



**2017 CARBON DISCLOSURE PROJECT  
CLIMATE CHANGE INFORMATION REQUEST**

JULY 2017

**LEVI STRAUSS & CO.**

**Module: Introduction****Page: Introduction**

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**CC0.1****Introduction**

Please give a general description and introduction to your organization.

From its California Gold Rush beginnings, Levi Strauss & Co. has grown into one of the world's largest brand-name apparel companies. A history of responsible business practices, rooted in core values, has helped the company build its brands and engender consumer trust around the world. The Levi's brand has become one of the most widely recognized brands in the history of the apparel industry.

We design and market jeans, casual and dress pants, tops, skirts, jackets, footwear and related accessories for men, women, and children under our Levi's, Dockers, Signature by Levi Strauss & Co. and Denizen brands around the world. We also license our trademarks in many countries throughout the world for a wide array of products, including accessories, pants, tops, footwear and other products.

Levi Strauss & Co. operates its business through three geographic regions: Americas, Europe, and Asia Pacific. The company's products are sold in approximately 55,000 retail locations in more than 110 countries. These include retail stores dedicated to the company's brands and web sites that sell the company's products directly to consumers.

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**CC0.2****Reporting Year**

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

| Enter Periods that will be disclosed |
|--------------------------------------|
| Tue 01 Dec 2015 - Wed 30 Nov 2016    |

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### CC0.3

#### Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

| Select country |
|----------------|
|----------------|

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### CC0.4

#### Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

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### CC0.6

#### Modules

As part of the request for information on behalf of investors, companies in the electric utility sector, companies in the automobile and auto component manufacturing sector, companies in the oil and gas sector, companies in the information and communications technology sector (ICT) and companies in the food, beverage and tobacco sector (FBT) should complete supplementary questions in addition to the core questionnaire.

If you are in these sector groupings, the corresponding sector modules will not appear among the options of question CC0.6 but will automatically appear in the ORS navigation bar when you save this page. If you want to query your classification, please email [respond@cdp.net](mailto:respond@cdp.net).

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below in CC0.6.

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#### Further Information

**Module: Management**

**Page: CC1. Governance**

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#### CC1.1

**Where is the highest level of direct responsibility for climate change within your organization?**

Board or individual/sub-set of the Board or other committee appointed by the Board

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#### CC1.1a

**Please identify the position of the individual or name of the committee with this responsibility**

Nominating Government and Corporate Citizenship Committee, Board of Directors

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#### CC1.2

**Do you provide incentives for the management of climate change issues, including the attainment of targets?**

Yes

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**CC1.2a**

Please provide further details on the incentives provided for the management of climate change issues

| Who is entitled to benefit from these incentives? | The type of incentives | Incentivized performance indicator                 | Comment  |
|---|------------------------|--|--|
| Executive officer                                 | Monetary reward        | Emissions reduction target<br>Other:<br>Renewables | LS&Co. bases employee bonus allocation on company and individual performance. Individual performance is assessed against annual objectives. LS&Co.'s Chief Supply Chain Officer, Liz O'Neill, has an absolute operational greenhouse gas emissions reductions target and a renewable energy procurement (as a percentage of absolute operational energy use) target built into her objectives. |

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**Further Information**

**Page: CC2. Strategy**

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**CC2.1**

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

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**CC2.1a**

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

| Frequency of monitoring   | To whom are results reported? | Geographical areas considered | How far into the future are risks considered? | Comment   |
|---------------------------|-------------------------------|-------------------------------|---|---|
| Sporadically, not defined | Senior manager/officer        | Global                        | 3 to 6 years                                  | Our materiality assessment surveyed internal and external experts on a host of potential material risks and opportunities for our business, many of which are likely to be directly or indirectly influenced by climate change. |

### CC2.1b

#### Please describe how your risk and opportunity identification processes are applied at both company and asset level

LS&Co. identifies climate change risks and opportunities through periodic formal assessments including our life cycle and materiality assessments, the most recent iterations of which were published in 2016 and 2017 respectively. These assessments have highlighted potential climate-related risks to our public reputation, supply chain, and access to natural resources like cotton and water. Our brands, owned and operated manufacturing facilities and workers represent assets that are threatened by water scarcity, heat waves and other severe weather that is exacerbated by climate change. They have also identified opportunities to promote climate resiliency in our supply chain. For example, our life cycle assessments (LCAs) highlighted the relative water intensity of cotton production. This highlights a climate change risk to our brands and company as a whole should water become increasingly scarce. It also reaffirms the opportunity to drive climate resiliency and meaningful system change by promoting and sourcing Better Cotton (The Better Cotton Initiative [BCI] empowers cotton farmers to increase their yields through less water and chemical practices). Our LCAs have also allowed us to understand the relative water impacts of garment manufacturing, much of which occurs in areas and regions that are particularly susceptible to increasing water scarcity. It also highlights the opportunity for our Water<Less® program to make our manufacturing facilities (as well as subcontractors) to become more climate resilient by reducing the water intensity of garment manufacturing and our water Recycling and Reuse (R&R) program to enable manufacturers to become completely independent of the local water supply.

### CC2.1c

#### How do you prioritize the risks and opportunities identified?

We prioritize risks and opportunities as part of a periodic internal sustainability materiality analysis that helps our team focus our resources towards the areas that require the greatest attention.

The third party verified materiality assessment polled internal and external partners and stakeholders on issues from supply chain labor to chemical management on factors including cost/benefit to the business, NGO activity, legal ramifications and innovation.

Our LCAs demonstrate the relative resource requirements and impacts of all phases of our product life cycles. This enables us to understand what phases, from fiber production to garment finishing and consumer use, pose the greatest environmental risks as well as opportunities to reduce harm and create positive environmental impacts.

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**CC2.1d**

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

| Main reason for not having a process | Do you plan to introduce a process? | Comment |
|--------------------------------------|-------------------------------------|---------|
|--------------------------------------|-------------------------------------|---------|

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**CC2.2**

**Is climate change integrated into your business strategy?**

Yes

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**CC2.2a**

**Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process**

Climate change is integrated into LS&Co.'s business strategy. One of the LS&Co.'s business strategies is to "continue to build sustainability and social responsibility into our operations." To execute, this we have a Climate Change Strategy that specifically focuses on reducing the climate change impact of the facilities we own and operate (retail stores, offices, distribution centers, manufacturing), reducing the climate change impact accumulated during the production of our products (focused on the supply chain), educating our consumers about environmentally friendly care and disposal of our products, and advocacy efforts.

- i) LS&Co.'s LCAs provide data and context to demonstrate the relative climate impacts of all phases of our product lifecycles. In particular they highlighted the significance of our supply chain impacts.
- ii) The Global Supply Chain organization has adopted Better Cotton and Water<Less® targets and incorporated them into its overall sourcing and product development strategy. These initiatives promote climate resiliency by increasing the water efficiency of fiber (Better Cotton), fabric and garment production (Water<Less®) Perhaps the greatest resiliency measure we have taken is to establish a water Recycle and Reuse (R&R) Standard for our garment manufacturers,

which provides guidelines by which the facilities can safely, greatly decrease their reliance on local water supplies. LS&Co. business functions have independently integrated climate change into their core strategies as well. For example, the transportation team promotes the use of least energy and emissions intensive modes of transporting products globally ocean shipping over air, rail shipping over truck, etc.

iii) As mentioned above (ii), Water<Less® and Better Cotton represent climate change adaptation or resiliency strategies. The transportation strategy, and our broader Climate Change Strategy, represents opportunities to develop more efficient, 'greener' businesses.

iv) We are currently working to reduce our climate change impact by decreasing absolute Scope 1 and 2 emissions by 25% and procuring 20% renewable energy by 2020. We have annual Water<Less® and Better Cotton targets, which push us to promote climate resiliency in the short term.

v) In the long term LS&Co. aims to procure more renewable energy than the total energy we consume and for 100% of our cotton to be sustainably sourced. The former will enable us to actually have a positive impact on the climate by procuring more renewable energy than we can use and guards against energy market volatility. The latter ensures that our key raw material, cotton, is responsibly managed to minimize the company's vulnerability to climate change impacts.

vi) Strategic investments to improve operational efficiencies and promote the long-term viability of our assets and raw materials positions LS&Co. to continue to exist and thrive into the era of climate change. Competitors who miss these opportunities will struggle, reputationally and fundamentally. Yet, LS&Co.'s sustainability philosophy has been built around driving broader change. This is why we have open-sourced our Water<Less® initiative and R&R Standard and were founding members of BCI.

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#### CC2.2b

Please explain why climate change is not integrated into your business strategy

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#### CC2.2c

**Does your company use an internal price on carbon?**

No, and we currently don't anticipate doing so in the next 2 years

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#### CC2.2d

Please provide details and examples of how your company uses an internal price on carbon

**CC2.3**

**Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)**

Direct engagement with policy makers  
Trade associations

**CC2.3a**

**On what issues have you been engaging directly with policy makers?**

| Focus of legislation | Corporate Position | Details of engagement   | Proposed legislative solution  |
|----------------------|--------------------|---|--|
| Cap and trade        | Support            | <p>In 2012, LS&amp;Co. signed BICEP (Business for Innovative Climate and Energy Policy) Climate Declaration. To bring our voice for energy and climate action to Washington, LS&amp;Co. was one of the founding members of Business for Innovative Climate and Energy Policy (BICEP). BICEP's members—more than 20 major U.S. brands and retailers—believe that climate change will impact all sectors of the economy and that various business perspectives are needed to provide a full spectrum of viewpoints for solving the climate and energy challenges facing the United States. BICEP's goal is to work directly with key allies in the business community and with members of the U.S. Congress to pass meaningful energy and climate change legislation that is consistent with BICEP's core principles. As a BICEP member, LS&amp;Co. has been advocated on Capitol Hill and with the Administration for comprehensive U.S. climate and energy legislation. Through collective advocacy with BICEP and its members, LS&amp;Co. has advocated for a range of policies aimed at addressing climate change, including cap and trade, energy efficiency, the adoption of renewable energy and investment in a clean energy economy, and work to preserve critical funding related to clean energy and</p> | <p>Levi Strauss &amp; Co. believes government leadership is essential for widespread action to address climate change and create the enabling environment for companies like ours to invest in renewable energy and achieve the greatest savings from energy efficiency. We can do more, faster and cheaper with federal legislation that incentivizes utilities to work with us to capture efficiencies and invest in renewable energy. The reduced business costs from these investments are savings we can reinvest in the company to grow our business and create jobs. Put simply, we can run our business better with the certainty of a price on carbon and government policies and incentives to help us to maximize energy efficiency and draw our energy from renewable sources.</p> |

| Focus of legislation | Corporate Position | Details of engagement   | Proposed legislative solution  |
|----------------------|--------------------|---|--|
|                      |                    | <p>environmental protection. In addition, LS&amp;Co. joined Oxfam America's Partnership for Resilience and Environmental Preparedness (PREP) as a founding member. PREP is coordinated by Oxfam America, the international relief and development organization, and builds on their climate adaptation advocacy by engaging the business community to take action and promote public policies that facilitate adaptation efforts to prepare for and respond to the consequences of a changing climate. As a PREP member, LS&amp;Co. has participated in Congressional briefings to share our story on the potential climate adaptation needs and business impact in our supply chain. We also met with Congressional and Administration staff on the need for public and private investments that promote climate adaptation and resilience in vulnerable communities</p>   |  |
| Energy efficiency    | Support            | <p>In 2012, LS&amp;Co. signed BICEP (Business for Innovative Climate and Energy Policy) Climate Declaration. To bring our voice for energy and climate action to Washington, LS&amp;Co. was one of the founding members of Business for Innovative Climate and Energy Policy (BICEP). BICEP's members—more than 20 major U.S. brands and retailers—believe that climate change will impact all sectors of the economy and that various business perspectives are needed to provide a full spectrum of viewpoints for solving the climate and energy challenges facing the United States. BICEP's goal is to work directly with key allies in the business community and with members of the U.S. Congress to pass meaningful energy and climate change legislation that is consistent with BICEP's core principles. As a BICEP member, LS&amp;Co. has been advocated on Capitol Hill and with the Administration for comprehensive U.S. climate and energy legislation. Through collective advocacy with BICEP and its members, LS&amp;Co. has advocated for a range of policies aimed at addressing climate change, including cap and trade, energy efficiency, the adoption of renewable energy and investment in a clean energy economy, and work to preserve critical funding related to clean energy and environmental protection. In addition, LS&amp;Co. joined Oxfam America's Partnership for Resilience and Environmental Preparedness (PREP) as a founding member. PREP is coordinated by Oxfam America, the international relief and development organization, and builds on their climate adaptation</p> | <p>Levi Strauss &amp; Co. believes government leadership is essential for widespread action to address climate change and create the enabling environment for companies like ours to invest in renewable energy and achieve the greatest savings from energy efficiency. We can do more, faster and cheaper with federal legislation that incentivizes utilities to work with us to capture efficiencies and invest in renewable energy. The reduced business costs from these investments are savings we can reinvest in the company to grow our business and create jobs. Put simply, we can run our business better with the certainty of a price on carbon and government policies and incentives to help us to maximize energy efficiency and draw our energy from renewable sources.</p> |

| Focus of legislation    | Corporate Position | Details of engagement   | Proposed legislative solution  |
|-------------------------|--------------------|---|--|
|                         |                    | <p>advocacy by engaging the business community to take action and promote public policies that facilitate adaptation efforts to prepare for and respond to the consequences of a changing climate. As a PREP member, LS&amp;Co. has participated in Congressional briefings to share our story on the potential climate adaptation needs and business impact in our supply chain. We also met with Congressional and Administration staff on the need for public and private investments that promote climate adaptation and resilience in vulnerable communities</p>   |  |
| Clean energy generation | Support            | <p>In 2012, LS&amp;Co. signed BICEP (Business for Innovative Climate and Energy Policy) Climate Declaration. To bring our voice for energy and climate action to Washington, LS&amp;Co. was one of the founding members of Business for Innovative Climate and Energy Policy (BICEP). BICEP's members—more than 20 major U.S. brands and retailers—believe that climate change will impact all sectors of the economy and that various business perspectives are needed to provide a full spectrum of viewpoints for solving the climate and energy challenges facing the United States. BICEP's goal is to work directly with key allies in the business community and with members of the U.S. Congress to pass meaningful energy and climate change legislation that is consistent with BICEP's core principles. As a BICEP member, LS&amp;Co. has been advocated on Capitol Hill and with the Administration for comprehensive U.S. climate and energy legislation. Through collective advocacy with BICEP and its members, LS&amp;Co. has advocated for a range of policies aimed at addressing climate change, including cap and trade, energy efficiency, the adoption of renewable energy and investment in a clean energy economy, and work to preserve critical funding related to clean energy and environmental protection. In addition, LS&amp;Co. joined Oxfam America's Partnership for Resilience and Environmental Preparedness (PREP) as a founding member. PREP is coordinated by Oxfam America, the international relief and development organization, and builds on their climate adaptation advocacy by engaging the business community to take action and promote public policies that facilitate adaptation efforts to prepare for and respond to the consequences of a changing climate. As a PREP member, LS&amp;Co. has participated in Congressional briefings to share our story on the potential climate adaptation</p> | <p>Levi Strauss &amp; Co. believes government leadership is essential for widespread action to address climate change and create the enabling environment for companies like ours to invest in renewable energy and achieve the greatest savings from energy efficiency. We can do more, faster and cheaper with federal legislation that incentivizes utilities to work with us to capture efficiencies and invest in renewable energy. The reduced business costs from these investments are savings we can reinvest in the company to grow our business and create jobs. Put simply, we can run our business better with the certainty of a price on carbon and government policies and incentives to help us to maximize energy efficiency and draw our energy from renewable sources.</p> |

| Focus of legislation  | Corporate Position | Details of engagement  | Proposed legislative solution  |
|-----------------------|--------------------|--|--|
|                       |                    | needs and business impact in our supply chain. We also met with Congressional and Administration staff on the need for public and private investments that promote climate adaptation and resilience in vulnerable communities   |  |
| Adaptation resiliency | Support            | <p>In 2012, LS&amp;Co. signed BICEP (Business for Innovative Climate and Energy Policy) Climate Declaration. To bring our voice for energy and climate action to Washington, LS&amp;Co. was one of the founding members of Business for Innovative Climate and Energy Policy (BICEP). BICEP's members—more than 20 major U.S. brands and retailers—believe that climate change will impact all sectors of the economy and that various business perspectives are needed to provide a full spectrum of viewpoints for solving the climate and energy challenges facing the United States. BICEP's goal is to work directly with key allies in the business community and with members of the U.S. Congress to pass meaningful energy and climate change legislation that is consistent with BICEP's core principles. As a BICEP member, LS&amp;Co. has been advocated on Capitol Hill and with the Administration for comprehensive U.S. climate and energy legislation. Through collective advocacy with BICEP and its members, LS&amp;Co. has advocated for a range of policies aimed at addressing climate change, including cap and trade, energy efficiency, the adoption of renewable energy and investment in a clean energy economy, and work to preserve critical funding related to clean energy and environmental protection. In addition, LS&amp;Co. joined Oxfam America's Partnership for Resilience and Environmental Preparedness (PREP) as a founding member. PREP is coordinated by Oxfam America, the international relief and development organization, and builds on their climate adaptation advocacy by engaging the business community to take action and promote public policies that facilitate adaptation efforts to prepare for and respond to the consequences of a changing climate. As a PREP member, LS&amp;Co. has participated in Congressional briefings to share our story on the potential climate adaptation needs and business impact in our supply chain. We also met with Congressional and Administration staff on the need for public and private investments that promote climate adaptation and resilience in vulnerable communities</p> | <p>Levi Strauss &amp; Co. believes government leadership is essential for widespread action to address climate change and create the enabling environment for companies like ours to invest in renewable energy and achieve the greatest savings from energy efficiency. We can do more, faster and cheaper with federal legislation that incentivizes utilities to work with us to capture efficiencies and invest in renewable energy. The reduced business costs from these investments are savings we can reinvest in the company to grow our business and create jobs. Put simply, we can run our business better with the certainty of a price on carbon and government policies and incentives to help us to maximize energy efficiency and draw our energy from renewable sources.</p> |
| Regulation of         | Support            | In 2012, LS&Co. signed BICEP (Business for Innovative Climate  | Levi Strauss & Co. believes government leadership is essential   |

| Focus of legislation | Corporate Position | Details of engagement  | Proposed legislative solution   |
|----------------------|--------------------|--|---|
| methane emissions    |                    | <p>and Energy Policy) Climate Declaration. To bring our voice for energy and climate action to Washington, LS&amp;Co. was one of the founding members of Business for Innovative Climate and Energy Policy (BICEP). BICEP's members—more than 20 major U.S. brands and retailers—believe that climate change will impact all sectors of the economy and that various business perspectives are needed to provide a full spectrum of viewpoints for solving the climate and energy challenges facing the United States. BICEP's goal is to work directly with key allies in the business community and with members of the U.S. Congress to pass meaningful energy and climate change legislation that is consistent with BICEP's core principles. As a BICEP member, LS&amp;Co. has been advocated on Capitol Hill and with the Administration for comprehensive U.S. climate and energy legislation. Through collective advocacy with BICEP and its members, LS&amp;Co. has advocated for a range of policies aimed at addressing climate change, including cap and trade, energy efficiency, the adoption of renewable energy and investment in a clean energy economy, and work to preserve critical funding related to clean energy and environmental protection. In addition, LS&amp;Co. joined Oxfam America's Partnership for Resilience and Environmental Preparedness (PREP) as a founding member. PREP is coordinated by Oxfam America, the international relief and development organization, and builds on their climate adaptation advocacy by engaging the business community to take action and promote public policies that facilitate adaptation efforts to prepare for and respond to the consequences of a changing climate. As a PREP member, LS&amp;Co. has participated in Congressional briefings to share our story on the potential climate adaptation needs and business impact in our supply chain. We also met with Congressional and Administration staff on the need for public and private investments that promote climate adaptation and resilience in vulnerable communities</p> | <p>for widespread action to address climate change and create the enabling environment for companies like ours to invest in renewable energy and achieve the greatest savings from energy efficiency. We can do more, faster and cheaper with federal legislation that incentivizes utilities to work with us to capture efficiencies and invest in renewable energy. The reduced business costs from these investments are savings we can reinvest in the company to grow our business and create jobs. Put simply, we can run our business better with the certainty of a price on carbon and government policies and incentives to help us to maximize energy efficiency and draw our energy from renewable sources.</p> |

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

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**CC2.3c**

**Please enter the details of those trade associations that are likely to take a position on climate change legislation**

| <b>Trade association</b>                                  | <b>Is your position on climate change consistent with theirs?</b> | <b>Please explain the trade association's position</b>   | <b>How have you, or are you attempting to, influence the position?</b> |
|---|---|--|--|
| BICEP (Business for Innovative Climate and Energy Policy) | Consistent  | BICEP is dedicated to promoting energy efficiency, renewable energy and a clean energy economy.  | LS&Co. sits on the steering committee of BICEP.                        |
| San Francisco Chamber of Commerce                         | Consistent  | Text field [maximum 2400 characters] BICEP is dedicated to promoting energy efficiency, renewable energy and a clean energy economy. The SF Chamber of Commerce supports comprehensive climate and energy policy | LS&Co. has connected the SF Chamber of Commerce with BICEP.            |

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**CC2.3d**

**Do you publicly disclose a list of all the research organizations that you fund?**

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**CC2.3e**

**Please provide details of the other engagement activities that you undertake**

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**CC2.3f**

**What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

LS&Co.'s organizational structure requires close collaboration across key departments. Our Sustainability function works with business leaders from across the company (including Global Policy and Advocacy) to evaluate, reassess and build alignment on the Company's Climate Change Strategy, ensuring strong integration into the business. In order to ensure all of LS&Co.'s policy activities are aligned with business strategies, including our climate and energy objectives, LS&Co.'s holds monthly cross-functional policy convenings, which include the Chief Executive Officer, Chief Financial Officer, Chief Counsel, Chief Communications Officer, Head of Global Policy and Advocacy, and Chief Supply Chain Officer, who oversees the sustainability function. This ensures that even in a dynamic policy environment, executives have an opportunity to confirm the Company's policy activity supports all aspects of the company's strategy, including climate.

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CC2.3g

Please explain why you do not engage with policy makers

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**Further Information**

**Page: CC3. Targets and Initiatives**

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CC3.1

**Did you have an emissions reduction or renewable energy consumption or production target that was active (ongoing or reached completion) in the reporting year?**

Absolute target

Intensity target

Renewable energy consumption and/or production target

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CC3.1a

**Please provide details of your absolute target**

| ID   | Scope                    | % of emissions in scope | % reduction from base year | Base year | Base year emissions covered by target (metric tonnes CO2e) | Target year | Is this a science-based target?                       | Comment   |
|------|--------------------------|-------------------------|----------------------------|-----------|--|-------------|---|---|
| Abs1 | Scope 1+2 (market-based) | 70%                     | 25%                        | 2007      | 65919  | 2020        | No, but we anticipate setting one in the next 2 years | Non-manufacturing: Offices, Retail Stores, Distribution Centers |

### CC3.1b

Please provide details of your intensity target

| ID   | Scope                    | % of emissions in scope | % reduction from base year | Metric                                    | Base year | Normalized base year emissions covered by target | Target year | Is this a science-based target?                       | Comment                                   |
|------|--------------------------|-------------------------|----------------------------|---|-----------|--|-------------|---|---|
| Int1 | Scope 1+2 (market-based) | 30%                     | 5%                         | Metric tonnes CO2e per unit of production | 2015      | 1.65   | 2016        | No, but we anticipate setting one in the next 2 years | Manufacturing at Owned & Operated plants. |

### CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

| ID   | Direction of change anticipated in absolute Scope 1+2 emissions at target completion? | % change anticipated in absolute Scope 1+2 emissions | Direction of change anticipated in absolute Scope 3 emissions at target completion? | % change anticipated in absolute Scope 3 emissions | Comment   |
|------|---|--|---|--|---|
| Int1 | Increase  | 4  |   |  | Although we exceeded our annual intensity target for manufacturing, the overall number of units produced in 2016 grew compared to 2015. |

**CC3.1d**

Please provide details of your renewable energy consumption and/or production target

| ID  | Energy types covered by target | Base year | Base year energy for energy type covered (MWh) | % renewable energy in base year | Target year | % renewable energy in target year | Comment   |
|-----|--------------------------------|-----------|--|---------------------------------|-------------|-----------------------------------|---|
| RE1 | All energy consumed            | 2007      |  |                                 | 2020        | 20%                               | Our target is 20% of our energy purchases in 2020 will be from renewable sources. |

**CC3.1e**

For all of your targets, please provide details on the progress made in the reporting year

| ID   | % complete (time) | % complete (emissions or renewable energy) | Comment   |
|------|-------------------|--|---|
| Abs1 | 69%               | 92%  | We had a 23% reduction compared to 2007.                      |
|      | 100%              | 100%                                       | We had a 14% reduction of CO2e/unit product shipped vs. 2015. |

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**CC3.1f**

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

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**CC3.2**

**Do you classify any of your existing goods and/or services as low carbon products or do they enable a third party to avoid GHG emissions?**

Yes

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**CC3.2a**

**Please provide details of your products and/or services that you classify as low carbon products or that enable a third party to avoid GHG emissions**

| Level of aggregation | Description of product/Group of products                            | Are you reporting low carbon product/s or avoided emissions? | Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions | % revenue from low carbon product/s in the reporting year | % R&D in low carbon product/s in the reporting year | Comment  |
|----------------------|---|--|---|---|---|--|
| Group of products    | LS&Co "Water<Less" products Products with recycled cotton in fabric | Avoided emissions  | Other: Internal calculations  | 50%   | Less than or equal to 10%                           | Products that use "Water<Less" techniques remove wash and rinse steps in factories, which in turn reduces energy usage because that water has to be heated, pre-treated, and eventually treated in a wastewater treatment plant--all of these steps require energy. By reducing water usage in factories, we have a ripple effect of reducing energy usage and CO2 emissions among our contracted factories (Scope 3). While we quantify the water savings, we don't quantify the energy savings of the program. But considering that we have saved 1.8 billion liters of water from the program, the resulting energy savings are likely sizable. A small percentage of cotton purchases is recycled cotton. We don't have the LCA data to quantify the difference. |

**CC3.3**

**Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)**

Yes

**CC3.3a**

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

| Stage of development      | Number of projects | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---------------------------|--------------------|--|
| Under investigation       |                    |  |
| To be implemented*        |                    |  |
| Implementation commenced* |                    |  |
| Implemented*              | 1                  | 599  |
| Not to be implemented     |                    |  |

### CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

| Activity type                        | Description of activity  | Estimated annual CO2e savings (metric tonnes CO2e) | Scope                  | Voluntary/ Mandatory | Annual monetary savings (unit currency - as specified in CC0.4) | Investment required (unit currency - as specified in CC0.4) | Payback period | Estimated lifetime of the initiative | Comment |
|--------------------------------------|--|--|------------------------|----------------------|---|---|----------------|--------------------------------------|---------|
| Energy efficiency: Building services | Various energy efficiency upgrades at our large Henderson Distribution Center, including LED lighting. | 599  | Scope 2 (market-based) | Voluntary            | 150000  | 582000  | 4-10 years     | Ongoing                              |         |

### CC3.3c

**What methods do you use to drive investment in emissions reduction activities?**

| Method                      | Comment   |
|-----------------------------|---|
| Internal finance mechanisms | Financial Analysis: We perform financial analysis on each of the energy or emissions reduction initiatives that are scoped for our global facilities. We have certain payback criteria for capital projects that must be achieved in order for funds to be allocated. |
| Other                       | Strategic analysis: Some energy or emissions reduction activities are strategic in the sense that they can build brand or company ethos with consumers and stakeholders.  |

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

**Further Information**

**Page: CC4. Communication**

CC4.1

**Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)**

| Publication | Status | Page/Section reference | Attach the document | Comment |
|-------------|--------|------------------------|---------------------|---------|
| No          |        |                        |                     |         |

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**Further Information**

**Module: Risks and Opportunities**

**Page: CC5. Climate Change Risks**

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**CC5.1**

**Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

- Risks driven by changes in physical climate parameters
  - Risks driven by changes in other climate-related developments
- 

**CC5.1a**

**Please describe your inherent risks that are driven by changes in regulation**

| Risk driver | Description | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications | Management method | Cost of management |
|-------------|-------------|------------------|-----------|------------------|------------|---------------------|----------------------------------|-------------------|--------------------|
|             |             |                  |           |                  |            |                     |                                  |                   |                    |

---

**CC5.1b**

**Please describe your inherent risks that are driven by changes in physical climate parameters**

| Risk driver                          | Description  | Potential impact           | Timeframe | Direct/<br>Indirect     | Likelihood           | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method   | Cost of<br>management                        |
|--------------------------------------|--|----------------------------|-----------|-------------------------|----------------------|------------------------|--|--|--|
| Induced changes in natural resources | Raw materials - We recognize the threats climate change poses to natural and agricultural resources that provide the material bases for production, specifically cotton. Ninety-five percent of LS&Co.'s products are made of cotton, which is produced in more than 100 countries, some of which are starting to feel the impact of climate change. Cotton, as with agricultural commodities in general, is at potential risk for crop failure or reduced yield due to climate changes or water shortages. Cotton fiber production may compete with food crops for decreasing arable land and water | Increased operational cost | >6 years  | Indirect (Supply chain) | More likely than not | Medium                 | Unkown                                 | We import both raw materials and finished garments into all of our operating regions. Our ability to import products in a timely and cost-effective manner may be affected by conditions at ports or issues that otherwise affect transportation and warehousing providers, such as port and shipping capacity, labor disputes and work stoppages, political unrest, severe weather, or security requirements in the United States and other countries. Our existing procurement processes take many variables into consideration and continually adjusts to mitigate risks, which will include climate- | Built into our regular procurement processes |

| Risk driver                            | Description  | Potential impact                            | Timeframe | Direct/<br>Indirect     | Likelihood           | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method   | Cost of<br>management                        |
|--|--|---|-----------|-------------------------|----------------------|------------------------|--|--|--|
|  | scarcity. A ready supply of cotton fiber is essential for our business.  |   |           |                         |                      |                        |  | induced risks.   |  |
| Change in mean (average) precipitation | Manufacturing supply chain - LS&Co. sources products in 34 countries, including many developing countries. Developing countries may already be or are expected to feel initial effects of climate change, including water shortage (India, China, Nicaragua), disease (Cambodia), and flooding (Bangladesh). Some supply routes are directed through freight gateways in geographic areas that may experience increased vulnerability under the effects of | Reduction/disruption in production capacity | >6 years  | Indirect (Supply chain) | More likely than not | Low-medium             | Unkown                                 | These issues could delay importation of products or require us to locate alternative ports or warehousing providers to avoid disruption to our customers. These alternatives may not be available on short notice or could result in higher transportation costs, which could have an adverse impact on our business and financial condition. Nevertheless, our wide contractor base ensures that we have redundancies in our supply chain to accommodate any potential disruptions. | Built into our regular procurement processes |

| Risk driver                          | Description   | Potential impact           | Timeframe | Direct/<br>Indirect     | Likelihood           | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method  | Cost of<br>management |
|--------------------------------------|---|----------------------------|-----------|-------------------------|----------------------|------------------------|--|---|-----------------------|
|                                      | climate change.   |                            |           |                         |                      |                        |  |   |                       |
| Change in mean (average) temperature | <p>Employees and consumers - LS&amp;Co. is concerned about the health and welfare of the communities that support employees and consumers. Public health records show a recent rise in rates of respiratory and pulmonary diseases and morbidity in connection with poor air quality. Health officials have identified amplified disease vectors as a concern in connection with global warming impacts. Related health issues may reduce employee productivity and reduce the quality of lives enjoyed by the people in communities touched by our</p> | Wider social disadvantages | >6 years  | Indirect (Supply chain) | More likely than not | Unknown                | Unkown                                 | <p>LS&amp;Co has various health initiatives in place for employees that fosters a more healthy and productive community. These initiatives can be ramped up or modified in response to any future public health issues.</p> | Unkown                |

| Risk driver                   | Description   | Potential impact       | Timeframe | Direct/<br>Indirect | Likelihood           | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method   | Cost of<br>management |
|-------------------------------|---|------------------------|-----------|---------------------|----------------------|------------------------|--|--|-----------------------|
|                               | businesses.   |                        |           |                     |                      |                        |  |  |                       |
| Uncertainty of physical risks | Insurers are already shaping policy terms and increasing rates in response to bigger storms, worse fires and longer droughts. | Increased capital cost | >6 years  | Direct              | More likely than not | Unknown                | Unkown                                 | Various functions within our team, including Real Estate and Supply Chain, will likely need to manage the risk from any increased capital cost due to insurance. This may take the form of extra insurance premiums, adaptive measures, or evaluating other locations. | Unkown                |

### CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

| Risk driver | Description   | Potential impact                  | Timeframe    | Direct/<br>Indirect | Likelihood             | Magnitude<br>of impact | Estimated<br>financial<br>implications | Management<br>method  | Cost of<br>management                                   |
|-------------|---|-----------------------------------|--------------|---------------------|------------------------|------------------------|--|---|---|
| Reputation  | Stakeholder expectations – Consumers, media and nongovernmental | Reduced demand for goods/services | Up to 1 year | Direct              | Exceptionally unlikely | Low                    | Hard to estimate                       | To the manage the license to operate and stakeholder expectation risks, LS&Co. is | The costs associated with these actions include regular |

| Risk driver                                       | Description  | Potential impact         | Timeframe | Direct/ Indirect | Likelihood             | Magnitude of impact | Estimated financial implications | Management method  | Cost of management  |
|---|--|--------------------------|-----------|------------------|------------------------|---------------------|----------------------------------|--|---|
|   | organizations are increasingly aware of climate change and the role business can play in reducing its emissions. As a consumer facing company, LS&Co. is at risk for negative publicity or nongovernmental organization (NGO) campaigns regarding GHG emissions and efforts to reduce emissions.     |                          |           |                  |                        |                     |                                  | partnering with nongovernmental organizations to address climate change within and outside our business, including participation in: • BICEP (Business for Innovative Climate and Energy Policy) – A business coalition that works for passage in the U.S. Congress of meaningful energy and climate change legislation. | membership dues, registration fees or sponsorships as well as the human resource and travel costs associated with LS&Co. staff participation and support. |
| Induced changes in human and cultural environment | License to operate: Cotton cultivation and many of our suppliers are in developing countries, which are expected to feel initial impacts of climate change. LS&Co.'s license to operate in these countries may be challenged if we are seen to be competing in poor communities for scarce resources | Inability to do business | >6 years  | Direct           | Exceptionally unlikely | Medium              | Hard to estimate                 | We also participate in the following initiatives: • Natural Resources Defense Council (NRDC) Responsible Sourcing Initiative – An initiative that has developed a menu of energy saving best practices for fabric mills in China. • Oxfam America Partnership for Resilience and Environmental                           |   |

| Risk driver | Description  | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications | Management method  | Cost of management |
|-------------|--|------------------|-----------|------------------|------------|---------------------|----------------------------------|--|--------------------|
|             | (water, land) and/or doing business with suppliers who are seen to be contributing significant GHG emissions in their communities. |                  |           |                  |            |                     |                                  | Preparedness (PREP) - A business coalition, coordinated by Oxfam America, that engages the business community to take action and promote public policies that facilitate adaptation efforts to prepare for and respond to the consequences of a changing climate. • WWF Low Carbon Manufacturing Program (LCMP) – Provides carbon accounting tools to suppliers in China to help them manage GHG emissions and energy use. |                    |

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

While regulations related to carbon and climate change may have direct and indirect impacts on our business, we do not find these regulatory risks to be material. Our business is not energy intensive and our facilities fall below threshold requirements for current and proposed regulations limiting emissions, cap and trade programs, and providing for mandatory reporting of greenhouse gas emissions. We monitor regulations that may affect our raw material, energy and logistics providers. However, the expected magnitude and/or likelihood of the risks driven by regulations are sufficiently small and the timescale over which they could occur sufficiently long that we do not currently anticipate substantive changes in our business operations, revenue or expenditure.

As a global business, we look for opportunities to ensure our products are manufactured in the geographies in which we sell, which may reduce the effects of carbon-related regulations on our business. This includes local development centers, such as our Bangalore Development Center, which develops an entire line of "local-for-local" products specifically for sale in India. In addition, LS&Co. purchases renewable energy to offset electricity use for some of our operations which helps ensure the availability of alternative energy sources. We also engage with our suppliers through industry efforts like the Higg Index to evaluate the emissions created in the processing, manufacturing and finishing of our products.

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#### CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

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#### CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

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#### Further Information

**Page: CC6. Climate Change Opportunities**

**CC6.1**

**Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

**CC6.1a**

Please describe your inherent opportunities that are driven by changes in regulation

| Opportunity driver | Description | Potential impact | Timeframe | Direct/Indirect | Likelihood | Magnitude of impact | Estimated financial implications | Management method | Cost of management |
|--------------------|-------------|------------------|-----------|-----------------|------------|---------------------|----------------------------------|-------------------|--------------------|
|                    |             |                  |           |                 |            |                     |                                  |                   |                    |

**CC6.1b**

Please describe your inherent opportunities that are driven by changes in physical climate parameters

| Opportunity driver                   | Description  | Potential impact          | Timeframe    | Direct/Indirect         | Likelihood  | Magnitude of impact | Estimated financial implications   | Management method   | Cost of management   |
|--------------------------------------|--|---------------------------|--------------|-------------------------|-------------|---------------------|--|---|--|
| Change in mean (average) temperature | LS&Co., and the apparel industry at large, source products in many developing countries where water is scarce. Apparel | Reduced operational costs | 3 to 6 years | Indirect (Supply chain) | Very likely | Medium-high         | Since our production occurs in many locations throughout the world the cost implications of water scarcity and water recycling | Our Recycle and Reuse (R&R) standard outlines how garment manufacturing facilities can safely implement systems and | As mentioned in the “Estimated financial implications” section, the cost of management will vary across our sourcing |

| Opportunity driver         | Description  | Potential impact          | Timeframe    | Direct/ Indirect        | Likelihood  | Magnitude of impact | Estimated financial implications   | Management method   | Cost of management  |
|----------------------------|--|---------------------------|--------------|-------------------------|-------------|---------------------|--|---|---|
|                            | <p>manufacturing, and denim manufacturing in particular, is water intensive. With climate change promising to alter precipitation, induce more severe droughts and intensify water scarcity, there exists a clear window of opportunity to help our manufacturers' reduce their dependence on threatened local water supplies by implementing systems that recycle and reuse water. This self-sufficiency at the manufacturing level diminishes water availability risks, allows for stable production and long term cost savings.</p> |                           |              |                         |             |                     | <p>vary depending upon the severity of the water scarcity, exchange rates, etc. We do recognize the capital investment costs of water recycling systems and are looking at opportunities to support our manufacturing partners by establishing partnerships and connecting them with sources of funding and financing.</p> | <p>equipment to recycle and reuse water within their facilities without compromising product quality or safety. While we have not set formal targets around R&amp;R to date, we have begun to work with select manufacturers to implement- and account for the impacts of- R&amp;R systems. We have also open-sourced our R&amp;R standard so that it can be adopted by others in the industry and the impacts can be scaled. The two manufacturers that report their water recycling to us have recycled over 130,000,000M litres of water since 2014.</p> | <p>base. We are in the process of identifying potential sources of funding and financing that could support our manufacturing partners' capital investments in water recycling systems.</p> |
| Induced changes in natural | LS&Co., and the apparel industry at large, source  | Reduced operational costs | 3 to 6 years | Indirect (Supply chain) | Very likely | Medium-high         | Since our production occurs in many locations  | Our Recycle and Reuse (R&R) standard outlines   | As mentioned in the "Estimated financial  |

| Opportunity driver | Description  | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications   | Management method  | Cost of management   |
|--------------------|--|------------------|-----------|------------------|------------|---------------------|--|--|--|
| resources          | products in many developing countries where water is scarce. Apparel manufacturing, and denim manufacturing in particular, is water intensive. With climate change promising to alter precipitation, induce more severe droughts and intensify water scarcity, there exists a clear window of opportunity to help our manufacturers' reduce their dependence on threatened local water supplies by implementing systems that recycle and reuse water. This self-sufficiency at the manufacturing level diminishes water availability risks, allows for stable production and long term cost savings. |                  |           |                  |            |                     | throughout the world the cost implications of water scarcity and water recycling vary depending upon the severity of the water scarcity, exchange rates, etc. We do recognize the capital investment costs of water recycling systems and are looking at opportunities to support our manufacturing partners by establishing partnerships and connecting them with sources of funding and financing. | how garment manufacturing facilities can safely implement systems and equipment to recycle and reuse water within their facilities without compromising product quality or safety. While we have not set formal targets around R&R to date, we have begun to work with select manufacturers to implement- and account for the impacts of- R&R systems. We have also open-sourced our R&R standard so that it can be adopted by others in the industry and the impacts can be scaled. The two manufacturers that report their water recycling to us have recycled over 130,000,000M litres of water | implications" section, the cost of management will vary across our sourcing base. We are in the process of identifying potential sources of funding and financing that could support our manufacturing partners' capital investments in water recycling systems. |

| Opportunity driver                            | Description  | Potential impact          | Timeframe    | Direct/ Indirect        | Likelihood  | Magnitude of impact | Estimated financial implications   | Management method  | Cost of management  |
|---|--|---------------------------|--------------|-------------------------|-------------|---------------------|--|--|---|
|   |  |                           |              |                         |             |                     |  | since 2014.  |   |
| Change in precipitation extremes and droughts | LS&Co., and the apparel industry at large, source products in many developing countries where water is scarcity and extreme weather are current problems that are likely to be exacerbated by climate change. Apparel manufacturing, and denim manufacturing in particular, is water intensive. With climate change promising to alter precipitation, induce more severe droughts and intensify water scarcity, there exists a clear window of opportunity to help our manufacturers' reduce their dependence on threatened local water supplies by implementing | Reduced operational costs | 3 to 6 years | Indirect (Supply chain) | Very likely | Medium-high         | Since our production occurs in many locations throughout the world the cost implications of water scarcity and water recycling vary depending upon the severity of the water scarcity, exchange rates, etc. We do recognize the capital investment costs of water recycling systems and are looking at opportunities to support our manufacturing partners by establishing partnerships and connecting them with sources of funding and financing. | Our Recycle and Reuse (R&R) standard outlines how garment manufacturing facilities can safely implement systems and equipment to recycle and reuse water within their facilities without compromising product quality or safety. While we have not set formal targets around R&R to date, we have begun to work with select manufacturers to implement- and account for the impacts of- R&R systems. We have also open-sourced our R&R standard so that it can be adopted by others in the industry and the impacts can be scaled. The two manufacturers that report their | As mentioned in the "Estimated financial implications" section, the cost of management will vary across our sourcing base. We are in the process of identifying potential sources of funding and financing that could support our manufacturing partners' capital investments in water recycling systems. |

| Opportunity driver | Description  | Potential impact | Timeframe | Direct/ Indirect | Likelihood | Magnitude of impact | Estimated financial implications | Management method   | Cost of management |
|--------------------|--|------------------|-----------|------------------|------------|---------------------|----------------------------------|---|--------------------|
|                    | systems that recycle and reuse water. This self-sufficiency at the manufacturing level diminishes water availability risks, allows for stable production and long term cost savings. |                  |           |                  |            |                     |                                  | water recycling to us have recycled over 130,000,000M litres of water since 2014. |                    |

CC6.1c

Please describe your inherent opportunities that are driven by changes in other climate-related developments

| Opportunity driver | Description  | Potential impact      | Timeframe    | Direct/ Indirect | Likelihood        | Magnitude of impact | Estimated financial implications  | Management method               | Cost of management |
|--------------------|--|-----------------------|--------------|------------------|-------------------|---------------------|---|---------------------------------|--------------------|
| Reputation         | An opportunity recently presented itself to strengthen and leverage our brand reputation by supporting the Paris Agreement and signing Ceres' "We're Still In" letter following the Trump Paris withdrawal announcement. | Wider social benefits | Up to 1 year | Direct           | Virtually certain | Medium-high         | There are no financial implications of directly tied to signing the letter. | LS&Co. signed the Ceres letter. | No direct cost.    |

CC6.1d

**Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure**

We do not anticipate material impacts due to carbon and climate change regulations and we do not view these as presenting opportunities that would have the potential to substantively change our business. We understand that regulations that increase energy costs have the potential to amplify any efforts we may undertake to improve the efficiency of our operations and supply chain, which could reduce energy costs and long term risks to our business. However, we would not expect these efforts to substantively change our operations, revenue or expenditures. Energy costs are such a sufficiently small portion of our overall cost structure that the opportunities presented by existing and potential climate change regulations are not material to our business. Additionally, these regulations would not present a unique opportunity to our company as they would affect our industry.

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CC6.1e

**Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure**

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CC6.1f

**Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure**

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**Further Information**

**Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading**

**Page: CC7. Emissions Methodology**

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**CC7.1**

**Please provide your base year and base year emissions (Scopes 1 and 2)**

| <b>Scope</b>             | <b>Base year</b>                  | <b>Base year emissions (metric tonnes CO2e)</b> |
|--------------------------|-----------------------------------|---|
| Scope 1                  | Mon 01 Jan 2007 - Mon 31 Dec 2007 | 5847  |
| Scope 2 (location-based) | Mon 01 Jan 2007 - Mon 31 Dec 2007 | 60072   |
| Scope 2 (market-based)   | Mon 26 Jun 2017 - Mon 26 Jun 2017 |   |

---

**CC7.2**

**Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions**

**Please select the published methodologies that you use**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

---

**CC7.2a**

**If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions**

---

**CC7.3**

**Please give the source for the global warming potentials you have used**

| <b>Gas</b> | <b>Reference</b>                               |
|------------|--|
| CO2        | IPCC Second Assessment Report (SAR - 100 year) |
| CH4        | IPCC Second Assessment Report (SAR - 100 year) |
| HFCs       | IPCC Second Assessment Report (SAR - 100 year) |
| PFCs       | IPCC Second Assessment Report (SAR - 100 year) |
| SF6        | IPCC Second Assessment Report (SAR - 50 year)  |
| N2O        | IPCC Second Assessment Report (SAR - 100 year) |

---

**CC7.4**

**Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page**

| <b>Fuel/Material/Energy</b>   | <b>Emission Factor</b> | <b>Unit</b>                  | <b>Reference</b>     |
|-------------------------------|------------------------|------------------------------|----------------------|
| Natural gas                   | 0.181                  | metric tonnes CO2e per MWh   | The Climate Registry |
| Other: Heating Oil            | 0.4297                 | metric tonnes CO2e per liter | EPA                  |
| Diesel/Gas oil                | 0.2545                 | metric tonnes CO2e per MWh   | The Climate Registry |
| Liquefied petroleum gas (LPG) | 0.2112                 | metric tonnes CO2e per MWh   | EPA                  |

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**Further Information**

**Page: CC8. Emissions Data - (1 Dec 2015 - 30 Nov 2016)**

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**CC8.1**

**Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory**

Operational control

---

**CC8.2**

**Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e**

9484

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**CC8.3**

**Please describe your approach to reporting Scope 2 emissions**

| Scope 2, location-based                           | Scope 2, market-based                           | Comment |
|---|---|---------|
| We are reporting a Scope 2, location-based figure | We are reporting a Scope 2, market-based figure |         |

---

**CC8.3a**

Please provide your gross global Scope 2 emissions figures in metric tonnes CO<sub>2</sub>e

| Scope 2, location-based | Scope 2, market-based (if applicable) | Comment |
|-------------------------|---------------------------------------|---------|
| 46551                   | 46563                                 |         |

---

**CC8.4**

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

---

**CC8.4a**

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

| Source | Relevance of Scope 1 emissions from this source | Relevance of location-based Scope 2 emissions from this source | Relevance of market-based Scope 2 emissions from this source (if applicable) | Explain why the source is excluded |
|--------|---|--|--|------------------------------------|
|--------|---|--|--|------------------------------------|

---

**CC8.5**

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

| Scope                    | Uncertainty range                          | Main sources of uncertainty  | Please expand on the uncertainty in your data   |
|--------------------------|--|--|---|
| Scope 1                  | More than 2% but less than or equal to 5%  | Data Gaps<br>Metering/<br>Measurement<br>Constraints<br>Other: Data Entry<br>Error | Manual data input into LS&Co.'s data management systems is a source of uncertainty in the data gathering process. While there is a high degree of confidence in LS&Co.'s data management system, there exists a possibility of manual entry errors, as with any manual entry process. Additionally, data from energy providers may include human error associated with meter reading and the billing process. |
| Scope 2 (location-based) | More than 5% but less than or equal to 10% | Data Gaps<br>Metering/<br>Measurement<br>Constraints<br>Other: Data Entry<br>Error | There is a higher degree of uncertainty in reporting of Scope 2 emissions than the reporting of Scope 1 emissions. In addition to manual data entry and inaccurate metering and billing, uncertainty in Scope 2 reporting exists due to estimation of optional secondary emissions sources. These estimations account for approximately 10 percent of total Scope 2 emissions.                                |
| Scope 2 (market-based)   | More than 5% but less than or equal to 10% | Data Gaps<br>Metering/<br>Measurement<br>Constraints                               | There is a higher degree of uncertainty in reporting of Scope 2 emissions than the reporting of Scope 1 emissions. In addition to manual data entry and inaccurate metering and billing, uncertainty in Scope 2 reporting exists due to estimation of optional secondary emissions sources. These estimations account for approximately 10 percent of total Scope 2 emissions.                                |

**CC8.6**

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance process in place

**CC8.6a**

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

| Verification or assurance cycle in place | Status in the current reporting year | Type of verification or assurance | Attach the statement  | Page/section reference | Relevant standard | Proportion of reported Scope 1 emissions verified (%) |
|--|--------------------------------------|-----------------------------------|---|------------------------|-------------------|---|
| Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/61/10661/Climate%20Change%202017/Shared%20Documents/Attachments/CC8.6a/WRI-CDP-Entity_Levis_EY2016_VerificationStatement_V062617.pdf">https://www.cdp.net/sites/2017/61/10661/Climate Change 2017/Shared Documents/Attachments/CC8.6a/WRI-CDP-Entity_Levis_EY2016_VerificationStatement_V062617.pdf</a> |                        | ISO14064-3        | 100   |

#### CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emission Monitoring Systems (CEMS)

| Regulation | % of emissions covered by the system | Compliance period | Evidence of submission |
|------------|--------------------------------------|-------------------|------------------------|
|            |                                      |                   |                        |

#### CC8.7

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place

#### CC8.7a

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

| Location-based or market-based figure? | Verification or assurance cycle in place | Status in the current reporting year | Type of verification or assurance | Attach the statement  | Page/Section reference | Relevant standard | Proportion of reported Scope 2 emissions verified (%) |
|--|--|--------------------------------------|-----------------------------------|---|------------------------|-------------------|---|
| Market-based                           | Annual process                           | Complete                             | Reasonable assurance              | <a href="https://www.cdp.net/sites/2017/61/10661/Climate Change 2017/Shared Documents/Attachments/CC8.7a/WRI-CDP-Entity_Levis_EY2016_VerificationStatement_V062617.pdf">https://www.cdp.net/sites/2017/61/10661/Climate Change 2017/Shared Documents/Attachments/CC8.7a/WRI-CDP-Entity_Levis_EY2016_VerificationStatement_V062617.pdf</a> |                        | ISO14064-3        | 100   |

#### CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

| Additional data points verified | Comment |
|---------------------------------|---------|
| No additional data verified     |         |

#### CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

---

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

---

**Further Information**

**Page: CC9. Scope 1 Emissions Breakdown - (1 Dec 2015 - 30 Nov 2016)**

---

CC9.1

**Do you have Scope 1 emissions sources in more than one country?**

Yes

---

CC9.1a

**Please break down your total gross global Scope 1 emissions by country/region**

| Country/Region                            | Scope 1 metric tonnes CO2e |
|---|----------------------------|
| US, Latin America and Caribbean (USLAC)   | 4261                       |
| Asia, Australasia, Middle East and Africa | 1263                       |
| Europe                                    | 3960                       |

---

CC9.2

**Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)**

By facility

---

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

| Business division | Scope 1 emissions (metric tonnes CO2e) |
|-------------------|--|
|-------------------|--|

---

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

| Facility             | Scope 1 emissions (metric tonnes CO2e) | Latitude | Longitude |
|----------------------|--|----------|-----------|
| Offices              | 1176                                   |          |           |
| Retail               | 3943                                   |          |           |
| Distribution Centers | 3771                                   |          |           |
| Manufacturing        | 594                                    |          |           |

---

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

| GHG type | Scope 1 emissions (metric tonnes CO2e) |
|----------|--|
|----------|--|

---

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

| Activity | Scope 1 emissions (metric tonnes CO2e) |
|----------|--|
|----------|--|

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**Further Information**

**Page: CC10. Scope 2 Emissions Breakdown - (1 Dec 2015 - 30 Nov 2016)**

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CC10.1

**Do you have Scope 2 emissions sources in more than one country?**

Yes

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CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

| Country/Region                               | Scope 2, location-based<br>(metric tonnes CO2e) | Scope 2, market-based<br>(metric tonnes CO2e) | Purchased and consumed<br>electricity, heat,<br>steam or cooling<br>(MWh) | Purchased and consumed low<br>carbon electricity, heat, steam<br>or cooling accounted in<br>market-based approach (MWh) |
|--|---|---|---|---|
| US, Latin America and Caribbean<br>(USLAC)   | 32924   | 32924   | 71089   | 0   |
| Asia, Australasia, Middle East and<br>Africa | 8973  | 8973  | 12382   | 0   |
| Europe                                       | 4654  | 4666  | 23729   | 13626   |

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By facility

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

| Business division | Scope 2, location-based<br>(metric tonnes CO2e) | Scope 2, market-based<br>(metric tonnes CO2e) |
|-------------------|---|---|
|                   |   |   |

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**CC10.2b**

Please break down your total gross global Scope 2 emissions by facility

| Facility             | Scope 2, location-based<br>(metric tonnes CO2e) | Scope 2, market-based<br>(metric tonnes CO2e) |
|----------------------|---|---|
| Offices              | 6031  | 6034  |
| Retail               | 18066   | 18076   |
| Distribution Centers | 20713   | 20713   |
| Manufacturing        | 1740  | 1740  |

---

**CC10.2c**

Please break down your total gross global Scope 2 emissions by activity

| Activity | Scope 2, location-based (metric tonnes CO2e) | Scope 2, market-based (metric tonnes CO2e) |
|----------|--|--|
|----------|--|--|

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**Further Information**

**Page: CC11. Energy**

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**CC11.1**

**What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

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**CC11.2**

Please state how much heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

| Energy type | MWh   |
|-------------|-------|
| Heat        | 33036 |
| Steam       | 1368  |
| Cooling     |       |

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**CC11.3**

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

33036

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**CC11.3a**

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

| Fuels                    | MWh   |
|--------------------------|-------|
| Natural gas              | 29522 |
| Distillate fuel oil No 6 | 3513  |

**CC11.4**

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

| Basis for applying a low carbon emission factor                                  | MWh consumed associated with low carbon electricity, heat, steam or cooling | Emissions factor (in units of metric tonnes CO2e per MWh) | Comment   |
|--|---|---|---|
| Contract with suppliers or utilities, supported by energy attribute certificates | 13626   | 0   | European facilities source energy from renewable energy suppliers, amounting to 13626 MWh in 2016, verified through Guarantees of Origin  |
| Energy attribute certificates, Renewable Energy Certificates (RECs)              | 12000   | 0   | Our operations in US purchased RECs to cover 12000 MWh during the period. All RECs are Green-e certified. We apply RECs towards our Renewable Energy targets but not towards our CO2 targets. |

**CC11.5**

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

| Total electricity consumed (MWh) | Consumed electricity that is purchased (MWh) | Total electricity produced (MWh) | Total renewable electricity produced (MWh) | Consumed renewable electricity that is produced by company (MWh) | Comment |
|----------------------------------|--|----------------------------------|--|--|---------|
| 105833                           | 105833                                       | 0                                | 0  | 0  |         |

**Further Information**

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

| Reason                                  | Emissions value (percentage) | Direction of change | Please explain and include calculation                                |
|---|------------------------------|---------------------|---|
| Emissions reduction activities          | 0.5                          | Decrease            | We implemented energy efficiency projects at US distribution centers. |
| Divestment                              |                              |                     |   |
| Acquisitions                            |                              |                     |   |
| Mergers                                 |                              |                     |   |
| Change in output                        |                              |                     |   |
| Change in methodology                   |                              |                     |   |
| Change in boundary                      |                              |                     |   |
| Change in physical operating conditions |                              |                     |   |
| Unidentified                            |                              |                     |   |
| Other                                   | 0.5                          | Decrease            | Recent changes in emission factors decreased our total CO2 emissions. |

CC12.1b

Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

**CC12.2**

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

| Intensity figure = | Metric numerator (Gross global combined Scope 1 and 2 emissions) | Metric denominator: Unit total revenue | Scope 2 figure used | % change from previous year | Direction of change from previous year | Reason for change   |
|--------------------|--|--|---------------------|-----------------------------|--|---|
| 0.000012           | metric tonnes CO2e   | 4494000000                             | Market-based        | 4                           | Increase                               | Our emissions dropped slightly more than our revenue did. |

**CC12.3**

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

| Intensity figure = | Metric numerator (Gross global combined Scope 1 and 2 emissions) | Metric denominator                  | Metric denominator: Unit total | Scope 2 figure used | % change from previous year | Direction of change from previous year | Reason for change                                 |
|--------------------|--|-------------------------------------|--------------------------------|---------------------|-----------------------------|--|---|
| 4.54               | metric tonnes CO2e   | full time equivalent (FTE) employee | 12340                          | Market-based        | 2                           | Decrease                               | Carbon emissions dropped while FTE remained same. |

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**Further Information**

**Page: CC13. Emissions Trading**

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**CC13.1**

**Do you participate in any emissions trading schemes?**

No, and we do not currently anticipate doing so in the next 2 years

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**CC13.1a**

Please complete the following table for each of the emission trading schemes in which you participate

| Scheme name | Period for which data is supplied | Allowances allocated | Allowances purchased | Verified emissions in metric tonnes CO2e | Details of ownership |
|-------------|-----------------------------------|----------------------|----------------------|--|----------------------|
|             |                                   |                      |                      |  |                      |

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**CC13.1b**

What is your strategy for complying with the schemes in which you participate or anticipate participating?

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**CC13.2**

**Has your organization originated any project-based carbon credits or purchased any within the reporting period?**

No

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

| Credit origination or credit purchase | Project type | Project identification | Verified to which standard | Number of credits (metric tonnes CO2e) | Number of credits (metric tonnes CO2e): Risk adjusted volume | Credits canceled | Purpose, e.g. compliance |
|---------------------------------------|--------------|------------------------|----------------------------|--|--|------------------|--------------------------|
|                                       |              |                        |                            |  |  |                  |                          |

Further Information

Page: **CC14. Scope 3 Emissions**

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

| Sources of Scope 3 emissions | Evaluation status    | metric tonnes CO2e | Emissions calculation methodology  | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation |
|------------------------------|----------------------|--------------------|--|---|-------------|
| Purchased goods and services | Relevant, calculated | 3039813            | "Cradle-to-gate emissions from LS&Co. purchased goods and services are calculated using three methods: 1. For purchased goods and services related to LS&Co bottoms and tops products, the number of Levi's, Levi's XX, Dockers, and Standard (Signature & Denizen) units produced is obtained from LS&Co.'s product and | 0.00%   |             |

| Sources of Scope 3 emissions       | Evaluation status    | metric tonnes CO2e | Emissions calculation methodology  | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation |
|------------------------------------|----------------------|--------------------|--|---|-------------|
|                                    |                      |                    | sales team. Cradle to gate emissions factors per bottom unit are taken from the previously conducted Life Cycle Assessment (LCA) (see ""Impact Summary Condensed"" worksheet of the ""Output Results Summary_Product 14 12 30 rev b LS CONFIDENTIAL.xls"" ) and multiplied by the number of bottom units produced. Cradle to gate emissions factors per top unit are taken from the previously conducted Life Cycle Assessment (LCA) from Cotton Inc. and multiplied by the number of top units produced. 2. For purchased goods and services related to products purchased from LS&Co. licensee vendors and LS&Co footwear and accessories, FY16 emissions results from the previously conducted LCA by Tom Gloria on behalf of LS&Co. is obtained and used. It is conservatively assumed that all accessories products produced by licensee vendors are purchased directly by LS&Co. for sale in LS&Co. operated retail stores. 3. For all other purchased goods and services, total spend data is aggregated into standard product categories. The spend in each category is multiplied by sector-specific cradle-to-gate emission factors. Emissions factors are from UK Defra, Table 13 - Indirect emissions from the supply chain, March 2014. GWPs are IPCC Second Assessment Report (SAR - 100 year)." |   |             |
| Capital goods                      | Relevant, calculated | 12138              | Cradle-to-gate emissions from LS&Co. purchased capital goods are calculated by aggregating total spend data into standard product categories. The spend in each category is multiplied by sector-specific cradle-to-gate emission factors. Emissions factors are from UK Defra, Table 13 - Indirect emissions from the supply chain, March 2014. GWPs are IPCC Second Assessment Report (SAR - 100 year).  | 0.00%   |             |
| Fuel-and-energy-related activities | Relevant, calculated | 9648               | The activity data used to quantify these activities' emissions are the quantity consumed of each energy type, such as electricity or natural   | 0.00%   |             |

| Sources of Scope 3 emissions             | Evaluation status    | metric tonnes CO2e | Emissions calculation methodology  | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation |
|--|----------------------|--------------------|--|---|-------------|
| (not included in Scope 1 or 2)           |                      |                    | gas. Consumption by fuel type is then multiplied by emission factors for each of the three activities included in this category. Emission factors for upstream emissions of purchased fuels are based on life-cycle analysis software. Emission factors for upstream emissions of purchased electricity are based on life-cycle analysis software for the US, and on UK Defra Guidelines for other countries. Emission factors for T&D losses are location-based and taken from EPA's eGRID database for the US, and on UK Defra Guidelines for other countries. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).  |   |             |
| Upstream transportation and distribution | Relevant, calculated | 156332             | This figure encompasses emissions from inbound and outbound transportation of goods purchased and products sold by LS&Co. Activity data for this category are obtained from LS&Co.'s transportation logistics team. Shipments of purchased goods and sold products by origin-destination, mode of transport, and mass are used to calculate emissions. Emissions are calculated using EPA Emission Factors for Greenhouse Gas Inventories for product transport. Energy consumption from LS&Co. operations in third party distribution centers is estimated by multiplying the square footage of LS&Co. occupied space by the average electricity intensity of LS&Co owned and operated distribution centers. Emissions are calculated using country/subregion emission factors from the EPA and the International Energy Agency (IEA). GWPs are IPCC Fourth Assessment Report (AR4 - 100 year). | 100.00%   |             |
| Waste generated in operations            | Relevant, calculated | 7129               | This figure represents emissions associated with waste disposed of via landfilling. Avoided emissions from recycling or composting are not included. Data on waste quantity, composition, and disposal method are obtained from several LS&Co. facilities. For the remaining sites, waste is estimated using assumptions for waste generation per ft2 based on sites that provided primary data.   | 27.00%  |             |

| Sources of Scope 3 emissions  | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology   | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation  |
|-------------------------------|------------------------------------|--------------------|---|---|--|
|                               |                                    |                    | Emissions from waste are calculated using methodologies and emission factors from the EPA's Waste Reduction Model (WARM). This model calculates emissions based on a life-cycle analysis, including emissions from the long-term decomposition of waste in a landfill or from upstream sources/sinks. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).  |   |  |
| Business travel               | Relevant, calculated               | 15311              | Business travel includes business air and rail travel by LS&Co. employees. Air and rail travel activity data and emissions totals are obtained from LS&Co.'s travel agency Carlson Wagonlit. Emissions are calculated using emission factors and methodologies from the 2011 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting. GWPs are IPCC Second Assessment Report (SAR - 100 year).  | 100.00%   |  |
| Employee commuting            | Relevant, calculated               | 21908              | The number of commuting trips per week by travel mode is obtained from a survey of employees at LS&Co.'s SkyHarbor site. The distance traveled per commuting trip and number of commuting days per year is based on typical patterns for office employees and those on flexible and remote work schedules, and adjusting for time off and travel days. The result is a calculation of annual commuting miles by travel mode. Total emissions for each mode of transportation are calculated using emission factors and methodologies from EPA Emission Factors for Greenhouse Gas Inventories. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year). | 0.00%   |  |
| Upstream leased assets        | Not relevant, explanation provided |                    | NA  |   | LS&Co. upstream leased assets are included in the Scope 1 and 2 GHG inventory. |
| Downstream transportation and | Relevant, calculated               | 5630               | This figure encompasses emissions from outbound transportation of products sold by LS&Co. and not paid for by LS&Co. Activity data for  | 100.00%   |  |

| Sources of Scope 3 emissions           | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology   | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation                                     |
|--|------------------------------------|--------------------|---|---|---|
| distribution                           |                                    |                    | this category are obtained from LS&Co.'s transportation logistics team. Shipments of sold products by origin-destination, mode of transport, and mass are used to calculate emissions. Emissions are calculated using EPA Emission Factors for Greenhouse Gas Inventories for product transport. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).   |   |   |
| Processing of sold products            | Not relevant, explanation provided |                    |   |   | There is no processing of LS&Co. sold products. |
| Use of sold products                   | Relevant, calculated               | 1761603            | This figure represents indirect emissions associated with washing, drying, and ironing of clothes during the customer use phase. The number of Levi's, Dockers, and Standard (Signature & Denizen) units sold is obtained from LS&Co.'s product and sales team. Use phase emissions factors per bottom unit sold are taken from the previously conducted Life Cycle Assessment (LCA) (see "Impact Summary Condensed" worksheet of the "Output Results Summary_Product 14 12 30 rev b LS CONFIDENTIAL.xls") and multiplied by the units sold. Use phase emissions factors per top unit sold are taken from the previously conducted Life Cycle Assessment (LCA) from Cotton Inc. and multiplied by the units sold. | 0.00%   |   |
| End of life treatment of sold products | Relevant, calculated               | 121467             | The number of Levi's, Dockers, and Standard (Signature & Denizen) units sold is obtained from LS&Co.'s product and sales team. End of life emissions factors per bottom unit sold are taken from the previously conducted Life Cycle Assessment (LCA) (see "Impact Summary Condensed" worksheet of the "Output Results Summary_Product 14 12 30 rev b LS CONFIDENTIAL.xls") and multiplied by the units sold. End of life emissions factors per top unit sold are taken from the previously conducted Life Cycle Assessment (LCA) from Cotton Inc. and multiplied by the units sold.  | 0.00%   |   |
| Downstream leased                      | Not relevant,                      |                    | NA  |   | LS&Co. does not have                            |

| Sources of Scope 3 emissions | Evaluation status                  | metric tonnes CO2e | Emissions calculation methodology   | Percentage of emissions calculated using data obtained from suppliers or value chain partners | Explanation   |
|------------------------------|------------------------------------|--------------------|---|---|---|
| assets                       | explanation provided               |                    |   |   | any downstream leased assets not included in the Scope 1 and 2 inventory.                       |
| Franchises                   | Relevant, calculated               | 27686              | This figure includes emissions from purchased electricity in LS&Co.'s Commissionaire, Concession, and Franchise stores worldwide. Square footage of franchise store space is obtained from LS&Co.'s retail stores management database. For stores where square footage is unavailable, the average of stores with available square footage is used. Electricity consumption is estimated by multiplying square footage by average country specific electric intensities used in the Scope 1 and 2 inventory. Emissions are calculated by multiplying electricity consumption by grid average emissions factors from the EPA and the International Energy Agency. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year). | 0.00%   |   |
| Investments                  | Not relevant, explanation provided |                    |   |   | LS&Co. does not have any investments where LS&Co. ownership exceeds 1% of that company's value. |
| Other (upstream)             |                                    |                    |   |   |   |
| Other (downstream)           |                                    |                    |   |   |   |

**Please indicate the verification/assurance status that applies to your reported Scope 3 emissions**

No third party verification or assurance

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**CC14.2a**

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

| Verification or assurance cycle in place | Status in the current reporting year | Type of verification or assurance | Attach the statement | Page/Section reference | Relevant standard | Proportion of reported Scope 3 emissions verified (%) |
|--|--------------------------------------|-----------------------------------|----------------------|------------------------|-------------------|---|
|  |                                      |                                   |                      |                        |                   |   |

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**CC14.3**

**Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?**

No, this is our first year of estimation

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**CC14.3a**

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

| Sources of Scope 3 emissions | Reason for change | Emissions value (percentage) | Direction of change | Comment |
|------------------------------|-------------------|------------------------------|---------------------|---------|
|                              |                   |                              |                     |         |

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#### CC14.4

**Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)**

Yes, our suppliers

Yes, our customers

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#### CC14.4a

**Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success**

We are in the process of completing a life cycle assessment to measure the GHG emissions of our key products. This will update our understanding of consumer care impact. These studies inform our strategy for prioritizing engagements and serve as a measurement for impact. We prioritize engagements based on the results of our lifecycle assessment (LCA) studies. In 2007, we commissioned our first lifecycle assessment for two of our core products, a Levi's® 501® Medium Stonewash jean and a Dockers® Original Khaki. We learned that the greatest impact on climate change resulted from consumer use (58%).

As a result, we started a "Care Tag for Our Planet" program, changing the product care tags in our clothing to include instructions about ways consumers can reduce the environmental impact of their clothes after leaving the store. The tags encourage consumers to wash less, wash in cold water, line dry when possible, and donate clothing to charity when no longer needed.

We also wanted to enable consumers to make smart purchasing decisions, so in 2011, we launched our version of an environmental "nutrition label" for our products, based on our lifecycle research. We participated in an experiment in France to find the most effective ways to provide environmental impact data — including carbon dioxide emissions — to consumers on the products they purchase.

The National Experiment, led by the French Ministry of Ecology, Sustainable Development, Transport and Housing, included eight jean styles on our French Levi's® website and also at our LEED certified store in Paris. The pilot ran from July 1, 2011 to June 30, 2012, and the 168 participating companies will submit evaluations of the pilot for consolidation into a recommendation to the French Parliament early 2013 on next steps for environmental labeling of consumer products.

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**CC14.4b**

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

| Type of engagement | Number of suppliers | % of total spend (direct and indirect) | Impact of engagement   |
|--------------------|---------------------|--|--|
| Active engagement  | 52                  | 70%                                    | This was the first year we conducted a Scope 3 analysis and, considering that 99% of our total GHG emissions came from Scope 3 categories, we intend to work closely with our vendors to establish targets for reductions and use best practices around energy efficiency and renewable energy procurement. We already are pushing our key vendors that represent the vast majority of our unit production to report their energy usage and efficiency activities in the Higg Index (operated by the Sustainable Apparel Coalition). This primary data will be useful for both target setting purposes and refining our Scope 3 figures in the future. |

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**CC14.4c**

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

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**Further Information**

**Module: Sign Off**

**Page: CC15. Sign Off**

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**CC15.1**

Please provide the following information for the person that has signed off (approved) your CDP climate change response

| Name         | Job title                                       | Corresponding job category         |
|--------------|---|------------------------------------|
| Byron Thayer | Manager, Sustainability Performance & Reporting | Environment/Sustainability manager |

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**Further Information**

**CDP**