Bangladesh Fire Safety and Building Integrity Program

Our Terms of Engagement (TOE) and the LS&Co. Sustainability Guidebook specify the requirements by which all of our contract factories and licensees must abide —including health and safety.

Understanding the specific issues arising around fire safety and building integrity in Bangladesh, Levi Strauss & Co. have implemented an industry-leading Fire Prevention and Building Integrity Program with our suppliers in Bangladesh. The program is based on electrical safety audits and building integrity inspections.

In Bangladesh, we operate in 17 factories, including subcontractor locations, licensees and fabric mills, out of the approximately 4,000 factories in Bangladesh. Approximately 65,500 workers are working in those facilities.

LS&Co. has been sourcing in Bangladesh for more than 20 years and is committed to maintaining our sourcing presence. For that reason, we require all our vendors to participate in key corporate programs like our TOE and Fire Safety and Building Integrity Program:

- All our Bangladesh suppliers are undergoing annual TOE assessments under the TOE program and are included in our publicly available Supplier List.
- In 2009, we implemented a sourcing policy in Bangladesh to not place production in multi-story buildings shared by several businesses with different owners.
- In 2010, LS&Co. developed an Electrical Safety Audit program covering inspections
 of all the critical components of electrical installation as electrical safety failures were
 identified as one of the main cause for fire in RMG industry.'
- As of March 2014, we completed building integrity technical inspections at our Bangladesh suppliers.
- All suppliers perform and record one unannounced fire drill per month.

Today, all our Bangladesh suppliers have completed the electrical safety inspections and implemented corrective actions, while corrective action plans on building integrity programs are in progress.

The electrical safety audit results made us look beyond our regular TOE program to focus more on improving factory capabilities. Most factories had room for improvement

on implementing proper maintenance practices and standard practices for electrical installations as required by the local and international law.

The building integrity inspections use ASCE 31 (American society of Civil Engineers) standards which require structures to be evaluated for seismic loading conditions, in addition to gravity loading.

You can find an overview of our Bangladesh supply chain, as well as access to the summary reports here. We provide the full reports upon request.

Next steps

We know that building integrity is not only an issue for Bangladesh. This is why we have now integrated an entire section on building integrity in our Sustainability Guidebook, the requirements in which are applicable to our global supply chain.

We will continue to monitor progress, and work on training, safe worker communication channels, public policy and external engagement. We also are committed to maximize impact, leverage resources and reduce duplication through brand collaboration