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Levi Strauss & Co. Comments on EPA Proposed Endangerment Findings for Greenhouse Gases Under the Clean Air Act (Docket ID No. EPA-HQ-OAR-2009-0171)

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Levi Strauss & Co. (LS&CO.) supports the Environmental Protection Agency in its plans to list greenhouse gases as dangerous pollutants. We believe that the EPA, in fulfilling its mission to protect the natural environment and the American public from the effects of environmental degradation, must regulate carbon emissions as a major source of pollutants that contribute to global warming which is undeniably the paramount environmental challenge of our time.

Headquartered in San Francisco, California, LS&CO. is one of the world's leading branded apparel companies, marketing its products in more than 110 countries worldwide. The company designs and markets apparel and related accessories for men, women, and children under the Levi's®, Dockers®, and Signature™ by Levi Strauss & Co. brands. LS&CO. recognizes that the emission of carbon dioxide is a major contributor to global climate change and left unchecked large-scale climate change threatens serious economic, social and environmental consequences for our business and the communities in which we operate.

Within our operations globally, LS&CO. is committed to reducing emissions of carbon dioxide and other greenhouse gases. But as we can change our behavior and reduce our emissions, we recognize that U.S. government leadership is essential for widespread action to address climate change and creates the enabling environment for the efforts by our company and others. Through participation in the Business for Innovation in Climate and Energy Policy (BICEP), LS&CO. is calling for leadership and support from the administration and U.S. Congress to develop energy and climate legislation that promotes energy efficiency, encourages energy and climate innovation, and reduces overall greenhouse gas emissions

Evidence is mounting that the warming of the planet is rooted in anthropogenic causes in the form of the production of greenhouse gases. The U.S. Climate Change Science Program and the Subcommittee on Global Change Research seated in the National Oceanic and Atmospheric Administration (NOAA) stated categorically in the report released on June 19th (www.globalchange.gov/usimpacts) that human induced climate change is happening now and that it is the main cause for the changes in climate that we are seeing presently.

The business community is directly affected by the disruptive impacts of climate change as they distress operations locally and globally. LS&CO. is focused on the following climate related issues:

1. Impacts upon business supply chains

We are deeply concerned about the threats that climate change is posing to the natural and agricultural resources that provide the material bases for production, for our company specifically cotton. Ninety-five percent of LS&CO.'s products are made of cotton, which is produced in more than 110 countries around the world, many of which are already starting to

feel the impact of climate change. Cotton, like other agricultural commodities, is at risk for crop failure and reduced yield as temperatures rise and there are water shortages in producing countries. Risks also stem from countries deciding to switch from cotton fiber production to food crops as commodity crops compete with food crops for decreasing arable land and water scarcity. All of this creates business risk and uncertainty around cotton availability, quality and pricing.

2. The uncertainty of risk

LS&CO. products are manufactured in 45 countries around the world, many of which are in the developing world and are already or are expected to feel the effects of climate change, including water shortage (India, China, Nicaragua), disease (Cambodia), and flooding (Bangladesh). Extreme weather events and weather trends pose a difficulty for managing risks to production schedules and to managing reliable supply chains. The volatility of weather events presents monumental challenges for planning inventory and supply levels. Some supply routes are directed through freight gateways in geographic areas that are experiencing increased vulnerability under the effects of climate change.

3. The health and welfare of the communities that house employees and consumers, and that provide the resources, materials and services for production and the supply chain

Public health records show an alarming and recent rise in rates of respiratory and pulmonary diseases and morbidity in connection with poor air quality that is likely exacerbated by and due to the direct and indirect effects of extreme heat events and to changing climate generally. Local and federal health officials have identified amplified disease vectors as a major concern and threat in connection with global warming impacts. These health issues exact a toll on employee productivity and on the quality of lives enjoyed by the communities in which businesses have impact and influence in the provision of jobs and goods and services.

4. The obligation – moral and political – to take responsibility for the U.S. share of the global problem

Over 80 years ago, President Calvin Coolidge stated that the business of America is business. This is no less true today, and because this is so, business bears the moral and political responsibility to weigh in heavily on domestic and global climate change policy. Business has stepped up to this responsibility by providing the rational economic arguments for pricing and regulating carbon and for managing green house gas production generally.

LS&CO. therefore supports the finding of endangerment that has been issued by the Environmental Protection Agency as a first step by the world's most powerful governmental agency dedicated to environmental protection to work toward mitigation of greenhouse gases through the regulation of carbon emissions. We encourage and urge swift action on this course.

Respectfully submitted,



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