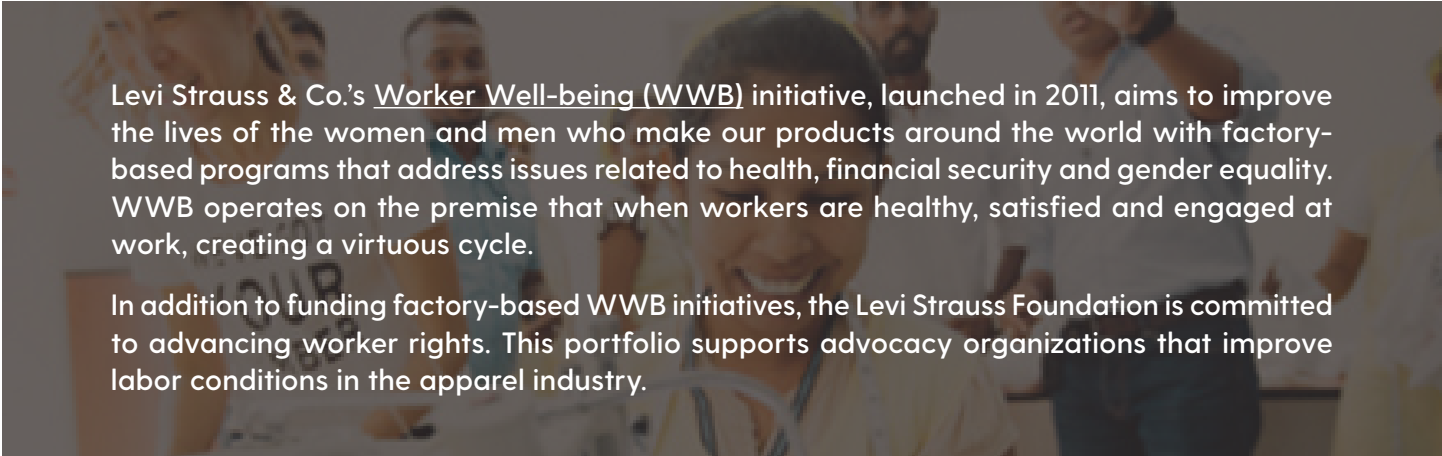
- » We are doubling-down **support for advocacy in hard-hit, middle-income countries** (Brazil, China, India, Indonesia, Mexico, Philippines, Russia and South Africa) around the globe, where resources to address stigma and discrimination are scarce.
- » In the **United States**, we are deploying more resources to support **game-changing advocacy** and **community organizing to address the social inequalities that drive the epidemic**.

→ **IMPACT:** People of color are disproportionately affected by HIV/AIDS in the U.S. **HIV Racial Justice Now** and the **Southern Black Policy and Advocacy Network** build the leadership of people of color – particularly women, youth and LGBTQ+ people in the HIV/AIDS movement.

→ **IMPACT:** Over 30 states in the U.S. have some form of HIV criminalization on the books – the penalization of HIV exposure, nondisclosure of HIV status or non-intentional HIV transmission. The **Sero Project** and the **Positive Women's Network** organize the “HIV Is Not a Crime” training academy to equip advocates in their efforts to repeal or modernize outdated state-level laws. The **Counter Narrative Project** and the **Center for HIV Law and Policy** are also active in combatting criminalizations.

→ **IMPACT:** The Brazilian government has been defunding critical HIV treatment programs, risking the health of the thousands of people that depend on these. In the face of stock-outs and uncertainty, **Grupo de Incentivo a Vida** and **Grupo Pela Vidda** are striving to protect the rights of impacted communities.

FY19 YEAR IN REVIEW: **WORKER WELL-BEING | WORKER RIGHTS**



Levi Strauss & Co.'s Worker Well-being (WWB) initiative, launched in 2011, aims to improve the lives of the women and men who make our products around the world with factory-based programs that address issues related to health, financial security and gender equality. WWB operates on the premise that when workers are healthy, satisfied and engaged at work, creating a virtuous cycle.

In addition to funding factory-based WWB initiatives, the Levi Strauss Foundation is committed to advancing worker rights. This portfolio supports advocacy organizations that improve labor conditions in the apparel industry.

2019 was a year of reaching key milestones while developing a roadmap for the next chapter of the initiative. To date, **more than 219,000 women and men – working in 113 of the Company's supplier factories – benefit from WWB** (surpassing our goal of reaching 200,000 in supplier factories by 2020). In each factory workplace, WWB involves surveying workers about their well-being needs, rolling out responsive empowerment programs and building the capability of factory management to sustain the approach.

To gauge the impact of the WWB initiative, LSF is partnering with **Harvard's Sustainability and Health Initiative for NetPositive Enterprise** (SHINE). The multi-year SHINE study, launched in 2017, has given us valuable insights to inform WWB's future course. It points to one crux conclusion: cultures of trust, respect and fairness within the factory workplace are an essential lynchpin to the well-being of factory workers – and once in place, these cultures give rise to improvements in engagement, gender equality and productivity.


The Foundation recognizes the need to **build on the current "1.0" approach** – which focuses on improving the health and well-being of individuals in ways that, by and large, impact their lives beyond the factory floor. In 2019, we began to create a **roadmap for a "2.0" version of WWB that focuses on workplace well-being**. Partnering with the SHINE team and a cadre of experienced grantees, we identified the key drivers to impact well-being on the factory floor: strong worker/supervisor relationships, clear and transparent policies and systems, healthy and safe working conditions and gender equality. 2020 will see efforts to field-test this "2.0" approach (with tools to measure progress) in selected locations – alongside efforts to broaden the reach of the "1.0" approach within the LS&Co. supply chain.

Underpinning WWB is a focus on improving **gender equality** in factory workplaces. Women globally make up 80 percent of apparel workers, and basic needs – safety, respect, fairness and opportunities for growth – often go unmet. The WWB journey teaches us that improving working conditions and opportunities for women (and simultaneously for all workers) is an **investment, not a cost** – one that will yield meaningful results for factories and employees in the apparel sector.

→ **IMPACT:** With a prominent presence in eight apparel sourcing countries, **Better Work** is a flagship initiative of the International Labor Organization and the International Finance Corporation. It engages global brands, governments, factory management, unions and workers to improve working conditions and competitiveness in the garment industry. In Sri Lanka, LSF is funding Better Work and India-based grantee **Swasti** to **field-test the "2.0" approach of WWB** in one pilot factory. The aim is to transform the workplace culture by improving supervisory practices, worker communication channels and gender equality. Given Better Work's broad footprint in the global apparel industry, the intent is to capture and bring successes to scale.

→ **IMPACT:** The Foundation provided a start-up grant to **Ethiopian Labor Rights Watch**, a group of lawyers providing legal aid to apparel workers and collaborating with the national government to improve labor laws. This organization promises to be a vital force within the Ethiopia's burgeoning apparel industry.

FY19 YEAR IN REVIEW: PIONEERS IN JUSTICE



The Levi Strauss Foundation has a long-standing commitment to driving progressive change in the San Francisco Bay Area – a region renowned as a cradle of innovation, not only for technology but also for social movements. Its civil rights leaders have a track record of generating wins and forging models that ripple widely across the nation.

Pioneers in Justice is the Foundation's signature hometown initiative. LSF partners with clusters of next-generation leaders of local social justice organizations – and over the course of a five-year span, supports their efforts to amplify the impact of their work by leveraging technology, collaborating in new ways and building their leadership voice.

The current phase – called Pioneers 2020 – runs from 2015 to 2020. The Foundation is supporting seven leaders at the vanguard of grassroots movements for environmental justice, racial and gender justice, criminal justice reform, gun safety, housing affordability and LGBTQ+ equality.

The current social and political moment calls for revised playbooks for social justice leaders as disruption gives rise to new coalitions for broader change. As they build bridges with new constituencies, drive narrative change, and expand their reach across California and the nation, the Pioneers are seizing 'opportunity in crisis.'

The Pioneers were supported in three ways:

- » The Foundation funded **breakthrough projects** for each participant. These spur new kinds of progress: converting a new generation of adherents, evangelizing values like restorative justice, engaging unlikely allies.
- » We hosted a series of **Pioneers Forums** – daylong peer learning sessions led by the leaders. The sessions focused on how to manage organizational change and build game-changing social movements.
- » LSF provided **capacity building support** to strengthen the leadership voice of the Pioneers and their ability to engage new and broader audiences.

.Looking Ahead

The current social justice landscape also calls for new playbooks not only for movement leaders but also

for funders. Next year, the Foundation will launch a case study chronicling the Pioneers 2020 initiative. By profiling these leaders and probing the impact of their work, this publication aims to demonstrate the power of investing in social justice leaders and movements – both over the long-term and at critical 'moments of truth' – and influence the field of philanthropy.

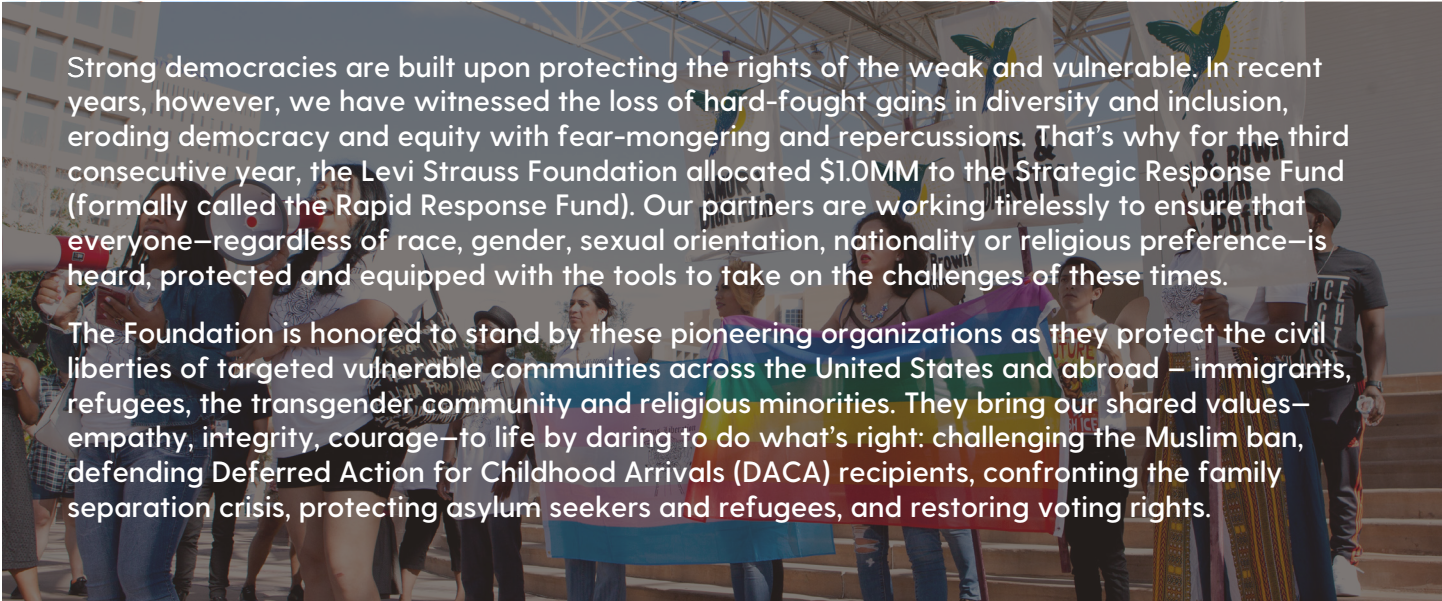
→ **IMPACT: The Ella Baker Center for Human Rights**

joined forces with a cluster of community groups to open an innovative community hub in the Fruitvale neighborhood of Oakland. **Restore Oakland** is a first-of-its-kind restorative justice center for communities to come together and resolve conflict. It serves as an alternative to insidious cycles of punishment and incarceration and offers up solutions based on reconciliation and healing. The center also hosts a job training center for formerly incarcerated people, a housing rights clinic and a business incubator for worker-owned food enterprises.

→ **IMPACT: The Asian Pacific Environmental**

Network believes that people who bear the brunt of the effects of climate change and pollution should be first to benefit from greener policies and practices. Partnering with legislators and advocacy groups, the organization helped draft a bill called the California New Deal. This legislation confronts climate change and inequity by doubling-down on affordable housing, emissions reductions, green jobs and public transportation options.

FY19 YEAR IN REVIEW: STRATEGIC RESPONSE FUND



Strong democracies are built upon protecting the rights of the weak and vulnerable. In recent years, however, we have witnessed the loss of hard-fought gains in diversity and inclusion, eroding democracy and equity with fear-mongering and repercussions. That's why for the third consecutive year, the Levi Strauss Foundation allocated \$1.0MM to the Strategic Response Fund (formally called the Rapid Response Fund). Our partners are working tirelessly to ensure that everyone—regardless of race, gender, sexual orientation, nationality or religious preference—is heard, protected and equipped with the tools to take on the challenges of these times.

The Foundation is honored to stand by these pioneering organizations as they protect the civil liberties of targeted vulnerable communities across the United States and abroad – immigrants, refugees, the transgender community and religious minorities. They bring our shared values—empathy, integrity, courage—to life by daring to do what's right: challenging the Muslim ban, defending Deferred Action for Childhood Arrivals (DACA) recipients, confronting the family separation crisis, protecting asylum seekers and refugees, and restoring voting rights.

BELOW ARE THE ORGANIZATIONS SUPPORTED BY THE STRATEGIC RESPONSE FUND IN 2019:

San Francisco Bay Area

Advancing Justice – Asian Law Caucus

Provides legal defense, rights education and community mobilization for Muslims, South Asians and immigrant youth.

Council for American-Islamic Relations

Offers legal defense and rights education among Muslims.

Pangea Legal Services

Provides legal defense and community mobilization for the benefit of vulnerable immigrants.

United States

Al Otro Lado

Offers direct legal services to indigent deportees, migrants, immigrants and refugees.

American Immigration Council

Shapes public perceptions on immigrants and works toward a more fair and just immigration system through litigation, research, advocacy and communications.

Define America

Mobilizes the power of media and culture to shift the conversation about immigrants, identity and citizenship in the U.S.

Live Free

Organizes faith-based leaders and trains law enforcement to protect the rights of vulnerable communities in cities across the U.S.

National Immigration Law Center

Defends and advances the rights of immigrants with low income.

Transgender Law Center

Extends legal services nationwide to meet the needs of the transgender community and mobilizes advocates against discriminatory legislation at local and state levels.

Undocublack

Provides access to resources, fosters community and works with a nationwide network to transform the lives of current and formerly undocumented black people.

United We Dream

Offers legal support, rights education and community mobilization to protect the rights of immigrant students.

International

International Refugee Assistance Project

Protects the human rights of refugees globally through legal services and advocacy.