

# Levi Strauss & Co. - Water Security 2022

## W0. Introduction

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### W0.1

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#### (W0.1) Give a general description of and introduction to your organization.

From our California Gold Rush beginnings, we have grown into one of the world's largest brand-name apparel companies. A history of responsible business practices, rooted in our core values, has helped us build our brands and engender consumer trust around the world. Under our Levi's®, Dockers®, Signature by Levi Strauss & Co.™ and Denizen® brands, we design, market and sell – directly or through third parties and licensees – products that include jeans, casual and dress pants, tops, shorts, skirts, dresses, jackets, footwear, and related accessories for men, women and children around the world. Our newest brand, Beyond Yoga®, acquired in 2021, is a body positive, premium athleisure apparel brand focused on quality, fit and comfort for all shapes and sizes. Our products are sold in approximately 50,000 retail locations worldwide, including approximately 3,100 brand-dedicated stores and shop-in-shops.

### W0.2

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#### (W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	December 1 2020	November 30 2021

### W0.3

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#### (W0.3) Select the countries/areas in which you operate.

Australia  
Bangladesh  
Belgium  
Bolivia (Plurinational State of)  
Brazil  
Canada  
Chile  
China  
Czechia  
Denmark  
Egypt  
Finland

France  
Germany  
Greece  
Hong Kong SAR, China  
Hungary  
India  
Indonesia  
Ireland  
Italy  
Japan  
Malaysia  
Mexico  
Netherlands  
New Zealand  
Norway  
Pakistan  
Peru  
Philippines  
Poland  
Portugal  
Republic of Korea  
Russian Federation  
Singapore  
South Africa  
Spain  
Sweden  
Switzerland  
Taiwan, China  
Turkey  
United Kingdom of Great Britain and Northern Ireland  
United States of America

## W0.4

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**(W0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## W0.5

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**(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.**

Companies, entities or groups over which operational control is exercised

## W0.6

**(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?**

No

## W0.7

**(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	US52736R1023

## W1. Current state

## W1.1

**(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.**

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Not very important	Vital	Direct use: Freshwater use in our direct operations is limited and only accounts for 0.1% of our total water use across our value chain. The freshwater that is used to support our direct operations is primarily for hygiene, food preparation, cleaning, maintenance, and drinking water for employees. While good quality freshwater is necessary for hygiene, food preparation, and drinking water, these uses require relatively small amounts of water when compared with agricultural production or manufacturing processes and are therefore considered not very

	Direct use importance rating	Indirect use importance rating	Please explain
			<p>important.</p> <p>Indirect Use: The vast majority of our total value chain freshwater use, about 99.9%, comes from indirect usage throughout our supply chain. Our Tier 1 and Tier 2 suppliers use good quality freshwater during every stage of textile manufacturing, making it a vital resource that is critical for our products. Freshwater is used for growing fibers – such as cotton – and dyeing and finishing wet processing for products. Water access, sanitation, and hygiene is also vital for our supply chain workforce and the communities that they operate in. Water scarcity and drought can disrupt our ability to manufacture products and grow fibers and represents a risk to business continuity. Future direct and indirect freshwater dependency is expected to decrease as we continue to implement our 2025 Water Action Strategy. For example, we have committed to reducing our water use in manufacturing by 50% in areas of high-water stress against a 2018 baseline, and all key fabric and garment suppliers have set contextual Water&lt;Less® targets. Additionally, water is utilized by our consumers as part of product care. Instructions are available to consumers to wash denim as little as possible on our Product Care site at <a href="http://levi.com">levi.com</a> The Definitive Guide to Denim Care   Off The Cuff (<a href="http://levi.com">levi.com</a>).</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Not very important	Important	<p>Direct use: Recycled, brackish, and produced water is considered not very important for our direct operations because freshwater is required for all hygiene, food preparation, cleaning, maintenance, and drinking water activities that are primarily used at these facilities. Some of our facilities use recycled water for landscape irrigation, but this use is limited and not critical for our business operations.</p> <p>Indirect Use: The use of recycled water in our supply chain is important because water is a critical input for our textile manufacturing processes. Our suppliers do not use brackish or produced water. Dyeing, washing, and finishing processes used at the</p>

	Direct use importance rating	Indirect use importance rating	Please explain
			mills and laundries that manufacture our products use recycled water whenever possible to conserve freshwater resources. In 2014, we became the first major apparel brand to author a standard for water recycling and reuse for manufacturing facilities. Our Recycle & Reuse Standard and Guidelines establish that facilities must adhere to the Zero Discharge of Hazardous Chemicals (ZDHC) Foundation's wastewater guidelines' "progressive" standard and recycle more than 20% of the water used in manufacturing. Between 2014 and 2020, approximately 11 billion liters of water have been recycled at product and fabric manufacturing facilities that apply our water Recycle & Reuse Standard. Future dependency on recycled water is expected to increase as we expand our Recycle & Reuse Standard and Guidelines and Water<Less® finishing techniques throughout our supply chain to reduce freshwater dependency and mitigate risk in areas of water stress.

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	5763936	522	11042.0229885057	As we continue to make progress on the goals outlined in our 2025 Water Action Strategy, we anticipate that our total water withdrawal efficiency will improve moving forward.

## W1.4

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### (W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

## W1.4a

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### (W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

#### Row 1

#### % of suppliers by number

1-25

#### % of total procurement spend

76-100

#### Rationale for this coverage

We focus many of our sustainability efforts on 119 so-called 'key vendor suppliers', which are a small percentage of the total number of suppliers (24%) but produce >80% of our garments. Production volume is used as a proxy for procurement spend. We collect water-related data from these 'key vendor suppliers' through compliance with our Sustainability Guidebook, which requires them to: a) have a water meter to measure regular water consumption; and b) track water consumption information according to the questions in Level 1 of the Higg Index Facility Environment Module (FEM). Suppliers are incentivized to report by being categorized as a 'key vendor supplier', which results in LS&Co. procuring more product from them. However, if they do not comply with our Sustainability Guidebook, the 'key vendor supplier' status can be revoked.

#### Impact of the engagement and measures of success

82% of all 'key vendor suppliers' provided third-party verified water-related data in FY 2021. These water-related data included the following related to the Higg FEM: how much water is consumed annually; water sources; unit of measurement; and method of measurement. We also require that all our suppliers meet ZDHC Wastewater Requirements by testing their effluent biannually. All water related data helps inform our overall water footprint and identifies water 'hotspots' where our suppliers are using the largest volume of water or having the largest impact on water quality throughout our supply chain. This analysis informs our 2025 Water Action Strategy and is used as a data point in our annual water risk assessment. We consider this engagement to be successful if 100% of all 'key vendor suppliers' provide third-party verified water data annually.

#### Comment

## W1.4b

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### (W1.4b) Provide details of any other water-related supplier engagement activity.

#### Type of engagement

Incentivizing for improved water management and stewardship

### Details of engagement

Demonstrable progress against water-related targets is incentivized in your supplier relationship management

### % of suppliers by number

1-25

### % of total procurement spend

76-100

### Rationale for the coverage of your engagement

Our Water<Less® water stewardship program began in 2011 and focuses on ways to maximize water efficiency and recycling in apparel production. We prioritize Water<Less® initiatives in our 119 'key vendor suppliers' that represent >80% of our garments. Production volume is used as a proxy for procurement spend. We have also shared the Water<Less® innovation manual with the apparel industry to foster collective action. Moving forward, we will be evolving the Water<Less® program into a facility-level qualification that is tied to 2025 contextual water targets.

### Impact of the engagement and measures of success

As of FY 21, 43% of all our products were made using Water<Less® finishing techniques or in facilities that meet our water recycle and reuse guidelines. This amounts to 11 billion liters of water recycled since the program began in 2011. Success of the Water<Less® program moving forward will be 100% of facility-level contextual water targets achieved by 2025. To aid in this process, we are setting intermediate 2023 water reduction targets to serve as milestones as suppliers progress towards their 2025 target. These intermediate targets will indicate which suppliers are on track and can be considered Water<Less® suppliers for a two-year period.

### Comment

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## W1.4c

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### (W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

LS&Co. has been at the forefront of water stewardship in the apparel industry. We have done this by prioritizing engagements outside of our fence-line through direct engagement with key members of our value chain. Our value chain engagements are focused on 119 key vendor suppliers that produce >80% of our garments. For these suppliers, we provide education, resources, and training to support the management of water quality and water quantity effectively in the watersheds that they operate in. Success of direct engagement with our key vendor suppliers is measured by achievement of our 2025 Water Action Strategy.

In addition to engaging our key vendor suppliers, we also participate in global initiatives and NGO partnerships. For global initiatives, we are a CEO Water Mandate signatory and member of the Water Resilience Coalition. These initiatives help guide our water stewardship actions throughout our value chain and ensure that we collaborate with our peers on collective action opportunities in key basins. Success for participation in these global initiatives is measured by achieving the three goals outlined by the Water Resilience Coalition by 2050.

For NGO partnerships, we partner with the ZDHC Foundation and Waves for Water Foundation. Our partnership with the ZDHC Foundation has helped us develop initiatives aimed at the use of hazardous chemicals, water recycling, and wastewater treatment throughout our value chain. Success for this initiative is measured by meeting our zero discharge of hazardous chemicals goal. Our partnership with Waves for Water Foundation helps us provide clean water access to communities in need adjacent to our key vendor suppliers. Success for this partnership is measured by completion of the three-year agreement.

## W2. Business impacts

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### W2.1

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**(W2.1) Has your organization experienced any detrimental water-related impacts?**

No

### W2.2

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**(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?**

No

## W3. Procedures

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### W3.3

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**(W3.3) Does your organization undertake a water-related risk assessment?**

Yes, water-related risks are assessed

### W3.3a

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**(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.**

**Value chain stage**

Direct operations

**Coverage**

Full

**Risk assessment procedure**



Water risks are assessed as part of an established enterprise risk management framework

**Frequency of assessment**

Annually

**How far into the future are risks considered?**

More than 6 years

**Type of tools and methods used**

Tools on the market

Other

**Tools and methods used**

WRI Aqueduct

WWF Water Risk Filter

External consultants

**Contextual issues considered**

Water availability at a basin/catchment level

Water regulatory frameworks

Status of ecosystems and habitats

Access to fully-functioning, safely managed WASH services for all employees

**Stakeholders considered**

Customers

Employees

Investors

Local communities

**Comment**

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**Value chain stage**

Supply chain

**Coverage**

Full

**Risk assessment procedure**

Water risks are assessed as part of an established enterprise risk management framework

**Frequency of assessment**

Annually

**How far into the future are risks considered?**

More than 6 years

**Type of tools and methods used**

Tools on the market

Other

**Tools and methods used**

WRI Aqueduct

WWF Water Risk Filter  
External consultants

#### Contextual issues considered

Water availability at a basin/catchment level  
Water regulatory frameworks  
Status of ecosystems and habitats  
Access to fully-functioning, safely managed WASH services for all employees

#### Stakeholders considered

Customers  
Employees  
Investors  
Local communities

#### Comment

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### W3.3b

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#### (W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

LS&Co. completes an annual water risk assessment for its 1,225 company-operated facilities and 504 Tier 1 and Tier 2 suppliers. Risks are identified through a combination of indicators from the WRI Aqueduct and WWF Water Risk Filter tools, as well as key data from the LS&Co. enterprise risk management framework and expert judgement of external consultants. For company-operated facilities, facilities are determined to be 'at risk' if they meet all of the following criteria: 1) located in an area of high or extremely high Aqueduct Overall Water Risk - Textile OR WRF Final Basin Risk – Textiles; AND 2) located in an area of high or extremely high current (Aqueduct BWS or WRF water depletion) or future water stress (Aqueduct Future BAU 2030 or 2040); AND 3) contain material water withdrawal  $\geq$  average of all company-operated facilities; AND 4) are determined to be business critical facilities. For Tier 1 and Tier 2 supplier facilities, suppliers are categorized into areas of low, medium, and high-water stress based on the Aqueduct Overall Water Risk – Textile indicator. Facilities in low and medium stress areas receive progressive efficiency targets, and facilities in areas of high-water stress are assigned more stringent absolute water use targets. These targets roll up into two 2025 commitments: 1) reducing our water use in manufacturing by 50 percent against a 2018 baseline in areas of high-water stress; and 2) Ensuring all key mills and factories, which represent 80 percent of production volume, will meet their geographically contextual Water<Less@ targets.

The following contextual issues are considered in our risk assessment:

- Water availability at a basin / catchment level is considered because uncertainty around short-term weather conditions or more prolonged climate change, water shortages, natural disasters, and extreme weather conditions have the potential to reduce or disrupt product availability within our supply chain and increase our cost of goods.
- Water regulatory frameworks are considered to help us appropriately respond to regulations in the jurisdictions where we operate.
- Status of ecosystems and habitats is considered because water availability and quality are important factors in the health of all ecosystems and habitats.
- Access to fully-functioning, safely managed WASH services are considered because our employees and the communities that we operate in rely on access to safe water, sanitation, and hygiene – basic human rights.

The following stakeholder issues are considered in our risk assessment:

- Customers are considered since about one quarter of our product's lifecycle impact occurs after the point of sale – during the consumer use phase.
- Employees are considered as they are showing increasing interest in our sustainability performance, and we consider them an important stakeholder group for our program
- Investors are considered as water-related risks could impact our ability to operate in certain locations and potentially impact our financial performance.

Local communities are considered because we aim to maximize our efforts where they are most needed and to take actions that result in measurable benefits beyond the fence-line of our manufacturing facilities.

## W4. Risks and opportunities

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### W4.1

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#### **(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes, both in direct operations and the rest of our value chain

### W4.1a

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#### **(W4.1a) How does your organization define substantive financial or strategic impact on your business?**

Water-related matters are evaluated on a case-by-case basis to determine whether they have a substantive financial or strategic impact on our business over the short-, medium- and long-term. When evaluating particular water-related matters, we consider, among other factors, the potential impact on operations and business strategy, availability and cost and availability of raw materials, measurable financial impact that may be one or more percentage points of our annual net revenues, whether we are able to offset such impact and the potential for stakeholder or reputational impact. Any one of these elements or a combination thereof could be the basis for determination that a water-based risk may have a substantive financial or strategic impact.

For purposes of evaluating water-based risks, we consider either of the following as one element in determining whether a water-based risk may have a substantive financial or strategic impact: a) a 1% or greater impact on our annual net revenues; or b) overall product cost increases or significant risk to product availability, resulting in a financial impact of 1% greater impact on our annual net revenues. For FY21, our annual net revenues were \$5.8B, 1% of which is \$58M.

### W4.1b

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#### **(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?**

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	24	1-25	Although there is a potential risk to each of these individual facilities, we intentionally have redundancy in our supply chain to mitigate any disruptions. This estimate is inclusive of both direct operations and supply chain.

## W4.1c

**(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?**

**Country/Area & River basin**

Pakistan Other, please specify (Arabian Sea Coast )

**Number of facilities exposed to water risk**

8

**% company-wide facilities this represents**

Less than 1%

**Production value for the metals & mining activities associated with these facilities**

<Not Applicable>

**% company's annual electricity generation that could be affected by these facilities**

<Not Applicable>

**% company's global oil & gas production volume that could be affected by these facilities**

<Not Applicable>

**% company's total global revenue that could be affected**

Please select

**Comment**

We do not disclose net revenue detail disaggregated by our direct operations or supply chain facilities.

**Country/Area & River basin**

India Other, please specify (India East Coast )

**Number of facilities exposed to water risk**

2

**% company-wide facilities this represents**

Less than 1%

**Production value for the metals & mining activities associated with these facilities**

&lt;Not Applicable&gt;

**% company's annual electricity generation that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's global oil & gas production volume that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's total global revenue that could be affected**

Please select

**Comment**

We do not disclose net revenue detail disaggregated by our direct operations or supply chain facilities.

**Country/Area & River basin** **Number of facilities exposed to water risk**

2

**% company-wide facilities this represents**

Less than 1%

**Production value for the metals & mining activities associated with these facilities**

&lt;Not Applicable&gt;

**% company's annual electricity generation that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's global oil & gas production volume that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's total global revenue that could be affected**

Please select

**Comment**

We do not disclose net revenue detail disaggregated by our direct operations or supply chain facilities.

**Country/Area & River basin** **Number of facilities exposed to water risk**

7

**% company-wide facilities this represents**

Less than 1%

**Production value for the metals & mining activities associated with these facilities**

&lt;Not Applicable&gt;

**% company's annual electricity generation that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's global oil & gas production volume that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's total global revenue that could be affected**

Please select

**Comment**

We do not disclose net revenue detail disaggregated by our direct operations or supply chain facilities.

**Country/Area & River basin**

Viet Nam Hong (Red River)

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

Less than 1%

**Production value for the metals & mining activities associated with these facilities**

&lt;Not Applicable&gt;

**% company's annual electricity generation that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's global oil & gas production volume that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's total global revenue that could be affected**

Please select

**Comment**

We do not disclose net revenue detail disaggregated by our direct operations or supply chain facilities.

**Country/Area & River basin**

Mexico Other, please specify (Rio Verde )

**Number of facilities exposed to water risk**

2

**% company-wide facilities this represents**

Less than 1%

**Production value for the metals & mining activities associated with these facilities**

&lt;Not Applicable&gt;

**% company's annual electricity generation that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's global oil & gas production volume that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's total global revenue that could be affected**

Please select

**Comment**

We do not disclose net revenue detail disaggregated by our direct operations or supply chain facilities.

**Country/Area & River basin**

China Other, please specify (Ziya He, Interior )

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

Less than 1%

**Production value for the metals & mining activities associated with these facilities**

&lt;Not Applicable&gt;

**% company's annual electricity generation that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's global oil & gas production volume that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's total global revenue that could be affected**

Please select

**Comment**

We do not disclose net revenue detail disaggregated by our direct operations or supply chain facilities.

**Country/Area & River basin**

South Africa Other, please specify (South Africa, West Coast )

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

Less than 1%

**Production value for the metals & mining activities associated with these facilities**

&lt;Not Applicable&gt;

**% company's annual electricity generation that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's global oil & gas production volume that could be affected by these facilities**

&lt;Not Applicable&gt;

**% company's total global revenue that could be affected**

Please select

**Comment**

We do not disclose net revenue detail disaggregated by our direct operations or supply chain facilities.

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**W4.2**

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**(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.****Country/Area & River basin**

Mexico | Other, please specify (Rio Verde )

**Type of risk & Primary risk driver**

Chronic physical | Water stress

**Primary potential impact**

Supply chain disruption

**Company-specific description**

For FY 21 we completed a risk assessment of our direct operations and identified a distribution center in Mexico with the potential to have a substantive financial impact on our business. This distribution center stores and ships >50% of our annual volume in the Mexican market, and so disruption of the facility would impact our business in Mexico.

**Timeframe**

More than 6 years

**Magnitude of potential impact**

Medium

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure - minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure - maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact**



There would be a potential financial impact as the distribution center processes >50% of our annual volume in Mexico.

### Primary response to risk

Establish site-specific targets

### Description of response

The FY 21 risk assessment identified the Mexico distribution center as posing a potential substantive risk to our business. As a result, we will look for opportunities to increase water efficiency in our Mexican operations and will consider amending our 2025 Water Action Plan to include contextual-based water targets for this facility during the next fiscal year.

### Cost of response

100000

### Explanation of cost of response

The cost of the response is estimated to be in the low range (under \$100,000).

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### Country/Area & River basin

South Africa | Other, please specify (South Africa, West Coast )

### Type of risk & Primary risk driver

Chronic physical | Water stress

### Primary potential impact

Supply chain disruption

### Company-specific description

For FY 21 we completed a risk assessment of our direct operations and identified a plant in South Africa with the potential to have a substantive financial impact on our business. This plant is a vital link in our supply chain. If water risk forces this facility to reduce or pause operations, >1% of LS&Co.'s production volume could be impacted.

### Timeframe

More than 6 years

### Magnitude of potential impact

Medium

### Likelihood

About as likely as not

### Are you able to provide a potential financial impact figure?

No, we do not have this figure

### Potential financial impact figure (currency)

<Not Applicable>

### Potential financial impact figure - minimum (currency)

<Not Applicable>

### Potential financial impact figure - maximum (currency)

<Not Applicable>

### Explanation of financial impact

There would be potential financial impact as this key facility is exposed to water risk. However, we have redundancy in our supply chain and would be able to shift some production to other vendors. This disruption could be either strategic or financial in nature.

**Primary response to risk**

Establish site-specific targets

**Description of response**

The FY 21 risk assessment identified the South Africa distribution center as posing a potential substantive risk to our business. As a result, we will look for opportunities to increase water efficiency in our South African operations and will consider amending our 2025 Water Action Plan to include contextual-based water targets for this facility during the next fiscal year

**Cost of response**

100000

**Explanation of cost of response**

The cost of the response is estimated to be in the low range (under \$100,000).

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**W4.2a**

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**(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

**Country/Area & River basin**

Pakistan Other, please specify (Arabian Sea Coast )

**Stage of value chain**

Supply chain

**Type of risk & Primary risk driver**

Chronic physical Water stress

**Primary potential impact**

Disruption to sales due to value chain disruption

**Company-specific description**

According to WRI Aqueduct, our suppliers in the Arabian Sea Coast watershed face significant water risk. Supplier facilities in this watershed are predominantly factories and mills and are vital links in our supply chain. If water risk forces any of these facilities to reduce or pause operations, >1% of LS&Co.'s production volume could be temporarily impacted until production could be shifted.

**Timeframe**

More than 6 years

**Magnitude of potential impact**

Medium

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

150000000

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

The potential financial impact would be significant as we have eight key suppliers exposed to water risk in the Arabian Sea Coast watershed. However, we have redundancy in our supply chain and would be able to shift some production to other vendors. The cost estimate included represents the worst-case scenario in which all production could not be replaced. This disruption could be either strategic or financial in nature.

**Primary response to risk**

Supplier engagement | Establish supplier performance targets

**Description of response**

We set contextual water targets for all eight facilities exposed to water risk in the Arabian Sea Coast watershed. These targets require each supplier to reduce their freshwater use by 50% by 2025.

**Cost of response**

150000

**Explanation of cost of response**

The cost of the response is estimated to be in the medium range (\$100,000-\$200,000) given the large number of facilities exposed to water risk in the watershed.

**Country/Area & River basin**

India | Other, please specify (India East Coast )

**Stage of value chain**

Supply chain

**Type of risk & Primary risk driver**

Chronic physical | Water stress

**Primary potential impact**

Disruption to sales due to value chain disruption

**Company-specific description**

According to WRI Aqueduct, our suppliers in the India East Coast watershed face significant water risk. Supplier facilities in this watershed are predominantly factories and mills and are vital links in our supply chain. If water risk forces any of these facilities to reduce or pause operations, >1% of LS&Co.'s production volume could be temporarily impacted until production could be shifted.

**Timeframe**

More than 6 years

**Magnitude of potential impact**

Medium

### Likelihood

About as likely as not

### Are you able to provide a potential financial impact figure?

No, we do not have this figure

### Potential financial impact figure (currency)

<Not Applicable>

### Potential financial impact figure - minimum (currency)

<Not Applicable>

### Potential financial impact figure - maximum (currency)

<Not Applicable>

### Explanation of financial impact

There would be potential financial impact as we have two key suppliers exposed to water risk in the India East Coast watershed. However, we have redundancy in our supply chain and would be able to shift some production to other vendors. This disruption could be either strategic or financial in nature.

### Primary response to risk

Supplier engagement | Establish supplier performance targets

### Description of response

We set contextual water targets for both facilities exposed to water risk in the India East Coast watershed. These targets require each supplier to reduce their freshwater use by 50% by 2025.

### Cost of response

50000

### Explanation of cost of response

The cost of the response is estimated to be in the low – medium range (\$0-\$100,000).

### Country/Area & River basin

India | Other, please specify (Sabarmati)

### Stage of value chain

Supply chain

### Type of risk & Primary risk driver

Chronic physical | Water stress

### Primary potential impact

Disruption to sales due to value chain disruption

### Company-specific description

According to WRI Aqueduct, our suppliers in the Sabarmati watershed face significant water risk. Supplier facilities in this watershed are predominantly factories and mills and are vital links in our supply chain. If water risk forces any of these facilities to reduce or pause operations, >1% of LS&Co.'s production volume could be temporarily impacted until production could be shifted.

**Timeframe**

More than 6 years

**Magnitude of potential impact**

Medium

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

There would be potential financial impact as we have two key suppliers exposed to water risk in the India Sabarmati watershed. However, we have redundancy in our supply chain and would be able to shift some production to other vendors. This disruption could be either strategic or financial in nature.

**Primary response to risk**

Supplier engagement | Establish supplier performance targets

**Description of response**

We set contextual water targets for both facilities exposed to water risk in the Sabarmati watershed. These targets require each supplier to reduce their freshwater use by 50% by 2025.

**Cost of response**

50000

**Explanation of cost of response**

The cost of the response is estimated to be in the low – medium range (\$0-\$100,000).

---

**Country/Area & River basin**

Pakistan | Indus

**Stage of value chain**

Supply chain

**Type of risk & Primary risk driver**

Chronic physical | Water stress

**Primary potential impact**

Disruption to sales due to value chain disruption

**Company-specific description**

According to WRI Aqueduct, our suppliers in the Indus watershed face significant water risk. Supplier facilities in this watershed are predominantly factories and mills and are vital links in our supply chain. If water risk forces any of these facilities to reduce or pause operations, >1% of LS&Co.'s production volume could be temporarily impacted until production could be shifted.

#### Timeframe

More than 6 years

#### Magnitude of potential impact

Medium

#### Likelihood

About as likely as not

#### Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

#### Potential financial impact figure (currency)

150000000

#### Potential financial impact figure - minimum (currency)

<Not Applicable>

#### Potential financial impact figure - maximum (currency)

<Not Applicable>

#### Explanation of financial impact

The potential financial impact would be significant as we have seven key suppliers exposed to water risk in the Indus watershed. However, we have redundancy in our supply chain and would be able to shift some productions to other vendors. The cost estimate included represents the worst-case scenario in which all production could not be replaced. This disruption could be either strategic or financial in nature.

#### Primary response to risk

Supplier engagement	Establish supplier performance targets
---------------------	--

#### Description of response

We set contextual water targets for all facilities exposed to water risk in the Indus watershed. These targets require each supplier to reduce their freshwater use by 50% by 2025.

#### Cost of response

150000

#### Explanation of cost of response

The cost of the response is estimated to be in the medium range (\$100,000-\$200,000) given the large number of facilities exposed to water risk in the watershed.

#### Country/Area & River basin

Viet Nam	Hong (Red River)
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#### Stage of value chain

Supply chain

#### Type of risk & Primary risk driver

Chronic physical	Water stress
------------------	--------------

**Primary potential impact**

Disruption to sales due to value chain disruption

**Company-specific description**

According to WRI Aqueduct, our suppliers in the Hong significant water risk. Supplier facilities in this watershed are predominantly factories and mills and are vital links in our supply chain. If water risk forces any of these facilities to reduce or pause operations, >1% of LS&Co.'s production volume could be temporarily impacted until production could be shifted.

**Timeframe**

More than 6 years

**Magnitude of potential impact**

Medium

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

There would be potential financial impact as we have two key suppliers exposed to water risk in the Hong watershed. However, we have redundancy in our supply chain and would be able to shift some production to other vendors. This disruption could be either strategic or financial in nature.

**Primary response to risk**

Supplier engagement | Establish supplier performance targets

**Description of response**

We set contextual water targets for the key facility exposed to water risk in the Hong watershed. These targets require the supplier to reduce freshwater use by 50% by 2025.

**Cost of response**

50000

**Explanation of cost of response**

The cost of the response is estimated to be in the low – medium range (\$0-\$100,000).

**Country/Area & River basin**

Mexico | Other, please specify (Rio Verde )

**Stage of value chain**

Supply chain

**Type of risk & Primary risk driver**

Chronic physical	Water stress
------------------	--------------

**Primary potential impact**

Disruption to sales due to value chain disruption

**Company-specific description**

According to WRI Aqueduct, our suppliers in the Rio Verde watershed face significant water risk. Supplier facilities in this watershed are predominantly factories and mills and are vital links in our supply chain. If water risk forces any of these facilities to reduce or pause operations, >1% of LS&Co.'s production volume could be temporarily impacted until production could be shifted.

**Timeframe**

More than 6 years

**Magnitude of potential impact**

Medium

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

There would be potential financial impact as we have two key suppliers exposed to water risk in the Rio Verde watershed. However, we have redundancy in our supply chain and would be able to shift some production to other vendors. This disruption could be either strategic or financial in nature.

**Primary response to risk**

Supplier engagement	Establish supplier performance targets
---------------------	--

**Description of response**

We set contextual water targets for the key facility exposed to water risk in the Rio Verde watershed. These targets require the supplier to reduce freshwater use by 50% by 2025.

**Cost of response**

50000

**Explanation of cost of response**

The cost of the response is estimated to be in the low – medium range (\$0-\$100,000).



**Country/Area & River basin** **Stage of value chain**

Supply chain

**Type of risk & Primary risk driver** **Primary potential impact**

Disruption to sales due to value chain disruption

**Company-specific description**

According to WRI Aqueduct, our suppliers in the Ziya He watershed face significant water risk. Supplier facilities in this watershed are predominantly factories and mills and are vital links in our supply chain. If water risk forces any of these facilities to reduce or pause operations, >1% of LS&Co.'s production volume could be temporarily impacted until production could be shifted.

**Timeframe**

More than 6 years

**Magnitude of potential impact**

Medium

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure - minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure - maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact**

There would be potential financial impact as we have two key suppliers exposed to water risk in the Ziya He watershed. However, we have redundancy in our supply chain and would be able to shift some production to other vendors. This disruption could be either strategic or financial in nature.

**Primary response to risk** **Description of response**

We set contextual water targets for the key facility exposed to water risk in the Ziya He watershed. These targets require the supplier to reduce freshwater use by 50% by 2025.

**Cost of response**

50000

**Explanation of cost of response**

The cost of the response is estimated to be in the low – medium range (\$0-\$100,000).

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**W4.3**

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**(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes, we have identified opportunities, and some/all are being realized

**W4.3a**

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**(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.****Type of opportunity**

Efficiency

**Primary water-related opportunity**

Improved water efficiency in operations

**Company-specific description & strategy to realize opportunity**

Water<Less®, our flagship water stewardship program launched in 2011 to maximize water efficiency in apparel production, has become more than a series of garment finishing techniques and water recycling guidelines. Today, the Water<Less® program is the driving force for our continued innovation and improvement in water stewardship. We have shared our Water<Less® innovation manual and Recycle & Reuse Standard and Guidelines with the industry to foster broader water stewardship, and we continue to evolve the program for more positive impacts.

The Water<Less® program was originally built on technical innovations that save water compared with traditional methods in fabric development and garment finishing. We continue deploying and scaling new water-saving innovations, while also recognizing that the program highlights some of the opportunities apparel companies have to decrease manufacturing water use through a variety of changes in equipment and processes. As of the end of 2021, 43% of all LS&Co. products were made using Water<Less® finishing techniques or in facilities that meet our water recycle and reuse guidelines.

**Estimated timeframe for realization**

Current - up to 1 year

**Magnitude of potential financial impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

2500000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

### Explanation of financial impact

LS&Co. anticipates the benefits of this opportunity being increased brand equity and revenues among certain consumer segments. Potential financial impacts from this market opportunity are based on the estimated revenue driven solely by our products being recognized as sustainable. The low end potential financial impact is based on the percent of total products that were Water<Less® in 2021 (43 percent). While we know that sustainability impacts purchasing patterns, it is difficult to account for the causation sustainability has on final purchasing decision due to the high degree of confounding variables, it was conservatively assumed that 0.1 percent of these sales were driven solely by consumer preference for the Water<Less® line having sustainable attributes. These percentages were applied to total revenue as reported in our 2021 10-K report (\$5.8 B):  $43\% \times 0.1\% \times 5.8 \text{ B} = 2.5\text{M}$ . This estimation is judgmental and is subsequently subject to change.

## W5. Facility-level water accounting

### W5.1

**(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.**

#### Facility reference number

Facility 1

#### Facility name (optional)

#### Country/Area & River basin

Pakistan Other, please specify (Arabian Sea Coast )

#### Latitude

24.871938

#### Longitude

66.98806

#### Located in area with water stress

Yes

#### Primary power generation source for your electricity generation at this facility

<Not Applicable>

#### Oil & gas sector business division

<Not Applicable>

#### Total water withdrawals at this facility (megaliters/year)

183

#### Comparison of total withdrawals with previous reporting year

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

**Withdrawals from brackish surface water/seawater**

**Withdrawals from groundwater - renewable**

**Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water**

**Withdrawals from third party sources**

183

**Total water discharges at this facility (megaliters/year)**

154

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

154

**Total water consumption at this facility (megaliters/year)**

29

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

---

**Facility reference number**

Facility 2

**Facility name (optional)**

**Country/Area & River basin**

Pakistan Other, please specify (Arabian Sea Coast )

**Latitude**

24.871938

**Longitude**

66.98806

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

501

**Comparison of total withdrawals with previous reporting year**

Higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

501

**Total water discharges at this facility (megaliters/year)**

421

**Comparison of total discharges with previous reporting year**

Please select

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

421

**Total water consumption at this facility (megaliters/year)**

80

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

---

**Facility reference number**

Facility 3

**Facility name (optional)**

**Country/Area & River basin**

Pakistan	Other, please specify (Arabian Sea Coast)
----------	---

**Latitude**

24.871938

**Longitude**

66.98806

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

258

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

258

**Total water discharges at this facility (megaliters/year)**

217

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

217

**Total water consumption at this facility (megaliters/year)**

41

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain****Facility reference number**

Facility 4

**Facility name (optional)****Country/Area & River basin**

Pakistan Other, please specify (Arabian Sea Coast)

**Latitude**

24.871938

**Longitude**

66.98806

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

289

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

289

**Total water discharges at this facility (megaliters/year)**

243

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

243

**Total water consumption at this facility (megaliters/year)**

46

**Comparison of total consumption with previous reporting year**

Much higher

**Please explain**

---

**Facility reference number**

Facility 5

**Facility name (optional)****Country/Area & River basin**

Pakistan | Other, please specify (Arabian Sea Coast )

**Latitude**

24.871938

**Longitude**

66.98806

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

524

**Comparison of total withdrawals with previous reporting year**

Much higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater**



**Withdrawals from groundwater - renewable**

**Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water**

**Withdrawals from third party sources**

524

**Total water discharges at this facility (megaliters/year)**

440

**Comparison of total discharges with previous reporting year**

Much higher

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

440

**Total water consumption at this facility (megaliters/year)**

84

**Comparison of total consumption with previous reporting year**

Higher

**Please explain**

---

**Facility reference number**

Facility 6

**Facility name (optional)**

**Country/Area & River basin**

Pakistan Other, please specify (Arabian Sea Coast )

**Latitude**

24.871938

**Longitude**

66.98806

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

700

**Comparison of total withdrawals with previous reporting year**

Higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

700

**Total water discharges at this facility (megaliters/year)**

588

**Comparison of total discharges with previous reporting year**

Please select

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

588

**Total water consumption at this facility (megaliters/year)**

112

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

---

**Facility reference number**

Facility 7

**Facility name (optional)****Country/Area & River basin**

India	Other, please specify (India East Coast )
-------	---

**Latitude**

12.976746

**Longitude**

77.575279

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

53

**Comparison of total withdrawals with previous reporting year**

About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

**Withdrawals from brackish surface water/seawater**

**Withdrawals from groundwater - renewable**

**Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water**

**Withdrawals from third party sources**

53

**Total water discharges at this facility (megaliters/year)**

45

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

45

**Total water consumption at this facility (megaliters/year)**

9

**Comparison of total consumption with previous reporting year**

About the same

**Please explain**

---

**Facility reference number**

Facility 8

**Facility name (optional)****Country/Area & River basin**

India | Other, please specify (India East Coast)

**Latitude**

12.976746

**Longitude**

77.575279

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

193

**Comparison of total withdrawals with previous reporting year**

Higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

193

**Total water discharges at this facility (megaliters/year)**

162

**Comparison of total discharges with previous reporting year**

Higher

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

162

**Total water consumption at this facility (megaliters/year)**

31

**Comparison of total consumption with previous reporting year**

Lower

**Please explain****Facility reference number**

Facility 9

**Facility name (optional)****Country/Area & River basin**

India	Other, please specify (Sabarmati)
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**Latitude**

23.014509

**Longitude**

72.591758

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

1432

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water****Withdrawals from third party sources**

1432

**Total water discharges at this facility (megaliters/year)**

1202

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

1202

**Total water consumption at this facility (megaliters/year)**

229

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain****Facility reference number**

Facility 10

**Facility name (optional)****Country/Area & River basin**

India	Other, please specify (Sabarmati)
-------	-----------------------------------

**Latitude**

23.014509

**Longitude**

72.591758

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

519

**Comparison of total withdrawals with previous reporting year**

Much higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

519

**Total water discharges at this facility (megaliters/year)**

436

**Comparison of total discharges with previous reporting year**

Much higher

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

436

**Total water consumption at this facility (megaliters/year)**

83

**Comparison of total consumption with previous reporting year**

Much higher

**Please explain**

---

**Facility reference number**

Facility 11

**Facility name (optional)****Country/Area & River basin**

Pakistan	Indus
----------	-------

**Latitude**

31.561918

**Longitude**

74.348075

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

1405

**Comparison of total withdrawals with previous reporting year**

Much higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

**Withdrawals from brackish surface water/seawater**

**Withdrawals from groundwater - renewable**

**Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water**

**Withdrawals from third party sources**

1405

**Total water discharges at this facility (megaliters/year)**

1181

**Comparison of total discharges with previous reporting year**

Much higher

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

1181

**Total water consumption at this facility (megaliters/year)**

225

**Comparison of total consumption with previous reporting year**

Much higher

**Please explain**



**Facility reference number**

Facility 12

**Facility name (optional)****Country/Area & River basin**

Pakistan Indus

**Latitude**

31.561918

**Longitude**

74.348075

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

433

**Comparison of total withdrawals with previous reporting year**

Much higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

433

**Total water discharges at this facility (megaliters/year)**

364

**Comparison of total discharges with previous reporting year**

Much higher

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater**

**Discharges to third party destinations**

364

**Total water consumption at this facility (megaliters/year)**

69

**Comparison of total consumption with previous reporting year**

Much higher

**Please explain**

---

**Facility reference number**

Facility 13

**Facility name (optional)**

**Country/Area & River basin**

Viet Nam Hong (Red River)

**Latitude**

20.930227

**Longitude**

106.361335

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

699

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

**Withdrawals from brackish surface water/seawater**

**Withdrawals from groundwater - renewable**

**Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water**

**Withdrawals from third party sources**

699

**Total water discharges at this facility (megaliters/year)**

587

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

587

**Total water consumption at this facility (megaliters/year)**

112

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

---

**Facility reference number**

Facility 14

**Facility name (optional)****Country/Area & River basin**

Pakistan	Other, please specify (Arabian Sea Coast )
----------	--

**Latitude**

24.871938

**Longitude**

66.98806

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

413

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

**Withdrawals from brackish surface water/seawater**

**Withdrawals from groundwater - renewable**

**Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water**

**Withdrawals from third party sources**

413

**Total water discharges at this facility (megaliters/year)**

347

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

347

**Total water consumption at this facility (megaliters/year)**

66

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

---

**Facility reference number**

Facility 15

**Facility name (optional)**

**Country/Area & River basin**

Mexico Other, please specify (Rio Verde )

**Latitude**

20.38644

**Longitude**

99.999633

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

311

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

311

**Total water discharges at this facility (megaliters/year)**

261

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

261

**Total water consumption at this facility (megaliters/year)**

50

**Comparison of total consumption with previous reporting year**

About the same

**Please explain**

---

**Facility reference number**

Facility 16

**Facility name (optional)**

**Country/Area & River basin**

Pakistan	Other, please specify (Arabian Sea Coast )
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**Latitude**

24.871938

**Longitude**

66.98806

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

754

**Comparison of total withdrawals with previous reporting year**

About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

754

**Total water discharges at this facility (megaliters/year)**

633

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

633

**Total water consumption at this facility (megaliters/year)**

121

**Comparison of total consumption with previous reporting year**

About the same

**Please explain****Facility reference number**

Facility 17

**Facility name (optional)****Country/Area & River basin**

Pakistan Indus

**Latitude**

31.561918

**Longitude**

74.348075

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

330

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

330

**Total water discharges at this facility (megaliters/year)**

277

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

277

**Total water consumption at this facility (megaliters/year)**

53

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

---

**Facility reference number**

Facility 18

**Facility name (optional)****Country/Area & River basin**

Pakistan	Indus
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**Latitude**

31.561918

**Longitude**

74.348075

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

1246

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater**



**Withdrawals from groundwater - renewable**

**Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water**

**Withdrawals from third party sources**

1246

**Total water discharges at this facility (megaliters/year)**

1047

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

1047

**Total water consumption at this facility (megaliters/year)**

199

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

---

**Facility reference number**

Facility 19

**Facility name (optional)**

**Country/Area & River basin**

Pakistan Indus

**Latitude**

31.561918

**Longitude**

74.348075

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

1148

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

1148

**Total water discharges at this facility (megaliters/year)**

964

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

964

**Total water consumption at this facility (megaliters/year)**

184

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

---

**Facility reference number**

Facility 20

**Facility name (optional)****Country/Area & River basin**

Pakistan	Indus
----------	-------

**Latitude**

31.561918

**Longitude**

74.348075

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

677

**Comparison of total withdrawals with previous reporting year**

Lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

**Withdrawals from brackish surface water/seawater**

**Withdrawals from groundwater - renewable**

**Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water**

**Withdrawals from third party sources**

677

**Total water discharges at this facility (megaliters/year)**

568

**Comparison of total discharges with previous reporting year**

Lower

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

568

**Total water consumption at this facility (megaliters/year)**

108

**Comparison of total consumption with previous reporting year**

Lower

**Please explain**

---

**Facility reference number**

Facility 21

**Facility name (optional)****Country/Area & River basin**

Pakistan Indus

**Latitude**

31.561918

**Longitude**

74.348075

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

279

**Comparison of total withdrawals with previous reporting year**

Lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

279

**Total water discharges at this facility (megaliters/year)**

234

**Comparison of total discharges with previous reporting year**

Lower

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

234

**Total water consumption at this facility (megaliters/year)**

45

**Comparison of total consumption with previous reporting year**

Lower

**Please explain****Facility reference number**

Facility 22

**Facility name (optional)****Country/Area & River basin**

China	Other, please specify (Ziya He, Interior)
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**Latitude**

37.070602

**Longitude**

114.504852

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

248

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water****Withdrawals from third party sources**

248

**Total water discharges at this facility (megaliters/year)**

208

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

208

**Total water consumption at this facility (megaliters/year)**

40

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain****Facility reference number**

Facility 23

**Facility name (optional)****Country/Area & River basin**

South Africa	Other, please specify (South Africa, West Coast )
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**Latitude**

-33.9343

**Longitude**

18.54301

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

&lt;Not Applicable&gt;

**Oil & gas sector business division**

&lt;Not Applicable&gt;

**Total water withdrawals at this facility (megaliters/year)**

32

**Comparison of total withdrawals with previous reporting year**

About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes****Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

32

**Total water discharges at this facility (megaliters/year)**

0

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water****Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

0

**Total water consumption at this facility (megaliters/year)**

32

**Comparison of total consumption with previous reporting year**

About the same

**Please explain**

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**Facility reference number**

Facility 24

**Facility name (optional)****Country/Area & River basin**

Mexico	Other, please specify (Rio Verde )
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**Latitude**

19.64878

**Longitude**

-99.2562

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

9

**Comparison of total withdrawals with previous reporting year**

About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

**Withdrawals from brackish surface water/seawater**

**Withdrawals from groundwater - renewable**

**Withdrawals from groundwater - non-renewable**

**Withdrawals from produced/entrained water**

**Withdrawals from third party sources**

9

**Total water discharges at this facility (megaliters/year)**

8

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

8

**Total water consumption at this facility (megaliters/year)**

1

**Comparison of total consumption with previous reporting year**

About the same

**Please explain**



## W5.1a

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### (W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

#### Water withdrawals – total volumes

**% verified**

76-100

**Verification standard used**

82% of the data was verified through the Higg FEM by a Sustainable Apparel Coalition (SAC)-approved verifier body.

We request all of our 'key vendor suppliers' to verify the following using Higg FEM: how much water is withdrawn annually; water sources; unit of measurement; and method of measurement.

**Please explain**

&lt;Not Applicable&gt;

#### Water withdrawals – volume by source

**% verified**

76-100

**Verification standard used**

82% of the data was verified through the Higg FEM by a SAC-approved verifier body.

We request all of our 'key vendor suppliers' to verify the following using Higg FEM: how much water is withdrawn annually; water sources; unit of measurement; and method of measurement.

**Please explain**

&lt;Not Applicable&gt;

#### Water withdrawals – quality by standard water quality parameters

**% verified**

Not verified

**Verification standard used**

&lt;Not Applicable&gt;

**Please explain**

#### Water discharges – total volumes

**% verified**

Not verified

**Verification standard used**

&lt;Not Applicable&gt;

**Please explain**

**Water discharges – volume by destination**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

**Water discharges – volume by final treatment level**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

**Water discharges – quality by standard water quality parameters**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

**Water consumption – total volume**

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

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**W6. Governance**

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**W6.1**

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**(W6.1) Does your organization have a water policy?**

Yes, we have a documented water policy that is publicly available

## W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	<p>Description of business dependency on water</p> <p>Company water targets and goals</p> <p>Commitment to water stewardship and/or collective action</p> <p>Acknowledgement of the human right to water and sanitation</p>	<p>Our publicly available water policies provide details on our water-related impacts and dependencies and state our company water targets and goals aimed at reducing water use and improving the quality of our wastewater. Details of these initiatives can be easily located in our annual Sustainability Report and in our 2025 Water Action Strategy. Our Sustainability Report and 2025 Water Action Strategy describe in detail our business dependency on water, (primarily from growing cotton), our contextual water targets and goals that we have set for 2025, our commitment to water stewardship and collective action through the Water Resilience Coalition, and the acknowledgement of the human right to water and sanitation through our partnership with Waves for Water.</p> <p>We also have a Sustainability Guidebook that outlines the requirements that our suppliers must meet in terms of topics like water use and water recycling. We have commitments to various global water initiatives – CEO Water Mandate, Water Resilience Coalition, and UN SDGs for example – that have helped develop our policies, targets, and goals at Levi Strauss. Our water-related standards and practices are made publicly available both to help hold us accountable for meeting our goals and to help our peers develop more advanced water stewardship initiatives. We recognize that access to high quality water is an essential human right and believe that water stewardship is vital in mitigating climate change.</p>

## W6.2

**(W6.2) Is there board level oversight of water-related issues within your organization?**

Yes

## W6.2a

**(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.**

Position of individual	Please explain
Board-level committee	<p>The Nominating, Governance and Corporate Citizenship Committee has responsibility for review and oversight of corporate citizenship, sustainability (including water-related issues), and corporate governance matters. The committee reviews with management the impact of the company's business operations, policies, and practices with respect to issues such as health and safety, corporate citizenship, public policy and community involvement. This includes, but is not limited to, sustainability and environmental, social and governance (ESG) matters that could have a significant impact on the company. Given the importance of water to our overall operations, our sustainability strategy includes several water related goals/targets. The committee approved our holistic sustainability strategy which has informed our sustainability goals for 2025 and beyond. Details of the strategy and goals are available at <a href="https://levistrauss.com/sustainability-report">levistrauss.com/sustainability-report</a>.</p> <p>Our commitment to sustainability goes far beyond regulatory compliance or minimizing the environmental impact of our business practices. Our vision is to build sustainability into everything we do, so that our profitable growth helps restore the planet. In 2022, the Board reviewed a new holistic sustainability strategy to be adopted by LS&amp;Co. This new strategy included goals across three main pillars, Climate, Community, and Consumption. Our water program and goals are included within the Climate pillar because climate change impacts often manifest as water issues. Our CSO actively addressed sustainability questions from investors with our Board Chairman related to our strategy and sustainability report. Our CFO continues to participate in the U.S. Chapter of Accounting for Sustainability (A4S).</p>

## W6.2b

**(W6.2b) Provide further details on the board’s oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Sporadic - as important matters arise	Monitoring implementation and performance Reviewing and guiding major plans of action	The Board of Directors' Nominating, Governance and Corporate Citizenship Committee assists the Board in fulfilling its oversight responsibilities on corporate governance matters, which includes, the impact of the Company's business operations and business practices with respect to environment, health and safety, corporate citizenship, public policy and community involvement. To satisfy their responsibilities on business practices impacting the environment, the Chief Sustainability Officer and Chief Operations Officer report to the Board two times per year and the Nominating, Governance and Corporate Citizenship Committee four times per year on sustainability issues, which may include water-related matters.

W6.2d

**(W6.2d) Does your organization have at least one board member with competence on water-related issues?**

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	The Board of Directors' Nominating, Governance and Corporate Citizenship	<Not Applicable>	<Not Applicable>

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
		Committee assists the board in fulfilling its oversight responsibilities on sustainability issues, which includes, but is not limited to corporate citizenship and may include water-related issues. Each board member is evaluated based on their qualifications, skills and attributes that are relevant to their ability to serve on the board and represent the long-term interests of our shareholders.		

W6.3

**(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).**

**Name of the position(s) and/or committee(s)**

Chief Executive Officer (CEO)

**Responsibility**

Assessing future trends in water demand  
 Assessing water-related risks and opportunities  
 Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

Quarterly

**Please explain**

Our Chief Executive Officer (CEO) holds the highest responsibility for water-related risks and opportunities below the board level and provides direction to the Chief Operations Officer (COO).

Our COO, in conjunction with our Chief Sustainability Officer, are responsible for assessing and managing product innovation as it relates to water-related issues. These targets are included in their annual performance objectives. Water-related issues are monitored through many corporate initiatives, including raw material purchasing, management of our Water<Less® product line, monthly policy update meetings, and absolute water reduction targets. To ensure the company's policy actions are aligned with business strategies there is a monthly leadership meeting on policy, which includes the CEO, CFO, General Counsel, Chief Counsel, Chief Communications Officer, Chief Operations Officer, CSO and Head of Global Policy and Advocacy.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	LS&Co. bases employee bonus allocation on company and individual performance. Individual performance is assessed against annual objectives.

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Chief Operating Officer (COO) Chief Sustainability Officer (CSO)	Reduction of water withdrawals Other, please specify (Sr. Manager, Sustainability )	LS&Co. bases employee bonus allocation on company and individual performance. Individual performance is assessed against annual objectives. LS&Co.'s CSO has the accountability and responsibility for achievement of our broader Sustainability strategy and targets, including our water goals.  LS&Co.'s Sr. Manager, Global Sustainability Integration has 2025 Water Commitment targets built into the position's annual individual performance objectives.  LS&Co.'s Chief Operations

	Role(s) entitled to incentive	Performance indicator	Please explain
			Officer has the accountability and responsibility for achievement of our broader Sustainability strategy and targets, including our water goals.
Non-monetary reward	Please select	Please select	

## W6.5

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**(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

Yes, other

## W6.5a

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**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

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 2025 Water Action 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 water objectives, LS&Co.'s holds monthly cross-functional policy convening, 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 water.

## W6.6

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**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

No, and we have no plans to do so

## W7. Business strategy

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## W7.1

## (W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	21-30	LS&Co.'s sustainability strategy is aligned with the Water Resilience Coalition's 2050 commitments. These commitments state that LS&Co. will achieve the following by 2050: 1) Net positive water impact: Achieve a measurable and net positive impact in water-stressed basins on availability, quality and accessibility through industry-leading water operations and basin initiatives; 2) Water-resilient value chain: Develop, implement, and enable strategies to support leading impact-based water resilience practices across the global value chain; and 3) Global leadership: Raise the global ambition of water resilience through public and corporate outreach. For each of these Coalition commitments LS&Co is working to implement recycling and reuse technology, investing in basin level projects with TNC in geographies critical to our value chain and communicating our ambitions and efforts on world water day and other relevant opportunities. These actions are reflected in our sustainability annual plan.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	LS&Co.'s sustainability product strategy has been influenced by water-related risks and opportunities. Our life cycle assessments (LCAs) highlighted the relative water intensity of cotton production and manufacturing. As a result of this information, we developed the Water<Less program, which significantly reduces water usage in production by removing water from stone washes or combining multiple wet cycle processes. Our Levi's® WellThread® line collection features fabric and the first-ever commercialized use of "cottonized hemp," which uses far less water and land to grow. A pair of jeans and a trucker jacket from our Levi's® WellThread® x Outerknown Spring/Summer collection, for example, are made with a 70/30 cotton-to-

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
			cottonized hemp blend. The hemp was sourced from a rain-fed hemp crop and thereby reduced the water used in fiber cultivation by roughly 30 percent.
Financial planning	Yes, water-related issues are integrated	11-15	LS&Co.'s sustainability operational planning has been influenced by water-related risks and opportunities, because we see an opportunity in reducing our operating costs through water efficiency measures as well as in enhancing our reputation and improving the resilience of our operations.

## W7.2

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**(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?**

### Row 1

#### Water-related CAPEX (+/- % change)

0

#### Anticipated forward trend for CAPEX (+/- % change)

0

#### Water-related OPEX (+/- % change)

60

#### Anticipated forward trend for OPEX (+/- % change)

200

#### Please explain

Water-related CAPEX remained the same between FY20 and FY21 and is anticipated to remain unchanged between FY21 and FY22. LS&Co. invests in water-related CAPEX as needed, but no additional fixed assets needed to be acquired or upgraded between FY20 and FY21.

Water-related OPEX increased 60% between FY20 and FY21 and is anticipated to approximately double between FY21 and FY22. LS&Co participates in and implements a number of water stewardship programs requiring water-related operating expenditures, such as: Water Resilience Coalition membership, expanding the Water<Less® program, EIM measurement software licenses, on-site verifications according to our Recycle & Reuse program (for suppliers in Vietnam, India, Cambodia, and Mexico), consultant for CDP-Water Security, and TNC's Greater Cape Town Water Fund.

## W7.3

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**(W7.3) Does your organization use scenario analysis to inform its business strategy?**

	Use of scenario analysis	Comment
Row 1	Yes	

## W7.3a

**(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.**

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related	As part of our FY 21 direct operations water risk assessment, we conducted a climate-related scenario analysis. Using the WRI Aqueduct tool, we evaluated changes in future water stress in 2030 and 2040 assuming a business-as-usual scenario, SSP2 RCP 8.5, defined by Aqueduct as a world with stable economic development and steadily rising global carbon emissions, with CO2 concentrations reaching ~1370 ppm by 2100 and global mean temperatures increasing by 2.6–4.8°C relative to 1986–2005 levels.	For FY21, we found that in 2030 and 2040 scenarios, our percentage of direct operations located in water-stressed areas, defined as “High” or “Extremely High” water stress, increased from 45% in 2021 to 59% in 2030 and 60% in 2040. Corresponding water withdrawals from water-stressed areas increased from 24% in FY21 to 33% and 32%, respectively, in 2030 and 2040. It should be noted that these are near and long-term forecasts with a high degree of uncertainty.	As part of our sustainability strategy, utilizing the result of the FY 21 2030 and 2040 scenario analysis, we will now expand our list of direct operations facilities that are exposed to high water-stress. By classifying this facility with an ‘at risk’ ranking, we will consider amending our 2025 Water Action Plan to include this facility along with associated contextual based water targets. We anticipate making this change over the next fiscal year to our sustainability operational work.

## W7.4

**(W7.4) Does your company use an internal price on water?****Row 1****Does your company use an internal price on water?**

No, and we do not anticipate doing so within the next two years

**Please explain**

LS&Co recognizes that water is drastically undervalued. The price of water does not accurately reflect the actual total cost of services, including, but not limited to, costs related to extraction, transport, supply and sanitation services, treatment, electrical energy, natural gas, discharge, regulatory permits and compliance, and maintenance. Furthermore, complexities of pricing water increase when accounting for the environmental and socio-cultural values of water. Although recognizing the true value of water will help to make better decisions about how we protect, share, and use it, LS&Co does not anticipate using an internal price on water within the next two years.

**W7.5****(W7.5) Do you classify any of your current products and/or services as low water impact?**

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	Water<Less® is our flagship water stewardship program that was launched in 2011 to maximize water efficiency in apparel production. All products made utilizing Water<Less® technical innovations are labeled as Water<Less® products.	<Not Applicable>	

**W8. Targets****W8.1****(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.**

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Site/facility specific targets and/or goals Basin specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	<p>Because water stress is intensifying disproportionately in various regions of the world, it is becoming increasingly clear that saving a liter of water where water is plentiful is not as critical as saving a liter of water where water is scarce. As such, we are committed to addressing water use in the context of where that water use occurs. To do this, we use respected publicly available tools and datasets, such as WRI's Aqueduct Water Risk Atlas, that help us understand where water stress is greatest for our direct operations and Tier 1 and Tier suppliers (~1,700 facilities). Using this data, we categorize all facilities into areas of low, medium, and high-water stress. Facilities in low and medium stress areas receive progressive water efficiency targets, and facilities in areas of high-water stress are assigned aggressive, absolute water targets. Starting in 2021, we began qualifying our Water&lt;Less® program at the facility level. This means that mills and factories that meet the targets we issue, which varies depending on the amount of water stress, qualify as Water&lt;Less®, as do all the fabric or products coming from these facilities. Our existing Water&lt;Less® techniques, our Recycle and Reuse Standard and the PaCT partnership will remain as pillars of our new water strategy and will serve as key tools for facilities to meet their targets. Moving to this new contextual, outcome-oriented approach connects our progress on Water&lt;Less® to real improvements for watersheds.</p> <p>All contextual targets roll up into two goals with a 2025 timeframe: 1) Reducing our water use in manufacturing by 50% against a 2018 baseline in areas of high-water stress; and 2) Ensuring all key mills and factories, which represent 80% of production volume, will meet their geographically contextual Water&lt;Less® targets.</p> <p>Progress towards these goals and targets is monitored using performance data, which we require to be verified by Higg FEM (exceptions on requirements during COVID-19 pandemic). We also encourage our suppliers to use the Jeanologia Environmental Impact Measurement to determine if their products are meeting environmental performance standards. We also commonly set intermediate goals to help</p>

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
			keep track of the progress that is being made towards the final targets and goals.

## W8.1a

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### (W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

#### Target reference number

Target 1

#### Category of target

Water withdrawals

#### Level

Company-wide

#### Primary motivation

Increase freshwater availability for users/natural environment within the basin

#### Description of target

Reducing our water use in manufacturing by 50 percent against a 2018 baseline in areas of high-water stress.

#### Quantitative metric

% reduction in total water withdrawals

#### Baseline year

2018

#### Start year

2019

#### Target year

2025

#### % of target achieved

44

#### Please explain

We are 44% towards our 2025 target of reducing our water use in manufacturing by 50% against a 2018 baseline as of FY 2021.

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#### Target reference number

Target 2

#### Category of target

Supplier engagement

**Level**

Company-wide

**Primary motivation**

Recommended sector best practice

**Description of target**

Ensuring all key mills and factories, which represent 80 percent of production volume, will meet their geographically contextual Water&lt;Less® targets.

**Quantitative metric**

% increase in proportion of suppliers engaged

**Baseline year**

2018

**Start year**

2019

**Target year**

2025

**% of target achieved**

16

**Please explain**

We are 16% towards our 2025 target of ensuring all of our key mills and factories will meet their geographically contextual Water<Less® targets as of FY 2021. In support of the targets we will continue to pursue installations of recycling and reuse technology, sharing R&D that reduces water usage needed to product garments and fabrics and where appropriate working with IFC to provide financing mechanisms for water efficiency technologies.

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**W8.1b**

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**(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.****Goal**

Other, please specify (To ultimately use only as much water as replenishes naturally wherever we operate.)

**Level**

Company-wide

**Motivation**

Water stewardship

**Description of goal**

We have a 2025 target of reducing our water use in manufacturing by 50% against a 2018 baseline. Additionally, by 2025 we are aiming for 100% of our key mills and key suppliers to meet their geographically contextual Water<Less targets. Our ultimate vision is to use only as much water as replenishes naturally, wherever we operate. To this end, we are changing how we define successful water stewardship in manufacturing. Since 2011, we have delivered on targets that prioritize the application of Water<Less® finishing techniques and the use of recycled water wherever possible. Our peers have forged similar approaches, driving water efficiency improvements across the apparel supply chain. Now that we've successfully scaled Water<Less®, it's time to scale its impact.

**Baseline year**

2018

**Start year**

2019

**End year**

2025

**Progress**

We are currently 44% towards our 2025 target of reducing our water use in manufacturing against a 2018 baseline, and we are 16% towards our 2025 target of ensuring all our key mills and factories will meet their geographically contextual Water<Less® targets as of FY 2021.

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**W9. Verification**

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**W9.1**

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**(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?**

No, but we are actively considering verifying within the next two years

**W10. Sign off**

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**W-FI**

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**(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

**W10.1**

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**(W10.1) Provide details for the person that has signed off (approved) your CDP water response.**



	Job title	Corresponding job category
Row 1	Chief Financial Officer	Chief Financial Officer (CFO)

## W10.2

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**(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].**

Yes